

28-6543
Contract of Sale

This Agreement, Made this 10th day of March, 1974
between SHIRLEY J. WILSON

hereinafter called Vendor, and GORDON R. LILLY as to an undivided one-half interest,
and DARY JOHNSON and SHIRLEY M. JOHNSON, husband and wife, as to an
undivided one-half interest
hereinafter called Purchaser, whose address is 215 Soquel, Klamath Falls, Oregon

WITNESSETH: Vendor agrees to sell to Purchaser and Purchaser hereby agrees to buy from Vendor, at the price and on the terms, covenants, conditions and provisions hereinafter contained, all of the following described property situate in the County of Klamath, State of Oregon, more particularly described as follows, to-wit:

Set forth on Exhibit "A", which is attached hereto, so marked, and by this reference made part hereof as though fully set forth hereat.

PAYMENT TERMS

The total purchase price is \$65,000.00 of which \$15,000.00 has been paid. The unpaid balance of \$50,000.00 shall be paid as follows:

1. The sum of \$10,000.00, inclusive of interest on the unpaid balance at the rate of 8 percent per annum from the date hereof to be paid on or before August 1, 1974.
2. The sum of \$2,000.00 plus interest on the unpaid balance at the rate of 8 percent per annum from the date hereof to be paid on or before April 1, 1975, and \$2,000.00 plus accrued interest on the first day of April each year until the entire purchase price is paid in full. Provided that in computing interest for the April 1, 1975 payment, credit shall be allowed for interest paid prior to that time. Provided further, that the entire unpaid balance shall be paid in full on or before April 1, 1984.

SPECIAL CONDITIONS

1. Vendor agrees to convey to Purchaser a five acre parcel, of which Purchaser shall provide the legal description, and bear all expenses, if presented within thirty (30) days from the date hereof. Said parcel shall be subject to the conditions and exceptions above set forth, except mortgage of Federal Land Bank of Spokane dated April 23, 1973. Vendor further agrees that Transamerica Title Company shall withhold \$2,500.00 from the downpayment above set forth until the parcel is conveyed by Vendor to Purchaser or until thirty (30) days from the date hereof, whichever shall first occur.
2. Included in this said contract of sale are two one-quarter mile wheel line and an undivided one-half interest in the main line and pump (hereinafter referred to as "the personal property") situated on the above described real property. Purchaser hereby grants unto Vendor a security interest in and to the personal property and agrees:

(a) To execute such documents as may be necessary to secure Vendor's interest therein.

(b) To keep the said property on the above described real property.

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(c) That Vendor shall have all the rights of a secured creditor under the Law of Oregon in addition to the rights accorded Vendor under this Contract of Sale.

3. Upon Purchaser paying the sum set forth in paragraph 1 of "Payment Terms," Purchaser shall own the personal property free of the security interest of Vendor and Vendor shall cause a bill of sale to be issued to Purchaser, as well as a termination of any financing statements on file by her.

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Bill of Sale

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Vendor will, upon execution hereof, make and execute in favor of Purchaser, a good and sufficient Warranty Deed, conveying said premises free and clear as of this date of all encumbrances, subject to the above set forth exceptions, and place said deed, together with the original copy of this agreement, in escrow at First Federal Savings & Loan Association, 540 Main Street, Klamath Falls, Oregon 97601 with instructions to said Escrow Holder that when and if the Purchaser shall have paid the balance of the purchase money and interest as above specified and shall have complied with all other terms and conditions of this agreement, to deliver said documents to Purchaser subject to the usual printed conditions and provisions of the standard form of escrow instructions provided by said Escrow Holder.

Vender shall furnish, at his own expense, a Purchaser's Title Insurance Policy insuring title to the above described real property in the amount of **\$60,000.00** and deposit said policy in the above-described escrow under the above terms.

Deleted prior to execution.

Deleted prior to execution.

