

PAID

Vol. 76 Page 1071

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CONTRACT

38-10258

THIS CONTRACT, made this 2nd day of January, 1976, between LEWIS L. HAGELSTEIN and NONA B. HAGELSTEIN, Rte. 3, Box 1252 Algoma, Klamath Falls, Oregon 97601, Klamath County, Oregon, hereinafter called the Sellers and WINIFRED L. EMMICH, 1931 El Arbolita Drive, Glendale, California 91208, hereinafter called the Purchasers, singular also to mean the plural.

WITNESSETH:

That in consideration of the mutual covenants and agreements herein contained, the Sellers agree to sell unto the Purchasers and the Purchasers agree to purchase from the Seller all of the following described lands and premises situated in Klamath County, State of Oregon, to-wit: 600 acres more or less

As described in Exhibit A attached hereto and made a part herein and as shown on maps marked Exhibit B attached hereto and made a part herein.

SUBJECT TO: Exceptions listed in the Transamerica Title Insurance Co. Preliminary Report No. 38-10258 dated January 12, 1976, a copy of which is attached hereto and made a part of this Contract and marked Exhibit C.

SUBJECT TO: County and State Sanitation Laws; irrigation easements over and across the property herein conveyed.

That in consideration of this sale by Sellers to Purchasers, the Purchasers agree to and with the Sellers as follows:

1. Payments: The full purchase price which Purchasers agree to pay for the foregoing described property is the sum of ONE HUNDRED SEVENTY THOUSAND and NO/100ths DOLLARS (\$170,000.00), ONE THOUSAND and NO/100ths DOLLARS (\$1,000.00) of which receipt is hereby acknowledged by Seller and the balance in the amount of ONE HUNDRED SIXTY-NINE THOUSAND and NO/100ths DOLLARS (\$169,000.00) shall be paid by Purchasers to Sellers as follows:

Not less than \$1,546.35 each month including interest on the deferred balances at the rate of SEVEN PER CENT (7%) per annum. Interest shall begin and accrue

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as of January 2, 1976. The first monthly payment shall be made on or before the 2nd of February, 1976 and like payments shall be made on or before the 2nd day of each and every month thereafter. The entire amount due and payable January 2nd 1986.

All payments required herein shall be made to the Western Bank, Klamath Falls Branch, 421 So. 7th St., Box 1149, Klamath Falls, Oregon, or such other escrow as the parties may agree. Payments shall be applied first to accrued interest and then to principal. Purchasers shall have the right to pay additional payments on this Contract at any time, and in addition to the foregoing payments, may pay any or all sums due and owing on this Contract, together with accrued interest at the time of pay-off, at any time without notice and without penalty.

2. Deed and Title Insurance: Upon execution of this agreement, the parties shall place in escrow the original of this Contract.

Seller shall deliver to Purchasers at Purchasers' Title Insurance Policy subject to exceptions as set forth hereinabove, the general Title Insurance Policy exceptions, this Contract and the buildings and other restrictions and easements now of record, if any.

Seller shall place in escrow a Deed which shall convey the above described real property, in fee simple, unto Purchasers, free and clear of all encumbrances since this date placed, permitted or arising by, through or under the Seller, excepting taxes, municipal liens, water, rents, and public charges which Purchasers herewith assume and further excepting all liens and encumbrances which are created or which hereafter may be created by Purchasers, their heirs, successors and assigns. Said Warranty Deed shall be delivered by the escrow agent to Purchasers upon full payment of the purchase price, including interest, as hereinabove required and provided.

3. Taxes, Adjustment and Possession: Seller shall pay the 1st quarter 1975-76 taxes and Purchasers shall hereafter pay all taxes and maintain, at their own expense, insurance

coverage on the buildings now on the property or erected thereon in the future.

All tax statements regarding any matter subject to this Contract shall be hereafter sent to Purchasers.

Purchasers shall take possession of the above property on January 2nd 1976 and shall retain the same for so long as he performs the covenants and agreements herein contained and are not in default under the terms of this agreement.

