

11

96512

CONTRACT—REAL ESTATE

Vol. M81 Page

3565

THIS CONTRACT, Made this 2nd day of March, 1981, between
Galen E. Mihm and Loretta G. Mihm, husband and wife,

and Robert A. Hedgecock and Adrienne C. Hedgecock, husband and wife,
 hereinafter called the seller,
 and Robert A. Hedgecock and Adrienne C. Hedgecock, husband and wife,
 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 de-
 scribed lands and premises situated in Klamath County, State of Oregon, to-wit:

PARCEL

A portion of Government Lots 21 and 22, Section 6, Township 35
 South, Range 7 East of the Willamette Meridian, in the County
 of Klamath, State of Oregon, more particularly described as
 follows:

Beginning at a 5/8 inch iron pin on the section line common to
 Section 6 and 7, Township 35 South, Range 7 East of the Willamette
 Meridian, and on the Westerly right of way line of State Highway
 427, said iron pin bearing South 89° 41' 17" West, 646.31 feet
 from the 1/4 section corner common to Sections 6 and 7, Township 35
 South, Range 7 East of the Willamette Meridian; thence South 89°
 41' 17" West, along said section line a distance of 50.95 feet to
 the East shore of Agency Lake; thence with the meanders of the
 East shore of Agency Lake, as follows: North 3° 06' West, 194.86
 (for continuation of this description see reverse side of this contract)

for the sum of Two Hundred Sixty Thousand and No/100ths--Dollars (\$ 260,000.00)
 (hereinafter called the purchase price) on account of which Seventy-Five Thousand Four
 Hundred and No/100ths Dollars (\$ 75,400.00) 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 ONE HUNDRED EIGHTY-FOUR THOUSAND SIX
 HUNDRED AND NO/100THS (\$184,600.00) shall be paid as follows: As part
 of the consideration herein Buyers agree to assume and pay that certain
 Contract dated June 26, 1980 by and between Raymond W. Bernhardt and
 Erna P. Bernhardt, husband and wife, Vendors, and Galen E. Mihm and Loretta
 G. Mihm, husband and wife, Vendees, described as Escrow No. 390,
 escrowed at South Valley State Bank, 5215 South Sixth Street, Klamath Falls,
 Oregon, with a present unpaid balance of \$142,490.31 with interest paid
 to December 23, 1980; and the remainder to be paid to the order of Sellers
 (for continuation of this portion of the contract see attached Exhibit A)

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.

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 March 2, 1981, until paid, interest to be paid monthly.
 The minimum regular payments above required. Taxes on said premises for the current tax year shall be prorated between the parties hereto as of
March 2, 1981.

The buyer shall be entitled to possession of said lands on March 10, 1981, 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 here-
 after 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 \$ 30,000.00 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 in-
 suring (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, each word 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.

Mihm

SELLER'S NAME AND ADDRESS:

Hedgecock

BUYER'S NAME AND ADDRESS:

After recording return to:

Mr. and Mrs. Adrienne C. Hedgecock

738 Hazelwood Dr.,

Walnut Creek, CA 94596

NAME, ADDRESS, ZIP

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

same as above

NAME, ADDRESS, ZIP

STATE OF OREGON,

County of

I certify that the within instru-
 ment was received for record on the
 day of March, 1981,
 at 10 o'clock AM, and recorded
 in book 100 on page 100 or as
 file/reel number 100

Record of Deeds of said county.

Witness my hand and seal of
 County affixed.

Recording Officer
 By Deputy

TOGETHER WITH THE PERSONAL PROPERTY SET FORTH IN THE ATTACHED EXHIBIT C.
 ALSO TOGETHER WITH the assumed business name known as "Neptune Park Resort."

[illegible]

In construing this contract, it is understood that the seller or the buyer may be male or female; the masculine, the feminine and the neuter, and that gender shall be 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, and 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.

WITNESS WHEREOF, said parties have executed this instrument in triplicate; _____ by its corporate seal affixed hereto by its officers

the singular pronoun shall be taken to make the provisions hereof apply to the undersigned and his heirs, executors, administrators, personal representatives, successors in interest and assigns as well. This agreement shall bind and inure to the benefit of, as the circumstances may require, not only the immediate parties but also their 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 and authorized signatories, and thereunto by order of its board of directors.

P. A. N. H. [Signature]

duly authorized thereunto by order of the

Galen E. Mihm
Loretta G. Mihm

4 Robert A. Hedgecock
4 Adrienne C. Hedgecock

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

STATE OF OREGON,
County of Klamath
March 2, 1981

Personally appeared the above named
Galen E. Mihm and Loretta G.
Mihm, husband and wife,

and acknowledged the foregoing instru-
ment to be their voluntary act and deed.

