

WHEN RECORDED RETURN TO:



18183 S.W. BOONES FERRY ROAD
PORTLAND, OREGON 97224
(503) 620-1104

FOR USE IN THE STATE OF OREGON
RETAIL INSTALLMENT SALES CONTRACT AND MORTGAGE
THE PACESETTER CORPORATION
d/b/a PACESETTER PRODUCTS, INC.
(THE SELLER/CREDITOR)

"CONSUMER PAPER"

TO BE RECORDED IN REAL ESTATE RECORDS

SALES CONTRACT NO. 10867

Vol. 92 Page 21152

Sold To MILDRED C LUFT & ALEXANDER LUFT
(FULL LEGAL NAME OF ALL BUYERS)

Date Of This Contract 8-11-92
Zip 97603 Telephone No. 884-6061

"Address" 4008 DELEWARE City KLAMATH FALLS State OR
In this Contract the words I, me, and my refer to the Buyer and/or Co-Buyer. The words you and your refer to the Seller and/or a bank or other financial institution if it buys this contract. If it does, I will make my payments to it. Under the Mortgage statutes, I am also known as the "Mortgagor," and you are referred to as the "Mortgagee". I understand that if more than one "Buyer" signs below that each will be responsible for all promises made and for paying the obligation(s) in full; you may collect against one or any. This contract covers my purchase of products manufactured and/or distributed and installed by The Pacesetter Corporation. You have quoted me a Cash Price and a Total Sale Price. The Total Sale Price is the total cost of the products and services if I buy on credit. I now choose to buy, and you agree to sell, pursuant to the terms of this contract, the products and services described below. I also agree to all of the other terms on both sides of this contract. Only products manufactured by The Pacesetter Corporation are covered by the 10 year Limited Warranty. No exterior or interior trim, painting or staining, will be provided unless specified in this Contract.

SEE ADD. #01

LEGAL DESCRIPTION: The above described goods and services are to be installed and placed upon the "Address" designated above, and the legal description for such "Address" is: SEE ADD. #01

I hereby direct you to obtain and insert the legal description at a later date, if said legal description is not available at the time this contract is signed by me.

SUMMARY OF SALE: Base cash price \$ 3100 + tax 0 + additional warranty/service coverage 0 = \$ 3100
Total cash price \$ 3100 - Cash [total] down payment \$ 0 = Unpaid balance of \$ 3100

ITEMIZATION OF THE AMOUNT FINANCED OF \$ 3200:

\$ 3100 Amount credited to this contract (Same amount as the "Unpaid Balance.")
\$ 0 Amount paid on net balance from prior contract with you.
Amount(s) paid to others on my behalf:
\$ Item 1 to insurance company for Credit Life insurance
\$ Item 2 to insurance company for Accident and Health insurance
\$ Item 3 to insurance company for Property Damage insurance
\$ 25.00 to public officials for filing/recording fees
\$ 75.00 to (Specify) TITLE SEARCH

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	Total Sale Price
The cost of my credit as a yearly rate. <u>17.5</u> %	The dollar amount the credit will cost me. \$ <u>1623.40</u>	The amount of credit provided to me or on my behalf. \$ <u>3200</u>	The amount I will have paid after I have made all payments as scheduled. \$ <u>4823.40</u>	The total cost of my purchase on credit, including my down payment of \$ <u>0</u> \$ <u>4823.40</u>

My payment schedule will be:

Number of Payments	Amount of Payments	When Payments are Due
1st Payment	\$ <u>80.39</u>	<u>30 Days After Installment</u>
<u>59</u>	\$ <u>80.39</u>	All subsequent installments on the same day of each consecutive month until paid in full.

INSURANCE
Credit life insurance and credit disability insurance are NOT required to obtain credit, and will not be provided unless I sign and agree to pay the additional cost.

Type	Premium	Term	Signature
Credit Life	\$ <u>Item 4</u>	<u>Item 5</u>	I want credit life insurance. Signature - Buyer <u>Item 6</u> Signature - Co-Buyer <u>Item 7</u>
Credit Accident & Health	\$ <u>Item 8</u>	<u>Item 9</u>	I want credit accident and health insurance. Signature - Buyer <u>Item 10</u>

Property insurance is required, and I may obtain such insurance from anyone I want who is acceptable to you or I may provide it through an existing policy. If I obtain this insurance through you, I will pay \$ Item 11 for Item 12 months of coverage.

Security: I am giving a security interest in:
1. the goods, services and property being purchased, and
2. my real estate and improvements, including my house, all at my "Address" designated above.

