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Return To:  
AMERITITLE  
222 S. Sixth Street  
Klamath Falls, OR 97601

MTC 40240 KR  
LAND SALE CONTRACT

Vol. 1997 Page 1481

THIS CONTRACT is entered into by and between **MARION KIRKPATRICK and MERLE L. KIRKPATRICK, husband and wife** (hereinafter collectively referred to as "Seller"), and **CLARENCE MARION KIRKPATRICK, III and JANE E. KIRKPATRICK** (hereinafter collectively referred to as "Buyer").

IN CONSIDERATION OF the mutual promises, covenants and Contracts set forth herein, the Buyer and the Seller agree as follows:

1. Real Property. As used in this Contract, the phrase "Real Property" shall refer to the parcel of real property located in Klamath County, Oregon which is described as follows, together with all buildings, improvements and fixtures constructed and existing thereon:

Beginning at the Northwest corner of Government Lot 6 in Section 7 in Township 41 South of Range 12 East of the Willamette Meridian, Klamath County, Oregon, and running thence North along the East line of the Northwest quarter of the Southeast quarter, and the Southwest quarter of the Northeast quarter of said Section, 40 chains to the Northeast corner of the said Southwest quarter of Northeast quarter, thence West along the North line of said Southwest quarter of Northeast quarter and Southeast quarter of Northwest quarter, and Government Lot 2 of said Section, 43 chains to the Township line at the Northwest corner of said Government Lot 2; thence South along the Township line 40 chains; thence East 23 chains to the Northwest corner of Government Lot 5 of said section, and thence East along the said North line of said Government Lot 5 to the place of beginning, and including the Northwest quarter of the Southeast quarter, the Southwest quarter of the Northeast quarter, the Southeast quarter of the Northwest quarter, and Government Lot 2 of said Section, and parts of Government Lots 3 and 4 thereof, SAVING AND EXCEPTING those certain rights and easements conveyed to the United States of America, by deed recorded on page 511 of Volume 21, on page 605 of Volume 39, on page 191 of Volume 47 and on page 523 of Volume 116; Deed Records of Klamath County, Oregon.

2. Contract To Purchase And Sell Real Property. Subject to the terms of this Contract and the representations, warranties, covenants, conditions and promises contained herein, Seller agrees to sell to Buyer all of Seller's right, title and interest in and to the Real Property, and Buyer agrees to purchase the Real Property from Seller.

3. Purchase Price. Buyer shall pay to Seller as the aggregate purchase price for the Real Property the sum of One Hundred Thirty One Thousand Five Hundred Fifty And 34/100 Dollars (\$131,550.34). The \$131,550.34 purchase price shall be payable by Buyer as follows:

(a) Buyer shall pay to Sellers at Closing (i.e. on January 15, 1997) a down payment in the amount of Twenty Five Thousand And 00/100 Dollars (\$25,000.00).

(b) Buyer shall pay the \$106,550.34 deferred balance of the purchase price as follows:

(1) Interest shall accrue on the unpaid balance of the purchase price (as that unpaid balance changes from time to time) at the rate of ten percent (10%) per annum from the date of Closing until payment in full.

(2) Buyer shall pay the \$106,550.34 deferred portion of the purchase price, together with the interest accruing thereon, in thirteen equal annual installments of Fifteen Thousand Dollars (\$15,000.00) each, with the first installment being due and payable on January 15, 1998 and with subsequent installments being due and payable at one year intervals on January 15<sup>th</sup> of each calendar year until the entire sum of principal and interest has been paid in full. The entire balance of principal and interest then outstanding hereunder shall be due and payable in full on January 15, 2010.

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(3) Each payment made by Buyer with respect to the unpaid balance of the purchase price shall be applied first against any interest then accrued, with any excess amount being applied to reduce principal. Buyer shall have the right to prepay all or any portion of the unpaid principal balance at any time, without penalty or premium. Any prepayment shall be applied against the last maturing installments of principal then due hereunder (with the principal balance being reduced accordingly), and shall not excuse Buyer from making the regular installment payments subsequently due until the principal balance has been paid in full.

