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CONTRACT—REAL ESTATE

Vol. 780 Page 12612

THIS CONTRACT, Made this 20th day of June, 1980, between
ERIC W. KLATTand MARY BELL MITCHELL, hereinafter called the seller,
and MARY BELL MITCHELL, 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 8, Block 1, Stewart. Also Known as Map 3909-732 Tax Lot 9803

SUBJECT however to the following,

1. Regulations, including levies, liens, assessments, rights of ways and easements of the Westside Sanitary District.
2. By instrument recorded in Book 69 at Page 441, Klamath County, Oregon Deed records, a right of way was given to the California Oregon Power Company for transmission of electricity, to which reference is hereby made.

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

for the sum of FOURTEEN THOUSAND AND NO/100 Dollars (\$ 14,000.00) hereinafter called the purchase price, in part payment of which the buyer assumes and agrees to pay a contract or mortgage (the word "mortgage" as used herein includes within its meaning a trust deed) now on said land recorded in book 4-78 at page 470 and or as file number , reel number (indicate which) of the Deed*, Mortgage*, Miscellaneous* Records of said county, reference to which hereby is made, the unpaid principal balance of which is \$ 8,869.68, to-
gether with the interest hereafter to accrue on said contract or mortgage according to the terms thereof; the buyer agrees to pay the balance of said purchase price to the order of the seller at the times and in amounts as follows, to-wit: Balance of \$ 5,130.32 Seller, less \$ 500.00 down payment. Remaining balance of \$ 4,630.32 payable at 10% interest per annum. Payments to be at least \$ 200.00 per month including interest, until paid in full. First payment due August 15, 1980, and a like payment on the 15th of each month thereafter.

All of said purchase price may be paid at any time; all of the said deferred payments shall bear interest at the rate of 10 per cent per annum from JULY 3, 1980 until paid, interest to be paid monthly and * including the minimum regular payments above required. Taxes on said premises for the current fiscal 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 an organization or (even if buyer is a natural person) is for business or commercial purposes other than agricultural purposes.

The buyer shall be entitled to possession of said lands on JULY 3, 1980 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 \$ 13,000.00 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 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, and the said contract or mortgage. 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, restrictions, and encumbrances created by the buyer or 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.

Eric W. Klatt

Rt. 1 Box 815-B

Prineville, OR 97751

SELLER'S NAME AND ADDRESS

Mary Bell Mitchell

123 High St.

Klamath Falls, OR 97601

BUYER'S NAME AND ADDRESS

After recording return for all copy documents to the following address:

Eric W. Klatt

Rt. 1 Box 815-B

Prineville, OR 97751

NAME, ADDRESS, ZIP

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

Mary Bell Mitchell

Rt. 1 High St.

Klamath Falls, OR 97601

NAME, ADDRESS, ZIP

STATE OF OREGON,

County of I certify that the within instrument was received for record on the day of , 1980,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.

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, and the payments to become due on said contract or mortgage, principal and interest, 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 revest 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 \$ 14,000.00. (However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which) ①

In case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, the losing party in said suit or action agrees to pay such sum as the 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 the 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; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine 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.

Eric W. Klatt

Mary Bell Mitchell

NOTE—The sentence between the symbols ①, if not applicable, should be deleted. See ORS 93.030.

STATE OF OREGON

County of Klamath

July 3, 19 80

Personally appeared the above named

Eric W. Klatt and Mary Bell Mitchell

STATE OF OREGON, County of _____ ss.

Personally appeared _____, 19 _____ and

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 _____

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:

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 2/14/81

Notary Public for Oregon

My commission expires:

(SEAL)

Section 4 of Chapter 618, Oregon Laws 1975, provides:

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

(2) Violation of subsection (1) of this section is a Class B misdemeanor.

(DESCRIPTION CONTINUED)

3. Contract, including the terms and provisions thereof,
Dated November 3, 1978
Recorded November 6, 1978 Book: WM-78 Page 24947
Vendor Clifford Honeycutt and Gerald D. Wolfram
Vendee Eric W. Klatt

The vendors interest in said contract was assigned by mesne assignments and by instrument

Dated March 1, 1979
Recorded March 5, 1979
to Frank Sisler and Helen W. Sisler

It is further understood and agreed between the parties hereto that Buyer made an independent investigation and inspection of the premises herein described, and has entered into this contract without relying on any statement or representation or covenant not specifically embodied in this contract, and accepts the property described in this contract "as is" in the present condition, and requires no work of any kind to be done on said property by the Seller.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 8th day of July A.D., 19 80 at 3:49 o'clock P M., and duly recorded in Vol. M80 of Deeds on Page 12612.

FEE \$7.00

WM. D. MILNE, County Clerk

By *Bernetha J. Helock* Deputy