

THIS CONTRACT, made this 10th day of February, 1994, between  
 Michael B. Jager & Margaret H. Jager, as Trustees of the Jager Family trust Agreement dated  
 10-15-91 & Clark J. Kerion, a natural person,

hereinafter called the seller,  
 and Lucinda A. Russ, an individual, interest and Jane Townsend, an undivided 1/3 interest as tenants in  
 common,

WITNESSETH: That in consideration of the mutual covenants and agreements herein contained, the  
 seller agrees to sell unto the buyer and the buyer agrees to purchase from the seller all of the following de-  
 scribed lands and premises situated in Klamath County, State of Oregon, to-wit:

Tots 9, 10, 12 and 13 in Block 4 in Tract 1039.

for the sum of Seventeen Thousand Seven Hundred Seventy Five and no/100 (\$17,775.00),  
 (hereinafter called the purchase price), on account of which Eighteen Hundred and no/100  
 Dollars (\$1,800.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the  
 seller); the buyer agrees to pay the remainder of said purchase price (to-wit: \$15,975.00) to the order  
 of the seller in monthly payments of not less than One Hundred Fifty and no/100  
 Dollars (\$150.00) each,

payable on the 1st day of each month hereafter beginning with the month of May, 1994,  
 and continuing until said purchase price is fully paid. All of said purchase price may be paid at any time;  
 all deferred balances of said purchase price shall bear interest at the rate of 7 1/2 per cent per annum from  
 April 1, 1994 until paid, interest to be paid monthly, and \* being included in  
 the minimum monthly payments above required. Taxes on said premises for the current tax year shall be pro-  
 rated between the parties hereto as of the date of this contract.

The buyer warrants to and covenants with the seller that the real property described in this contract is  
 (A) primarily for buyer's personal, family, household or agricultural purposes,  
 (B) for an organization or (even if buyer is a natural person) it is for business or commercial purposes other than agricultural purposes.

The buyer shall be entitled to possession of said lands on April 1, 1994, and may retain such possession so long as  
 he is not in default under the terms of this contract. The buyer agrees that at all times he will keep the buildings on said premises, now or hereafter  
 erected, in good condition and repair and will not suffer or permit any waste or skip thereof; that he will keep said premises free from mechanic's  
 and all other liens and says the seller harmless therefrom and reimburses seller for all costs and attorney's fees incurred by him in defending against any  
 such liens; that he will pay all taxes hereafter levied against said property, as well as all water rents, public charges and municipal liens which here-  
 after lawfully may be imposed upon said premises, all promptly before the same or any part thereof become past due; that at buyer's expense, he will  
 insure and keep insured all buildings now or hereafter erected on said premises against loss or damage by fire (with extended coverage) in an amount  
 not less than \$100,000.

In a company or companies satisfactory to the seller, with loss payable first to the seller and then to the buyer as  
 their respective interests may appear and all policies of insurance to be delivered to the seller as soon as issued. Now if the buyer shall fail to pay any  
 such taxes, costs, water rents, rates, or charges or to procure and pay for such insurance, the seller may do so and any payment so made shall be added  
 to and become a part of the debt accrued by this contract and shall bear interest at the rate aforesaid, without waiver, however, of any right which  
 the seller has for buyer's breach of contract.

The seller agrees that at his expense and within 10 days from the date hereof, he will furnish unto buyer a title insurance policy in-  
 cluding (in an amount equal to said purchase price) marketable title in and to said premises in the seller on or subsequent to the date of this agreement,  
 save and except the usual printed exceptions and the building and other restrictions and easements now of record, if any. Seller also agrees that when  
 said purchase price is fully paid and upon surrender of this agreement, he will deliver a good and sufficient deed conveying said  
 premises in fee simple unto the buyer, his heirs and assigns, free and clear of encumbrances as of the date hereof and free and clear of all encumbrances  
 since said date placed, permitted or arising by, through or under seller, excepting, however, the said easements and restrictions and the taxes, municipal  
 liens, water rents and public charges so assumed by the buyer and further excepting all liens and encumbrances created by the buyer or his assigns.

