





7. The parties hereto understand that there may be additional taxes if the above described real property is diverted from farm use and thereafter classified under ORS 308.395, and, in such event, the additional tax shall be paid by Buyers.

8. The parties hereto further agree that upon Buyers paying the purchase price and interest in full that Sellers shall forthwith cause the lien of any mortgage to be released as this same affects the above described real property.

Until exchange is requested, all tax statements shall be sent to the following address:

Mr. and Mrs. Robert M. Gallup  
Star Route Box 80  
Malin, Oregon 97632

PROVIDED, FURTHER, that in case Buyer shall fail to make the payments aforesaid, or any of them, punctually and upon the time and in the full amount specified, or fail to keep any of the other terms or conditions of this agreement, time of payment and said performance being declared to be the essence of this agreement, then Seller 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 this agreement by suit in equity; (4) To declare this contract null and void, and in any of such cases, except exercise of the right to specifically enforce this agreement by suit in equity, all the right and interest hereby created in them existing in favor of Buyer under this agreement shall utterly cease and determine, and the premises aforesaid shall revert and re-vest in Seller without any declaration of forfeiture or act of re-entry, and without any other act by Seller to be performed and without any right of Buyer of redemption or compensation for money paid or for improvements made as aforesaid, fully and perfectly as if this agreement had never been made.

Should Buyer, while in default, permit the premises to become vacant, Seller may take possession of same for the purpose of preserving and preserving the property and his security interest therein, and in the event possession is so taken by Seller he shall not be deemed to have waived his right to exercise any of the foregoing rights.

And in case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, Buyer agrees to pay reasonable costs in this regard and the Seller shall be entitled to the same. If an appeal is taken from any judgment or decree of such trial court, the Buyer further promises to pay such sum as the appellate court shall adjudge reasonable as seller's attorney's fees on such appeal.

Buyer further agrees that failure by Seller at any time to require performance by Buyer of any provision hereof shall in no way affect Seller's right hereunder to enforce the same, nor shall any waiver by Seller of any 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.

This agreement shall bind and inure to the benefit of, as the circumstances may require, the parties hereto and their heirs, assigns, administrators, successors and assigns, subject to the foregoing.

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

Albert Schuch  
Madge M. Schuch

Robert M. Gallup  
Madge M. Gallup

STATE OF OREGON, County of Malheur, ss: I, the undersigned, a Notary Public in and for said State, do hereby certify that the foregoing is a true and correct copy of the original instrument filed for record in my office on this 11th day of May, 1936.

Notary Public in and for the State of Oregon  
My Commission Expires May 11, 1937

11/25/36



EXHIBIT "1"

9037

Beginning at the Southwest corner of the SW 1/4 of NW 1/4 of Section 12, Township 41 South, Range 11 E.W.M., and thence proceeding North to the North line of existing Merrill-Malin State Highway and East to the East line of existing irrigation ditch the true point of beginning herein; thence Easterly parallel with said highway for 720 feet; thence Northerly parallel with the West line of said Section 12 for 525 feet; thence Westerly parallel with said highway 720 feet to the Easterly line of said irrigation ditch; thence Southerly parallel with the West line of said Section 12 for 525 feet to the North line of said State Highway and the point of beginning.

Together with the right to use that certain irrigation ditch as presently located on Sellers remaining real property and Sellers herein expressly reserve the right to use and maintain said ditch through and over the subject real property herein conveyed.

SUBJECT TO: All future real property taxes and assessments and any additional taxes and assessments that may be levied by virtue of said real property being previously subject to special land use assessment; rights of the public in and to any portion of said premises lying within the limits of said highway; regulations, including leases, assessments, water and irrigation rights and easements for ditches and canals, of Klamath Irrigation District; reservations, restrictions, easements and rights of way of record, and those apparent on the land; Mortgage, including the terms and provisions thereof, dated May 18, 1973, recorded May 21, 1973 in Book M-72 at page 6148, which mortgage, executed by Albert Sukut and Gladys M. Sukut, husband and wife, to The Federal Land Bank of Spokane, a corporation, which said mortgage sellers herein agree to pay and hold Buyers harmless therefrom.

