

This Agreement, made and entered into this 17 day of September, 1976 by and between DONALD E. MCGHEHEY and GRACE G. MCGHEHEY, husband and wife, hereinafter called the vendor, and A. M. WARMERDAM and JOHN VAN RUITEN, each as to an undivided $\frac{1}{2}$ interest, hereinafter called the vendee.

WITNESSETH

Vendor agrees to sell to the vendee and the vendee agrees to buy from the vendor all of the following described property situate in Klamath County, State of Oregon, to-wit:

PROPERTY DESCRIPTION IS ATTACHED HERETO, MARKED AS EXHIBIT "A" AND BY THIS REFERENCE MADE A PART HEREOF

at and for a price of \$ 55,000.00 , payable as follows, to-wit:

\$ 5,500.00 at the time of the execution of this agreement, the receipt of which is hereby acknowledged; \$ 49,500.00 with interest at the rate of 7 % per annum from September 17, 1976 payable in installments of not less than \$ 4,500.00 per annum inclusive of interest, the first installment to be paid on the 17th day of September 1977 and a further installment on the 17th day of every September thereafter until the full balance and interest is paid. The entire balance, both principal and interest shall be paid in full on or before the 17th day of September, 1986.

In addition to the payments called for above, Vendees shall pay all taxes when due. In the event the Vendees do not pay the taxes when due, the Vendors may, at their option, pay said taxes and add them back to the principal of this contract, to bear interest.

Vendee agrees to make said payments promptly on the dates above named to the order of the vendor, or the survivors of them, at the Klamath County Title Insurance Co., at Klamath Falls, Oregon; to keep said property at all times in as good condition as the same now are, that no improvement now on or which may hereafter be placed on said property shall be removed or destroyed before the entire purchase price has been paid and that said property will be kept insured in companies approved by vendor against loss or damage by fire in a sum not less than \$ n/a with loss payable to the parties as their respective interests may appear, said policy or policies of insurance to be held n/a that vendee shall pay regularly and seasonably and before the same shall become subject to interest charges, all taxes, assessments, liens and incumbrances of whatsoever nature and kind. Taxes to be prorated as of date of contract.

and agrees not to suffer or permit any part of said property to become subject to any taxes, assessments, liens, charges or incumbrances whatsoever having precedence over rights of the vendor in and to said property. Vendee shall be entitled to the possession of said property. As of date of contract.

Vendor will on the execution hereof make and execute in favor of vendee good and sufficient warranty deed conveying a fee simple title to said property free and clear as of this date of all incumbrances whatsoever, except reservations, restrictions, easements and rights of way of record and those apparent upon the land; rules, regulations, liens and assessments of water users and sanitation districts;

which vendee assumes, and will place said deed

together with one of these agreements in escrow at the Klamath County Title Company

at Klamath Falls, Oregon, and shall enter into written escrow instruction in form satisfactory to said escrow holder, instructing said escrow holder that when, and if, vendee shall have paid the balance of the purchase price in accordance with the terms and conditions of this contract, said escrow holder shall deliver said instruments to vendee, but that in case of default by vendee said escrow holder shall, on demand, surrender said instruments to vendor.

Escrow fees shall be deducted from the first payment made hereunder. The escrow holder may deduct cost of necessary revenue stamps from final payments made hereunder.

In the event vendee shall fail to make the payments aforesaid, or any of them, punctually and upon the strict terms and at the times above specified, or fail to keep any of the other terms or conditions of this agreement, time of payment and strict performance being declared to be the essence of this agreement, then vendor shall have the following rights: (1) To foreclose this contract by strict foreclosure in equity; (2) to declare the full unpaid balance immediately due and payable; (3) To specifically enforce the terms of this agreement by suit in equity; (4) To declare this contract null and void, and in any of such cases, except exercise of the right to specifically enforce this agreement by suit in equity, all the right and interest hereby created or then existing in favor of vendee derived under this agreement shall utterly cease and determine, and the premises aforesaid shall revert and re-vest in vendor without any declaration of forfeiture or act of reentry, and without any other act by vendor to be performed and without any right of vendee of reclamation or compensation for money paid or for improvements made, as absolutely, fully and perfectly as if this agreement had never been made.

