

MTC 1200-3060

27989

REAL ESTATE CONTRACT

Vol. 77 Page

6166

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THIS AGREEMENT dated April 15, 1977, by and between CHRISTINE MAY LUNETTA and MICHAEL D. LUNETTA, husband and wife, hereinafter called also known as Michael Dennis Lunetta "Seller" and ROBERT M. REED and MAPRIL J. REED, husband and wife, hereinafter called "Buyer";

W I T N E S S E T H :

Seller hereby agrees to sell to Buyer and Buyer hereby agrees to purchase from Seller the following described real property, to-wit:

Parcel 1:

Lot 24 of INDEPENDENCE TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Parcel 2:

Tract 23 in INDEPENDENCE TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. Subject, however, to the following:

1. The premises herein described are within and subject to the statutory powers, including the power of assessment, of Enterprise Irrigation District.
2. The premises herein described are within and subject to the statutory powers, including the power of assessment, of South Suburban Sanitary District.
3. Unrecorded Contract of Sale dated April 19, 1973 between Alton P. Elder and Alpha O. Elder, husband and wife, Sellers, and William C. Ransom, Buyer, which Contract is not assumed by Buyers and Seller further covenants to and with Buyers that the said prior contract shall be paid in full prior to, or at the time this contract is fully paid and that said above described real property will be released from the lien of said mortgage upon payment of this contract.
4. Recorded Contract of Sale dated January 1, 1974 by and between William C. Ransom, Seller, and Michael D. Lunetta and Christine May Lunetta, husband and wife, Buyers, which Contract is not assumed by Buyers and Sellers further covenant to and with Buyers that the said prior contract shall be paid in full prior to, or at the time this contract is fully paid and that said above described real property will be released from the lien of said mortgage upon payment of this contract, recorded January 15, 1974 in Volume M-75 at page 653.
5. Trust Deed, including the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advances as may be provided therein.

Dated: March 1, 1973

Recorded: March 2, 1973 in Volume M73, page 2234 and re-recorded April 16, 1973 in Volume M73, page 4492, all Microfilm Records of Klamath County, Oregon

Amount: \$10,150.00

Grantor: William C. Ransom, a single man

Trustee: Klamath County Title Co.

Beneficiary: United States National Bank of Oregon, Town & Country Branch, which Vendees do not assume and agree to pay and Sellers further covenant to and with Buyers that the said prior mortgage shall be paid in full prior to, or at the time this contract is fully paid and that said above described real property will be released from the lien of said mortgage upon payment of this contract.

all upon the terms and conditions hereinafter set forth.

PURCHASE PRICE: The purchase price to be paid by the Buyer to the Seller is \$40,000.00 Dollars, of which the sum of \$5,000.00 has been paid the receipt of which is hereby acknowledged.

The balance of the purchase price shall be paid as follows:

\$35,000.00 with interest at the rate of 9% per annum from April 15, 1977, payable in monthly installments of not less than \$275.00 per month, inclusive of interest, with first payment due May 1, 1977 up to and including December 31, 1980 when the monthly installments increase to \$287.50 per month, inclusive of interest, and a like installment of \$287.50 on the 1st day of every month thereafter until the balance, and interest, is fully paid.

Buyer agrees to pay a lump sum payment as follows:

\$2,000.00 on April 1, 1978.

\$1,000.00 on April 1, 1979.

\$1,000.00 on April 1, 1980.

Upon payment of the lump sum of \$2,000.00 on April 1, 1978 the Sellers instruct the escrow agent to release the Warranty Deeds set forth as items (b) and (c) described as the Easterly one-half of Lots 23 and 24, INDEPENDENCE TRACTS.

The Buyer warrants to and covenants with the Seller that the real property described in this contract is:

Primarily for Buyers's personal, family, household or agriculture.

TAXES AND ASSESSMENTS: The Buyer assumes and agrees to pay before delinquency, taxes and assessments of any kind or character which may hereafter become a lien on said real estate.

INSURANCE: Buyer agrees to keep the buildings now or hereafter placed upon said premises insured in an amount equal to the unpaid balance hereunder as the same shall exist from time to time or \$35,000.00 Dollars, whichever shall be greater, against loss or damage by fire and causes covered under extended coverage, payable to Seller, in a company acceptable to Seller and for Seller's benefit as Seller's interest may appear, and to deliver to Seller copies of all such policies and renewals of such policies.

