

OA **51359** CONTRACT—REAL ESTATE
THIS CONTRACT, Made this *23rd* day of *July*, 1985, between
Guy P. Turnage and Jean L. Turnage, husband and wife, hereinafter called the seller,
and *John F. Hagarty and Rosemarie Hagarty, 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 described lands and premises situated in *Klamath* County, State of *Oregon*, to-wit:

Lot 25, Block 125 of Mills Addition to the City of Klamath Falls.

ALSO, all that portion of the strip of land lying contiguous to the Northerly boundary of Lot 25, Block 125, MILLS ADDITION to the City of Klamath Falls, shown on the map filed May 1, 1926, in the Klamath County records, and between extensions of the Easterly boundary line and the Westerly boundary line of said Lot to the centerline of that strip of land described in that certain correction deed to the United States dated September 28, 1912, recorded in Book 38 at page 209, filed in the records of Klamath County, Oregon.

for the sum of *Seventeen thousand five hundred* Dollars (\$ *17,500.00*) 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/reel/volume No. *XXXXXXXXXX* at page *XXXXXXXXXX* or as document/fee/file/instrument/microfilm No. *XXXXXXXXXX* (indicate which) of the Deed*, Mortgage*, Miscellaneous* Records of said county, reference to which hereby is made, the unpaid principal balance of which is \$ *XXXXXXXXXXXXXXXXXX*, together 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 \$16,000.00 to be paid in monthly payments of no less than \$165.00 per month. Payable on or before the 20th day of each month until fully paid. \$1,500.00 has been paid with the signing of the earnest money agreement.

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 20, 1985* until paid; interest to be paid *monthly* and * *XXXXXXXXXX* 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) *XXXXXXXXXX* 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 premises and the buildings, now or hereafter erected thereon, in good condition and repair and will not suffer or permit any waste or strip thereof; that he will keep said premises free from construction 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 \$ *17,500.00* 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 *10* days from the date hereof, he will turnsh 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 and 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, the said contract or mortgage 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 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 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. If the contract becomes a first lien to finance the purchase of a dwelling use Stevens-Ness Form No. 1307 or similar.

Guy P. & Jean L. Turnage
5292 Gatewood Dr.
Klamath Falls, Oregon 97603
John F. & Rosemarie Hagarty
2461 Orchard Way
Klamath Falls, Oregon 97601
After recording return to:
Guy P. & Jean L. Turnage
5292 Gatewood Drive
Klamath Falls, Oregon 97603
NAME, ADDRESS, ZIP
Until a change is requested all tax statements shall be sent to the following address:
John F. & Rosemarie Hagarty
2461 Orchard Way
Klamath Falls, Oregon 97601
NAME, ADDRESS, ZIP

STATE OF OREGON,
County of _____ ss.
I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ or as document/fee/file/instrument/microfilm No. _____ Record of Deeds of said county.
Witness my hand and seal of County affixed.
By _____ TITLE _____ 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 rest 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.

- Further provisions:**
- 1) Buyers are to provide seller with copy of receipted real property tax statement annually and evidence of fire insurance.
 - 2) If buyer (Hagarty) sells property at a future date, seller (Turnage) must approve sale.
 - 3) If buyer is more than (10) days late with monthly payment a \$10.00 late charge will be added to the next payment.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$17,500.00

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 judge 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, 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.

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.

THIS INSTRUMENT DOES NOT GUARANTEE THAT ANY PARTICULAR USE MAY BE MADE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT. A BUYER SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

John F. Hagarty
Rosemarie Hagarty
Guy P. Turnage
John L. Turnage

STATE OF OREGON,
County of Klamath } ss.
July 23, 1985
Personally appeared the above named John F. Hagarty, Rosemarie Hagarty, Guy P. Turnage & John L. Turnage
and acknowledged the foregoing instrument to be their voluntary act and deed.
Before me, Dorian C. Creel
Notary Public for Oregon
My commission expires: 6-21-88

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: _____ (SEAL)
Notary Public for Oregon
My commission expires: _____

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)

STATE OF OREGON: COUNTY OF KLAMATH: ss.
Filed for record at request of _____ of July A.D., 19 85 at 3:53 o'clock P M., and duly recorded in Vol. M85 of Deeds on Page 11661.
FEE \$9.00
By Evelyn Biehn, County Clerk
Ram Smith

21320

RECEIVED
JUL 23 1985
CLERK OF COUNTY OF KLAMATH
OFFICE
21320