Should vendee, while in default, permit the premises to become vacant, Vendor may take possession of same for the purpose of protecting and preserving the property and his security interest therein, and in the event possession is so taken by vendor he shall not be deemed to have waived his right to exercise any of the foregoing rights.

And in case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, vendee agrees to pay reasonable cost of title report and title search and such sum as the trial court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit or action, and if an appeal is taken from any judgment or decree of such trial court, the vendee further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal.

Vendee further agrees that failure by vendor at any time to require performance by vendee of any provisions hereof shall in no way affect vendor's right hereunder to enforce the same, nor shall any waiver by vendor of such 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.

In construing this contract, it is understood that vendor or the vendee may be more than one person; 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, the parties hereto and their respective heirs, executors, administrators and assigns.

It is understood and agreed by the parties hereto that there is a certain Mortgage, including the terms and provisions thereof, recorded December 15, 1961, in Book 207, page 170, wherein Donald E. McGhehey and Grace G. McGhehey, are Mortgagors, and the Federal Land Bank of Spokane, a corporation, is Mortgagee, which Mortgage Vendors shall pay and shall hold Vendees harmless thereon.

It is further understood and agreed that there is a Mortgage, including the terms and provisions thereof, given to secure the payment of \$103,785.50, dated November 5, 1969, recorded November 12, 1969, in Book M-69, page 9493, wherein Donald E. McGhehey and Grace G. McGhehey, are Mortgagors and Central Oregon Production Credit Association is Mortgagee, which Mortgage shall be paid by Vendors and they shall hold Vendees harmless thereof.

WITNESS the hands of the parties the day first herein written.

X A. M. Hammerdamm
X John W. Smith

Witness the hands of the parties the day and year first herein written.

X Donald E. McGhehey
X Grace G. McGhehey

VANDENBERG AND BRANDSNESS

ATTORNEYS AT LAW

411 PINE STREET

KLAMATH FALLS, OREGON 97601

TELEPHONE 503/882-5501

EXHIBIT "A"

The following described real property in Klamath County, Oregon:

Lots 1, 2, 3, and 4 in Section 10, Township 40 South, Range 8 East of the Willamette Meridian, EXCEPTING the following portion thereof conveyed to Ruth Kerns Ray, by deed recorded on page 583 of Volume 107, Deeds:

All that part of Section 10, Township 40 South, Range 8 East of the Willamette Meridian, described as follows: Beginning at a point at which the present boundary fence intersects the meander line run on the Easterly border of the tule marsh on the right or West bank of the Klamath River, approximately North 14° 5' East 33.20 chains from the fractional section corner common to Sections 10 and 15 on the said meander line; thence along the boundary fence North 14° 30' East 4.30 chains; thence North 29° East 7.00 chains; thence North 26° 15' East 8.75 chains to the said meander line; thence back along said meander line South 51° 30' West 1.00 chains; thence South 26° 15' West 8.00 chains; thence South 30° 15' West 7.00 chains; thence South 6° West 4.00 chains, more or less, to the point of beginning.

Also, Lot 1 of Section 15 in Township 40 South, Range 8 East of the Willamette Meridian, EXCEPTING the following portion thereof conveyed to Ruth Kerns Ray by deed recorded on page 583 of Volume 107 of Deeds:

All that part of Lot 1, Section 15, Township 40 South, Range 8 East of the Willamette Meridian, lying South of a line drawn East and West from a point 6.69 chains South of the fractional Section corner common to Sections 15 and 16, a stone marking the Northwest corner of said Lot 1, Section 15;

Also, Lot 1 of Section 11, and Lots 17 and 18 of Section 15 in Township 40 South, Range 8 East of the Willamette Meridian;

continued ...

description continued ...