PAYMENTS BY SELLER: In the event Buyer fails to make any tax or other payment as herein required, or to maintain insurance, Seller may, but is not hereby required to, make such payment or effect such insurance, and any amount so paid by Seller, together with interest thereon at the same rate as provided in this contract for the unpaid balance, from the date of Seller's payment until repaid shall be reimbursed by Buyer on demand and secured by this contract, all without prejudice to any other right Seller may have by reason of such default.

REPRESENTATIONS: Buyer agrees that full inspection of said property has been made, and that neither Seller, Seller's assigns, nor Seller's representatives have made any representations concerning the condition of the property or the improvements thereon nor has any agreement for alteration, improvement or repair been made unless the same is set forth in this agreement.

RISK OF LOSS: Buyer assumes all hazards of damage to or destruction of any improvements now or hereafter located on said real estate and

of the taking of said real estate or any part thereof for public use, and agrees that no such damage, destruction or taking shall constitute a failure of consideration.

INSURANCE PROCEEDS: In case of damage or destruction from a peril insured against, the proceeds from such insurance remaining after payment of the reasonable expenses of procuring the same shall be devoted to the restoration or rebuilding of such improvements within a reasonable time, unless Seller elects in writing that such proceeds be paid to him for application, in inverse order of their maturity, against the principal portion of any payments of the unpaid balance hereunder thereafter falling due, in which event, such insurance proceeds shall be so applied.

USE AND MAINTENANCE: Buyer covenants to keep the buildings and other improvements, if any, now or hereafter located on said real estate in good repair and not to permit waste nor use nor permit the use of said property for any illegal purpose. Buyer covenants to pay all service, installation or construction charges for water, sewer, electricity, garbage or other utilities furnished to said real estate after Buyer is entitled to possession.

FULFILLMENT DEED: Seller agrees, upon receipt of full payment of the purchase price and interest in the manner above specified and when all other terms, conditions and covenants of this contract have been met, to convey the above described real property to Buyer by statutory warranty deed, free and clear of encumbrances except those which may attach after the date hereof through any person other than the Seller or Seller's successors and assigns, and except such encumbrances as Buyer has assumed or to which Buyer has purchased subject as stated above.

POSSESSION: Buyer shall be entitled to possession of the above described properties on or before April 15, 1977 and may retain possession only so long as Buyer is not in default herein.

ASSIGNMENT: Buyer shall not assign this contract nor any interest herein nor sell any interest herein without the written consent of Seller, which consent Seller agrees not to unreasonably withhold.

SELLER'S REMEDIES: Time is of the essence of this contract. In the event Buyer shall fail to comply with or perform any condition or agreement hereof promptly at the time and in the manner herein specified and shall fail to correct said default within a period of 30 days after personal service or date of mailing of notice thereof as herein provided, the same shall constitute a material breach of this agreement, and thereupon Seller may exercise any of the following optional, cumulative remedies:

- a. Seller may elect to declare this contract null and void and all of Buyer's rights hereunder terminated and upon so doing, all payments made by Buyer hereunder may be declared forfeited to Seller as liquidated damages, and Seller shall have the right to re-enter and take possession of the real estate and Buyer in such event agrees to immediately surrender possession of said premises.
- b. Seller may elect to bring action or actions on any intermediate overdue installment or on any payment or payments made by Seller and repayable by Buyer, it being stipulated that the covenants to pay intermediate installments or to pay items repayable by Buyer are independent of the covenant to make a deed, and that every such action is an action arising on contract for the recovery of money only, as if the promise to pay had been expressed in a different instrument. Buyer agrees that no such action shall constitute an election not to proceed otherwise as to any subsequent default, and no waiver by Seller of any default of Buyer shall be construed as a waiver of any subsequent default.
- c. Seller may accelerate and declare the entire unpaid balance immediately due and payable and may commence

an action against Buyer for said unpaid balance, together with any other sums due Seller or herein required to be paid by Buyer by virtue of this contract, including but not limited to interest and delinquent taxes or assessments, and to commence an action for the entire principal balance of the purchase price plus such other sums. The failure of Seller to bring an action against Buyer at any time upon the violation of any of the terms of this contract by Buyer shall not be construed to be a waiver of any of the rights of Seller specified herein.

- d. Seller may foreclose this contract by suit in equity, and in any of such cases, all the right and interest hereby created or then existing in favor of the Buyer derived under this agreement, shall utterly cease and determine, and the premises aforesaid shall revert and revert in the Seller without any declaration of forfeiture or act of re-entry, or without any other act by Seller to be performed and without any right of the Buyer of reclamation or compensation for money paid or for improvements made as absolutely fully and perfectly as if this agreement had never been made.