OREGO
(OFFICIAL
SEAL)

Notary Public for Oregon
My commission expires

STATE OF ~~OREGON~~ California)
County of CONTRA COSTA) SS
2-27, 1981

Personally appeared the above named
Robert A. Hedgecock and
Adrienne C. Hedgecock, husband
and wife and acknowledged the foregoing instru-
ment to be their voluntary act and deed.

(OFFICIAL SEAL)

Notary Public for ~~DMX~~ California
My commission expires 3-28-07

My commission expires 11-1-66

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.

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

ORS 93.990(3) Violation of ORS 93.635 is punishable, upon

(DESCRIPTION CONTINUED)

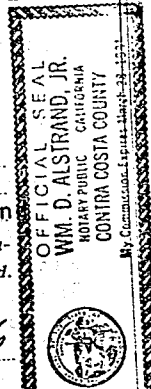
feet, North 16° 36' West, 168.00 feet, North 15° 41' West, 196.00 feet, North 11° 20' West, 210.00 feet, to a 5/8 inch iron pin; thence leaving the meanders of the East shore of Agency Lake, North 89° 15' East, 193.15 feet to a 5/8 inch iron pin on the Westerly right of way line of State Highway 427; thence along the Westerly right of way line of State Highway 427; as follows:
South 0° 15' 30" West, 253.54 feet, South 1° 10' 00" East, 490.17 feet, to the point of beginning.

PARCEL 2

PARCEL 2. A portion of Government Lots 21 and 22, Section 6, Township 35 South, Range 7 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a 3/4 inch iron pipe which bears South 89° 41' 17" West, 30.00 feet, from the 1/4 section corner common to Section 6 and 7, Township 35 South, Range 7 East of the Willamette Meridian; thence North 1° 40' 06" East parallel to the meridional centerline of Section 6, a distance of 768.57 feet to a 5/8 inch iron pin; thence South 89° 43' 25" West, 587.44 feet to a 5/8 inch iron pin on the Easterly right of way line of State Highway 427; thence along the Easterly right of way of State Highway 427 as follows: South 0° 15' 30" West, 278.22 feet, South 1° 10' East, 490.32 feet to a 3/4 inch iron pipe on the South boundary of Section 6; thence leaving the highway right of way, North 89° 41' 17" East, along the South boundary of Section 6, a distance of 556.31 feet to the point of beginning.

of beginning.
(for continuation of this legal description see attached Exhibit B)



continued from front side of Contract.

at the times and in amounts as follows, to-wit: FORTY-TWO THOUSAND ONE HUNDRED NINE AND 69/100THS with interest at the rate of 10% from March 2, 1981, payable in monthly installments of not less than \$457.79, including interest, the first installment to be paid on April 2, 1981, and a further installment on the 2nd day of each month thereafter until the full balance and interest are paid in full.

Said payments do not include taxes and fire insurance.

It is further agreed by and between the parties hereto that the Contract of Sale shall be placed in escrow at Klamath First Federal Savings and Loan Association, 540 Main Street, Klamath Falls, Oregon 97601. The original Warranty deed shall be held in the escrow at South Valley State Bank, Escrow No. 390 between Bernhardt, et ux and Mihm, et ux with instructions that in the event that escrow is paid prior to this contract the deed shall be placed in this escrow.

It is further agreed by and between the parties hereto that Buyers herein agree to notify Sellers herein in the event that they are unable to make the payments to the Bernhardt-Mihm contract they are assuming prior to any default by Buyers.

It is further agreed by and between the parties hereto that in the event Buyers herein are delinquent for a period of 60 days from the date of the payment of the contract between Bernhardt-Mihm that the Sellers herein shall be authorized to make said payment if they so desire on behalf of Buyers and shall be authorized, upon presentation of a paid receipt to the escrow agent, to add said payment to the balance of this Contract.

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

It is further agreed by and between the parties hereto that Buyers agree to furnish Sellers with proof of payment for taxes and fire insurance each year until this Contract is paid in full.

This Contract or any rights or interest hereunder, including Buyers' interest in the real property which is the subject of this Contract shall not be assigned, sold or conveyed by Buyers herein, or their heirs, legal representatives, successors or assigns, without the prior consent of Sellers (which consent shall not be unreasonably withheld) Sellers shall consent to any voluntary transaction when the withholding thereof would be unreasonable in the circumstances. Sellers may require such personal information concerning any future Buyer, assignee or grantee as a prudent lender would require for a prospective borrower.

