CONTRACT—REAL ESTATE

50232

Vol. M78 Page 12989

THIS CONTRACT, Made this 10th day of June, 19 78, between Harold L. Campbell and Mildred L. Campbell, hereinafter called the seller, and Allen G. Mead and Janice C. Mead, 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:

PARCEL 1: A strip of land 28 feet by 70 feet along the South side of Front Street in the City of Merrill, being a portion of Lot 2, Section 12, Township 41 South, Range 10 East of the Willamette Meridian, in the County of Klamath, State of Oregon, and more particularly described as follows: Beginning at a point 40 feet South and 332 feet East of the Northwest corner of said Section 12; thence East 28 feet; thence South 70 feet; thence West 28 feet; thence North 70 feet to the point of beginning.

PARCEL 2: Lot 1 Block 17, CITY OF MERRILL, in the County of Klamath, State of Oregon.

SUBJECT TO: The property is presently subject to a Mortgage, with Small Business Administration as Mortgagee, dated September 7, 1972, recorded September 9, 1972, in Book M-72, Page 10015, Mortgage Records of Klamath County, Oregon, and Contract of Sale, with Harold L. Campbell and Mildred L. Campbell, as Vendees, dated April 1, 1976, recorded April 29, 1976, Book M-76, Page 6351, Deed Records of Klamath County, Oregon. Seller covenants that Seller will make all payments thereunder when due and will obey all of the terms of such instruments, except as to those matters which are to be performed by Purchaser under the terms of this contract. If Seller should receive notice of breach of any of the terms of such instruments, Seller shall immediately forward a copy of such notice to Purchaser.

for the sum of Eighteen Thousand and no/100 Dollars ($18,000.00) (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 is hereby acknowledged by the seller); the buyer agrees to pay the remainder of said purchase price (to-wit: $17,000.00) to the order of the seller in monthly payments of not less than One Hundred Fifty and no/100 Dollars ($150.00) each, as evidenced by the attached Promissory Note

(or) payable on the 10th day of each month hereafter beginning with the month of June, 1978, and continuing until said purchase price is fully paid. All of said purchase price may be paid at any time; all deferred balances of said purchase price shall bear interest at the rate of 8½ per cent per annum from the date of closing until paid, interest to be paid with principal and * {[redacted] being included in the minimum monthly payments above required. ~~Taxes on said premises for the current tax year shall be prorated between the parties hereto as of the date of this contract.~~ (see reverse for special provision)

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 June 19 78, 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 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 $18,000.00 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 to the seller as soon as insured. 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 agrees that at his expense and within 30 days from the date hereof, he will furnish unto buyer a title insurance policy insuring (in an amount equal to said purchase price) 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. 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 as of the date hereof and free and clear of all 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 the buyer and further excepting all liens and encumbrances created by the buyer or his assigns.

(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 equivalent 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.

Harold L. and Mildred L. Campbell
P. O. Box 292
Sprague River, Oregon 97639
SELLER'S NAME AND ADDRESS

Allen G. and Janice S. Mead
P. O. Box 774
Merrill, Oregon 97633
BUYER'S NAME AND ADDRESS

After recording return to:
Bryan Bozzom, Attorney at Law
260 Main Street
Klamath Falls, Oregon 97601
NAME, ADDRESS, ZIP

Until a change is requested all tax statements shall be sent to the following address:
Allen G. Mead
P. O. Box 774
Merrill, Oregon 97633
NAME, ADDRESS, ZIP

SPACE RESERVED FOR RECORDING LABEL

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.

Recording Officer
By ..... Deputy

12990

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 ten days of the time limited thereof, 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 and/or (3) 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 revest 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.

It is further agreed 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.

There shall be an additional payment of $500.00, in a lump sum, on the principal on or before the 1st day of January, 1979.

The true and actual consideration paid for this transfer, stated in terms of dollars, is $ 18,000.00 ..... ①However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which).①

In case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, the buyer agrees to pay such sum as the 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 the trial court, the buyer further promises to pay such sum as the appellate court shall adjudge 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; 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.

***IN WITNESS WHEREOF,** said parties have executed this instrument in duplicate; 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.*

Harold L. Campbell — X Allen C. Mead

Mildred L. Campbell — X Janice Mead

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

STATE OF OREGON, County of Klamath } ss. June 2, 1978.

Personally appeared the above named Harold L. and Mildred L. Campbell *and acknowledged the foregoing instrument to be their voluntary act and deed.*

Before me: Diane Dougan

(OFFICIAL SEAL) *Notary Public for Oregon*

My commission expires 7-18-82

STATE OF OREGON, County of .....) ss. ....., 19.....

Personally appeared ..... *and* ..... *who, being duly sworn, 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 behalf 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) *Notary Public for Oregon*

My commission expires:

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 conveyor 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)

STATE OF OREGON, County of Klamath) ss. June 10, 1978.

Personally appeared the above named Allen C. Mead and Janice C. Mead and acknowledged the foregoing instrument to be their voluntary act and deed.

(OFFICIAL SEAL) Before me: Dorothy L. Standridge

Notary Public for Oregon

My Commission Expires: 3/3/1981

$ 17,000.00 Merrill, Oregon, June 10, 19 78

I (or if more than one maker) we, jointly and severally, promise to pay to the order of Harold L. Campbell and Mildred L. Campbell *at* Klamath Falls, Oregon

Seventeen Thousand and no/100 ($17,000.00) *DOLLARS, with interest thereon at the rate of* 8½ *percent per annum from* date of closing *until paid, payable in* monthly *installments of not less than $* 150.00 *in any one payment; interest shall be paid* with principal *and* ° *in addition to* ° *included in the minimum payments above required, the first payment to be made on the* 10th *day of* June, 1978, *and a like payment on the* 10th *day of* each month *thereafter, until the whole sum, principal and interest has been paid; if any of said installments is not so paid, all principal and interest to become immediately due and collectible at the option of the holder of this note. If this note is placed in the hands of an attorney for collection, I/we promise and agree to pay holder's reasonable attorney's fees and collection costs, even though no suit or action is filed hereon; however, if a suit or an action is filed, the amount of such reasonable attorney's fees shall be fixed by the court, or courts in which the suit or action, including any appeal therein, is tried, heard or decided.*

° *Strike words not applicable.*

The sum of $500.00 shall be paid in a lump sum, to be applied to the principal on or before January 1, 1979.

X Allen C. Mead

X Janice Mead

FORM No. 217—INSTALLMENT NOTE. 5/1 Stevens-Ness Law Publishing Co., Portland, Ore.