Irrigation. Purchasers agree to pay their pro-rata share of cost of the irrigation system of which they will have an undivided 1/2 interest, as long as they will pay Sellers their pro-rata share of the maintenance and operation costs of said 100 h.p. pump, pipe, ditches and reservoirs, and Sellers reserve 1/2 rights to same for Sellers and Sellers' successors.

4. Purchasers' clause: Purchasers are entering this agreement upon the basis of their own examination, knowledge and opinion as to the value and condition of the property subject hereof. Purchasers acknowledge that Seller has made no agreement or promise to alter, repair or improve the property or any part thereof. Purchasers further agree to take the property as it is, subject to latent or patent defects now present or arising in the future or arising by reason of existing or future conditions.

Purchasers herewith state that they are acquiring the property for the purpose of using the same as it has been used by the Seller herein, in the past, however, Purchaser has the right to change its use providing irrigation is not impaired.

Purchasers shall not permit any liens to be filed against the property for repairs, improvements, materials and labor and shall pay promptly when the same become due all indebtedness incurred by these acts, which might create a lien against the property; purchasers shall take good care of the premises and

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any improvements thereon and not permit or commit any strip or waste thereon and shall keep the property in as good repair as the same is now and during the life of this Contract.

Purchasers agree to pay all Federal, State, County, City or Municipal liens, taxes and assessments and other charges or encumbrances of every nature hereinafter imposed against or upon the property or creating a lien against the property of any nature whensoever levied, assessed, charged or accrued after date hereof; Purchasers agree to abide by and follow all City, County, State and Federal laws applicable thereto; Purchasers agree to pay promptly before the same become delinquent all taxes, assessments, or other charges on or levied against the property while this agreement remains in force and effect.

It is specifically agreed by and between the parties that time and payments and performance of the sums and the terms of this agreement is of the essence, and in the event that Purchasers shall fail to make the payments as required of them herein, or any of them, punctually, within the time limited therefore, or should they fail to keep any agreements on their part required and contained herein, then the Seller, at his option, shall have the right to declare the whole unpaid principal balance of the said purchase price, together with accrued interest thereon at once due, payable and collectible, to declare this contract null and void, and/or to foreclose this Contract by suit in equity; and in any such case, all rights and interests created or then existing in favor of Purchasers herein shall utterly cease and determine, rights of possession and all other rights of Purchasers hereunder shall revert to and revest in said Seller without any act or re-entry or any other act on the part of the Seller and without any right of Purchasers to return, reclamation or compensation for monies paid on account of said purchase price as absolutely, fully and perfectly as if this Contract and such payments had never been made; and in such case, all payments

heretofore made on this Contract are to be retained by and belong to Seller as the agreed and reasonable rent of the premises to time of such default. And the Seller, in case of default, by Purchasers, shall have the right to immediate possession and the right at any time to enter upon the said real property, as aforesaid, without any process of law and take immediate possession thereof, together with all the property subject of this Contract.

None of the enumerated rights herein shall be construed to the prejudice of any other remedies afforded to Seller by law and equity upon default by Purchasers; and it is mutually agreed that failure by Seller, at any time to require performance of Purchasers of any of the provisions hereof shall in no way affect his rights hereunder to enforce the same, nor shall any waiver of any breach of any provision hereof be held to be a waiver of any succeeding breach of any cash provision, or as a waiver of this provision itself.

Before Seller may enforce any rights provided him hereunder, he must first give the Purchasers notice at Purchasers' last address as it appears on the records of the escrow agent, informing Purchasers of the terms of this agreement that Purchasers have failed to perform and allow Purchasers ninety days (90) in which to correct any default of which Seller complains; however, notwithstanding anything to the contrary contained herein, if Purchasers have failed to make any payments of monies as required of them herein and said failure shall continue for more than ninety days (90) after payment becomes due then Purchasers shall be deemed in default and Seller shall not be obligated to give any notice to Purchasers or any declaration of such default and may proceed to invoke any rights or remedy at law and equity, as provided herein, without any notice whatsoever to Purchasers. Late payments are to bear a penalty as permitted by law.

