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ORIGINAL  
FILED

DEC 28 1983

WILLIAM L. WHITTAKER  
CLERK, U.S. DISTRICT COURT,  
NORTHERN DISTRICT OF CALIFORNIA  
I have examined the annexed  
instrument and find it a correct copy  
of the original on file in my office.  
ATTEST:

*E. J. Dorell*  
Clerk  
Date: 12/28/83

1 LAW OFFICES OF WAYNE H. THOMAS  
2 420 Florence Street - Suite 300  
3 Palo Alto, California 94301  
4 (415) 324-1217

5 C. BLAINE MORLEY, ESQ.  
6 BARBARA B. PARRISH, ESQ.  
7 C. BLAINE MORLEY  
8 A LAW CORPORATION  
9 420 Florence Street - Suite 200  
10 Palo Alto, California 94301  
11 (415) 324-1213

12 Attorneys for Debtors *KCTC*

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

13 In re

14 L BAR W LAND & CATTLE CO., etc.,  
15 Debtor. /

Ch. 11 BK. No. 583-00738-A-SA

16 In re

17 LAURENCE M. WILSON, et ux,  
18 Debtors. /

Ch. 11 BK. No. 584-01269-A-SA

19 ORDER AFFIRMING AND ADOPTING THE  
20 ORDER OF THE UNITED STATES BANKRUPTCY  
21 COURT AUTHORIZING SALE OF REAL PROPERTY

22 Having considered the Order Authorizing Sale of Real  
23 Property by the Honorable Seymour J. Abrahams, United States  
24 Bankruptcy Judge, dated December 5, 1983 ("Order"), and good  
25 cause appearing therefor, it is hereby

26 ORDERED that Order be, and it hereby is affirmed and  
27 adopted by this Court.  
28 DATED: 28 DEC 1983

United States District Judge

LAW OFFICES OF WAYNE H. THOMAS  
420 Florence Street - Suite 300  
Palo Alto, California 94301  
(415) 324-1217

FILED

DEC 5 1993

PAUL G. KARNEY, JR., Clerk  
United States Bankruptcy Court  
San Jose, California

C. BLAINE MORLEY, ESQ.  
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Attorneys for Debtors

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

In re Ch. 11 BK. No. 583-00738-A-SA

L BAR W LAND & CATTLE CO., INC.  
a California corporation,  
Debtor.

Ch. 11 BK. No. 583-01269-A-SA

In re  
LAURENCE M. WILSON, et ux,  
Debtors.

ORDER AUTHORIZING SALE  
OF REAL PROPERTY

Laurence M. Wilson and Patricia A. Wilson ("Debtors")  
have moved the court for an order authorizing themselves to sell  
a 200-acre parcel of real property described as:

Portion of the West  $\frac{1}{2}$ , Northeast  $\frac{1}{4}$  of  
Section 30, Township 40, Range 9, Lying  
West of the straits in the Southeast  $\frac{1}{4}$  of  
Section 31, Township 40, Range 9, East-West  
Meridian, commonly known as Wilson Farms.

The entire property owned by the Debtors has been  
described in these proceedings as the "Worden Ranch". The  
200-acre portion which is the subject of this motion shall be

described herein as the "Property". The matter came on for hearing, along with a trial brought by the Debtors to sell Property free and clear of liens and encumbrances at 10:00 a.m. November 29, 1983. No opposition has been filed by a creditor or other interested party to the sale of Property, and all except one of the creditors with liens on the Worden Ranch have executed and, on November 29, 1983, filed with the court a paper titled "Stipulation For Order Permitting Conveyance of Property Free of Liens" ("Stipulation"). A provision of Stipulation is that the net cash proceeds from the sale of Property, after deduction of sales commissions, title insurance premium, taxes (including delinquencies and interest thereon), all ordinary and required selling costs of the Debtors, and the sum of \$7,250.00 which is to be retained by Debtors for administrative expenses associated with this case, shall be paid to John Hancock Mutual Life Insurance Company ("John Hancock"), in partial satisfaction of the indebtedness secured by its first-priority mortgage of Property. The creditor which did not enter Stipulation did not object to the sale of Property on the terms and conditions set forth in the Motion For Order Authorizing Sale of Property; Lease Of Property; and Points and Authorities In Support Of Motion To Sell Property ("Motion") filed October 11, 1983.