4. Title Report. Promptly after Closing, Seller shall furnish to Buyer, at Buyer's expense, a purchaser's policy of title insurance in the amount of \$131,550.34 showing title to the Real Property to be good and marketable, with the usual printed exceptions contained in such policies, and with the exceptions which are of record on the date of execution of this Contract by Buyer, and with no other exceptions. Prior to Closing Seller shall have received a commitment for issuance of the title insurance policy described above.

5. Closing Escrow. Promptly after execution of this Contract the parties shall establish a closing escrow account at AmeriTitle Title Insurance Company, of Klamath Falls, Oregon, (the "Closing Escrow Agent"). Buyer shall pay 100% of the closing escrow fees charged by the Closing Escrow Agent. The parties agree to execute whatever reasonable escrow instructions may be required by the Closing Escrow Agent. In the event of any conflict between those escrow instructions and this Contract, the terms of this Contract shall prevail, and nothing contained in the escrow instructions shall be deemed to change or modify the terms, provisions or conditions of this Contract unless the parties expressly so state in writing.

6. Satisfaction Of Buyer's Right And Obligation To Inspect, "AS IS" Conveyance. Buyer acknowledges that Buyer has had the obligation for its own benefit to examine and inspect the Real Property and has had a full and sufficient opportunity to complete all such examinations and inspections before executing this Contract. By executing this Contract, Buyer shall be deemed to have waived any inspection rights not already exercised, and Buyer hereby affirms that it is fully satisfied with each of the following matters: (i) any report prepared by any individual or entity retained by Buyer to examine and inspect the state of repair, condition, adequacy and suitability for any purpose of the buildings and improvements located on the subject property and their structural, mechanical, electrical, plumbing, heating and other components or services; (ii) any test reports concerning the quality and quantity of available domestic and/or irrigation water, or the condition and state of repair of water supply systems and sewage disposal systems; (iii) any applicable federal, state or local statutes, ordinances or regulations (including but not limited to zoning regulations and other land use regulations); (iv) any survey report; (v) any inspection for environmental contamination; (vi) any traffic study or feasibility study concerning any uses which Buyer intends to make of the subject property; (vii) any investigations concerning the potential availability to the subject property of telephone lines, gas lines, electricity lines, water lines, sanitary sewers, storm sewers and other utilities; (viii) the results of any soil tests, soil borings, engineering studies or wetland studies conducted with respect to the subject property; (ix) Buyer's ability to obtain any and all land use approvals, DEQ indirect source permits, and building permits which may be necessary in connection with the use of the subject property for Buyer's intended purposes; or (x) any valuation appraisal.

Buyer acknowledges that Buyer is executing this Contract and is purchasing the Real Property on the basis of Buyer's own examination and personal knowledge of the Real Property and Buyer's own opinion of the value thereof, and Seller has not made and is not making any direct or indirect representation as to the value, status, condition or state of repair of the Real Property. Buyer is accepting the Real Property in "AS IS" condition, including latent defects, if any, without any representations or warranties, either express or implied. Without limiting the generality of the preceding sentences, it is specifically acknowledged and agreed that Seller has not, is not, and will not make any representations or warranties concerning any of the following: the availability, quantity or quality of irrigation and/or domestic or potable water; the adequacy or state of repair of domestic and/or irrigation water supply systems; the legality of initial installation or current operation of, or the adequacy, condition, or state of repair of, any buildings, structures, fixtures or systems located on the subject property; the extent to which all or any portion of the subject property is maintained or exists in compliance with, any federal, state or local statutes, ordinances and regulations (including but not limited to construction codes or zoning or land use regulations); the existence of any flood plain which may affect the property; any limitations on access; the extent to which the subject



property may be subject to or free of environmental contamination; the location of any property lines or boundary lines, or the extent to which fence lines are representative of property lines; or the suitability of all or any portion of the subject property for any specific use.

7. Closing.

(a) The sale under this Contract shall be closed in escrow at or before 5:00 p.m. Pacific Time on January 15, 1997 (the "Closing Date"). The closing shall take place at the offices of the Closing Escrow Agent. The closing of the transaction contemplated under this Contract is referred to herein as the "Closing".