Also, all that part of Lot 6, Section 11, Township 40 South, Range 8 East of the Willamette Meridian, described as follows: Beginning at the fractional section corner between Sections 10 and 11, 6.38 chains South of the Section corner common to Sections 2, 3, 10 and 11, Township 40 South, Range 8 East of the Willamette Meridian; thence North $55^{\circ} 15'$ East along the meander line 9.07 chains to the present boundary fence; thence South $63^{\circ} 30'$ West 8.60 chains along said fence to the section line; thence South 1° West 1.55 chains to the point of beginning;

Also, all that part of Section 10, Township 40 South, Range 8 East of the Willamette Meridian, described as follows: Beginning at the fractional section corner between Sections 10 and 11, 6.38 chains South of the section corner common to Sections 2, 3, 10 and 11, Township 40 South, Range 8 East of the Willamette Meridian; thence along the meander line South $67^{\circ} 15'$ West 19.80 chains, more or less, to the present boundary fence; thence North $63^{\circ} 30'$ East 20.60 chains, more or less, to the section line between Sections 10 and 11; thence South 1° West along the section line, 1.55 chains to the point of beginning;

Also, all that part of Section 10, Township 40 South, Range 8 East of the Willamette Meridian, described as follows: Beginning at the fractional Section corner common to Sections 10 and 15, 27.60 chains East of the Section corner common to Sections 9, 10, 15 and 16, Township 40 South, Range 8 East of the Willamette Meridian; thence West .50 chains to the present boundary fence; thence following said fence North $52^{\circ} 35'$ East .40 chains; thence North $14^{\circ} 30'$ East along said fence 32.80 chains, more or less, to the meander line run on the East boundary of the tule marsh on the right or West bank of the Klamath River; thence following said meander line South 6° West 14.00 chains; thence South $23^{\circ} 15'$ East 7.00 chains; thence South $3^{\circ} 30'$ East 8.00 chains; South $65^{\circ} 45'$ West 10.45 chains to the point of beginning;

Also, all that part of Section 15, Township 40 South, Range 8 East of the Willamette Meridian, described as follows: Beginning at the fractional section corner common to Section 10 and 15, 27.60 chains East of the corner common to Sections 9, 10, 15 and 16, Township 40 South, Range 8 East of the Willamette Meridian; thence along the meander line South $46^{\circ} 30'$ West 20.60 chains; thence South $61^{\circ} 15'$ West 15.13 chains, more or less, to the boundary fence at the fractional section corner common to Sections 15 and 16; thence North 1° East .25 chains to a fence corner; thence North $52^{\circ} 35'$ East along said boundary fence 34.80 chains, more or less, to the North section line of Section 15; thence East 50 links to the point of beginning.

continued ...

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description continued ...

EXCEPTING THEREFROM any portion of the above described real property lying within the $N\frac{1}{2}NE\frac{1}{4}$ of Section 10 and the $N\frac{1}{2}NW\frac{1}{4}$ of Section 11, Township 40 South, Range 8 East of the Willamette Meridian.

EXCEPT: Grantors herein reserve a non-exclusive easement 60' in width for ingress and egress running along the Northwestern boundary of the above-described property beginning at the county road between Sections 15 and 16 and extending to the South line of Section 2.

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STATE OF Oregon }
County of Shelby } ss.

Dec 4, 1976.

Personally appeared the above-named DONALD E. MCGHEHEY and GRACE G. MCGHEHEY, husband and wife, and acknowledged the foregoing instrument to be their voluntary act. Before me:

Jane Shaddow
Notary Public for Oregon
My Commission expires: 1-16-77

STATE OF Oregon }
County of Klamath } ss.

October 28, 1976.

Personally appeared the above named A. M. WARMERDAM and JOHN VAN RUITEN, and acknowledged the foregoing instrument to be their voluntary act. Before me:

Susan L. Storkwell
Notary Public for Oregon
My Commission expires: 6-13-80

STATE OF OREGON; COUNTY OF KLAMATH; ss.
Filed for record at request of TRANSAMERICA TITLE INS. CO

this 9th day of AUGUST 1977 at 2:45 o'clock P.M., and
fully recorded in Vol. M77 of DEEDS on Page 14409

FEE \$ 18.00

Wm D. MILNE, County Clerk
By Pat McCullough

3. CONTRACT OF SALE