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STEVENS-WESS LAW PUBLISHING CO., PORTLAND, OR. 97204

CONTRACT—REAL ESTATE

Vol. 18 Page 13649

THIS CONTRACT, Made this 31<sup>st</sup> day of AUGUST 1978, between Charles R. Shipman and Wanda Lee Shipman, husband and wife, and Ronald Lee Shipman and Gary M. Reid and Diane M. Reid, husband and wife, hereinafter called the seller, 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 N 1/2 of S 1/2 of NW 1/4 of SE 1/4 of Section 1, Township 34 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

For exceptions to this Contract see attached Exhibit "A" and by this reference incorporated herein.

for the sum of Twenty-five thousand and no/100-----Dollars (\$ 25,000.00 ) (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: \$ 24,000.00 ) to the order of the seller in monthly payments of not less than Two hundred and no/100-----Dollars (\$ 200.00 ) each, or more, prepayment without penalty,

payable on the 1<sup>st</sup> day of each month hereafter beginning with the month of October, 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 8 per cent per annum from September 1, 1978, until paid, interest to be paid monthly and \* in addition to 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.

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 a business or commercial purpose other than agricultural purposes. The buyer shall be entitled to possession of said lands on September 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 so 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 \$ none 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 taxes, water rents, taxes, or charges or to procure and pay or 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 broker, as such w is defined in the Truth-in-Lending Act and Regulation Z, the seller MUST comply with the Act and Regulation by making required disclosures: Stevens-Wess 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-Wess Form No. 1307 or similar.

Charles R. and Wanda Lee Shipman and Ronald Lee Shipman  
Rt. 3, Box 286  
Klamath Falls, Oregon 97601

SELLER'S NAME AND ADDRESS

Gary M. and Diane M. Reid  
4691 Tomlinson  
Riverside, California 92503

BUYER'S NAME AND ADDRESS

Winema Real Estate  
Box 376  
Chiloquish, Oregon 97624

NAME, ADDRESS, ZIP

Unit's Change if requested all tax documents shall be sent to the following address:  
Gary M. and Diane M. Reid  
4691 Tomlinson  
Riverside, California 92503

NAME, ADDRESS, ZIP

STATE OF OREGON,

County of

I certify that the within instrument was received for record on the day of 1978,

at o'clock M., and recorded in book on page or as file/roll number

Record of Deeds of said county.

Witness my hand and seal of County affixed.

By

Recording Officer  
Deputy

19650  
00212

STATES JASH-TORAYING

19650

00212

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 terminate, and the right to the possession of the premises above described and all other rights acquired by the buyer hereunder shall revert to and revert in said seller, without any act of recovery, 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 thereo belonging.

The buyer further agrees that failure by the seller to require performance by the buyer of any provision hereof shall in no way affect his right hereunder to enforce the same, and 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 of its waiver of the provision itself.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 25,000.00. (However, the actual consideration consists of or includes other property or value given or promised which is part of the consideration. (Indicate which.)

In case suit or action is instituted to foreclose this contract or to enforce any provision hereof, the losing party in said suit or action agrees to pay such sum as the trial court may adjudge reasonable as attorney's fees to be allowed the prevailing party in said suit or action and if an appeal is taken from any judgment or decree of such trial court, the losing party further promises to pay such sum as the appellate court shall adjudge reasonable as the prevailing party'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, personal representatives, 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.

*Gary M. Reid*  
Gary M. Reid  
*Diane M. Reid*  
Diane M. Reid  
*Charles R. Shipman*  
Charles R. Shipman  
*Wanda Lee Shipman*  
Wanda Lee Shipman  
*Ronald Lee Shipman*  
Ronald Lee Shipman

NOTE—The sentence between the symbols ( ), if not applicable, should be deleted. See ORS 93.036.

STATE OF OREGON, )  
County of Klamath ) ss. )  
September 2, 1978 )  
Personally appeared )  
R. Shipman and Wanda Lee Shipman, )  
husband and wife, and Ronald Lee )  
Shipman, )  
and acknowledged the foregoing instru- )  
ment to be their voluntary act and deed. )  
Notary Public for Oregon )  
My commission expires July 16, 1980 )

STATE OF OREGON, )  
County of Klamath ) ss. )  
September 2, 1978 )  
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R. Shipman and Wanda Lee Shipman, )  
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Notary Public for Oregon )  
My commission expires July 16, 1980 )  
Notary Public for Oregon )  
My commission expires: ) (SEAL)

ORS 93.035 (1) All instruments contracting to convey fee title to any real property, at a time more than 15 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 conveyor of the title to be 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.