All structure, erections, dwellings and other improvements placed on the property, if any, by Purchasers shall become a part of this property subject to the terms of this Contract. If Seller is made a party to any lawsuit in any Court by reason of any encumbrance, lien, charge or liability created by or suffered by Purchasers, then Purchasers shall be deemed in default hereunder and shall be liable to Seller for all damages, costs, sums and reasonable attorney fees incurred by Seller in participating in any such lawsuit, whether adjusting, settling or defending the same.

6. Seller's Clause: ~~Seller shall remain the owner of the property herein until the total purchase price, both principal and interest, is paid in full in accordance with the terms of this Contract.~~ *11/11/11*

The parties acknowledge that Seller owns the foregoing described property by reason of the Mortgage described heretofore in the Title Report; and Seller does hereby covenant with and promise to Purchasers that he shall pay and perform the terms and obligations of said Mortgage and save Purchasers harmless therefrom; provided however, that Purchasers do not default hereunder.

7. Integration. This agreement constitutes the entire agreement of the parties, supersedes all other agreements of the parties, and no other agreement between the parties shall be binding upon any party hereto unless the same be hereafter reduced to writing and signed by all parties.

This agreement shall inure to and be binding upon the heirs, personal representatives, administrators, successors, and

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assigns of the respective parties hereto.

IN WITNESS WHEREOF the said parties have hereunto
set their hands and seals the day and year first above written.

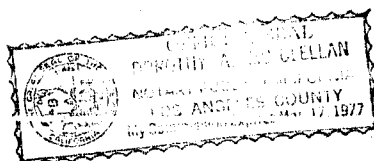
Lewis B. Hagelstein Winfred L. Emmich
Seller Purchaser

Nona B. Hagelstein
Seller

STATE OF CALIFORNIA }
County of Los Angeles } ss.

On the 5th day of January, 1976, before
me, the undersigned personally appeared, Winfred L. Emmich known
to me to be the person whose name is subscribed to the within
instrument, and acknowledged that she executed the same for the
purpose therein contained.

In witness whereof, I have hereunto set my hand and
official seal.

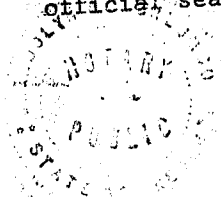


Nancy A. McMillan
Notary Public for California
My commission expires: 5-17-77

STATE OF OREGON }
County of Klamath }

On the 22nd day of January, 1976, before
me, the undersigned personally appeared, Lewis L. Hagelstein
and Nona B. Hagelstein known to me to be the
persons whose names are subscribed to the within instrument, and
acknowledge that they executed the same for the purpose therein
contained.

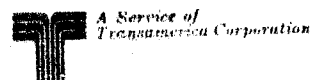
In witness whereof, I have hereunto set my hand and
official seal.



Guendolyn R. Schlumbohm
Notary Public for Oregon
My commission expires: 7-21-77

600 Main Street Klamath Falls, Oregon 97601
(503) 866-5157

EXHIBIT "A"



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Transamerica Title Insurance Co

January 20, 1976

Clifford J. Emmich
1931 El Arbolita
Glendale, Calif. 91208

Order No. 38-10258

PRELIMINARY REPORT FOR

Standard Coverage Policy \$ 170,000.00

Standard Loan Policy \$

Premium \$ 510.00

Mortgage \$

Dear Sir:

We are prepared to issue title insurance in the form and amount specified in the report on the title to the land hereinafter described.

SEE ATTACHED DESCRIPTION

January 12 1976 at 5:00 P.M.

LEWIS L. HAGELSTEIN and NONA B. HAGELSTEIN, as tenants by the entirety.

subject to the usual printed stipulations and conditions of our policy, and all the following:

1. An easement created by instrument, including the terms and provisions thereof,
Dated : August 16, 1928
Recorded : November 24, 1928 Book: 82 Page: 593
In favor of : Pacific Telephone and Telegraph Co.
For : A 25 foot right of way over SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 20; E $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 29; SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 38; W $\frac{1}{2}$ W $\frac{1}{2}$ Sec. 33, Twp 37 S., R 9 EWM.

continued ...

