

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

John A. McGlothern et al
Crescent Ave 97733

Vol. 77 Page 2470

25296

CONTRACT OF SALE

THIS AGREEMENT Made this 27 day of January, 1977,

BETWEEN: RAY JONES, also known as R. B. JONES, also
known as RAY B. JONES and CLYDA JONES, an
estate in fee simple as tenants by the
entirety,

hereinafter called Seller,

AND: JOHN A. MCGLOTHERN and LETHA F. MCGLOTHERN,
husband and wife, and
WOODROW C. MCGLOTHERN and EDYTHE V. MCGLOTHERN,
husband and wife,

hereinafter called Purchaser:

W I T N E S S E T H :

The Seller agrees to sell to Purchaser and Purchaser
agrees to purchase that certain land, and all improvements
thereon, situated in Klamath County, State of Oregon,
described as follows:

Lots 5, 7, 8, 9, 10, 15, 16, 17, 18, 19, 20,
21, 22, 23 and 24 in Block 38 of CRESCENT,
according to the official plat thereof on file
in the office of the County Clerk of Klamath
County, Oregon. EXCEPTING THEREFROM those
portions conveyed to The State of Oregon, by
and through its State Highway Commission by
deeds recorded March 5, 1943 in Deed Volume
153 page 367; recorded April 30, 1943 in Deed
Volume 155 page 31; recorded June 30, 1943 in
Deed Volume 156 page 339; recorded March 30,
1944 in Deed Volume 163 page 461 and recorded
March 25, 1952 in Deed Volume 253 page 583,
all records of Klamath County, Oregon.

GRAY, FANCHER, HOLMES & HURLEY
ATTORNEYS AT LAW
1044 N.W. BOND STREET
SEASIDE, OREGON 97138

Contract of Sale

Page One

TOGETHER WITH the personal property described more fully on Exhibit "A", attached hereto and by this reference made a part hereof.

SUBJECT TO:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records; pending proceedings for vacating, opening or changing of streets or highways preceding entry of the ordinance or order therefor;
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possessions thereof;
3. Easements, claims of easement or encumbrances which are not shown by the public records; unpated mining claims, reservations or exceptions in patents or in acts authorizing the issuance thereof; water rights, claims or title to water;
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other facts which a correct survey would disclose;
5. Reservations and restrictions contained in Deed from the State of Oregon, by and through its State Highway Commission to Ray B. Jones and Clyda Jones, recorded March 25, 1952 in Deed Volume 253 page 583, records of Klamath County, Oregon, as follows:
"Provided, however, there is reserved to the grantor, and waived and relinquished by the grantees, all rights of access between the above described real property and the right of way of the relocated public highway abutting on the Northwestern side of said parcel, which public highway, for the purpose of identification, is designated as the Dalles-California Highway, being State Highway No. 4. This reservation and exception shall run with the land and shall not be subject to modification, cancellation or destruction by adverse user or estoppel, no matter how long continued. Nothing in this conveyance contained shall be construed as conveying any estate, rights, title or interest in and to the public highway right of way or any rights of reversion therein or thereto." (Affects Lots 15 and 17);

GRAY, FANCHER, HOLMES & HURLEY
ATTORNEYS AT LAW
1044 N.W. BOND STREET
BEND, OREGON 97701

Contract of Sale

Page Two

Contract

Cont

6. Right of Way for pipeline, including the terms and provisions thereof, given by Patrick E. Greenan to Cascade Natural Gas Corporation, dated June 21, 1963, recorded August 7, 1963 in Deed Volume 347 page 185, records of Klamath County, Oregon. (Affects Lots 23 & 24);

7. Right of Way for pipeline, including the terms and provisions thereof, given by Ray B. Jones and Clyda Jones, husband and wife, to Cascade Natural Gas Corporation, dated July 5, 1963, recorded August 7, 1963 in Deed Volume 347 page 256, records of Klamath County, Oregon.

PURCHASE PRICE AND TERMS: The purchase price of the property which Purchaser agrees to pay shall be the sum of EIGHTY THOUSAND AND NO/100ths-----DOLLARS, (\$80,000.00) payable as follows:

(a) The sum of \$500.00 which has previously been paid as earnest money.

(b) The sum of \$20,500.00 which is paid upon execution hereof.

(c) The remaining balance of \$59,000.00 shall be paid in monthly installments of not less than \$400.00, including interest at the rate of seven percent (7%) per annum on the unpaid balances, the first of such installments to be paid on the 1st day of March, 1977 and on the 1st day of each and every month thereafter until the entire purchase price, including both principal and interest, is paid in full.

All payments hereunder shall be paid to Seller at First National Bank of Oregon, East Bend Branch.