Filing/Recording fees \$ 25.00

Late Charge: If a payment is more than fifteen (15) days late, I will be charged \$5.00 or 5% of the late payments, whichever is greater.

Prepayment: If I pay off early, I will not have to pay a penalty.

I will review other portions of this contract for additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

e means an estimate.

MORTGAGE: I hereby grant, bargain, sell, convey and mortgage to you, as Mortgagee, my real estate and house located at my "Address" designated on the top portion of this contract, and legally described above as security for all amounts due to you under this Retail Installment Sales Contract and Mortgage, as security for the performance by me of all of my other obligations hereunder. I hereby waive any and all rights that I may have pursuant to Oregon Rev. Stat Section 88.040, commonly referred to as the "One Form of Action Rule". You may take action against me, and with respect to any and all security that I give you under this agreement, in any order or simultaneously as you deem prudent.

I promise to pay you all that I owe you under this contract, including all applicable interest, from the date of execution hereof until paid, whether before or after judgment or default, at the above disclosed annual percentage rate, according to the payment schedule disclosed above.

REVERSE SIDE: I UNDERSTAND THAT THE ADDITIONAL TERMS AND PROVISIONS PRINTED ON THE REVERSE SIDE OF THIS INSTALLMENT SALES CONTRACT ARE A PART OF THIS INSTALLMENT SALES CONTRACT AND THAT I AM BOUND BY THEM IN THE SAME MANNER AS IF THEY WERE PRINTED ON THE FRONT OF THIS VERY INSTALLMENT SALES CONTRACT. NOTICE: PROVISIONS PRINTED ON REVERSE SIDE COMPRISE ADDITIONAL TERMS LIMITING SELLER'S WARRANTY OBLIGATION.

NOTICE TO BUYER

1. I do not have to sign this contract before I read it or if any of the spaces intended for the agreed terms to the extent of then available information are left blank. 2. I am entitled to a copy of this contract at the time I sign it. 3. It shall not be legal for you to enter my premises unlawfully or commit any breach of the peace to repossess goods purchased under this contract. 4. Due to the uniqueness of some of the products that you sell, I understand that in special situations your regional office may have to review and accept this contract prior to your becoming bound by it.

BUYER'S RIGHT TO CANCEL

IF THIS AGREEMENT WAS SOLICITED AT A RESIDENCE OTHER THAN THAT OF THE SELLER AND I DO NOT WANT THE GOODS OR SERVICES, I MAY CANCEL THIS AGREEMENT WITHOUT ANY PENALTY, CANCELLATION FEE OR OTHER FINANCIAL OBLIGATION BY MAILING A NOTICE TO THE SELLER. THE NOTICE MUST SAY THAT I DO NOT WANT THE GOODS OR SERVICES AND MUST BE MAILED BEFORE 12 MIDNIGHT OF THE THIRD BUSINESS DAY AFTER I SIGN THIS AGREEMENT. THE NOTICE MUST BE MAILED TO: THE PACESETTER CORPORATION AT 18183 S.W. BOONES FERRY ROAD, PORTLAND, OREGON, 97224. HOWEVER, I MAY NOT CANCEL IF I HAVE REQUESTED THE SELLER TO PROVIDE GOODS OR SERVICES WITHOUT DELAY BECAUSE OF AN EMERGENCY, AND (1) THE SELLER IN GOOD FAITH MAKES A SUBSTANTIAL BEGINNING OF PERFORMANCE OF THE CONTRACT BEFORE I GIVE NOTICE OF CANCELLATION, AND (2) IN THE CASE OF GOODS, THE GOODS CANNOT BE RETURNED TO THE SELLER IN SUBSTANTIALLY AS GOOD CONDITION AS RECEIVED BY THE BUYER.

COPY RECEIVED: I acknowledge receipt of a completely filled in copy of this contract along with two (2) copies of the Notice of Right to Cancel Form.

ACKNOWLEDGMENT: The foregoing owner acknowledged to me that he, she or they signed this contract on this 11 day of 1992 at (city) KLAMATH FALLS, State of Oregon

THE PACESETTER CORPORATION
d/b/a PACESETTER PRODUCTS, INC. (SELLER - MORTGAGEE)

By: Robert E. Samson (FACTORY REPRESENTATIVE)
State of Oregon KLAMATH ss.
County of KLAMATH
The foregoing instrument was acknowledged before me on this 17 day of AUGUST, 19 92, by the above designated Buyer(s) - Mortgageor(s).
John C. Judy - Oregon Notary

