

20218

CONTRACT

Vol. ^m 76 Page 16150

THIS CONTRACT, made this 30 day of September, 1976, between WINIFRED L. EMMICH, 1931 El Arbolita Drive, Glendale, California, 91208, hereinafter called the Seller and SHARMAR LAND AND INVESTMENT COMPANY, an Oregon partnership, hereinafter called the Purchaser, singular also to mean the plural.

WITNESSETH:

That in consideration of the mutual covenants and agreements herein contained, the Seller agrees to sell unto the Purchaser and the Purchaser agrees to purchase from the Seller all of the following described lands and premises situated in Klamath County, State of Oregon, to-wit: 220 acres more or less

As described in Title Report attached hereto and made a part hereof and as shown on maps marked in said Title Report attached hereto and made a part hereof.

SUBJECT TO: Exceptions 1, 2, 3, 4, & 6 listed in The Transamerica Title Insurance Co. Preliminary Report No. 38-11428 dated September 13, 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 Seller to Purchaser, the Purchaser agrees to and with the Seller as follows:

1. Payments: The full purchase price which Purchaser agrees to pay for the foregoing described property is the sum of NINETY THOUSAND and NO/100ths DOLLARS (\$90,000.00). ELEVEN THOUSAND, EIGHT HUNDRED and NO/100ths DOLLARS (\$11,800.00) of which receipt is hereby acknowledged by Seller and the balance in the amount of SEVENTY-EIGHT THOUSAND, TWO HUNDRED and NO/100th DOLLARS (\$78,200.00) shall be paid by Purchaser to Seller as follows:

Payment of not less than \$800.00 each month including interest on the deferred balances at the rate of SEVEN PERCENT (7%) per annum. Interest shall begin and accrue as of October 15, 1976. The first monthly payment shall be made on or before the 15th of October, 1976 and like payments shall be made on or before the 15th day of each and every month thereafter. The entire amount due and payable on or before October 15th, 1978. At which time seller will subordinate a 2nd mortgage to a First mortgage

Return: T/A

Kotly

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of no less than \$40,000.00. Said 2nd mortgage then to be amortised over 8 years at 7% per annum, all payable September 15th, 1986.

October 15, 1978 or sooner when said Subordination is made, Seller will cause interest of Hagelstein's to be satisfied and with the First Mortgage money Seller will cause the interest of the Federal Land Bank to be satisfied.

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. Purchaser 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. Payments are to be credited to purchaser's balance and bank is then to pay same to Louis L. and Nona B. Hagelstein as credit to Seller's balance with them.

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 Purchaser at Seller's expense 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 Warranty Deed which shall convey the above described real property, in fee simple, unto Purchaser, 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 Purchaser herewith assumes and further excepting all liens and encumbrances which are created or which hereafter may be created by Purchaser, their heirs, successors and assigns. Said Warranty Deed shall be delivered by the escrow agent to Purchaser upon full payment of the purchase price, including interest, as hereinabove required and provided.

3. Taxes, Adjustment and Possession: Taxes to be prorated and Purchaser 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 Purchaser.

Purchaser shall take possession of the above property on September 15th, 1976, and shall retain the same for so long as he performs and covenants and agreements herein contained and are not in default under the terms of this Agreement.

Irrigation: Purchaser agrees to pay his pro-rata share of cost of the irrigation system of which he will have an undivided 1/4 interest, as long as he will pay Lewis L. Hagelstein or his designees his pro-rata share of the maintenance and operation costs of said 100 h.p. pump, pipe, ditches and reservoirs, and Lewis L. Hagelstein and Nona B. Hagelstein reserve an undivided 1/2 interest to same for Hagelsteins and Hagelstein's successors, and like reservation of an undivided 1/4 interest is reserved for Seller or her successors.

4. Purchaser's clause: Purchaser is entering this agreement upon the basis of his own examination, knowledge and opinion as to the value and condition of the property subject hereof. Purchaser acknowledges that Seller has made no agreement or promise to alter, repair or improve the property or any part thereof. Purchaser further agrees 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.

Purchaser herewith states that he is 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.