JUL 25

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1 Dated the 10<sup>th</sup> day of June, 1974, between ALBERT SUKUT and  
 2 GLADYS M. SUKUT, husband and wife, therein called "Seller" and ROBERT M.  
 3 GALLUP and CAROL L. GALLUP, husband and wife, therein called "Buyer";

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11 Buyer and Seller hereby modify that certain Contract to which this  
 12 Addendum is attached in the following particulars only:

- 13 1. That Paragraph 8 appearing on Page 2 of said Contract is hereby  
 14 deleted.
- 15 2. That, in place of said Paragraph 8, parties agree as follows:

16 The above described real property is subject to a mortgage lien  
 17 dated May 18, 1973, recorded May 21, 1973, in Book M-73 at Page  
 18 6140, Mortgage Records of Klamath County, Oregon, securing a  
 19 debt in the original principal sum of \$42,000.00, with interest  
 20 thereon, and such future advances as may be provided therein,  
 21 wherein Seller is Mortgagor and the Federal Land Bank of Spokane,  
 22 a corporation, is Mortgagee, covering additional property in ad-  
 23 dition to the above described property. Buyer does not assume  
 24 said mortgage lien obligations secured thereby. Seller, therefore,  
 25 covenants and agrees with Buyer, with regard to said mortgage lien,  
 26 to:

27 (a) Pay and perform the terms thereof as provided in said  
 28 mortgage and the obligation secured thereby and to satisfy the  
 29 same in full upon payment in full of the amount secured by this  
 30 contract.

31 (b) Not to increase the amount of the mortgage lien by in-  
 32 creasing any further indebtedness on said mortgage lien.

33 (c) To hold Buyer harmless from and indemnify Buyer against  
 34 any and all liability, loss, or damage Buyer might otherwise suf-  
 35 fer by reason of said mortgage lien, including, but not limited  
 36 to claims, costs, demands, attorney fees, or judgments, and to  
 37 defend Buyer from any claims brought or suits or actions filed  
 38 against Buyer by reason of the aforesaid mortgage.

39 (d) If Seller neglects or fails to pay the sums due or to  
 40 become due under the note secured by said Federal Land Bank Se-  
 41 curity, or fails to perform any of the terms, covenants, and con-  
 42 ditions of said Federal Land Bank Security, or his warranty con-  
 43 tained in this contract, and said failure is not occasioned by  
 44 reason of any default on the part of Buyer, Seller agrees to pay  
 45 to Buyer all sums paid or incurred by Buyer in protecting Buyer's  
 46 rights in the real property acquired by this contract against the  
 47 Federal Land Bank Security, including, but not limited to, costs,  
 48 charges and expenses, including costs of evidence of title, or  
 49 validity of Buyer's interest in said real property, and reasonable  
 50 attorney fees, with or without trial, and if trial, both at trial  
 51 or on appeal, incurred by Buyer, which sums shall bear interest at  
 52 the rate of ten (10%) percent per annum from date of demand there-  
 53 for. If Seller fails to pay Buyer the sums due Buyer under this  
 54 warranty within 90 days from date of demand therefor, Buyer shall  
 55 be entitled to either offset the same from Buyer's obligations to  
 56 Seller or to institute such suit or action as may be necessary to  
 57 recover the sums due Buyer under this provision of this Contract  
 58 or to pursue such other remedies as may be allowed by law or by  
 59 equity under the premises.

- 60 3. Except as expressly modified by this Addendum, the Contract to  
 61 which this Addendum is attached remains unmodified. In construing this  
 62 Addendum with the Contract to which it is attached, the terms and pro-  
 63 visions of this Addendum shall control in the event any term or provi-  
 64 sion of said Contract should conflict with the terms and provisions of  
 65 this Addendum.

66 WITNESS the hands and seals of the parties hereto the day and year



9039

1 first above written.

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4  
5 Albert Sukut (SEAL)  
6 Albert Sukut

Gladys M. Sukut (SEAL)  
Gladys M. Sukut

Seller

10  
11 Robert M. Gallup (SEAL)  
12 Robert M. Gallup

Carol L. Gallup (SEAL)  
Carol L. Gallup

Buyer

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17 STATE OF OREGON )  
18 ) ss.  
19 County of Klamath )

20  
21 On the 24 day of July, 1974, personally appeared the above  
22 named Albert Sukut and Gladys M. Sukut, husband and wife, and acknowl-  
23 edged the foregoing instrument to be their voluntary act and deed.

Before me:

Better C. Tucker  
Notary Public for Oregon  
My Commission expires: 1-7-76

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34 STATE OF OREGON )  
35 ) ss.  
36 County of Klamath )

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38 On the 11 day of June, 1974, personally appeared the above  
39 named Robert M. Gallup and Carol L. Gallup, husband and wife, and ack-  
40 nowledged the foregoing instrument to be their voluntary act and deed.

Before me:

John A. Grichner  
Notary Public for Oregon  
My Commission expires: 11/25/76

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Return Robert M.  
Gallup  
Star Rt. Box 30  
Molokai, Oregon

STATE OF OREGON,  
County of Klamath  
Filed for record at request of  
TRANSMITTAL TIME INS. CO  
on this 24th day of JULY A.D. 1974  
at 3:56 o'clock P M, and date  
recorded in Vol. M 74 of DEEDS  
Page 2005

Addendum to Contract