This Report is preliminary to the issuance of a policy of title insurance and shall be null and void unless a policy is issued, and the full premium thereon paid.

2. Mortgage, including the terms and provisions thereof, with interest thereon and such future advances as may be provided therein, given to secure the payment of \$85,000.00

Dated : November 8, 1973 Book: M-73 Page: 15558
 Recorded : November 30, 1973
 Mortgagor : Lewis L. Hagelstein and Nona B. Hagelstein, husband and wife
 Mortgagee : The Federal Land Bank of Spokane, a corporation in Spokane Washington.

(Covers additional property)

3. Subject to the right, title and interest of Clifford J. Emmich and Winifred Emmich, as disclosed by Mortgage in Exception No. 2 above.

4. Financing Statement filed December 10, 1973 under County Clerk's File No. 84129 by Lewis L. Hagelstein and Nona B. Hagelstein to The Federal Land Bank of Spokane, c/o FLBA of Klamath Falls. (Covers pump and motor only) (Covers additional property)

5. An easement created by instrument, including the terms and provisions thereof,

Dated : September 29, 1975 Book: M-75 Page: 15094
 Recorded : December 1, 1975
 In favor of : Pacific Power & Light Company, a corporation
 For : Electric transmission line over N~~1~~N~~2~~SE~~1~~SE~~2~~ Sec. 9, Twp 37 S., R 9 EWM.

6. Classification of the within property as reforestation land requiring the payment of an annual forest fee and a yield tax when timber is cut.

7. Taxes for the year 1975-76 \$77.51. First quarter paid.
 (CODE 2 MAP 3709 TL 4700)

Taxes for the year 1975-76 \$7.43. First quarter paid.
 (CODE 2 MAP 3709 TL 4800)

Taxes for the year 1975-76 \$49.38. First quarter paid.
 (CODE 2 MAP 3709 TL 4900)

Taxes for the year 1975-76 \$19.48. First quarter paid.
 (CODE 2 MAP 3709 TL 4600)

Taxes for the year 1975-76 \$639.10. First quarter paid.
 (CODE 2 MAP 3709 TL 200)

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A judgment
Entered
Register N
Against
In favor of

Taxes for the year 1975-76 \$14.10. First quarter paid.
(CODE 2 MAP 3709 TL 300)

Taxes for the year 1975-76 \$271.31. First quarter paid.
(CODE 2 MAP 3709-2800 TL 800)

Note: Please inform us if 60 foot surveyed road easement is also
to be included in forthcoming contract description as it was in
previous document M-73 at page 16734, between same parties.

Note: We find the following unsatisfied judgment docketed against
name similar to WINIFRED L. EMMICH:

A judgment in the amount of \$35,000.00
Entered : October 6, 1975 Book: 29
Register No : 75-261L Page: 20 Line: 2
Against : Clifford J. Emmich, Sr. and Winifred L. Emmich
In favor of : James A. Bergman and Roberta F. Bergman

TRANSAMERICA TITLE INSURANCE CO.