Having considered the papers and pleadings on file and the evidence and arguments of counsel, the court finds that the proposed sale of property is in the best interests of the estate because:

ORDER AUTHORIZING  
SALE OF REAL  
PROPERTY

1. The sale will produce \$363,000 cash, less costs of sale, commissions, and \$7,250.00 to the estate for administration, which will reduce the claim secured by the most senior lien on Property; and

2. The sale of Property at this price may serve to establish the value of the remainder of Worden Ranch at an amount well in excess of all liens encumbering the Worden Ranch. In view of these findings, it is hereby

ORDERED that the Debtors be, and they hereby are, authorized to sell Property (as defined above), on the terms and conditions set forth in the 2-page Oregon Association of Realtors Sales Agreement & Receipt For Earnest Money, a copy of which is attached as Exhibit A. It is further

ORDERED that the net cash proceeds from the sale, after deduction of sales commissions, title insurance premium, taxes (including delinquencies and interest thereon), all ordinary and required selling costs of the Debtors, and the sum of \$7,250.00 shall be paid to John Hancock in partial satisfaction of the indebtedness secured by its first-priority mortgage of the Property. It is further

ORDERED that the aforementioned \$7,250.00 portion of the sale proceeds will be paid to C. Blaine Morley, a Law Corporation, at 420 Florence Street, Suite 200, Palo Alto, California 94301, to be held in trust for use by the estate to pay administrative expenses, as may be allowed by further order of this court. It is further

ORDER AUTHORIZING  
SALE OF REAL  
PROPERTY

P-463

ORDERED that that this order be certified for review  
and approval to the District Court, Northern District of  
California, in accordance with General Order 24, Se(2)(A)(ii).

DATED: 5 DEC 1983

*Seymour J. Abrahams*  
Seymour J. Abrahams  
United States Bankruptcy Judge

We hereby certify that the annexed instrument is  
a true and correct copy of the original on file in  
our office. Dated 12-28-83  
Clerk  
United States Bankruptcy Court  
San Jose, California

By *Carolyn M. Davis*  
Deputy Clerk

ORDER AUTHORIZING  
SALE OF REAL  
PROPERTY



THIS IS A LEGALLY BINDING CONTRACT, IF NOT UNDERSTOOD, SEEK COMPETENT ADVICE.

Klamath Falls, Oregon, Sept. 29, 83

A117454

D. 464

1. Received of Luther J. Horsley and Candace O. Horsley (H&O)

2. The sum of \$ 5,000.00 in the form of ☒ check, ☐ cash, ☐ note payable payable on acceptance by Sellers.

3. The purchase of the following described real estate (the parties hereby authorized the Realtor to attach the correct legal description if unavailable at the time of signing) situated in the City of Klamath Falls, Oregon, in the County of Klamath, State of Oregon, to wit: Portion of the 1/2 of Sec. 3

4. Top 40 R&B lying West of the straits and SEC. 31 Top 40 R&B E&M.

5. which we have this day sold to the said purchaser, subject to the approval of the seller, for the purchase price of Three hundred Sixty Three Thousand Dollars and no .100 Dollars \$363,000.00

6. On the following terms, to wit: The earnest money above receipted for \$5,000.00

7. The balance of Three Hundred Fifty Eight Thousand Dollars and no .100 Dollars \$358,000.00

8. This offer to purchase is contingent upon buyers being able to arrange for loans of not less than \$188,000 net from Federal Land Bank and not less than \$100,000 from Farm Home Administration. Balance of \$70,000 Cash due from buyers at time of closing.

9. The purchaser shall pay required assumption costs and reimburse the seller for sums held in the reserve account of any indebtedness assumed in this transaction, in addition to the purchase price.