Purchaser 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; purchaser shall take good care of the premises and 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.

Purchaser assumes responsibility of clearing and burning any slash on the herein described property.

Purchaser agrees to deposit in the Escrow an executed Quitclaim Deed to be returned to Purchaser October 15th, 1978, if no default has taken place.

Purchaser agrees 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; Purchaser agrees to abide by and follow all City, County, State and Federal laws applicable thereto; Purchaser agrees 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 Purchaser shall fail to make the payments as required of them herein, or any of them, punctually, within the time limited therefor or should they fail to keep any agreements on their part required and contained herein, then the Seller, at her 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 Purchaser herein shall utterly cease and determine, rights of possession and all other rights of Purchaser 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 Purchaser 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 Purchaser, 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 Purchaser; and it is mutually agreed that failure by Seller, at any time to require performance of Purchaser 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 her hereunder, she must first give the Purchaser notice at Purchaser's last address as it appears on the records of the escrow agent, by Certified or Registered mail, informing Purchaser of the terms of this agreement, that Purchaser has failed to perform and allow Purchaser sixty days (60) in which to correct any default of which Seller complains; however, notwithstanding anything to the contrary contained herein, if Purchaser has failed to make any payments of monies as required of them herein and said failure shall continue of more than sixty days (60) after payment becomes due then Purchaser shall be deemed in default and Seller shall not be obligated to give any notice to Purchaser 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 Purchaser. 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 Purchaser 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 Purchaser, then Purchaser 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: The parties acknowledge that Seller owns the foregoing described property by reason of the Contract described heretofore in the Title Report; and Seller does hereby covenant with and promise to Purchaser that he shall pay and perform the terms and obligations of said Contract and save Purchaser harmless therefrom; provided however, that Purchaser does 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 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.

Marshall E. Underwood
Purchaser

William D. Hummel
Seller

Sharon M. Underwood
Purchaser

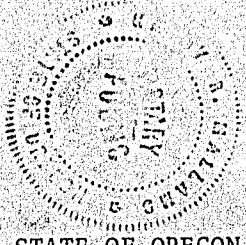
Seller

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STATE OF OREGON)
County of Klamath) ss.

On the 27th day of September 19 76,
before me, the undersigned personally appeared, Winifred 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.

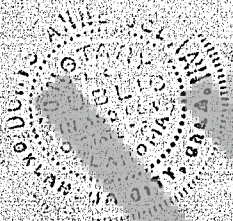


Kathy R. Mallama
Notary Public for Oregon
My Commission Expires 6-13-80

STATE OF OREGON)
County of ~~Klamath~~ OKLAHOMA) ss.

On the 30th day of September 19 76,
before me, the undersigned personally appeared, Sharmar Land
and Investment Company, An Oregon Partnership, 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.



Louis Ann Mallama
Notary Public for ~~OREGON~~ OKLAHOMA
My Commission Expires 12-3-79

600 Main Street Klamath Falls, Oregon 97601
(503) 884-6137

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A Service of
Transamerica Corporation

Exhibit C
Transamerica Title Insurance Co

September 13, 1976

Silani Real Estate
P. O. Box 122
Klamath Falls, Oregon 97601

Order No. 38-11428

PRELIMINARY REPORT FOR

Standard Coverage Policy \$ 90,000.00

Standard Loan Policy \$

Premium:

Owners \$ 340.00 //

Mortgagees \$

ESCROW NO. K-11428-4

Gentlemen: We are prepared to issue title insurance in the form and amount shown above insuring the title to the land hereinafter described:

SEE ATTACHED DESCRIPTION

as of September 7, 1976 at 5:00 P. M., vest in

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

subject to the usual printed stipulations and exceptions appearing in such form policy and also the following:

1. 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

Recorded : November 30, 1973 Book: M-73 Page: 15558

Mortgagor : Lewis L. Hagelstein and Nona B. Hagelstein, husband and wife and Clifford J. Emmich and Winifred Emmich husband and wife

Mortgagee : The Federal Land Bank of Spokane, a corporation in Spokane Washington.

(Covers additional property)

continued ...