NOTICE: THE SELLER INTENDS TO SELL THIS CONTRACT TO FEDERAL DIVERSIFIED SERVICES, 4405 S. 96 STREET, OMAHA, NEBRASKA, 68127 WHICH, IF IT BUYS THE CONTRACT, WILL BECOME THE OWNER OF THE CONTRACT AND MY CREDITOR. AFTER THE SALE OF THIS CONTRACT, ALL QUESTIONS CONCERNING EITHER TERMS OF THE CONTRACT OR PAYMENTS SHALL BE DIRECTED TO THE BUYER OF THE CONTRACT AT THE ADDRESS INDICATED ABOVE.
By: Mildred C Luft BUYER - MORTGAGOR
By: Alexander Luft CO-BUYER - MORTGAGOR
For value received, X
(non-buyer) grants a security interest in the goods, services and property being purchased and a mortgage of the real estate and house designated above, but is not liable for payment of the obligation.
Notary Public JOHN C. JUDY
Address 2006 NE 15TH
My commission expires: NOV. 13, 1995

SM-101-OR-A/HI
CONFIDENTIAL ONLY

ORIGINAL FINANCIAL INSTITUTION

ADDITIONAL TERMS

PREPAYMENT AND ACCRUAL OF THE FINANCE CHARGE: Even though I do not have to pay more than the regular scheduled monthly payment, I have the right to prepay the whole amount owing to you in full at any time or in part from time to time. I understand that the finance charge (interest) is compounded daily. The amounts shown on the reverse side for the Finance Charge, Total of Payments, and the Total Sale Price are estimates based on the assumption that you will receive each of the payments exactly on its due date. If I make an early payment, my finance charge will be less. If I pay late my finance charge will be higher. Any necessary adjustment to my total finance charge will be reflected in my final bill. I may voluntarily prepay the amount I owe you, in full or in part, at any time. If I make a partial prepayment, I must continue to make my regular payments until I have paid all amounts owed.

IMPORTANT NOTICE ABOUT WARRANTIES: (a) SELLER HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ON ALL GOODS AND SERVICES UNLESS SELLER FURNISHES BUYER WITH A SEPARATE WRITTEN LIMITED WARRANTY OR SERVICE CONTRACT MADE BY SELLER ON ITS OWN BEHALF. (b) I have read, in detail, the separate "LIMITED WARRANTY" which accompanies this contract. It explains the conditions and circumstances in which this limited warranty will be replaced, repaired, renewed, or do not apply to the limited warranty. I particularly recognize that any implied warranty which applies to this contract, including any implied warranty of merchantability, shall be limited to my rights and remedies under the express 10 year LIMITED service contract. I take notice of the limitations on the warranty, and I particularly recognize that any implied warranty which applies to this contract, including any implied warranty of merchantability, shall be limited to my rights and remedies under the express 10 year LIMITED service contract. If I make, accompany this contract. It explains the conditions and circumstances in which this limited warranty will be replaced, repaired, renewed, or do not apply to the limited warranty. I particularly recognize that any implied warranty which applies to this contract, including any implied warranty of merchantability, shall be limited to my rights and remedies under the express 10 year LIMITED service contract.

WARRANTY you extend to me at the time I sign this contract. My exclusive remedy (including damages, limited warranty: any sole and exclusive remedy) shall be in lieu of all other rights or remedies, at law or in equity, where permitted by applicable state law.

ALL MANUFACTURED WINDOW PRODUCTS ARE NOT GUARANTEED AGAINST CONDENSATION, MOISTURE FORMATION OR FROST. BUYER, READ THE SEPARATE "10 YEAR LIMITED WARRANTY" WHICH IS A SEPARATE WRITTEN INSTRUMENT PERTAINING SOLELY TO MANUFACTURED PRODUCTS OF THE PACSETTER CORPORATION AND WHICH "LIMITED WARRANTY" HAS BEEN DELIVERED TO EACH RESPECTIVE BUYER IN CONNECTION WITH THIS SALE. PACSETTERS CORPORATION DO NOT APPLY TO SILING

10 YEAR LIMITED WARRANTY AND THE FOREGOING PROVISIONS REGARDING CONSENTATION DO NOT APPLY TO SINKING. FURTHER, THE PACESSETER CORPORATION MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND OR NATURE WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE ENERGY SAVINGS I COULD OR MAY ACHIEVE BY USE OF THE PRODUCT(S). I UNDERSTAND THAT ANY ENERGY SAVINGS I MAY ACHIEVE IS DEPENDANT UPON A NUMBER OF FACTORS, INCLUDING, BUT NOT LIMITED TO, THE TYPE, QUANTITY AND QUALITY OF INSULATION IN MY HOME, THE PARTICULAR SIZE AND STYLE OF MY HOME, THE TYPE OF QUALITY OF CONSTRUCTION OF MY HOME, MY PARTICULAR LIFE STYLE, THE NUMBER OF OPERATING IN MY HOME, PROPER MONITORING OF THERMOSTAT SETTINGS, CLIMATIC CONDITIONS AND LOCATION OF MY HOME, AND EVEN THE TYPE OF ENERGY CONSUMED FOR HEATING AND AIR CONDITIONING PURPOSES.