COSTS AND ATTORNEY'S FEES: In the event Seller elects to exercise Seller's rights under any of the options above set forth, through court action or otherwise, and the Seller incurs any costs, expenses or attorney's fees by reason of such exercise, Buyer agrees to pay Seller all such reasonable costs, expenses and a reasonable attorney's fee in connection with the enforcement of Seller's rights.

NOTICES: All demands, notices and notices of forfeiture may be personally served upon the parties or service thereof may be made by certified mail, addressed to the respective parties at the following addresses: That Seller's address is 933 Washington, Klamath Falls, Oregon 97601. That Buyer's address is 56715 Eberlin, Klamath Falls, Oregon 97601.

TITLE INSURANCE: Seller has delivered, or agrees to deliver within 30 days of the date hereof, a purchasers' policy of title insurance in standard form, or a commitment therefor, issued by a title insurance company entitled to do business in the state where the above described property shall be located, in the amount of the purchase price, insuring marketable title in and to said premises in the Seller on or subsequent to the date of this agreement, save and except the usual printed exceptions and the building and other restrictions and easements now of record, if any, and Seller also agrees that when said purchase price is fully paid and upon request and upon surrender of this agreement, he will deliver a good and sufficient deed conveying said premises in fee simple unto the Buyer, his heirs and assigns, free and clear of encumbrances since said date placed, permitted or arising by, through or under Seller, excepting, however, the said easements and restrictions and the taxes, municipal liens, water rents and public charges so assumed by Buyer and further excepting all liens encumbrances created by the Buyer or his assigns.

DEED RELEASE: Seller agrees to release the Easterly one-half of Lots 23 and 24, of INDEPENDENCE TRACTS upon Buyers making a lump sum payment on the contract April 1, 1978 in the sum of \$2,000.00. William C. Ransom, contract Vendor herein, and real estate agent, his heirs, assigns and representatives, guarantees to satisfy the unrecorded Contract of Sale wherein he is buying on Contract from Alton P. Elder, et ux and to satisfy the Trust Deed owing to the United States National Bank of Oregon, and he further agrees to release the Easterly one-half of Lots 23 and 24, of INDEPENDENCE TRACTS from that certain contract of sale between William C. Ransom, Vendor, and Christine May Lunetta and Michael D. Lunetta dated January 1, 1974, and further agrees by the attached Agreement, marked Exhibit "A" to the escrow agent releasing said Warranty Deed set forth in this Contract as item (b). This deed will be released in addition to the Warranty Deed set forth as item (c) of this Contract wherein Lunetta, et ux conveys to Reed, et ux.

PARTIES: The obligations of the undersigned are joint and several, and wherever the context hereof so admits or requires, the singular shall include the plural. This agreement shall benefit and bind the heirs, executors, administrators, successors and assigns of the parties.

ESCROW: As soon as practicable after the execution of this agreement, the parties shall deliver to the United States National Bank of Oregon, 3720 South 6th St., Klamath Falls, Oregon, in escrow the following documents:

- a. A full warranty deed covering the above described real property.
- b. Warranty deed covering the Easterly one-half of Lots 23 and 24 - William C. Ransom, Grantor, to Christine May Lunetta and Michael D. Lunetta, Grantees.
- c. Warranty deed covering the Easterly one-half of Lots 23 and 24 - Christine May Lunetta and Michael D. Lunetta, husband and wife, Grantors, to Robert M. Reed and Mapril J. Reed, husband and wife, Grantees.

Items (b) and (c) are to be released to Robert M. Reed and Mapril J. Reed upon payment of the lump sum of \$2,000.00 on April 1, 1978.

- d. The original recorded Contract of Sale.
- e. Installment Note dated April 15, 1977, executed by Christine May Lunetta and Michael D. Lunetta, husband and wife, payable to the order of Paddock Real Estate, 2972 South Sixth Street, Klamath Falls, Oregon 97601; principal amount being in the sum of \$2,300.00 with interest at the rate of 8%; payable in annual installments of \$1,000.00 on April 1, 1978; \$1,000.00 on April 1, 1979 and the balance of \$300.00 and all accrued interest at 8% from April 15, 1977.
- f. Such escrow instructions as shall meet with the approval of the above named escrow agent.