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

2. Subject to the right, title and interest of Clifford J. Emmich and Winifred Emmich, as disclosed by Mortgage in Exception No. 1 above.

3. 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 FLRA of Klamath Falls. (Covers pump and motor only) (Covers additional property)

4. Contract, including the terms and provisions thereof,
 Dated : January 2, 1976
 Recorded : January 22, 1976 Book: M-76 Page: 1071
 Vendor : Lewis L. Hagelstein and Nona B. Hagelstein
 Vendee : Winifred L. Emmich
 (Covers additional property)

Out
 5. Contract, including the terms and provisions thereof,
 Dated : March 1, 1976
 Recorded : May 14, 1976 Book: M-76 Page: 7195
 Vendor : Winifred L. Emmich
 Vendee : Dale E. Larrick

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. (Affects E $\frac{1}{2}$ SE $\frac{1}{2}$ and NW $\frac{1}{2}$ SE $\frac{1}{2}$ Sec. 20)

7. Taxes for the year 1975-76 \$166.27, part paid. Balance \$41.57 unpaid. (CODE 2 MAP 3709 TL 3901)

Taxes for the year 1975-76 \$29.08, part paid. Balance \$7.27 unpaid. (CODE 2 MAP 3709 TL 4400)

Taxes for the year 1975-76 \$15.98, part paid. Balance \$4.00 unpaid. (CODE 2 MAP 3709 TL 4500)

Taxes for the year 1975-76 \$19.48, part paid. Balance \$4.87 unpaid. (CODE 2 MAP 3709 TL 4600 Covers additional property)

Taxes for the year 1975-76 \$77.51, part paid. Balance \$19.37 unpaid. (CODE 2 MAP 3709 TL 4700)

Taxes for the year 1975-76 \$7.43, part paid. Balance \$1.85 unpaid. (CODE 2 MAP 3709 TL 4800)

Taxes for the year 1975-76 \$49.38, part paid. Balance \$12.36 unpaid. (CODE 2 MAP 3709 TL 4900 Covers additional property)

continued ...

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Taxes for the year 1975-76 \$639.10, part paid. Balance \$159.78 unpaid. (CODE 2 MAP 3709-2900 TL 200 Covers additional property)

Taxes for the year 1975-76 \$14.10, part paid. Balance \$3.53 unpaid. (CODE 2 MAP 3709-2900 TL 300 Covers additional property)

Note: We find no judgments or United States Internal Revenue Liens against DALE E. LARRICK, MARSHAL E. UNDERWOOD or SHARLENE M. UNDERWOOD.

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

A judgment in the amount of \$2,750.00

Entered	: July 15, 1976	Book:	29
Register No	: 76-100L	Page:	262
Against	: Clifford J. Emmich and Winifred L. Emmich	Line:	1
In favor of	: Ludwig G. Woelfl and Edith M. Woelfl, husband and wife		

(Payable 90 days from 7-15-76)

TRANSAMERICA TITLE INSURANCE CO.

BY

Gwen R. Schlumbohm
GWEN R. SCHLUMBOHM,
Title Officer

CRS:bjm

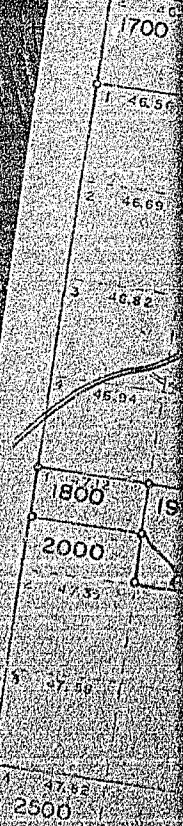
The following described real property in Klamath County, Oregon:

