

REAL PROPERTY CONTRACT

THIS AGREEMENT made and entered into this 1st day of December, 1990 by and between CHESTER H. HAMAKER and MARIE K. HAMAKER, hereinafter called the Vendors and Grantors, and ROBERT J. HALVORSEN and LOIS E. HALVORSEN, hereinafter called the Vendees and Grantees.

WITNESSETH:

Vendors agree to sell to the Vendees and the Vendees agree to buy from the Vendors all of the following described property situated in Klamath County, State of Oregon, to-wit:

The West 33.50 feet of Lot 790 in Block 106 of MILLS ADDITION to the City of Klamath Falls, Klamath County, Oregon.
Subject to reservations, restrictions, easements and rights of way of record and those apparent on the land also subject to that certain improvement lien in favor of the City of Klamath Falls, Oregon in the amount of \$245.72 which Vendors agree to pay before the same becomes delinquent; and also subject to the as is condition of the property.

at and for a price of \$15,000.00, payable as follows to-wit: \$15,000.00 with interest at the rate of 10.0% per annum from December 1, 1990, payable in monthly installments of not less than \$200.00 per month, the first installment to be paid on the 15th day of December, 1990, and a further installment on the 15th day of every month thereafter until the full balance and interest are paid. Vendors shall pay the annual property taxes and fire insurance and said costs shall be added to the principal balance of the contract. In the event the above described property is sold, agreed to be sold, conveyed, assigned or alienated by the Vendees, the entire remaining principal balance and accrued interest shall become immediately due and payable. Vendors will provide a policy of Title Insurance to Vendees within a reasonable time after the principal and interest have been paid in full. All payments shall be applied first to accrued interest and then to principal.

Vendees agree to make said payments promptly on the dates above named to the order of the Vendor, at Klamath First Federal Savings & Loan, 540 Main Street, Klamath Falls, Oregon 97601; to keep said property at all times in as good condition as the same now are, that no improvement, now on or which may hereafter be placed on said property shall be removed or destroyed before the entire purchase price has been paid and that said property will be kept insured in companies approved by Vendors against loss or damage by fire in a sum not less than the full insurable value of the property with loss payable to the parties as their respective interests may appear, said policy or policies of insurance to be held by Vendor; that Vendees shall pay regularly and seasonably and before the same shall become subject to interest charges, all taxes, assessments, liens and incumbrances of whatsoever nature and kind, except those which the Vendors have agreed to pay above. Vendees agree not to suffer or permit any part of said property to become subject to any taxes, assessments, liens, charges, or incumbrances

whatsoever having precedence over rights of the Vendors in and to said property. Vendees shall be entitled to the possession of said property immediately.

Vendors will on the execution hereof make and execute in favor of Vendees a good and sufficient warranty deed conveying a fee simple title to said property free and clear as of this date of all incumbrances whatsoever, except those referred to above, and will promptly deliver said deed the above said Escrow Agent to be delivered to Vendees upon full payment of the principal balance and interest as provided above.

In the event Vendees shall fail to make the payments aforesaid, or any of them, punctually and upon the strict terms and at the times above specified, or fail to keep any of the other terms or conditions of this agreement, time of payment and strict performance being declared to be the essence of this agreement, then Vendors shall have the following rights: (1) To foreclose this contract by strict foreclosure in equity; (2) To declare the full unpaid balance immediately due and payable; (3) To specifically enforce the terms of the agreement by suit in equity; (4) To declare a forfeiture of this Contract as provided by law, said rights being cumulative and not exclusive.

Should Vendees, while in default, permit the premises to become vacant, Vendors may take possession of same for the purpose of protecting and preserving the property and her security interest therein, and in the event possession is so taken by Vendors, they shall not be deemed to have waived their right to exercise the foregoing rights.

In the event suit or action is instituted to foreclose or to enforce any of the provisions hereof, the prevailing party in such suit or action shall be entitled to receive from the other party his costs which shall include the reasonable cost of title report and title search and such sums as the trial court and or appellate court, if on appeal is taken, may adjudge reasonable as attorney's fees to be allowed the prevailing party in said suit or action and or appeal, if an appeal is taken.

Vendees further agree that failure by Vendors at any time to require performance by Vendees of any provision hereof shall in no way affect Vendors' rights hereunder to enforce the same, nor shall any waiver by Vendors of such breach of any provision hereof be held to be a waiver of any succeeding breach of any such provision, or as a waiver of the provision itself.

In construing this contract, it is understood that Vendors or the Vendees may be more than one person; that if the context so requires the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine, and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

This Agreement shall bind and inure to the benefit of, as the circumstances may require, the parties hereto and their respective heirs, executors, administrators and assigns.

This Instrument does not guarantee that any particular use may be made of the property described in this instrument. A Buyer should check with the appropriate City or County Planning Department to verify approved uses.

Witness the hands of the parties the day and year first herein written.

Chester H. Hamaker
Chester H. Hamaker

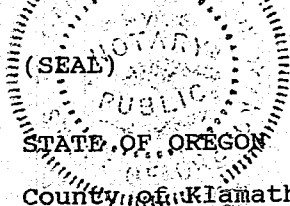
Robert J. Halvorsen
Robert J. Halvorsen

Marie K. Hamaker
Marie K. Hamaker

Lois E. Halvorsen
Lois E. Halvorsen

STATE OF OREGON)
) SS
County of Klamath)

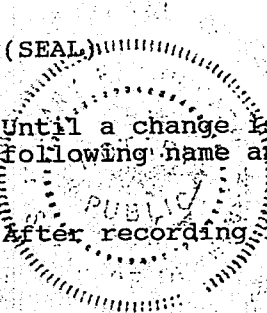
Personally appeared the above named Chester H. Hamaker and Marie K. Hamaker, and acknowledged the foregoing instrument to be their voluntary act and deed. Before Me: 1-5-91



Mary E. Woodard
Notary Public for Oregon
COMMISSION EXPIRES: 12-1-91

STATE OF OREGON)
) SS
County of Klamath)

Personally appeared the above named Robert J. Halvorsen and Lois E. Halvorsen, and acknowledged the foregoing instrument to be their voluntary act and deed. Before Me: 1-4-91



Mary E. Woodard
Notary Public for Oregon
COMMISSION EXPIRES: 12-1-91

Until a change is requested, all tax statements shall be sent to the following name and address: Robert J. Halvorsen and Lois E. Halvorsen

After recording, return to: William M. Ganong
Attorney at Law
292 Main Street
Klamath Falls, OR 97601

Klamath Falls Federal
6th & Main
Klamath Falls OR
97601

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STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Chester H. Hamaker the 14th day
of Jan. A.D., 19 91 at 2:18 o'clock P M., and duly recorded in Vol. M91
of Deeds on Page 915

FEE \$38.00

Evelyn Biehn, County Clerk

By Dorlene Mendenhall