ORS 93.036 (2) Violation of ORS 93.035 is punishable, upon conviction, by a fine of not more than \$100.

(DESCRIPTION CONTINUED)

It is further hereby agreed by and between the parties hereto that Buyers shall not cut timber or trees except for clearance of a road for Buyers' home.

STATE OF CALIFORNIA

COUNTY OF Riverside } ss.

On August 28, 1978

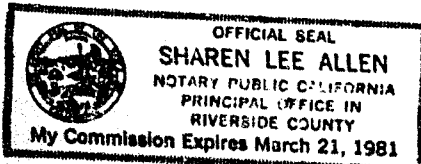
the undersigned, a Notary Public in and for said County and State, personally appeared Gary M. Reid and Diane M. Reid

known to me to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged that they executed the same.

*Sharen Lee Allen*



FOR NOTARY SEAL OR STAMP



Notary Public (Rev. 9-68)

19651

Subject, however, to the following:

1. Taxes for the fiscal year 1978-1979, a lien, but not yet due and payable.
2. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
3. Rights of the public and of governmental bodies in and to that portion of the premises herein described lying below the high water mark of Sprague River.
4. Reservations as contained in deed from Clifford J. Emmich, et ux to Josephine L. Pavlik, recorded November 20, 1971 in Volume M71, page 563, Microfilm Records of Klamath County, Oregon, as follows:

"Grantor reserved for grantee and for adjoining property owners and their assigns, and successors, a 60 foot wide easement for joint user roadway and all other roadway purposes over and across the property herein conveyed and;

Also over and across a 60 foot wide strip of land lying West of adjoining and parallel to the Easterly boundary of that part of Northwest 1/4 of Northwest 1/4 of Section 28, Township 34 South, Range 8 East of the Willamette Meridian, that lays North of Sprague River Highway, and;

Also over and across a 60 foot wide strip of land laying North of, adjoining and parallel to the Southerly boundary of Southeast 1/4 of Southwest 1/4 of Section 21, Township 34 South, Range 8 East of the Willamette Meridian and;

Also over and across a 60 foot wide strip of land lying West of, adjoining and parallel to the Easterly boundary of West 1/2 of Southwest 1/4 of Section 21, Township 34 South, Range 8 East of the Willamette Meridian, and;

Also over and across a 60 foot wide strip of land laying East of, adjoining and parallel to the Westerly boundary of Southeast 1/4 of Section 21, Township 34 South, Range 8 East of the Willamette Meridian, and;

Also over and across a 60 foot wide strip of land laying North of, adjoining and parallel to the Southerly boundary of Southwest 1/4 of Southwest 1/4 of Northeast 1/4 of Section 21, Township 34 South, Range 8 East of the Willamette Meridian."

5. Real Estate Contract, including the terms and provisions thereof, a memorandum of which was recorded November 19, 1975 in Volume M75, page 14630, Microfilm Records of Klamath County, Oregon, between Josephine L. Snyder, also known as Josephine L. Pavlik and Maria Josepha Pavlik, Vendor and Garry W. Reed and Alta M. Reed, husband and wife, Vendees, which Buyers herein do not assume and agree to pay 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 Contract upon payment of this Contract.
6. Real Estate Contract, including the terms and provisions thereof, dated September 9, 1976, recorded October 1, 1976 in Volume M76, page 15482, Microfilm Records of Klamath County, Oregon, between Garry W. Reed and Alta M. Reed, husband and wife, Vendors, and Charles R. Shipman and Wanda Lee Shipman, husband and wife, as to an undivided one-half interest and Ronald Lee Shipman as to an undivided one-half interest, Vendees, which Contract Buyers herein do not assume and agree to pay, 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 Contract upon payment in full of this Contract.

EXHIBIT "A"

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Mountain Title Co.

on the 5th day of September A.D. 1978 at 2:22 o'clock P. M., and

fully recorded in Vol. M78, of Deeds on Page 19649

Fee \$9.00

Wm D. MILNE, County Clerk

*Barbara A. Black*