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CONTRACT—REAL ESTATE

Vol. 779 Page 21355

THIS CONTRACT, Made this 31st day of August, 1979, between Daniel Bailey and David M. Silvey and Maureen R. Silvey, 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:

## PARCEL 1:

The Northerly 55 feet of the North half of the South half of the Southwest quarter of the Northeast quarter of the Southeast quarter, EXCEPTING that part that lays East of the Sprague River, in Section 6, Township 35 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

## PARCEL 2:

That portion of the South half of the North half of the South half of the Northeast quarter of the Southeast quarter that lays East of the access road and West of the Sprague River, in Section 6, Township 35 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

Subject, however, to the following:

1. 1979-1980 taxes, a lien in an amount to be determined, but not yet payable.

(For continuation of this document, see reverse side of this contract.)

for the sum of Sixty-two thousand nine hundred and no/100 Dollars (\$62,900.00) (hereinafter called the purchase price), on account of which Twelve thousand and no/100 Dollars (\$12,000.00) 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: \$50,900.00) to the order of the seller in monthly payments of not less than Dollars (\$475.00) each, or more, prepayment without penalty,

payable on the 15th day of each month hereafter beginning with the month of October, 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 9 1/2 per cent per annum from September 15, 1979, until paid, interest to be paid monthly and \* in addition to 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 investment or other business or commercial purposes other than agricultural purposes.

The buyer shall be entitled to possession of said lands on closing 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 full insurable value not less than \$ 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

BUYER'S NAME AND ADDRESS

After recording return to:

David M & Maureen R Silvey

1271 Benton Street

Santa Clara, Ca. 95050

NAME, ADDRESS, ZIP

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

David M & Maureen R Silvey

Star Route 2 Box 1568 A

Chiloquin, Or. 97624

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

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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 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 vest 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.  
(3) 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 \$62,900.00. @However, the actual consideration consists of or includes other property or value given or promised which is not of the same 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.

Daniel Bailey David M. Silvey  
Daniel Bailey David M. Silvey  
Maureen R. Silvey  
Maureen R. Silvey  
NOTE—The sentence between the symbols @, if not applicable, should be deleted. See ORS 93.030.

STATE OF OREGON, )  
County of Klamath, ) ss.  
September 4, 1979 )

Personally appeared Daniel Bailey, who, being duly sworn, 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

Daniel Bailey, 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 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, Notary Public for Oregon, My commission expires 8-23-81

(OFFICIAL SEAL) Notary Public for Oregon, My commission expires:

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 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 93.990(2) Violation of ORS 93.635 is punishable, upon conviction, by a fine of not more than \$100.

(DESCRIPTION CONTINUED)

2. The rights of the public in and to that portion of the above property lying within the limits of public roadways.

3. An easement created by instrument, including the terms and provisions thereof,  
Dated : January 6, 1965  
Recorded : October 21, 1965, in Volume M65, Page 3021, Klamath County Records  
In Favor Of : Pacific Power & Light Company  
For : Transmission & Distribution

4. An easement created by instrument, including the terms and provisions thereof,  
Dated : December 11, 1964  
Recorded : October 21, 1965, in Volume M65, Page 3019, Klamath County Records.  
In Favor Of : Pacific Power & Light Company  
For : Transmission & Distribution

5. An easement created by instrument, including the terms and provisions thereof,  
Dated : November 1, 1963  
Recorded : October 27, 1965 in Volume 65, Page 3168, Klamath County Records.  
In Favor Of : Adjacent Property Owners  
For : Access to Sprague River

6. Roadway including any rights of access therein as disclosed by document recorded April 10, 1979 in Volume M79-7875, Klamath County Microfilm Records.

7. 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 the Sprague River.

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

21357

8. The lawful consequence of the fact that the East Boundary is formed by the Sprague River.  
9. 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 \$20,000.00  
Dated : April 20, 1973  
Recorded : April 23, 1973, in Volume M73, Page 4836 Klamath County Records  
Mortgagor : Clifford J. Emmich & Winifred I. Emmich  
Mortgagee : Western Bank, Klamath Falls Branch

Said Mortgage was modified by document recorded April 16, 1979 in Volume M 79, Page 8292, Klamath Falls Microfilm Records, which Buyers herein do not assume and agree to pay, and Seller further covenants 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.

10. 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 \$13,700.00  
Dated : April 6, 1979  
Recorded : April 16, 1979 in Volume 79, Page 8295, Klamath County Records  
Trustor : Daniel Bailey  
Trustee : Mountain Title Company  
Beneficiary : Arden Kay Smith, Trustee, under Declaration of Trust, dated February 1, 1977 for the benefit of Arden Kay Smith, which Buyers herein do not assume and agree

to pay, and Seller further covenants 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.

TOGETHER WITH the personal property consisting of two wood burning stoves, 2 electric heaters, and a well pump.

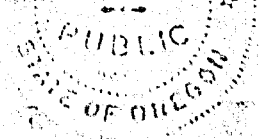
FORM NO. 23 — ACKNOWLEDGMENT  
STEVENS-NESS LAW FIRM, CO., PORTLAND, ORE.

STATE OF OREGON,  
County of Klamath } ss.

BE IT REMEMBERED, That on this 31st day of August, 1979, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named David M. Silvey and Maureen R. Silvey

known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



*Janet B. Rubin*  
Notary Public for Oregon.  
My Commission expires 8-23-81

STATE OF OREGON; COUNTY OF KLAMATH; ss. :

I hereby certify that the within instrument was received and filed for record on the 7th day of September A.D., 1979 at 2:07 o'clock P.M., and duly recorded in Vol M79 of Deeds on Page 21355.

FEE \$10.50

WM. D. MILNE, County Clerk  
By *Bernetha Shetach* Deputy