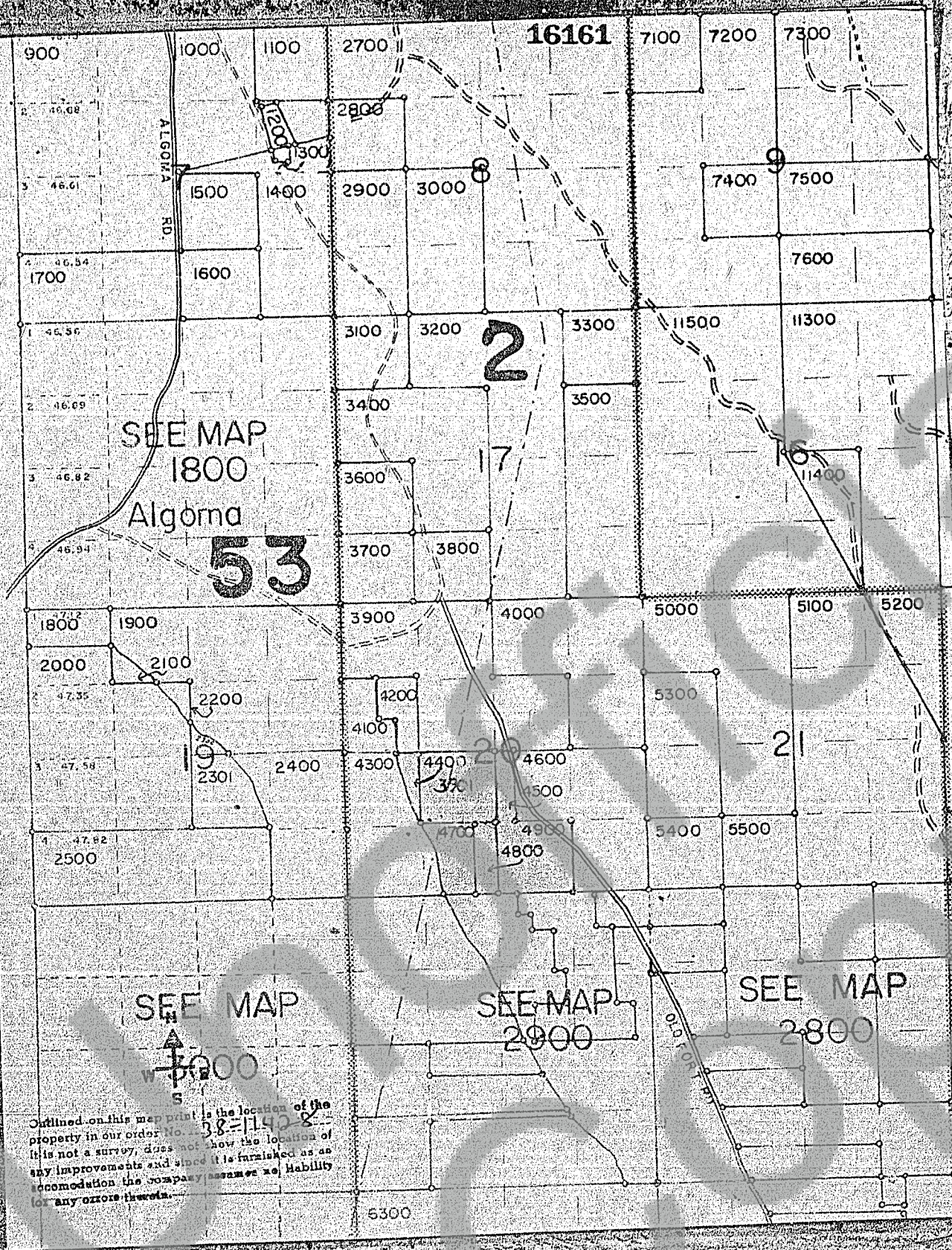
In Township 37 South, Range 9 East of the Willamette Meridian:

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, Klamath County Deed Records and Westerly of Old Fort Road.

Section 28: All that portion of the NW $\frac{1}{4}$ NW $\frac{1}{4}$ lying Westerly of Old Fort Road.

