

(This contract should be executed in triplicate, acknowledged by seller and recorded in the deed records.)

1-1-74

32.79

CONTRACT—REAL ESTATE

Vol. 77

Page

12038

THIS CONTRACT, Made this 8th day of December, 1976, between
 JACK MALLORY and DORIS MALLORY, husband and wife,
 hereinafter called the seller,
 and MYRON A. HANNAGAN and ELAINE HANNAGAN, husband and wife,
 hereinafter called the buyer,

WITNESSETH: That in consideration of the mutual covenants and agreements herein contained, the seller agrees to sell unto the buyer and the buyer agrees to purchase from the seller all of the following described lands and premises situated in Klamath County, State of Oregon, to-wit:
 The W 1/2 of the S 1/2 S 1/2 of the NE 1/4 NE 1/4 of Section 20, Twp. 39 South, Range 12, E.W.M., and

The SE 1/4 NE 1/4, of Section 20, Twp. 39 S., Range 12, E.W.M., EXCEPTING THEREFROM the W 1/2 of the S 1/2 S 1/2 of said SE 1/4 NE 1/4 of Section 30, Twp. 39 S., Range 12, E.W.M.

Containing approximately 40 acres
 TOGETHER WITH that certain easement for roadway purposes over the Southerly 30 feet of the W 1/2 NW 1/4, Section 21, Twp. 39 S., Range 12, E.W.M., given for the benefit of the aforementioned property. (SEE REVERSE)

for the sum of Twelve Thousand and no/100 Dollars (\$12,000.00) (hereinafter called the purchase price) on account of which One Thousand and no/100 Dollars (\$1,000.00) is paid on the execution hereof (the receipt of which hereby is acknowledged by the seller), and the remainder to be paid at the times and in amounts as follows, to-wit: The sum of \$100 per month shall be paid on the 1st day of February, 1977, and a like sum of \$100 per month to be paid on or before the 1st day of each and every month thereafter, except for the payment being due on or before the 1st day of February, 1980, which shall be the sum of \$1,000, and the payment being due on or before the 1st day of February, 1983, which shall be the sum of \$1,000. The monthly installments of \$100 per month shall continue until the entire sum of principal and interest is paid in full;

All of said purchase price may be paid at any time; all deferred balances shall bear interest at the rate of 8 per cent per annum from December 8, 1976 until paid, interest to be paid monthly and in addition to the minimum regular payments above required. Taxes on said premises for the current tax year shall be prorated between the parties hereto as of this date.

The buyer warrants to and covenants with the seller that the real property described in this contract is
 (A) primarily for buyer's personal, family, household or agricultural purposes,
 (B) for an organization or (even if buyer is a natural person) is for business or commercial purposes other than agricultural purposes.

The buyer shall be entitled to possession of said lands on December 8, 1976, and may retain such possession so long as he is not in default under the terms of this contract. The buyer agrees that at all times he will keep the buildings on said premises, now or hereafter erected, in good condition and repair and will not suffer or permit any waste or strip thereof; that he will keep said premises free from mechanic's and all other liens and save the seller harmless therefrom and reimburse seller for all costs and attorney's fees incurred by him in defending against any such liens; that he will pay all taxes hereafter levied against said property, as well as all water rents, public charges and municipal liens which hereafter lawfully may be imposed upon said premises, all promptly before the same or any part thereof become past due; that at buyer's expense, he will insure and keep insured all buildings now or hereafter erected on said premises against loss or damage by fire (with extended coverage) in an amount not less than \$ in a company or companies satisfactory to the seller, with loss payable first to the seller and then to the buyer as their respective interests may appear and all policies of insurance to be delivered as soon as insured to the escrow agent hereinafter named: Now if the buyer shall fail to pay any such liens, costs, water rents, taxes, or charges or to procure and pay for such insurance, the seller may do so and any payment so made shall be added to and become a part of the debt secured by this contract and shall bear interest at the rate aforesaid, without waiver, however, of any right arising to the seller for buyer's breach of contract.

The seller has exhibited unto the buyer a title insurance policy insuring marketable title in and to said premises in the seller; seller's title has been examined by the buyer and is accepted and approved by him.

Contemporaneously herewith, the seller has executed a good and sufficient deed (the form of which hereby is approved by the buyer) conveying the above described real estate in fee simple unto the buyer, his heirs and assigns, free and clear of incumbrances as of the date hereof, excepting the easements, building and other restrictions now of record, if any, and those herein set forth,

and has placed said deed, together with an executed copy of this contract and the title insurance policy mentioned above, in escrow with the escrow agent, with instructions to deliver said deed, together with the fire and title insurance policies, to the order of the buyer, his heirs and assigns, upon the payment of the purchase price and full compliance by the buyer with the terms of this agreement. The buyer agrees to pay the balance of said purchase price and the respective installments thereof, promptly at the times provided therefor, to the said escrow agent for the use and benefit of the seller. The escrow fee of the escrow agent shall be paid by the seller and buyer in equal shares; the collection charges of said agent shall be paid by the

(Continued on reverse)

*IMPORTANT NOTICE: Delete, by lining out, whichever phrase and whichever warranty (A) or (B) is not applicable. If warranty (A) is applicable and if the seller is a creditor, as such word is defined in the Truth-in-Lending Act and Regulation Z, the seller MUST comply with the Act and Regulation by making required disclosures; for this purpose, use Stevens-Ness Form No. 1308 or similar unless the contract will become a first lien to finance the purchase of a dwelling in which event use Stevens-Ness Form No. 1307 or similar.

