

CONTRACT—REAL ESTATE

THIS CONTRACT, Made this 10th day of August, 1979, between William J. Gillice and Cathy Jo Gillice, husband and wife, and Edward Glenn Harris and Milo Sue Harris, husband and wife, hereinafter called the seller, and 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:

Lot "F", Block 68, NICHOLS ADDITION TO THE CITY OF KLAMATH FALLS, in the County of Klamath, State of Oregon.

Subject, however, to the following:

1. Taxes for the year 1979-1980 are now a lien but not yet payable.
2. Regulations, including levies, liens and utility assessments of the City of Klamath Falls.
3. Trust Deed, including the terms and provisions thereof, with interest thereon and such future advances as may be provided therein, given to secure the payment of \$5,200.00

Dated March 31, 1966 and Recorded March 31, 1966 Book M-66 Page 2836

Trustor : Robert B. Chilcote and Barbara J. Chilcote, husband and wife,

Trustee : William Ganong

Beneficiary : First Federal Savings and Loan Association of Klamath Falls, a Federal Corporation, which Buyers herein do

for the sum of Twenty-three thousand five hundred and no/100 Dollars (\$23,500.00) (hereinafter called the purchase price), on account of which Three thousand and no/100 Dollars (\$3,000.00) 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: \$20,500.00) 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 10th day of each month hereafter beginning with the month of September, 1979, 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 10 per cent per annum from August 16, 1979, until paid; interest to be paid monthly and \* 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, and (B) not primarily for commercial purposes. The buyer shall be entitled to possession of said lands on August 6, 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 thereon; 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

full insurable value not less than \$100,000. 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-Neess 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-Neess Form No. 1307 or similar.

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 \_\_\_\_\_ Deputy \_\_\_\_\_

After recording return to: \_\_\_\_\_

1/1 506th St. Office

NAME, ADDRESS, ZIP \_\_\_\_\_

Until a change is requested all tax statements shall be sent to the following address: Mr. & Mrs. Edward Glenn Harris, 223 No. 11th, Klamath Falls, OR 97601

NAME, ADDRESS, ZIP \_\_\_\_\_

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 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 revert 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 therefor 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.

Buyers shall pay the real property taxes and fire insurance premiums on said property and shall furnish Sellers with proof of payment of said taxes and fire insurance each year hereafter.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 23,500.00.

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 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.

William A. Gillice  
Cathy Jo Gillice  
Edward Glenn Harris  
Milo Sue Harris

STATE OF OREGON, County of Klamath, August 10, 1979.

Personally appeared the above named William J. Gillice and Cathy Jo Gillice, husband and wife, and Edward Glenn Harris and Milo Sue Harris, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

Notary Public for Oregon  
My commission expires 3-22-81

ORS 93.635 (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 conveyors of the title to be conveyed. Such instruments, or a memorandum thereof, shall be recorded by the conveyors not later than 15 days after the instrument is executed and the parties are bound thereby.

(DESCRIPTION CONTINUED)

not assume and agree to pay, and Sellers further covenant to and with Buyers that the said prior trust deed 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 trust deed upon payment of this contract.

Dated January 5, 1978  
Recorded January 9, 1978  
Vendor Helen M. McCornack and Frank H. McCornack, husband and wife,  
Vendee Kenneth H. Kinsman and Linda I. Kinsman, husband and wife,

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.

Dated October 18, 1978  
Recorded October 19, 1978  
Vendor Kenneth H. Kinsman and Linda I. Kinsman, husband and wife,  
Vendee William J. Gillice and Cathy Jo Gillice, husband and wife,

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.