CONVEYANCE OF ADDITIONAL PROPERTY: As part of this transaction, Seller agrees to acquire and make subject to the terms of this contract Lot 6, Block 38 of Crescent, on or before June 30, 1978. In the event Seller is unable to acquire

GRAY, FANCHER, HOLMES & HURLEY
ATTORNEYS AT LAW
1044 N.W. 80th STREET
BEND, OREGON 97701

Contract of Sale

Page Three

Al
Nat
trans
terms
fore Ju
Contract

Lot 6, Block 38 of Crescent on or before June 30, 1978, then in such event said lot will not be a part of this contract and the sales price herein will be reduced by \$2,000.00, which reduction shall be applied to the last portion of the unpaid balance of this contract.

INTEREST: Interest on all unpaid balances shall commence on February 1, 1977.

POSSESSION: Purchaser shall be entitled to possession of the premises as of February 1, 1977.

PREPAYMENT PRIVILEGES: Purchaser shall have the privilege of increasing any monthly payment or prepaying the whole consideration at any time; provided that no additional payments shall be credited as regular future payments nor excuse Purchaser from making the regular monthly payments provided for in this agreement.

TAXES: All taxes levied against the above described property for the current tax year shall be prorated between Seller and Purchaser as of February 1, 1977. Purchaser agrees to pay when due all taxes which are hereafter levied against the property and all public, private and statutory liens which may be hereafter lawfully imposed upon the premises.

INSURANCE: The Purchaser agrees to keep the buildings on said premises insured against loss by fire, with extended coverage endorsement, in the amount of the

GRAY, FANCHER, HOLMES & HURLEY
ATTORNEYS AT LAW
1044 N.W. BOND STREET
BEND, OREGON 97701

Contract of Sale

Page Four

reasonable insurable value thereof with loss payable to the Seller as his interest may appear at the time of loss. It is understood that any amount received by the Seller under said insurance in payment of a loss shall be applied upon the unpaid balance to the extent of the amount of the insurance payment received by Seller. Provided, however, it is agreed that, subject to the approval of any mortgagee holding security on this property, the Purchaser may elect to apply the proceeds of the insurance to repair or restore the damaged improvements on the condition that the Purchaser holds the Seller harmless from any liability or indebtedness arising out of said repair and improvements and permits no liens to attach to the property arising out of said work; in the event the Purchaser so elects, the proceeds of the insurance shall not be applied upon the unpaid balance of the contract. All uninsured losses shall be borne by the Purchaser.

IMPROVEMENTS, ALTERATIONS AND REPAIRS: Purchaser agrees that all improvements now located or which shall hereafter be placed on the premises shall remain a part of the real property and shall not be removed at any time prior to the expiration of this agreement without the written consent of Seller. Purchaser shall not commit or suffer any waste of the property, or any improvements thereon, or alterations thereof, and shall maintain the property and all improvements thereon and all alterations thereof in

GRAY, FANCHER, HOLMES & HURLEY
ATTORNEYS AT LAW
1044 N.W. BOND STREET
BEND, OREGON 97701

Contract of Sale

Page Five

agr
her
the
to th
sent
waste
alter
all in

good condition and repair. Purchaser shall not otherwise make or cause to be made any improvements or alterations to the property without first obtaining the written consent of Seller.

COVENANTS OF TITLE: Seller covenants that they are the owner of the above described property free of all encumbrances except as set forth herein.

TITLE INSURANCE: Seller shall furnish at their expense a Purchaser's title insurance policy in the amount of \$80,000.00 within thirty (30) days from the date hereof, insuring Purchaser against loss or damage sustained by them by reason of the unmarketability of Seller's title, or liens or encumbrances thereon, excepting matters contained in usual printed exceptions in such title insurance policies, easements, conditions and restrictions of record and encumbrances herein specified, if any.

COLLECTION ESCROW: As soon as practicable following the execution of this agreement, Seller shall deliver in escrow to First National Bank of Oregon, East Bend Branch:

(a) A warranty deed to the property, free and clear of all encumbrances, except as expressly specified herein, said deed to be executed by Seller with Purchaser as grantee.

(b) An executed copy of this agreement.

INSTRUCTIONS TO COLLECTION ESCROW AGENT: The parties hereto hereby instruct said escrow agent to receive

Contract of Sale

GRAY, FANCHER, HOLMES & HURLEY
ATTORNEYS AT LAW
1044 N.W. BOND STREET
BEND, OREGON 97701

Page Six

for Seller's account the balance of the installment payments provided for herein. Upon full payment of the principal and interest provided for herein, the escrow agent shall deliver to Purchaser the instruments specified above. If Purchaser fails to pay any installments before the expiration of thirty (30) days after the due date thereof, the escrow agent is authorized to surrender to Seller, upon demand and without notice to Purchaser, all of the documents specified in the preceeding paragraphs, thereby terminating the escrow.

REPRESENTATIONS: Purchaser has purchased the property solely upon Purchaser's own inspection and personal knowledge of the premises and opinion of the value thereof, and no promise to alter, repair, or improve said premises has been made by the Seller or by any agent of the Seller.