Jack and Doris Mallory
 1055 W. Neal Avenue
 Las Vegas, Nevada 89119

SELLER'S NAME AND ADDRESS

Myron and Elaine Hannagan
 P.O. Box 38
 Bonanza, OR 97623

BUYER'S NAME AND ADDRESS

After recording return to:

Jack and Doris Mallory
 1055 W. Neal Avenue
 Las Vegas, Nevada 89119

NAME, ADDRESS, ZIP

Until a change is requested all tax statements shall be sent to the following address.

Myron and Elaine Hannagan
 P.O. Box 38
 Bonanza, OR 97623

NAME, ADDRESS, ZIP

STATE OF OREGON,

County of

ss.

I certify that the within instrument was received for record on the day of , 19 , at o'clock M., and recorded in book on page or as file/reel number , Record of Deeds of said county. Witness my hand and seal of County affixed.

SPACE RESERVED
 FOR
 RECORDER'S USE

Recording Officer

By

Deputy

12038 A

And it is understood and agreed between said parties that time is of the essence of this contract, and in case the buyer shall fail to make the payments above required, or any of them, punctually within 30 days of the time limited therefor, or fail to keep any agreement herein contained, then the seller at his option shall have the following rights: (1) to declare this contract null and void, (2) to declare the whole unpaid principal balance of said purchase price with the interest thereon at once due and payable, (3) to withdraw said deed and other documents from escrow and/or (4) to foreclose this contract by suit in equity, and in any of such cases, all rights and interest created or then existing in favor of the buyer as against the seller hereunder shall utterly cease and determine and the right to the possession of the premises above described and all other rights acquired by the buyer hereunder shall revert to and remain in said seller without any act of re-entry, or any other act of said seller to be performed and without any right of the buyer of return, reclamation or compensation for moneys paid on account of the purchase of said property as absolutely, fully and perfectly as if this contract and such payments had never been made; and in case of such default all payments theretofore made on this contract are to be retained by and belong to said seller as the agreed and reasonable rent of said premises up to the time of such default. And the said seller, in case of such default, shall have the right immediately, or at any time thereafter, to enter upon the land aforesaid, without any process of law, and take immediate possession thereof, together with all the improvements and appurtenances thereon or thereto belonging. The buyer further agrees that failure by the seller at any time to require performance by the buyer of any provision hereof shall in no way affect his right hereunder to enforce the same, nor shall any waiver by said 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.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 12,000. However, the actual consideration consists of or includes other property or value given or promised which is part of the consideration (indicate which).⁽¹⁾

In case suit is instituted to foreclose this contract or to enforce any provision hereof, the buyer agrees to pay such sum as the trial court may judge reasonable as attorney's fees to be allowed plaintiff in said suit and 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 judge reasonable as plaintiff's attorney's fees on such appeal. In construing this contract, it is understood that the seller or the buyer may be more than one person or a corporation; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, 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 corporations and to individuals. This agreement shall bind and inure to the benefit of, as the circumstances may require, not only the immediate parties hereto but their respective heirs, executors, administrators, successors in interest and assigns as well.

IN WITNESS WHEREOF, said parties have executed this instrument in triplicate; if either of the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal affixed hereto by its officers duly authorized thereunto by order of its board of directors.

Myron A. Hannagan
Elaine Hannagan
Jack E. Mallory
Doris Mallory

NOTE—The sentence between the symbols (1), if not applicable, should be deleted. See ORS 93.030.

STATE OF OREGON,

County of Klamath
December 8, 19 76

STATE OF OREGON, County of _____ ss.

Personally appeared _____, 19 _____

and who, being duly sworn,

Personally appeared the above named
Jack Mallory and Doris Mallory
and Myron A. Hannagan and Elaine
Hannagan and acknowledged the foregoing instru-
ment to be their voluntary act and deed.

each for himself and not one for the other, did say that the former is the
president and that the latter is the
secretary of _____

_____ a corporation,
and that the seal affixed to the foregoing instrument is the corporate seal
of said corporation and that said instrument was signed and sealed in be-
half of said corporation by authority of its board of directors; and each of
them acknowledged said instrument to be its voluntary act and deed.
Before me:

(OFFICIAL
SEAL)

Before me:

Notary Public for Oregon
My commission expires 8/11/78

Notary Public for Oregon
My commission expires:

(SEAL)

Section 4 of Chapter 618, Oregon Laws 1975, provides:

"(1) All instruments contracting to convey fee title to any real property, at a time more than 12 months from the date that the instrument is executed and the parties are bound, shall be acknowledged, in the manner provided for acknowledgment of deeds, by the owner of the title being conveyed. Such instruments, or a memorandum thereof, shall be recorded by the conveyer not later than 15 days after the instrument is executed and the parties are bound thereby.

"(2) Violation of subsection (1) of this section is a Class B misdemeanor."

(DESCRIPTION CONTINUED)

SUBJECT TO: Reservations, restrictions, rights of way and easements of record and those apparent on the land; and

RESERVING: An easement across the Southerly 30 feet of the W 1/2 of the S 1/2 S 1/2 of the NE 1/4 NE 1/4 of Section 20, Twp. 39 S., R. 12, E.W.M. for roadway and water purposes for the benefit of the property situated in the E 1/2 of the S 1/2 S 1/2 of the NE 1/4 NE 1/4, Section 20, Township 39 South, Range 12, E.W.M.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record _____

this 28 day of July A. D. 1977 at 9:07 clock AM, and

duly recorded in Vol. M77, of Deeds on Page 12038

Wm D. MILNE, County Clerk

Fee \$6.00

By *Pat McCullough*