SPECIAL-ORDER GOODS: I know that you have measured my house and its openings so that you can make the products to fit my particular house and that all goods probably will not fit any other houses, so I know that I cannot cancel this contract at any time after the period of time given to me by law in which to cancel. After the

COMPLETION OF THE FINANCE CHARGE: The finance charge (interest) is estimated to start within 30 days of the date of this correspondence and will begin to run on the date that I sign the Completion Certificate. The amount of finance charge (interest) may be one or more months or less than the amount disclosed depending on the amount I pay you and my timeliness in making payment. The amount of finance charge (interest) is required to understand that

OBLIGATIONS PERTAINING TO PROPERTY DAMAGE INSURANCE AND MY REAL ESTATE: I authorize the insurance company to pay you directly for any loss and you agree to accept such payment as full satisfaction of my claim. I understand that the insurance company must agree that it will choose to use this insurance payment to either repay any amounts I owe you or to repair my house. I also understand that the insurance company may decide to

[illegible]

Percentage Rate

IF I AM IN DEFAULT: I understand that you have the right to foreclose the mortgage I have given you and have my house sold to pay off my loan. If you hire an attorney to assist you to sell my house, or to sue me, or to protect my rights, I agree to pay you for your reasonable attorney's fees and for other related expenses such as court costs, title searches and money.

COLLECTION COSTS: I am in default of this contract and you demand payment of my debt. I understand that you may send it to an attorney for collection and enforcement expanded to protect my house. If you are in default of this contract and you demand payment of my debt, I understand that you may send it to an attorney for collection and enforcement so as to pay your reasonable attorney fees and court costs and expenses incurred by you. That is, if you are allowed to collect such amounts by law. I agree to pay your reasonable attorney fees and court costs and expenses incurred by you. Or, you can delay enforcing any of your debt without losing them. If you can delay enforcing any of your debt without losing them, I agree to pay your reasonable attorney fees and court costs and expenses incurred by you.

OTHER RIGHTS: You can choose not to enforce any of the rights under this contract as often as you want without losing them. You can also use any rights now or in the future given to you by law.

DELIVERED BY AIRCRAFT. DELAYS THAT ARE CAUSED BY STRIKES, WEATHER CONDITIONS, DELAYS YOU HAVE IN OBTAINING MATERIALS, OR FOR OTHER REASONS MAY BE THE CAUSE OF DELAYS THAT ARE NOT BE LIABLE FOR SUCH DELAYS.

NO salvage value: If any part of the contract will still be valid, then the contract will still be valid. If any part of the contract will still be valid, then the contract will still be valid.

INVALID PROVISIONS: If any provision of this contract violates the law or is otherwise unenforceable, it shall be removed and the contract shall remain in full force and effect. The law allows you to collect contract requires payment of more interest than the law permits, then you will only have the right to collect from me the amount of interest which the law allows you to collect.

ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE CREDITOR OR ITS SUCCESSORS OR ASSIGNS MAY HAVE AGAINST THE ORIGINAL BORROWER AT THE TIME THIS CONTRACT IS HEREBY ENTERED INTO.

DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREON. RECOVERY HEREUNDER BY THE DEBTOR HEREUNDER

INSURANCE CANCELLATION: If I have requested insurance in this purchase, I may cancel such request for insurance for any reason within fifteen (15) days of the date of this contract by notifying you or the holder of this contract in writing. I know that the cancellation of my coverage will be arranged with the insurance carrier. My premium(s) together with applicable finance charges will be credited to this contract.

PLEASE NOTE: If I have requested insurance in this purchase, I will receive within thirty (30) days a certificate of insurance more fully describing and insuring me and my property, as well as a list of my preferred agents. I know that if there is any conflict in the coverage or the language of the certificate of insurance and the following Notice of Proposed Insurance, I also know that I have insurance coverage only if I have been charged for it.