The parties instruct the above named escrow agent to receive for collection the installments provided for herein and to remit the same to Seller as Seller may from time to time direct. Seller retains a lien on said properties to secure Buyer's payment and performance hereof; but upon full and faithful payment and performance hereby by Buyer, title shall pass, and the escrow agent shall then deliver to Buyer all instruments deposited in escrow.

SURVIVORSHIP: It is agreed by the parties hereto that the rights of Seller herein are the property and for the benefit of Seller jointly while they are both living, and the property and for the benefit of the survivor of them upon the death of either; that it is the intention of Seller that the proceeds of all payments upon this contract will be the property of Seller jointly while they are both living and the property of the survivor of them upon the death of either, said rights of survivorship being in the nature of tenants by the entirety and with right of survivorship. It is further agreed that this contract is executed in favor of Buyer as tenants by the entirety and with right of survivorship.

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

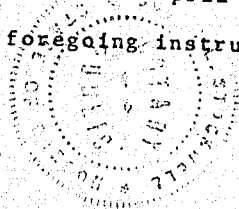
Christine May Lunetta
Christine May Lunetta
Michael D. Lunetta
Michael D. Lunetta "SELLER"
Robert M. Reed
Robert M. Reed
Mapril J. Reed
Mapril J. Reed "BUYER"

6171

STATE OF OREGON)
County of Klamath) ss

April 8, 1977

Personally appeared, before me, the above named Christine May Lunetta and Michael D. Lunetta, husband and wife, and Robert M. Reed and Mapril J. Reed, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.



Susan L. Stowell
Notary Public for Oregon
My Commission Expires: 6-13-80

Until further notice, send tax statements to:

Mr. & Mrs. Robert M. Reed
6715 Eberlien
Klamath Falls, OR 97601

AGREEMENT

6172

THIS AGREEMENT entered into this 15th day of April, 1977, by and between WILLIAM C. RANSOM hereinafter referred to as First Party, and MICHAEL D. LUNETTA and Christine May Lunetta, husband and wife, and ROBERT M. REED and MAPRIL J. REED, husband and wife, hereinafter referred to as Second Party;

W I T N E S S E T H:

First party hereby agrees to clear the following described liens from the property described as follows upon payment of the sum of \$2,000 April 1, 1978 by Robert M. Reed and Mapril J. Reed, to-wit:

Parcel 1:

Lot 24 of INDEPENDENCE TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Parcel 2:

Tract 23 in INDEPENDENCE TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, which liens are as follows:

Unrecorded Contract of Sale dated April 19, 1973 between Alton P. Elder and Alpha Ol Elder, husband and wife, Sellers, and William C. Ransom, Buyer, which Contract is escrow at United States National Bank of Oregon, 2950 Shasta Way, Klamath Falls, Oregon.

Trust Deed, including the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advances as may be provided therein.

Dated: March 1, 1973

Recorded: March 2, 1973 in Volume M73, page 2234 and re-recorded April 16, 1973 in Volume M73, page 4492, all Microfilm Records of Klamath County, Oregon.

Grantor: William C. Ransom

Trustee: Klamath County Title Co.

Beneficiary: United States National Bank of Oregon.

First party further agrees to release the Easterly one-half of Lots 23 and 24 of INDEPENDENCE TRACTS from that certain contract of sale between William C. Ransom, Vendor, and Christine May Lunetta and Michael D. Lunetta dated January 1, 1974 and First party further agrees to instruct the escrow agent at United States National Bank of Oregon to release said Warranty deed upon the payment of \$2,000 on April 1, 1978 by Robert M. Reed and Mapril J. Reed to Michael D. Lunetta and Christine May Lunetta, husband and wife.

This agreement shall be binding upon the respective parties, their heirs, successors and assigns.

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

William C. Ransom
WILLIAM C. RANSOM

FIRST PARTY

Michael D. Lunetta
MICHAEL D. LUNETTA

Christine May Lunetta
CHRISTINE M. LUNETTA

Robert M. Reed
ROBERT M. REED

Mapril J. Reed
MAPRIL J. REED

SECOND PARTY

State of Oregon,] ss,
County of Klamath

I hereby certify that the within instrument was received and filed for record on the 13th day of April, 1977, at 9:03 o'clock A.M. and recorded on Page 6166 in Book M 77 Records of Deeds of said County.

Fee \$21.00
WM. D. MILNE, County Clerk
By *Hazel Inazaki* Deputy

Return to: HTC - Main

EXHIBIT "A"