(b) If the transaction contemplated under this Contract closes as provided herein, then at 5:00 p.m. Pacific Time on the date of Closing actual possession of the Real Property shall be delivered to Buyer (other than the right of occupancy reserved by Seller in Paragraph 8), and all risk of loss, damage or destruction with respect to all or any portion of the Real Property shall pass from Seller to Buyer.

(c) At Closing, the parties shall establish a collection escrow account with AmeriTitle Title Insurance Company, of Klamath Falls, Oregon (the "Collection Escrow Agent"). At Closing, Seller shall deposit with the Collection Escrow Agent a statutory special warranty deed conveying the Real Property free and clear of all encumbrances created or suffered by Seller, which statutory special warranty deed shall have been fully executed by Seller and shall name Buyer as the grantee. At Closing, the parties shall deposit with the Collection Escrow Agent an original copy of this Contract, executed by each and all of the parties.

(d) Real property taxes, personal property taxes, insurance premiums, and operating expenses with respect to the Real Property shall be prorated as of the Closing Date. Buyer shall be obligated to pay on a timely basis and before delinquency all taxes and assessments levied or assessed against the Real Property with respect to years subsequent to the 1996-97 tax year.

(e) The terms and conditions of this Contract shall survive the Closing and shall remain in full force and effect until all obligations of the parties have been completely and satisfactorily performed.

8. Retention Of Limited Life Estate In Residence. Notwithstanding any other provision of this Agreement, Marion Kirkpatrick and Merle L. Kirkpatrick (referred to in this Paragraph 8 as the "Sellers") are reserving a limited life estate in the residence which is presently located on the Real Property (the "Residence"). Specifically, the Sellers each shall have the right throughout their respective lifetimes to reside in the Residence on a rent-free basis under the following terms and conditions:

(a) Buyer shall be obligated, at Buyer's sole expense, to pay all real property taxes relating to the Residence and all premiums for insurance protecting the Residence against loss by fire or other casualty; and

(b) Buyer shall be obligated, at Buyer's sole expense, to maintain the Residence in a state of good repair; and

(c) Buyer shall be obligated, at Buyer's sole expense, to pay all costs associated with utilities (other than telephone, which shall be Sellers' responsibility) which are provided to the Residence or are used by Sellers in connection with occupancy of the Residence; and

(d) Sellers shall maintain the Residence in a neat and clean condition and shall pay all costs and expenses related to their use and occupancy of the Residence which are not assumed by Buyer under subparagraphs 8(a), 8(b) and 8(c); and

(e) As long as either of the Sellers is residing in the Residence, Buyer shall not sell or otherwise dispose of the Real Property except with the written consent of whichever of the Sellers are then living and competent; and

(f) The limited life estate reserved to each of the Seller's under this Paragraph 8 is personal to the Sellers, and may not be transferred or assigned to any other person or entity. If neither of the Sellers shall reside in the Residence for a period of 12 consecutive months, then the limited life estate reserved to the Sellers under this Paragraph 8 shall lapse, and Sellers shall thereafter have no further right to reside in the Residence pursuant to this Paragraph 8.

9. Collection Escrow. Buyer shall pay 100% of the Collection Escrow Agent's fee for establishing the collection escrow. Buyer shall pay 100% of the Collection Escrow Agent's monthly collection fees. The Collection Escrow Agent shall receive all payments due from Buyer hereunder. The Collection Escrow Agent shall disburse to Seller all payments received from Buyer. The parties shall execute whatever collection escrow instructions the Collection Escrow Agent may require as a condition to acceptance of the collection escrow. In the event of any conflict between those escrow instructions and this Contract, the terms of this Contract shall prevail, and nothing contained in the escrow instructions shall be deemed to change or modify the terms, provisions or conditions of this Contract unless the parties expressly so state in writing.

10. Delivery Of Title To Real Property. Upon payment in full of the purchase price and all other amounts required to be paid under this Contract and the performance of all of the terms and conditions required of Buyer hereunder, the Collection Escrow Agent shall deliver to Buyer the statutory special warranty deed referred to in subparagraph 7(c).