ASSIGNMENT: The Purchaser shall not sell, transfer, or assign their interest in this contract, or any interest in said real property, without first obtaining the written consent of the Seller. Provided, however, such consent shall not be unreasonably withheld. The terms of this paragraph will not apply when the unpaid balance of this contract is reduced to \$30,000.00.

DEFAULT: In the event Purchaser shall fail to perform any of the terms of this agreement, time of payment and performance being of the essence, Seller shall, at their option, subject to the requirements of notice as herein provided, have the following rights:

- (a) To foreclose this contract by strict foreclosure in equity.

GRAY, FANCHER, HOLMES & HURLEY
ATTORNEYS AT LAW
1044 N.W. BOND STREET
BEND, OREGON 97701

Contract of Sale

Page Seven

(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.

(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 payment theretofore made upon said premises. Under this option all of the right, title and interest of Purchaser shall revert and revest in Seller without any act of reentry or without any other act by Seller to be performed, and Purchaser agrees to peaceably surrender said premises to Seller, or in default thereof Purchaser may, at the option of Seller, be treated as a tenant holding over unlawfully after the expiration of a lease and may be ousted 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 payment as provided for herein until notice of said default has been given by Seller to Purchaser and Purchaser shall have failed to remedy said default within thirty (30) days after the giving of notice. Notice for this purpose shall be deemed to have been given by the deposit in the mails of a certified letter containing said notice and addressed to Purchaser at their last known address. If Purchaser shall fail to make payment as herein provided and said failure shall continue for more than ten (10) days after the payment becomes due, Purchaser shall be deemed in default and Seller shall not be obligated to give notice to Purchaser of a declaration of said default.

WAIVER: No waiver of a breach of any covenant, term or condition of this agreement shall be a waiver of any

GRAY, FANCHER, HOLMES & HURLEY
ATTORNEYS AT LAW
1044 N.W. BOND STREET
BEND, OREGON 97701

Contract of Sale

Page Eight

P
pe
the
unt
Purch
defau
Notice
by the
said not
address.
provided
(10) days
deemed in
notice to P
WA

other or subsequent breach of the same or any other covenant, term or condition or as a waiver of the covenant, term or condition itself.

SUCCESSOR INTERESTS: The covenants, conditions and terms of this agreement shall extend to and be binding upon and inure to the benefit of the heirs, personal representative and assigns of the parties hereto.

LITIGATION FEES AND EXPENSES: In the event suit or action be instituted to enforce any of the terms or conditions of this agreement, the losing party shall pay to the prevailing party, in addition to the costs and disbursements allowed by statute, such sum as the court may adjudge reasonable as attorney fees in such suit or action, in both trial court and appellate courts.

INTERPRETATION: As used in this contract, it is understood that the Seller or the Purchaser may be less than two persons; that if the context so requires, the plural pronoun shall be taken to mean and include the singular, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed, and implied to make the provisions hereof apply equally to an individual.

IN WITNESS WHEREOF, The parties hereto have executed this agreement the day and year first above written.

GRAY, FANCHER, HOLMES & HURLEY
ATTORNEYS AT LAW
1044 N.W. BOND STREET
BEND, OREGON 97701

Contract of Sale

Page Nine

on
con
the
ment
reaso
trial

underst
two pers
pronoun
masculine
all gramm
to make th

SELLER:

Roy B Jones
RAY JONESClyda Jones
CLYDA JONES

PURCHASER:

John A. McGlothern
JOHN A. MCGLOTHERNLetha F. McGlothern
LETHA F. MCGLOTHERNWoodrow C. McGlothern
WOODROW C. MCGLOTHERNEdythe V. McGlothern
EDYTHE V. MCGLOTHERN

STATE OF OREGON, County of

Jan 27, 1977

Personally appeared the above named RAY JONES, also known as R. B. JONES, also known as RAY B. JONES and CLYDA JONES and acknowledged the foregoing instrument to be their voluntary act. Before me:

SS:

STATE OF OREGON, County of

Jan 27, 1977

Personally appeared the above named JOHN A. MCGLOTHERN, LETHA F. MCGLOTHERN, WOODROW C. MCGLOTHERN and EDYTHE V. MCGLOTHERN and acknowledged the foregoing instrument to be their voluntary act. Before me:

NOTARY PUBLIC FOR OREGON

My Commission Expires: 10/26/78

SS:

NOTARY PUBLIC FOR OREGON

My Commission Expires: 12/26/78State of Oregon,
County of Klamath } ss.

I hereby certify that the within instrument was received and filed for record on the 10th day of FEBRUARY, 1977, at 12:32 o'clock P M. and recorded on Page 2478 in Book M 77 Records of DEEDS of said County.

WM. D. MILNE, County-Clerk

Fee \$ 30.00 Deputy

GRAY, FANCHER, HOLMES & HURLEY
ATTORNEYS AT LAW
1044 N.W. 60th STREET
BEND, OREGON 97701

Contract of Sale

Page Ten

Ok: Ray B Jones
Clyda Jones
Exescent Chie

Ok: Ray B Jones
Clyda Jones