

1-1-74

THIS CONTRACT, Made this 30 day of May, 1979, between  
 Lynn E. Armstrong and Elizabeth Armstrong, husband and wife,  
 and Howard S. Condley and Dixie R. Condley, husband and wife,

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:  
 That portion of the E½E½SW¼ of Section 6, Township 36 South, Range 10 East of the Willamette Meridian, in the County of Klamath, State of Oregon, lying Southerly and Westerly of the Sprague River.

Subject, however, to the following:

1. Rights of the public and of Governmental bodies in and to that portion of the herein described property lying below the ordinary high water mark of Sprague River.
2. The rights of the public in public roads, including Skeen Ranch Road, S-50 (1) as mentioned in Land Status Report in Deed Book 306 at page 606, and consent to 40 foot right of way recorded in Miscellaneous Records Volume 12 as instrument #29108.
3. Reservations of easements, for any existing public utilities, and for any roads or trails built by United States of America, including the

For continuation of this document, see reverse side of this contract.)  
 for the sum of Twenty-eight thousand and no/100----- Dollars (\$28,000.00.)  
 (hereinafter called the purchase price) on account of which, Buyers have given a Second Mortgage to Sellers in the sum of \$12,000.00 which is the consideration hereinafter stated and acknowledged by Sellers as the down payment, and the remainder to be paid to the order of the Sellers at the times and in the amounts as follows, to wit: \$16,000.00 to the order of the Sellers in monthly payments of not less than \$245.00, each, or more, prepayment without penalty, payable on the first day of each month hereafter beginning with the month of July, 1979, and continuing until said purchase price is fully paid.

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 use or enjoyment as a second home or as a natural retreat, or for business or commercial purposes other than agricultural purposes.

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 9 1/2 per cent per annum from June 1, 1979, until paid, interest to be paid monthly and \* 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 the date of this contract.

The buyer shall be entitled to possession of said lands on June 1, 1979, 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 full insurable value 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 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.

SELLER'S NAME AND ADDRESS		STATE OF OREGON,	
BUYER'S NAME AND ADDRESS		County of _____	
After recording return to: <u>TA donna</u>		I certify that the within instrument was received for record on the _____ day of _____, 19____,	
NAME, ADDRESS, ZIP		at _____ o'clock _____ M., and recorded _____ on page _____ or as _____	
Until a change is requested all tax statements shall be sent to the following address: <u>Star Rt 2 Box 576 A</u> <u>Sprague River, OR</u>		in book _____ file/reel number _____	
NAME, ADDRESS, ZIP		Record of Deeds of said county.	
		Witness my hand and seal of _____	
		County affixed.	
		By _____ Recording Officer	
		Deputy	

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 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 and/or (3) to foreclose this contract by suit in equity, and in any of such cases, all rights and interests 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 rest 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 \$28,000.00. (However, the actual consideration consists of or includes other property or value given or promised which is not of the consideration indicated which.)

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.

Lynn E. Armstrong

Elizabeth Armstrong

Howard S. Condley

Dixie R. Condley

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

STATE OF OREGON, )  
County of Klamath ) ss.  
May 31, 1979.

STATE OF OREGON, County of ) ss.  
1979.

Personally appeared \_\_\_\_\_ and

who, being duly sworn,

each for himself and not one for the other, did say that the former 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:

DONNA K. RICK  
Notary Public for Oregon  
My commission expires 12/1/83

Notary Public for Oregon

My commission expires:

(OFFICIAL  
SEAL)

(DESCRIPTION CONTINUED)

terms and provisions thereof, as set forth in Land Status Reports recorded in Deed Books 306 at page 582, and 306 and page 606 and 303 at page 528.

4. Mortgage, including the terms and provisions thereof, with interest thereon and such future advances as may be provided therein, given to secure the payment of \$26,000.00,

Dated : September 25, 1962  
Recorded : September 30, 1968 Book: M-68 Page: 8869  
Mortgagor : Charles D. Dixon and Alice Jeanne Dixon, husband and wife,

Mortgagee : Gienger Enterprises, Inc., which Buyers herein do not assume and agree to pay, and Sellers further covenant to and with Buyers that the said prior mortgage 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 mortgage upon payment of this contract.

5. Unrecorded contract, including the terms and provisions thereof, and such other exceptions as may appear necessary upon the recording thereof,

Dated : June 12, 1973  
Vendor : George A. Pondella, Jr.  
Vendee : Judith N. Alexander

as disclosed by the following assignment:

The vendors interest in said contract was assigned by instrument,

Dated : March 10, 1975  
Recorded : June 22, 1977 Book: M-77 Page: 11019  
To : Winema Peninsula, Inc.

The vendees interest in said contract was assigned by instrument,

Recorded : March 14, 1977 Book: M-77 Page: 6631  
To : John V. Bowman, 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.

(See attached Exhibit "A" and by this reference incorporated herein as if fully set forth herein.)

6. Contract, including the terms and provisions thereof,  
 Dated : June 28, 1977

Recorded : July 13, 1977

Book: M-77

Page: 12391

Vendor : John V. Bowman

Vendee : Lynn E. Armstrong and Elizabeth Armstrong, husband and wife, 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.

It is further hereby agreed by and between the parties hereto that Buyers herein agree to pay a lump sum payment on the contract of \$12,000.00 on ~~August 15~~, 1979, to Sellers and said sum is to be applied toward the down payment hereinbefore mentioned and said amount is to be taken from the principal only.

Sept. 1  
 D.C. H.  
 H.S.C.  
 H.S.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Transamerica Title Co.

this 1st day of June A. D. 19 79 at 11:25 o'clock A.M. and

fully recorded in Vol. 179, of Deeds on Page 12712

By Wm D. MILNE, County Clerk  
Bernetha Helisch

Fee \$9.00

EXHIBIT "A"