

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

1-1-74

CONTRACT—REAL ESTATE

Vol. 78 Page 14271

A-29468 51102

THIS CONTRACT, Made this 30 day of June, 1978, between
Ernest W. Smith and Beverly A. Smith aka Beverly Ann Smith, hereinafter called the seller,
 and Dennis M. Wallis and Teresa L. Wallis, 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:

All that certain real property more particularly described and set forth on Exhibit "A" attached hereto and by this reference made a part hereof.

SUBJECT TO: Ccontracts, liens, assessments, rules and regulations for irrigation, drainage and sewage, if any, reservations, restrictions, easements and rights of way of record, and those apparent on the land; all future real property taxes and assessments.

Together with the 1967 LaCorona Mobile Home, Serial #S4080, situate on said real property for the sum of Thirty-eight thousand five hundred Dollars (\$ 38,500.00) (hereinafter called the purchase price) on account of which Three thousand Dollars (\$ 3,000.00) 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: Beginning August 1, 1978, monthly payments of not less than \$250.00 until August 1, 1993. As of August 1, 1993, the entire balance is due. If contract is paid in full before August 1, 1982, there will be a prepayment penalty of 8% interest on three (3) months payments. Thereafter said contract may be fully paid at any time without penalty.

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 July 1, 1978 until paid, interest to be paid Monthly and liquidation being included in 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 ~~any other purpose~~ commercial purposes other than agricultural

The buyer shall be entitled to possession of said lands on July 1, 1978, 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 \$ 20,000.00.

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 as soon as insured to the escrow agent hereinafter named. Now as 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 none

and has placed said deed, together with an executed copy of this contract and the title insurance policy mentioned above, in escrow with Klamath County Title Co. 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 buyer.

(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.

Ernest W. Smith and Beverly A. Smith
Ashland Star Rt.
Keno, Oregon 97627

SELLER'S NAME AND ADDRESS

Dennis Mark Wallis and Teresa L. Wallis
P.O. Box 382
Keno, Oregon 97627

BUYER'S NAME AND ADDRESS

After recording return to:

Klamath County Title Co.

422 Main St.
Klamath Falls, Oregon 97601

NAME, ADDRESS, ZIP

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

Dennis Mark Wallis
P.O. Box 382
Keno, Oregon 97627

NAME, ADDRESS, ZIP

STATE OF OREGON,

County of _____

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.

By _____ Recording Officer
 _____ Deputy

SPACE RESERVED
 FOR
 RECORDER'S USE

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 20 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 for (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 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.

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 \$38,500.00. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which) ~~XXXXXX~~ ^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 adjudge 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 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 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.

Ernest W. Smith
Beverly A. Smith

Ernest W. Smith
Teresa L. Wallis

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

STATE OF OREGON,)

STATE OF OREGON, County of _____) ss.

County of Klamath) ss.

Personally appeared _____, 19____

June 30 _____, 19____ 78.

_____ and _____, who, being duly sworn,

Personally appeared the above named

Ernest W. & Beverly A. Smith

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 **Dennis M. & Teresa L. Wallis**

and acknowledged the foregoing instrument to be their voluntary act and deed.

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:

Before me:

(OFFICIAL SEAL)

(SEAL)

Notary Public for Oregon

DESCRIPTION OF PROPERTY

My commission expires 8-5-79

The following described real property situate in Klamath County, Oregon:

A portion of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 36 Township 39 South, Range 7 E.W.M., and Government Lot 1 of Section 31, Township 39 South, Range 8 E.W.M., being more particularly described as follows:

Beginning at a point that is North along the section line between said Sections 36 and 31, a distance of 135 feet from the SE $\frac{1}{4}$ corner of said Section 36, thence West a distance of 40 feet to a point; thence North parallel to the Section line a distance of 179.5 feet, more or less, to the SW $\frac{1}{4}$ corner of that property deeded to Frank Nile, et ux., in Deed Volume 252 page 493; thence East along the Southerly boundary of said Nile property a distance of 40 feet; thence continuing East a distance of 60 feet to the SE $\frac{1}{4}$ corner of that property conveyed to Frank Nile, et ux, in Deed Vol. 315 page 428, thence South a distance of 179.5 feet to a point that is 60 feet East of the point of beginning, thence West 60 feet to the point of beginning.

SAVING AND EXCEPTING a parcel of land situated in Section 36 Township 39 South, Range 7 E.W.M., described as follows: Beginning at a point on the East line of said Section 36 from which an iron axle marking the Southeast corner of said Section 36 bears South, 314.5 feet; thence West, 40 feet; thence South, 30 feet; thence East, 40 feet to a point on said East line; thence continuing East, 60 feet; thence North 30 feet; thence West 60 feet to the point of beginning, containing 0.07 acre, more or less.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 3rd day of July A.D., 19 78 at 11:43 o'clock A M., and duly recorded in Vol. M78 of Deeds on Page 14271.

FEE \$6.00

WM. D. MILNE, County Clerk

By *Bernice A. Smith* Deputy