

70291

CONTRACT—REAL ESTATE

Vol. 79 Page 16152

7A38-19289

THIS CONTRACT, Made this 5TH day of JULY, 1979, between
 GEORGE W. SHELLABARGER and FRANCIS L. SHELLABARGER, husband and wife
 and STEVEN M. GRAVES and BARBARA L. GRAVES, 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 Government Lots 11 and 14 in Section 32, Township 35 South, Range 7 East of the Willamette Meridian, lying Northeasterly of the Dalles-California Highway, in the County of Klamath, State of Oregon.

SUBJECT, however, to the following:

1. Regulations, including levies, assessments, water and irrigation right and easements for ditches and canals of Modoc Point Irrigation District.
2. Rights of the public in and to any portion of said premises lying within the limits of public roads and highways.
3. Agreement, including the terms and provisions thereof, dated January 13, 1965, recorded November 16, 1965 in Book M65 at page 3681, between the United States of America (Secretary of Interior) and L.L. Myers and Myrtle V. Myers. Re: Lien in connection with the Modoc Point Unit Irrigation Project.
4. Unrecorded contract, including the terms and provisions thereof, and such other exceptions as may appear necessary upon the recording thereof,

(For a continuation of this description, see the reverse side of this document.)
 for the sum of Twenty Five Thousand and 00/100-----Dollars (\$25,000.00) (hereinafter called the purchase price) on account of which Ten Thousand and 00/100-----

Dollars (\$10,000.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller), and the remainder to be paid to the order of the seller at the times and in amounts as follows, to-wit: The balance of \$15,000.00 shall be payable in annual installments of \$5,000.00, or more, plus interest at the rate of nine percent per annum on the declining balance. Interest shall start July 10, 1979. The first payment shall be due and payable November 1, 1980, with a like payment due November 1, 1981, with a like payment due November 1, 1982. There shall be no prepayment penalty.

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 governmental body, or (C) for business or commercial purposes of the buyer or his assigns.

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 nine percent per annum from July 10, 1979 until paid, interest to be paid annually in addition to the minimum regular payments above required. Taxes on said premises for the current tax year shall be prorated between the parties hereto as of July 10, 1979.

The buyer shall be entitled to possession of said lands on July 10, 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 liens 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 \$25,000.00 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 taxes, 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, and except the usual printed exceptions 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.

George & Francis Shellabarger

Star Rt. Box 68-A

Chiloquin, Oregon 97624

SELLER'S NAME AND ADDRESS

Steven & Barbara Graves

Star Route 3, Box 530

Lyle, Washington 98635

BUYER'S NAME AND ADDRESS

After recording return to:

Winema Real Estate

P.O. Box 376

Chiloquin, Oregon 97624

NAME, ADDRESS, ZIP

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

Steven & Barbara Graves

Star Route 3, Box 530

Lyle, Washington 98635

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.

Recording Officer

By _____

Deputy