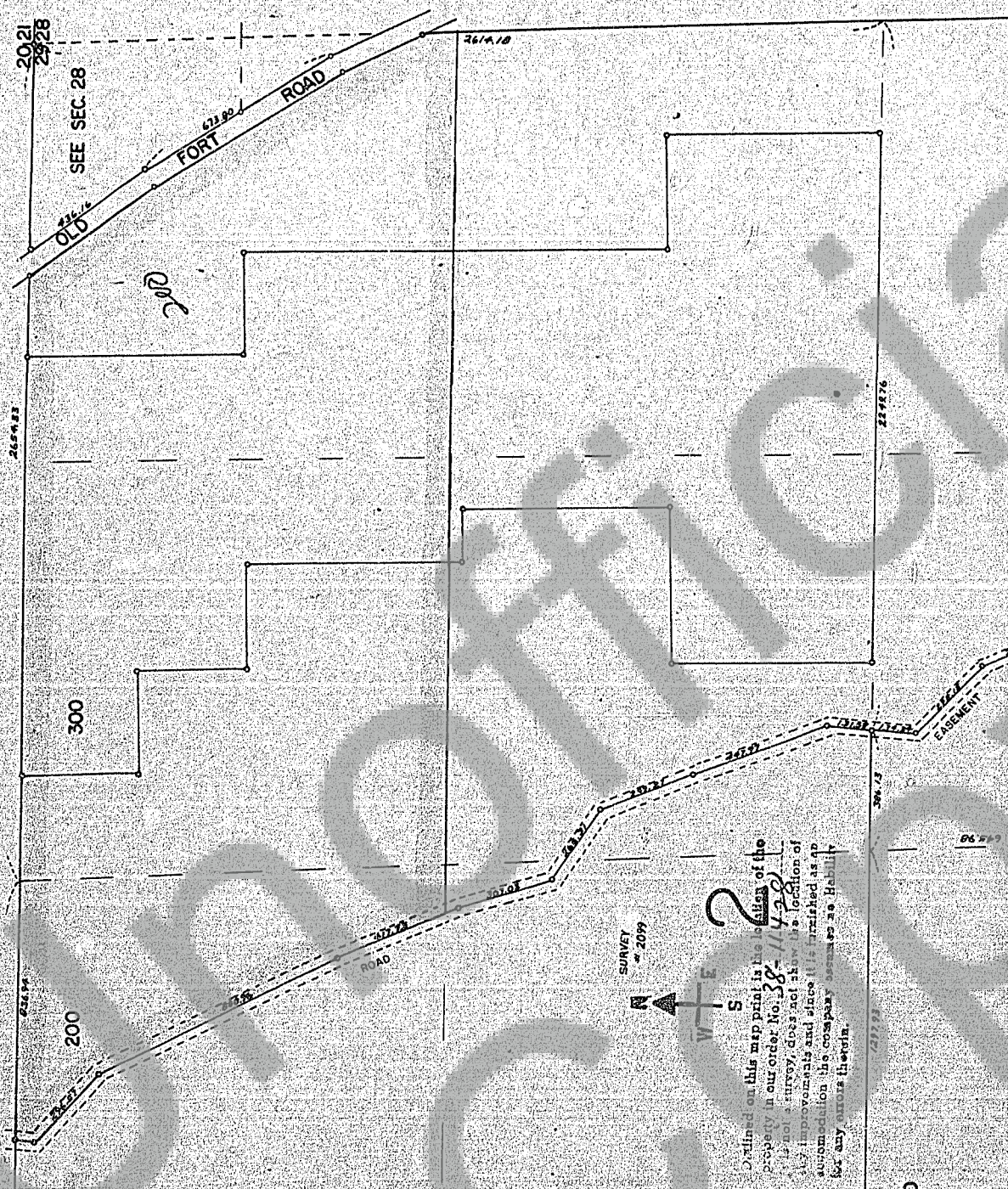
Section 29: All that portion of the N $\frac{1}{2}$ N $\frac{1}{2}$ lying Easterly of that certain 60 foot road easement described in Book M-73 at page 16734, Klamath County Deed Records and Westerly of Old Fort Road.





Outlined on this map print is the location of the property in our order No. 38-1142-8. It is not a survey, does not show the location of any improvements and since it is furnished as an accommodation the company assumes no liability for any errors therein.

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STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 13th day of OCTOBER A.D., 1976 at 11:06 o'clock A M., and duly recorded in Vol of DEEDS on Page 16150.

FEE \$ 39.00

WM. D. MILNE, County Clerk

By Hazel Dragic Deputy