Purchaser shall be entitled to possession of the above described real property on January 1, 1963, and thereafter. Purchaser shall remain in possession so long as Purchaser is not in default hereunder. Purchaser shall and hereby agrees to keep said real property in clean, sanitary, sightly, attractive condition; to commit no waste or otherwise damage or injure said premises; to maintain said premises in accordance with the laws and the ordinances and regulations of any constituted authority applying to said premises and to make no unlawful use thereof; to pay regularly and on time all taxes, assessments and charges levied and assessed against said real property, and before the same shall become delinquent, all taxes, assessments and charges levied and assessed against said real property, and to pay and discharge all encumbrances thereon; to permit no lien or other encumbrance to be placed thereon by Purchaser; to permit no lien or other encumbrance to be placed thereon by Vendor and if it is further understood and agreed, for the purpose of this provision, that if Purchaser fails to pay or discharge any taxes, assessments, liens, encumbrances, or charges, Vendor, at his option and without waiver of default or breach of Purchase, and without being obliged to do so, may pay or discharge all or any part thereof all of which said sums so paid by Vendor shall become repayable by Purchaser, together with interest at the rate of 10 % percent per annum, upon demand, payment of which is a condition to delivery of deed hereunder as part of the performance of this agreement by Purchaser.

If Purchaser shall fail to perform any of the terms of this agreement, time of payment and performance being of the essence, Vendor shall, at his option, subject to the requirements of notice as herein provided, have the following rights:

- (a) To foreclose this contract by strict foreclosure in equity;
- (b) To declare the full unpaid balance of the purchase price immediately due and payable;
- (c) To specifically enforce the terms of this agreement by suit in equity; and
- (d) To declare this agreement null and void as of the date of the breach and to retain as liquidated damages the amount of the payments heretofore made upon said premises. Under option (d) all of the right, title and interest of Purchaser shall revert and revest in Vendor without any act of re-entry or without any other act by Vendor to be performed, and Purchaser agrees to peaceably surrender the premises to Vendor, or in default thereof, Purchaser may, at the option of Vendor, be treated as a tenant holding over unlawfully after the expiration of a lease and may be evicted and removed as such.

Purchaser shall not be deemed in default for failure to perform any covenant or condition of this contract, other than the failure to make payments as provided for herein, until notice of said default has been given by Vendor to Purchaser and Purchaser shall have failed to remedy said default within 30 days after the giving of the notice.

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If Purchaser shall fail to make payment as herein provided and said failure shall continue for more than 15 days after the payment becomes due, Purchaser shall be deemed to be in default and Vendor shall not be obligated to give notice to Purchaser of a declaration of said default.

Where notice in writing is required by Vendor to the Purchaser, such notice shall be deemed given when the same is deposited in the United States mail as Registered Mail, addressed to the address of Purchaser shown at the beginning of this agreement.

No waiver by Vendor of any breach of any covenant of this agreement shall be construed as a continuing waiver of any subsequent breach of such covenant nor as a waiver of any breach of any other covenant nor as a waiver of the covenant itself.

If suit or action is taken to enforce any agreement contained herein, Purchaser agrees to pay, in addition to costs and disbursements provided by law, such sums as the court, or courts, hearing said matter, may adjudge reasonable as Vendor's attorney's fees, including any fees on appeal, together with costs and disbursements provided by law. If this contract should be placed in the hands of an attorney or collector for collection of payment and no suit shall be filed hereon, Purchaser further agrees to pay the reasonable costs of collection of said payments.

This agreement contains the full understanding of the parties with respect to the subject hereof and no modification hereof shall be given effect unless the same be in writing subscribed by the parties hereto or their successors in interest.

This agreement shall bind and inure to the benefit of, as the circumstances may require, the parties hereto, and their respective successors, heirs, executors, administrators, and assigns. Provided, However, Purchaser shall not assign this agreement or his rights hereunder or in the property covered thereby without written consent of Vendor.

In construing this agreement, the singular shall include both the singular and the plural and the masculine both the masculine and feminine.

WITNESS the hands and seals of the parties hereto the day and year first above written.

Vendor

Shirley J. Wilson (SEAL)

(SEAL)

Purchaser

Gordon R. Lilly (SEAL)
Dary Johnson (SEAL)
Shirley M. Johnson

STATE OF OREGON, County of Klamath) ss.