10. If this transaction is subject to purchaser securing a new loan, purchaser agrees to make written application not later than Sept. 30

11. complete necessary papers, and exert his best efforts to procure such financing, and if transaction is to be financed through FHA or Federal VA, seller agrees to pay the prevailing mortgage discount required by lender, not to exceed \$ NONE

12. The property is to be conveyed unless otherwise provided by Statutory Warranty Deed free and clear of all liens and encumbrances to date except zoning ordinances, building and use restrictions; reservations in Federal patents, beneficial utility easements of record, and Those appurtenant to the land and common to Real Estate in that area.

13. All right fixtures and bulbs, fluorescent lamps, Venetian blinds, window and door screens, storm windows and doors, attached floor coverings, attached television antennas, curtain, towel and drapery rods, shrubs and trees, and irrigation, plumbing, cooling and heating equipment, including oil tanks, except fireplace equipment that is not attached in any manner to the structure, and all fixtures except

14. are to be left upon the premises as part of the property purchased, the following personal property is also included as part of the property purchased for said purchase price: NONE

15. The real property is a dwelling unit, buyer and seller certify that a working smoke detector has been or shall be installed in each dwelling unit according to Oregon law, prior to closing this transaction.

16. Broker does not warrant the square footage of any structure being purchased. If square footage is a material consideration in making this purchase, Broker advises that such structure should be measured by Purchasers.

17. Purchaser and Seller have read the important additional terms on reverse side of sale agreement and receipt for earnest money before signing. These additional terms regarding title insurance, forfeiture provisions and attorney fees are included in this agreement. Buyer's initials: LHM

18. The seller represents (1) that the above dwelling is connected to (a) public sewer system; (b) cesspool or septic tank; (2) that he knows of no material structural defects; (3) that all electrical wiring heating, cooling, and plumbing systems will be in working order at the time purchaser is entitled to possession; (4) that he has no notice of any liens to be assessed against the property; (5) He will maintain the property and yard in present condition; (6) that he has no notice from any governmental agency of any violation of laws, relating to the subject property, except NONE KNOWN

19. Seller and purchaser agree to prorate the taxes for the current tax year, rents, interest, and other items as of Date of closing

20. Premiums for existing insurance may be prorated or a new policy issued at purchaser's option. Purchaser agrees to pay the seller for fuel, if any, in storage tank at date of possession. Encumbrances to be discharged by seller may be paid at his option out of purchase money at date of closing. Date of closing on or before November 15

21. This sale shall be closed in escrow, the cost of which shall be shared equally between Seller and Purchaser. Seller and Purchaser instruct the undersigned REALTOR to handle the above-described earnest money as follows: 19 83

22. Place in REALTOR's client trust account, upon acceptance of offer, transfer to the listing broker after it represents collected funds, deposit with: 19 83

23. to be delivered to the purchaser on or before See Exhibit "A" Item 3 attached hereto.

24. as soon thereafter as existing laws and regulations will permit removal of tenants, if any. Time is of the essence of this contract. This agreement is binding upon the heirs, executors, administrators, successors and assigns of the purchaser and seller. However, if under the terms of this agreement purchaser is being extended credit after closing by the seller, purchaser's rights herein are not assignable without written consent of the seller.

25. The undersigned buyer and seller hereby authorize and direct the closing agent to provide copies of all closing statements to the REALTORS involved in this transaction upon request of the REALTOR.

26. FOR SPECIAL CONDITIONS SEE ATTACHED EXHIBIT "A" attached hereto and made a part hereof.

27. Listing REALTOR: Pivetti & Hammond Phone: 408-637-5588 Address: 370 Fifth St Hollister, Cal

28. Selling REALTOR: Hammond Co. Phone: 882-3959 Address: 832 Klamath Ave K. Falls, Ore

29. AGREEMENT TO PURCHASE

30. I hereby agree to purchase the above described property in its present condition at the price and on the terms and conditions set forth above, and grant said REALTOR a period of 1 day

31. days hereafter to secure seller's acceptance hereof, during which period my offer shall not be subject to revocation. Deed or contract is to be prepared in the name of Luther J. Horsley and Candace O. Horsley (H&O)

32. The manner in which a title is vested can have major legal and tax consequences. Purchasers are advised to consult their attorney or tax accountant.