It is further agreed by and between the parties hereto that Sellers agree to assist Buyers with the transfer of the permit and license for the sale of beer and wine at Neptune Park Resort through the Oregon Liquor Control Commission.

The Sellers and Buyers acknowledge that the Oregon Bulk Sales Law does not apply in this sales transaction.

It is understood between the parties that there exists a merchandise inventory, together with fixtures, which are separate from this Contract. The parties agree to take said inventory as of the date of transfer to Buyers. The Buyers agree to pay the Sellers for the inventory consisting of grocery items, gas, propane and oil together with the equipment, to be paid in cash at close of escrow computed at cost plus 10%.

EXHIBIT "A"

Subject, however, to the following:

1. Rights of the public in and to any portion of said premises lying within the limits of public roads and highways.

2. 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 Agency Lake.

3. An easement created by Instrument, including the terms and provisions thereof,

Dated : February 27, 1924

Recorded : May 3, 1924 Book: 64 Page: 76

In favor of : California Oregon Power Company, a California corporation

4. An easement created by Instrument, including the terms and provisions thereof,

Dated : February 11, 1966

Recorded : May 17, 1967 Book: M-67 Page: 3680

In favor of : William E. Ray and Karen Ray, husband and wife (Affects Lot 22)

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

Dated : January 1, 1977

Vendor : Ray O. Hobbs and Alice M. Hobbs, husband and wife

Vendee : Raymond W. Bernhardt and Erna P. Bernhardt, husband and wife

as disclosed by Memorandum of Contract for Deed

Recorded : February 8, 1977 Book: M-77 Page: 2274,

which Buyers herein do not assume and agree to pay, and Sellers agree to hold Buyers harmless therefrom.

7. Memorandum of Contract, including the terms and provisions thereof, a memorandum of which was

Dated : June 26, 1980

Recorded : June 26, 1980 Book M-80 Page: 11790

Vendor : Raymond W. Bernhardt and Erma P. Bernhardt, husband and wife

Vendee : Galen E. Mihm and Loretta G. Mihm, husband and wife, which Contract Buyers herein assume and agree

to pay according to the terms and conditions thereof, and agree to hold Sellers harmless therefrom. The present unpaid principal balance of which is \$142,490.31 with interest paid to December 23, 1980.

SPECIAL PROVISION:

In the event the Buyers herein become in default and the Sellers commence foreclosure proceedings, the Sellers shall have the right to apply for the appointment of their being the receiver to take possession of the premises and manage the same during any foreclosure proceedings and the Buyers herein have no objection to their being appointed by the court in the event it should ever be necessary.

PERSONAL PROPERTY

HOUSE Norge frost-free refrigerator, 1 gas heater, 1 Magic Chef butane stove, 1 gas stove, drapes, 1 kitchen overhead lamp.

SNACK SHACK Griddle, milk shaker, ice cream freezer, coffee-maker, refrigerator, hot water heater, Coke machine, sink and cups.

GARAGE Three refrigerators

WOODSHED 6' Zenith freezer - upright.

MISCELLANEOUS 3 boat docks, 6 rental boats, 1 brown boat, 3 - 7 1/2 h. p. Hondas, 1 - 20 h.p. Mercury 1 - 5.5 h.p. Evenrude, 1 - 5 h. p. Sea Bee, 1 - 10 h.p. Mercury, 1 push lawnmower, 1 riding lawnmower, battery buggy, pump motor, worm machine, 4 drop cords, 1 value wrench, pair pliers, water skis, miscellaneous motor parts, boat cushions and jackets.

CABINS 45 towels, 16 tea towels, 24 wash cloths, 15 dish cloths, 11 pillows, 50 sheets, 40 pillow slips, 22 blankets, 11 mattress protectors, 14 mattress pads, 11 bedspreads, 6 double beds, 2 twin beds, 3 rollaway beds, knives, forks, spoons, pots, pans, dishes, 4 refrigerators, 4 gas stoves, 4 gas heaters, 16 chairs, 4 tables, 4 davenport, 2 dressers and 2 chests.

BOATS 12 foot Klamath Boat, 14 foot Monarch boat, OR 641-EP, 14 ft. Monarch, boat OR 640-EP, 14 ft. Monarch boat OR 639-EP, 11.9 ft. boat OR-348-AJ, 13.3 ft. Valco boat OR 218-DL, 14 ft. Crestliner 1959 OR 28-KL.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Transamerica Title Co.
this 2nd day of March A. D. 1981 at 3:40 o'clock P. M. and
duly recorded in Vol. M81, of Deeds on a c 3565.

By Bernetha Spetch EV LYN BIEHN, County Clerk

Fee \$17.50

EXHIBIT "C"