March 14, 1974

Personally appeared the above named Shirley J. Wilson, Gordon R. Lilly, Dary Johnson and Shirley M. Johnson and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me: William D. Goodhue
Notary Public for Oregon
My Commission Expires: 11/25/76

J. ANTHONY GIACOMINI
ATTORNEY AT LAW
188 N. 5TH STREET
KLAMATH FALLS, OREGON

Mar 13 3 30 PM 1974

EXHIBIT "A"

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The following described real property in Klamath County, Oregon:

The E $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 4, Township 40 South, Range 9 East of the Willamette Meridian;

ALSO a portion of the SW $\frac{1}{4}$ NW $\frac{1}{4}$ lying Northerly of existing drainage ditch further described as follows:

EXCEPTING THEREFROM that portion conveyed by deed recorded October 3, 1969 in Book M-69 at page 8473, Microfilm Records, described as follows:

Beginning at a 7/8 inch iron pipe 33 feet East of the Center line of Tingley Road which is 1810.20 feet South 00° 22' 00" East of a railroad spike in the intersection of Tingley and Midland Roads marking the Northwest corner of Section 4, Township 40 South, Range 9 East in the County of Klamath, Oregon; thence running 870.40 feet in a direction of South 00° 22' 00" East along the East right of way of Tingley Road to a 60 penny nail in the East half the pavement of said road, nail being on the North line of the West 1/2 of the Southwest 1/2 of said Section 4; thence turning and running 751.15 feet along said North line in a direction of North 89° 36' 25" East along property owned by E. G. Parker to a 1 1/2 inch iron pipe 6 feet long; thence turning and running 1149.4 feet in a direction of North 41° 02' 08" West along property owned by James V. Lockard to a 7/8 inch iron pipe which is the point of beginning.

SUBJECT TO:

The assessment roll and the tax roll disclose that the within described premises were specially assessed as farm land. If the land becomes disqualified for the special assessment under the Statute, an additional tax may be levied for the last five or lesser number of years in which the land was subject to the special land use assessment.

Regulations, including levies, assessments, water and irrigation rights and easements for ditches and canals, of Klamath Irrigation District.

Regulations, including levies, assessments, water and irrigation rights and easements for ditches and canals, of Klamath Basin Improvement District.

Subject to the terms and provisions of that certain instrument recorded July 24, 1970 in Volume M-70 at page 6187 as "Notice to persons intending to Plat Lands within the Klamath Basin Improvement District."

Rights of the public in and to any portion of said premises lying within the limits of roads and highways.

Easements, including the terms and provisions thereof, from Geo. W. Trefrem, et ux., to Spring Lake Irrigation and Improvement Co., recorded May 30, 1899, in Deed Volume 12 at page 28, Records of Klamath County, Oregon.

Reservations and restrictions, including the terms and provisions thereof, as set forth in Deed dated December 7, 1955, recorded June 7, 1960 in Deed Volume 321 at page 548, Records of Klamath County, Oregon.

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Mortgage, including the terms and provisions thereof, dated April 23, 1973, recorded May 4, 1973, in Book M-73 at page 5404, Microfilm Records, given to secure the payment of \$52,000.00, with interest thereon and such future advances as may be provided therein, executed by Henry M. Wilson and Shirley J. Wilson, husband and wife, to the Federal Land Bank of Spokane, a corporation in Spokane, Washington.

Purchaser does not assume this said mortgage and Vendor agrees to hold Purchaser harmless from the same, and not to increase the same. In the event that vendor fails to make a payment or payments to said mortgagee, Purchaser may pay the same and shall be allowed a credit to the unpaid balance of this contract in the amount of said payment or payments made by Purchaser.

STATE OF OREGON, COUNTY OF KLAMATH, OR.

led for record at request of Transamerica Title Co.
 is 15th day of March A.D. 19 74 at 11:26 AM, and
 ly recorded in Vol. M 74, of Deeds on Page 3448
 W. D. MILNE, County Clerk
 By *Mary L. Sullivan*
 fee 12.00

Until a change is requested, all tax statements shall be sent to the following:

Bary Johnson
215 Soquel
City 97601

EXHIBIT "A"
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Return: Transamerica Title Insurance Co.