11. Insurance. Buyer agrees to keep the improvements situated on the Real Property insured, under policies with standard extended coverage endorsements, against loss by fire or other casualty in an amount equal to the full replacement value of the improvements located on the Real Property. There shall be affixed to the policies of insurance a loss payable clause showing the interests of Buyer and Seller under this Contract and requiring payment to Buyer and Seller jointly. The insurance policies shall be written by whatever companies and with whatever terms as shall be selected by Buyer and shall be reasonably acceptable to Seller. Buyer shall deliver to Seller a certificate of coverage from each insurer containing a stipulation that coverage will not be canceled or diminished without a minimum of ten (10) days written notice to Seller. In the event of loss, Buyer shall give immediate written notice to Seller, and Seller shall make proof of loss if Buyer fails to do so within fifteen (15) days after a loss. All uninsured losses shall be borne by Buyer.

All insurance proceeds received by reason of any damage or loss to the Real Property shall be payable to and held by Buyer and Seller acting jointly. If Buyer elects to restore the improvements on the Real Property, Buyer shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Seller. Upon receipt by Seller of reasonable proof that the improvements will be repaired or replaced in a prompt and satisfactory manner, Seller shall authorize payment or reimbursement to Buyer from the insurance proceeds for the reasonable cost of repair or restoration. If Buyer elects not to restore the improvements to the Real Property, Seller shall be entitled to receive a sufficient amount of the insurance proceeds to pay all amounts due to Seller from Buyer under this Contract, and Buyer shall be entitled to receive the balance of the insurance proceeds. Any insurance proceeds which have not, within six (6) months after their receipt by Seller and Buyer, been used and applied for the repair or restoration of the Real Property, shall be applied to prepay Buyer's indebtedness to Seller hereunder.

12. Covenants Of Buyer.

(a) Seller is relying upon the credit and personal integrity of Buyer as a material and substantial inducement to entering into this Contract. Buyer shall not sell, assign, convey, set over or otherwise transfer all or any portion of Buyer's interest in this Contract or in the Real Property without the prior written consent of Seller, which consent shall not be unreasonably withheld by Seller. In the event of any transfer of all or any portion of Buyer's interest in this Contract or the Real Property to any other person or entity without Seller's written consent, the entire balance of the purchase price then outstanding shall become immediately due and payable.

(b) Buyer shall keep the Real Property free and clear of all liens and encumbrances suffered or permitted by Buyer or otherwise incurred or arising after the date of Closing. Buyer shall save



Seller harmless from all such liens and encumbrances, and shall reimburse Seller for all costs, expenses and attorney fees incurred in defending against any such liens or encumbrances.

(c) Buyer shall not commit, or permit to be committed, any waste or damage to the Real Property. Buyer shall perform all maintenance required to be done upon the exterior and interior of the existing improvements on the Real Property, and shall pay all costs of labor and materials associated with that maintenance. Buyer shall not make or cause to be made any improvements or alterations to the Real Property or the improvements located thereon which would diminish the value of the Real Property.

(d) Buyer shall promptly comply with all laws, ordinances, regulations, directions, rules and other requirements of all governmental authorities applicable to the use or occupancy of the Real Property, and shall promptly make all required repairs, alterations and additions.

(e) Buyer shall indemnify and hold harmless Seller from and against any and all claims, losses, liabilities, expenses (including attorney fees), and obligations of every kind and description, contingent or otherwise, arising out of Buyer's possession or use of the Real Property, Buyer's conduct with respect to the Real Property, or any condition of the Real Property. In the event of any litigation or proceeding brought against Seller and arising out of or in any way connected with any of the above events or claims against which Buyer agrees to defend Seller, Buyer shall, upon notice from Seller, vigorously resist and defend such actions or proceedings through legal counsel reasonably satisfactory to Seller.