NOTICE OF PROPOSED INSURANCE

[illegible]

Retail Installment Sales Contract and Mortgage, the insurance required to repay the Total of Payments thereon, will be payable by the Retail Installment Sales Contract and Mortgage with a Co-Owner, and we have both signed the request for Credit Life Insurance, death benefits will be payable to the first one of us to die. Subject to exclusions, eliminations, or waiting period stated in the insurance policy or certificate, Credit Accident and Sickness Insurance, we will pay monthly premiums while I owe any payment on the first one of us to die. Subject to exclusions, eliminations, or waiting period stated in the insurance policy or certificate, Credit Accident and Sickness Insurance, we will pay monthly premiums while I owe any payment on the first one of us to die. Subject to exclusions, eliminations, or waiting period stated in the insurance policy or certificate, Credit Accident and Sickness Insurance, we will pay monthly premiums while I owe any payment on the first one of us to die.

Insurance is for the benefit of each person's family and not for the benefit of the insurance company. I understand that I have to pay for my own disability for more than fourteen (14) consecutive days before the insurance policy is paid back to the first day of my total disability. I also know that I cannot obtain any insurance from you if I am over 65 years of age today, and I also know that I cannot obtain any insurance from you if I am over 65 years of age today, the entire amount that I owe you. Discontinued coverage will still have to be paid by me.

Insurance coverage: Insurance coverage will be provided by the insurance company named in the policy. The maximum amount of coverage stated in the insurance policy, I know that any unpaid amount in excess of my insurance coverage will be refunded to me in the event of a claim.



Addendum Number # 01 21154
Date 8-11-92

ADDENDUM TO SALES CONTRACT

Local Office Address:

18183 S.W. BOONES FERRY RD.
City PORTLAND State OR Zip 97224

Buyer MILDRED & ALEXANDER LUFT.
Address 4008-DELEWARE
City KLAMATH FALLS State OR Zip 97603
dated 8-11-92

Original Sales Contract Number 10867

Buyer agrees to purchase the following described goods and services which are to be furnished as a part of the Contract referred to above. OR, Buyer requests that Seller make the following changes in such contract, previously executed by the parties hereto, subject to all the terms and conditions contained therein, except as otherwise stated herein:

Pacesetter agrees to ship, deliver & custom build to the above address as follows:

① Replace & or repair all rotted wood as deemed necessary for proper installation.

② Install D-5 horizontal vinyl-coated alloy siding to North side of home (FRONT)

③ Color to be PLATINUM GREY for siding, all T channel for window & door trim to be white. ENSLER DOOR

④ Install insulating board under siding to North side of home.

⑤ Site to be cleaned & prepped of all job related debris.

⑥ Work to be done as scheduled by Pacesetter.

⑦ Included are manufactures 40 yr. non pro-rated transferable warranty & Pacesetter's 1-yr. workmanship warranty.

⑧ All prices are final.

Special Instructions:

Front porch entry way to be sided

LEGAL DESCRIPTION: Townsend Tracts, Lot 24 & East 5'36, Klamath County, Oregon.

Additional Restriction on Terms of Warranty:

NOTICE
TO
THE
BUYER

1. DO NOT SIGN THIS ADDENDUM BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES.
2. YOU ARE ENTITLED TO AN EXACT COPY OF THE ADDENDUM YOU SIGN, COMPLETELY SIGNED.
3. EACH OF THE UNDERSIGNED BUYER(S) ACKNOWLEDGES THAT SUCH BUYER RECEIVED AT THE TIME OF THE EXECUTION OF THIS ADDENDUM AN EXACT COPY HEREOF COMPLETELY FILLED IN.

THE PACESETTER CORPORATION
PACESETTER PRODUCTS, INC./P.P.I., INC.
PSTR-PPI, INC.

By Alfred E. Larson 8-11-92 Date

Signed Mildred C. Luft
BUYER 8-11-92 Date

Signed Alexander Luft
CO-BUYER 8-11-92 Date

51154

01

Addendum Number

8-11-92

21154-A

ADDENDUM TO SALES CONTRACT

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Pacesetter corp the 16th day of September A.D. 1992 at 2:21 o'clock P.M., and duly recorded in Vol. M92 of Mortgages on Page 21152 Evelyn Biehn County Clerk By Bernetha A. Hetch

FEE \$25.00

Handwritten notes and signatures on lined paper, including a large signature at the bottom.

TO THE SIGN THIS ADDENDUM BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. YOU ARE ENTITLED TO AN EXACT COPY OF THE ADDENDUM YOU SIGN COMPLETELY SIGNED. A UNDESIGNED BUYER(S) ACKNOWLEDGES THAT SUCH BUYER RECEIVED AT THE TIME OF THE EXECUTION OF THIS ADDENDUM AN EXACT COPY HEREOF COMPLETELY SIGNED IN

THE PACESETTER CORPORATION
PACESSETTER PRODUCTS, INC.
21154-A

8-11-92
8-11-92
8-11-92