BY

Pat Sundet
PAT SUNDET
Examiner

PS:bjm

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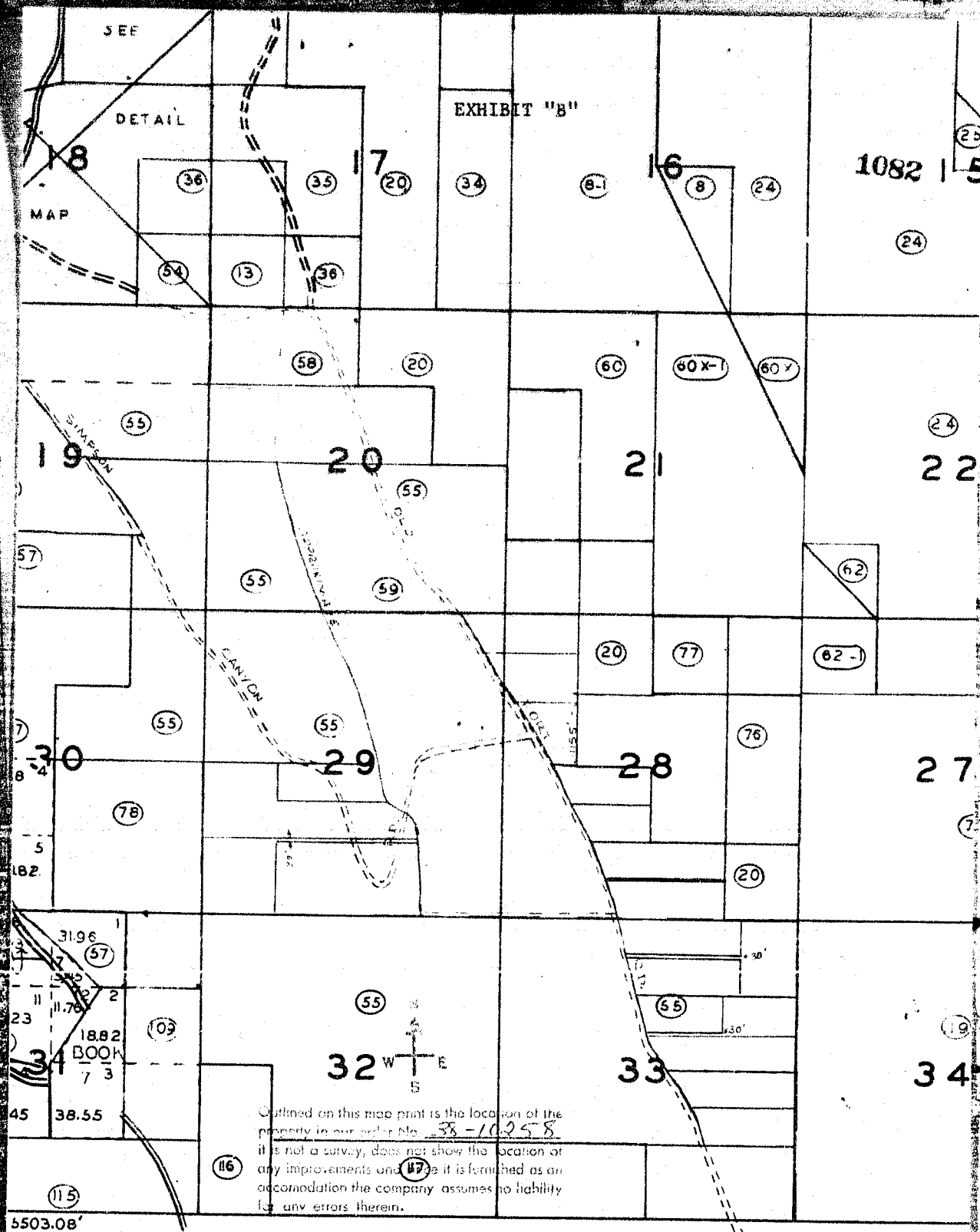
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The following described real property in Klamath County, Oregon:

In Township 37 South, Range 9 East of the Willamette Meridian:

- Section 20: All that portion of the S $\frac{1}{2}$ lying Easterly of that certain 60 foot road easement described in Book M-73 at page 16734, Microfilm Records.
- Section 21: SW $\frac{1}{4}$ SW $\frac{1}{4}$
- Section 28: All that portion of the West $\frac{1}{2}$ lying Westerly of Old Fort Road.
- Section 29: All that portion of the NW $\frac{1}{4}$ and the E $\frac{1}{2}$ that lies Westerly of Old Fort Road and Easterly of that certain 60 foot road easement described in Book M-73 at page 16734, Microfilm Records.



STATE OF OREGON; COUNTY OF KLAMATH; ss. *Robt. Weston Bank atn P.O. Box 669 - City of Medford*

I hereby certify that the within instrument was received and filed for record on the 22nd day of JANUARY A.D., 1976 at 3:52 o'clock P. M., and duly recorded in Vol. N 76 of DEEDS on Page 1071.

FEE \$ 36.00

WM. D. MILNE, County Clerk
By *Phyllis Drayton* Deputy