13. Default. Time is of the essence to this Contract.

(a) In the event of any failure by Buyer in making any of the payments required hereunder or performing any of the other terms or conditions of this Contract, Seller at its option shall have the right to declare the entire balance of the purchase price immediately due and payable and to exercise any or all of the following rights or remedies: (i) bring suit to foreclose this Contract in the manner provided by law; and (ii) bring suit against Buyer for the balance of the purchase price then due; and (iii) bring suit against Buyer for specific performance; and (iv) declare and cause all or any right, title, estate, lien or interest of Buyer in the Real Property to be forfeited in accordance with the provisions of ORS 93.905 to 93.940 (as now enacted or as hereafter amended) and the provisions of subparagraph (b) of this Contract; and (v) exercise any other right or remedy which may be available to Seller either in law or in equity.

(b) In the event of Buyer's default under this Contract, Seller shall have the right (in addition to the remedies set forth in subparagraph (a)), after complying with the notice requirements and allowing all rights to cure the default as set forth in Oregon Revised Statutes 93.905 et. seq., to declare this Contract forfeited and to retain the amount of the payments previously made under this Contract. Upon recordation of the affidavit required by Oregon law, this Contract shall be extinguished and canceled, and Buyer thereafter shall have no further right, title or interest in or to the Real Property or to any return of compensation for payments previously made under this Contract, as though this Contract and such payments had never been made. In that event, Buyer agrees to immediately surrender the Real Property to Seller, and if Buyer fails to do so, Seller may elect to treat Buyer as a tenant holding over unlawfully after the expiration of a lease, so that Buyer may be ousted and removed as such without affecting Seller's right to pursue other rights and remedies contained in this Contract or permitted by law.

(c) In addition to the remedies set forth in subparagraphs (a) and (b), Seller shall be entitled, in the event of any default by Buyer under this Contract, to appoint a receiver as a matter of right, regardless of whether the apparent value of the Real Property then exceeds the amount of the balance then due under this Contract. Any receiver so appointed may serve without bond. The employment of a person by Seller shall not disqualify that person from serving as a receiver. Upon taking possession of all or any portion of the Real Property, the receiver may (i) use, operate, manage, control and conduct business on the Real Property and make whatever expenditures for maintenance and improvements as the receiver in its judgment shall deem proper; (ii) collect all rents, revenues, income and profits from the Real Property, and apply those sums to the reasonable expenses of use, operation and management thereof; and (iii) at Seller's option, complete any construction in progress on the Real Property, and in that connection pay all bills, borrow funds, employ contractors, and make any changes in plans and specifications as Seller shall deem appropriate. If the revenues produced by the Real Property are insufficient to pay expenses, the receiver

may borrow, from Seller or from any other source, whatever sums as the receiver may deem necessary for the purposes stated in this subparagraph (c), and the repayment of those sums shall be secured by this Contract. Amounts borrowed from or advanced by Seller shall bear interest at the same rate as the balance of the purchase price under this Contract from the date of expenditure until repaid, and shall be paid by Buyer on demand.

(d) Buyer hereby assigns to Seller all rents, revenues, income and profits (hereinafter the "Income") from the Real Property, whether now or hereafter due. Prior to default, Buyer may operate and manage the Real Property and collect and retain the Income from the Real Property. In the event of default, Seller may at any time thereafter revoke Buyer's right to collect the income from the Real Property, and may, either itself or through a receiver, collect that income. If the Income is collected by Seller, then Buyer irrevocably designates Seller as buyer's attorney-in-fact to endorse instruments received in payment thereof in the name of Buyer, and to negotiate the same and collect the proceeds. Seller shall apply the income first to the expenses of collection and the balance (if any) to the payment of sums due from Buyer to Seller under this Contract.

(e) The remedies provided in this Paragraph 13 shall be nonexclusive and in addition to any other remedies provided by law, and each and every remedy shall be cumulative and in addition to every other remedy given under this Contract or existing at law or in equity.