And it is understood and agreed between said parties that time is of the essence of this contract, and in case the buyer shall fail to make the  
 payments above required, or any of them, punctually within ten days of the time limited therefor, or fail to keep any agreement herein contained, then  
 the seller at his option shall have the following rights: (1) to declare this contract null and void, (2) to decline the whole unpaid principal balance of  
 the purchase price with the interest thereon of one percent and payable and/or (3) to foreclose this contract by suit in equity and in any of such cases,  
 all rights and interest created or then existing in favor of the buyer or against the seller hereunder shall utterly cease and determine and the rights in the  
 possession of the premises above described and all other rights created by the buyer hereunder shall revert to and rest in the seller for without any act  
 of treasury, or any other act of said seller to be performed and without any right of the buyer to return, reclamation or compensation for money paid  
 or received by the purchase of said property as absolutely, fully and completely as if this contract and such payments had never been made; and in case  
 of such default all payments theretofore made on this contract are to be retained by and belong to said seller at the agreed and reasonable rent of said  
 premises up to the time of such default. And the said seller, in case of such default, shall have the right immediately, or at any time thereafter, to  
 enter upon the land aforesaid, without any process of law, and take immediate possession thereof, together with all the improvements and appurtenances  
 thereto or thereon belonging.

The buyer further agrees that failure by the seller at any time to comply performed by the buyer of any provision hereof shall in no way affect  
 his right hereunder to enforce the same, nor shall any waiver by said seller of any breach of any provision hereof be held to be a waiver of any non-  
 exceeding breach of any such provision, or as a waiver of the provision itself.

The true and actual consideration paid for this transfer, stated to form of dollars, is \$17,775.00 (otherwise, the actual amount  
 involved in this transaction includes other property as value given as provided in the consideration clause which follows).

In case suit or action is instituted to interpret this contract or to enforce any of the provisions hereof, the buyer agrees to pay such sums as the  
 court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit or action and if an appeal is taken from any judgment or decree  
 of the trial court, the buyer further promises to pay such sums as the appellate court may adjudge reasonable as plaintiff's attorney's fees on such  
 appeal.

In construing this contract, it is understood that the seller or the buyer 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 gender, and that generally all grammatical changes shall  
 be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOP, said parties have executed this instrument in duplicate; if either of the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal affixed hereto by its officers duly authorized thereunto by order of its board of directors.

PURCHASERS

Michael B. Jager, TSC Margaret H. Jager, TSC

LUCINDA A. RUSSELL

Clark J. Kerion

Jane Townsend

IMPORTANT NOTICE: Seller, by filing this Quitclaim Deed and Waiver of Mortgagor Statute (if it is not applicable), if currently in effect, the seller is a trustee of a trust, or both word it defined in the Uniform Trust Code for and Regulation Z, the seller MUST comply with the laws and regulations by making required disclosures for this purpose, see Statement Form No. 1206 or Uniform Disclosure of Credit Contract will become a part of the financing documents of a dwelling in which credit use Statement Form No. 1206 is filed.

(D) The amounts between the spaces  
 left (1) & (2) if not applicable, should be deleted; see Oregon Revised Statutes, Section 93.630, (Material acknowledge-  
 ment as trustee).

Lucinda A. Russ and Jane Townsend

PO BOX 1454 SISTERS, OR 97380

STATE OF OREGON: COUNTY OF KLAMATH

Filed for record at request of Clamath County Title Co. the 29th day  
 of March, A.D., 1994 at 10:55 a.m. and duly recorded in Vol. M94  
 of Deeds on Page 9103.

Fee \$30.00

Evelyn Slein County Clerk

By Debbie Mullendore

RECD BY KWN

KCIC

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