33. I acknowledge receipt of a copy of the foregoing offer to buy and earnest money receipt bearing my signature and that of the REALTOR

34. PURCHASER HEREBY ACKNOWLEDGES RECEIPT OF A COPY HEREOF AND ACKNOWLEDGES THAT HE HAS NOT RECEIVED OR RELIED UPON ANY STATEMENTS MADE BY THE SELLER OR HIS AGENT WHICH ARE NOT HEREIN EXPRESSED.

35. Address: P.O. BOX 209 Midland, Ore.

36. Phone: 882-7982

37. AGREEMENT TO SELL

38. I hereby approve and accept the sale of the above described property and the price and conditions as set forth in above agreement and agree to furnish a title insurance policy continued to date as aforesaid showing good and marketable title, also the said deed or contract.

39. Address: Ashland Star Rt Keno-warden Rd

40. Phone: 883-3271

41. DELIVERY TO PURCHASER

42. The undersigned purchaser acknowledges receipt of the foregoing earnest money receipt bearing his signature and that of the seller showing acceptance.

43. PURCHASER

44. SELLER'S CLOSING INSTRUCTIONS & FEE AGREEMENT

45. I agree to pay to the above named REALTORS forthwith a fee amounting to \$ 14,500.00

46. Seller hereby grants to said REALTOR or listing broker a lien on the proceeds of sale to secure payment of said sum.

47. I authorize said REALTOR to order title insurance at my expense and further authorize him to pay out of the cash proceeds of sale the expenses of furnishing title insurance and recording fees, if any, as well as any encumbrances on said premises payable by me at or before closing. I instruct REALTOR to place the above described earnest money deposit and selected additional earnest money in the depository on lines 42 or 43 or in the event the agreement is in default, Seller promises and agrees to pay the REALTOR a reasonable collection costs including, but not limited to, attorney fees even though no such sum is filed attorney fees as provided on reverse side hereof.

48. I acknowledge receipt of a copy of this contract bearing my signature and that of the purchaser named above, and of REALTOR. If coop transaction fee divided Listing REALTOR \$ 50

49. Selling REALTOR: 50

50. shall be disbursed Seller 160 % REALTOR 0

51. In the event of a forfeiture of the earnest money and additional earnest money less deductions as provided on reverse side hereof the forfeited earnest money shall be disbursed to the extent of REALTOR'S total fee and residue to seller.

52. Listing REALTOR: Seller LHM Wilson

53. Seller

54. ESCROW COPY

EXHIBIT "A" Page 1

4/83 OREGON ASSOCIATION OF REALTORS



1. Buyers and Sellers to pay their own Attorney fees, if any, except in the case of a Suit or action. See reverse side of Earnest Money and Sale Agreement.
2. Buyers and Sellers to pay their own respective closing costs.
3. upon an acceptance of both Parties, Sellers give Buyers the right to go in and start Fall farm work on the land being purchased. If for what ever reason sale is not completed, Sellers will reimburse Buyers at a rate of \$7.00 per acre for farm work done.
4. Buyers acknowledges that this offer to purchase is subject to the approval of the U.S. Bankruptcy Court for the Northern District of California in the matter of L Bar W Land & Cattle Co. Inc. a California Corporation, Case No. 583-00736.
- 5.

A title insurance policy from Klamath County Title Company insuring marketable title in the seller in an amount equal to said purchase price is to be furnished purchaser in due course at seller's expense; within 10 days of Seller signing this Agreement, Seller shall furnish a title insurance company's title report showing its willingness to issue title insurance (preliminary title report), and such report shall be conclusive evidence as to status of seller's record title.

It is agreed that if Purchaser shall object to any exceptions, exclusions or stipulations contained in said preliminary title report, Purchaser shall notify Seller in writing of said objections within 15 days of Purchaser receiving said Preliminary Title Report. If Seller is unable to remove such exceptions, exclusions or stipulations within 30 days of Seller's receipt of such written objections, the Earnest money herein accepted for shall be refunded.

*Return KCTC*

BUYERS Initials col 24

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record

this 10th day of Jan A. D. 19 81 at 4:38 clock P.M., and  
duly recorded in Vol. M84, of Deeds on Page 452.

EVELYN BIEHN, County Clerk  
By [Signature]

Fee: \$28.00

*2*