14. No Hazardous Wastes. Buyer shall not store any hazardous materials on or about any portion of the Real Property. Buyer shall not permit or allow any hazardous materials, petroleum based products or other pollutants or substances which might cause injury or damage to persons or any form of animal or plant life to come into contact with the soil on the Real Property or to be released into any septic system, waste water disposal system or body or stream of water located on the Real Property. For purposes of this Paragraph 14, the phrase "hazardous materials" shall refer to and include: (i) any and all substances defined as "hazardous substances", "hazardous materials", or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 USC Section 9601, et. seq.), the Hazardous Materials Transportation Act (49 USC Section 1801, et. seq.), and the Resource Conservation and Recovery Act (42 USC Section 6901, et. seq.); (ii) any and all substances which now or in the future are deemed to be pollutants, toxic materials or hazardous materials under any other state or federal law.

15. Water Rights.

(a) At Closing Seller shall deliver to Buyer water rights certificates and all other documents necessary to transfer to Buyer any and all water rights owned by Seller with respect to the Real Property. Seller is making no representation or warranty as to the nature or extent of any water rights owned by Seller with respect to the Real Property, and Buyer is executing this Contract based on Buyer's own independent examination and determination as to the nature and extent of any water rights affecting the Real Property.

(b) Subsequent to Closing Buyer agrees to fully utilize and maintain all water rights attached to the Real Property in accordance with all applicable laws, rules and regulations governing those water rights, so that no portion of those water rights may be imperiled or lost either by forfeiture for nonuse or for violation of any certificate of water rights, law, rule or regulation. In this context, it shall be a breach of this Contract for Buyer to fail to fully use the water rights with respect to the Real Property for any three (3) successive years.

16. Special Assessment As Farm Land. The Real Property has been assessed as farm use property prior to the execution of this Contract by the parties. If all or any portion of the Real Property should cease to be classified as farm use property at any time after Closing, Buyer shall be solely responsible for the payment of all taxes, interest and penalties which may be levied or assessed against Seller or Buyer as a result of that change in classification, and Seller shall have no obligation to indemnify Buyer against, or reimburse Buyer for, any portion of such taxes, interest and/or penalties.



17. Notice Of Default. Before declaring any default hereunder (other than a default in the making of any payment required under this Contract), Seller shall notify Buyer by United States certified mail addressed to Buyer, specifying the nature of the claimed default, and Buyer shall have thirty (30) days from the date of mailing of that notice in which to remove the claimed default, if any in fact exists, and to reinstate Buyer's rights under this Contract. Seller shall have no obligation to provide notice (either written or otherwise) before declaring a default in the making of any payment required under this Contract, but no default shall be declared until ten (10) days after that payment is due.

18. Costs Of Documents. Each party shall pay its own attorney's fees incurred in connection with the preparation of this Contract.

19. Notices. All notices provided for herein shall be in writing and shall be deemed to be duly given if and when personally delivered or mailed by United States certified mail, postage prepaid, to the last address provided to the party giving the notice by the party entitled to receive the notice.

20. Attorney Fees In Event Of Dispute. If action is instituted to enforce any term of this Contract, the prevailing party shall recover from the losing party reasonable attorney fees incurred in that action as set by the trial court and, in the event of an appeal, as set by the appellate courts.

21. Memorandum Of Contract. At Closing the parties shall execute a Memorandum evidencing the execution of this Contract for purposes of recordation in Klamath County, Oregon, which Memorandum shall be recorded by Seller immediately after Closing.

22. No Waiver Of Performance. The failure by any party at any time to require performance of any provision hereof shall in no way affect that party's right to enforce the same provision or any other provision at any subsequent time. The consent or approval of either party to any act by the other party of a nature requiring consent or approval should not be deemed to waive or render unnecessary the consent to or approval of any subsequent similar act.

23. Miscellaneous. This Contract shall be governed and performed in accordance with the laws of the state of Oregon. Each of the parties hereby irrevocably submits to the jurisdiction of the courts of Klamath County, Oregon, and agrees that any legal proceedings with respect to this Contract shall be filed and heard in the appropriate court in Klamath County, Oregon. The paragraph headings set forth in this Contract are set forth for convenience purposes only, and do not in any way define, limit or construe the contents of this Contract. If any provision of this Contract shall be determined to be void by any court of competent jurisdiction, then that determination shall not affect any other provisions of this Contract, and all such other provisions shall remain in full force and effect. It is the intention of the parties that if any provision of this Contract is capable of two constructions, only one of which would render the provision valid, then the provision shall have the meaning which renders it valid. This Contract shall inure to the benefit of and shall be binding upon the successors, assigns, heirs and personal representatives of the parties. This Contract may be executed in multiple counterparts, each of which shall be an original, and all of which shall constitute a single instrument, when signed by the parties. There are no oral Contracts or representations between the parties hereto which affect this Contract, and this Contract supersedes and cancels any and all previous negotiations, arrangements, Contracts, warranties, representations and understandings, if any, between the parties.

24. Use Of Property. This instrument will not allow use of the property described in this instrument in violation of applicable land use laws and regulations. The property described in this instrument may not be within a fire protection district protecting structures. The property is subject to land use laws and regulations, which in farm and forest zones, may not authorize consecution or siting of a residence and which limit lawsuits against farming or forest practices as defined in ORS 30.930 in all zones. Before signing or accepting this instrument, the person acquiring fee title to the property should check with the appropriate city or county planning department to verify approved uses and existence of fire protection for structures.

IN WITNESS WHEREOF, each of the parties has executed this Contract on the respective dates indicated below.



SELLER: MARION KIRKPATRICK and MERLE L. KIRKPATRICK

Marion Kirkpatrick  
Marion Kirkpatrick

9/23/96  
Dated

Merle L. Kirkpatrick  
Merle L. Kirkpatrick

Sept 23, 1996  
Dated

BUYER: CLARENCE MARION KIRKPATRICK, III and JANE E. KIRKPATRICK

Clarence Marion Kirkpatrick III  
Clarence Marion Kirkpatrick, III

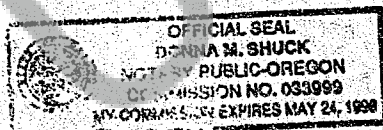
9/23/96  
Dated

Jane E. Kirkpatrick  
Jane E. Kirkpatrick

9-23-96  
Dated

STATE OF OREGON )  
 ) ss.  
County of Klamath )

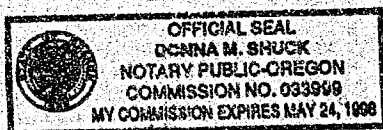
Personally appeared before me this 23rd day of September, 1996, the above named MARION KIRKPATRICK and acknowledged the foregoing instrument to be his voluntary act and deed.



Donna M. Shuck  
Notary Public for Oregon  
My Commission Expires: 5-24-98

STATE OF OREGON )  
 ) ss.  
County of Klamath )

Personally appeared before me this 23rd day of September, 1996, the above named MERLE L. KIRKPATRICK and acknowledged the foregoing instrument to be his voluntary act and deed.



Donna M. Shuck  
Notary Public for Oregon  
My Commission Expires: 5-24-98

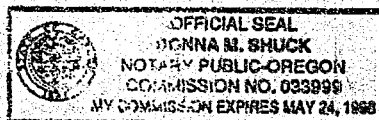


STATE OF OREGON )

) ss.

County of Klamath )

Personally appeared before me this 23rd day of September, 1996, the above named CLARENCE MARION KIRKPATRICK, III and acknowledged the foregoing instrument to be his voluntary act and deed.



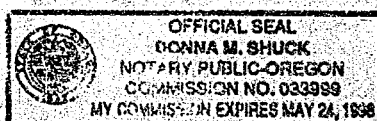
Donna M. Shuck  
Notary Public for Oregon  
My Commission Expires: 5-24-98

STATE OF OREGON )

) ss.

County of Klamath )

Personally appeared before me this 23rd day of September, 1996, the above named JANE E. KIRKPATRICK and acknowledged the foregoing instrument to be her voluntary act and deed.



Donna M. Shuck  
Notary Public for Oregon  
My Commission Expires: 5-24-98

Land Sale Contract — Page 9 of 9

STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of Amerititle the 16th day  
of January A.D., 19 97 at 3:37 o'clock P. M., and duly recorded in Vol. M97  
of Deeds on Page 1481

FEE

\$70.00

by Bernetha G. Letsch, County Clerk  
Kathleen Ross