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K-38021  
LAND SALE CONTRACT

Vol. 1185 Page 16453

THIS CONTRACT made and entered into this 30 day of August, 1985 between RONALD A. KNOWLES and PATRICIA M. KNOWLES, Husband and Wife, hereinafter called Sellers, and MARVIN L. WILLIAMS and PATRICIA K. WILLIAMS, Husband and Wife, hereinafter called Buyers (it being understood that the singular shall include the plural if there are two or more sellers and/or buyers).

## WITNESSETH:

Sellers agree to sell to the Buyers and the Buyers agree to buy from the Sellers for the price and on the terms and conditions set forth hereinafter all of the following described and improvements situated in Klamath County, State of Oregon, and legally described on Exhibit A, attached hereto and incorporated by reference herein, and subject to those certain specific encumbrances which are listed on Exhibit A, attached hereto and incorporated by reference herein.

**PURCHASE PRICE:** The purchase price thereof shall be the sum of \$49,000.00, payable as follows: \$5,000.00 upon the execution hereof, receipt of which is hereby acknowledged; the balance of \$44,000.00 shall be paid in monthly installments as is set forth hereinafter, and which said installments shall bear interest at the rate of 10% per annum on the unpaid balance, the first of such installments to be paid on the 26th day of September, 1985, and a further and like installment to be paid on or before the 26th day of each month thereafter until the entire purchase price, including both principal and interest, is paid in full. The specific amounts and terms of the payments of such installments are as follows:

a. Buyers shall pay through Klamath County Title Company, Escrow No. 4162, the sum of \$344.37 per month, which sum shall, in turn, be payable to the order of Willamette Savings & Loan, account No. 57-1911495, as payment toward that certain Deed of Trust, including the terms and provisions thereof, given by Ronald L. Cooper and Carole J. Cooper, husband and wife, to D.L. Hoots, as Trustee for Security Savings & Loan Assoc. dated November 17, 1978, and recorded November 20, 1978 in M-78, page 26253, Records of Klamath County, Oregon, to secure the initial obligation owing thereon in the sum of \$39,000.00; which said payment shall be payable in monthly installments, including interest at the rate of 10% per annum on the unpaid balance, the unpaid balance to be determined according to the records of Willamette Savings & Loan, account No. 57-1911495; Klamath County Title Co. shall not be required to maintain a balance on the payments received into such escrow, and the parties shall instead utilize the computations of interest and principal if the same are correctly computed by Willamette Savings & Loan under account No. 57-1911495; and

b. Buyers shall further pay through Klamath County Title Co., escrow No. 4162 the sum of \$10,035.73, which said sum shall be payable at the rate of \$145.37 including interest at the rate of 10% per annum on the unpaid balance, the first of such installment to be paid on the date set forth hereinabove.

**INTEREST AND POSSESSION:** Interest as aforesaid shall commence on August 30, 1985. Buyers shall be entitled to possession of the property as of the 30 day of August, 1985.

**PREPAYMENT PRIVILEGE:** After the 30 day of August, 1985, Buyers shall have the privilege of increasing any payment or pre-paying the entire balance with interest due thereon to the date of payment on the obligation owing to Sellers. However, Buyers shall be bound with the requirements of Willamette Savings & Loan, or its successors in interest, with respect to any prepayment of that certain Trust Deed and Note, including the terms and provisions thereof, given by Ronald L. Cooper and Carole J. Cooper, husband and wife, to D.L. Hoots, as Trustee for Security Savings & Loan Assoc., dated November 17, 1978, and recorded November 20, 1978 in M-78 on page 26253, Records of Klamath County, Oregon.

**TAXES AND LIENS:** Buyers shall pay promptly all indebtedness incurred by their acts, which may become a lien or purported lien, upon said property and shall regularly and before the same shall become delinquent, pay all taxes, including adjustments of same, for any reason, assessments, liens, and encumbrances of whatsoever kind, affecting the property after this 30 day of August, 1985, provided, all such taxes, assessments and charges for the current

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year shall be pro-rated as of the 30 day of August, 1985, and in the event Buyers shall fail to so pay, when due, any such matters or amounts required by Buyers to be paid hereunder, or to procure and pay seasonably for insurance, Sellers may pay any and all such amounts, and any such payment shall be added to the purchase price of said property on the date such payments are made by Sellers, and such amounts shall bear interest at the rate of 10% per annum, without waiver, however, of any right arising to Sellers for Buyers breach of contract, and in such event or events, the escrow holder is hereby directed and authorized to so add such amounts to the contract balance upon being tendered proper receipt therefor; Buyers and Sellers agree that all tax statements shall be sent to Sellers, who shall, in turn, provide the same to Buyers, for payment. Buyers shall be required to pay the same within fifteen days of their being tendered to Buyers, and shall thereafter provide Sellers with proofs of payment of each year's taxes.

**INSURANCE:** Buyers shall keep the buildings on said property insured against loss or damage by fire or other casualty in an amount not less than the full insurable value thereof, with loss payable to the parties hereto and the interests herein reflected, if any, all as their interests appear at the time of loss, all uninsured losses shall be borne by the Buyers on or after the date Buyers become entitled to possession; Buyers shall further provide Sellers with proofs of payment of each year's insurance.

**IMPROVEMENTS AND ALTERATIONS:** Buyers agree that all improvements now located or which shall hereafter be placed on the property shall remain a part of the real property and shall not be removed at any time prior to the expiration of this agreement without the written agreement of the Sellers; Buyers shall not commit or suffer any waste of the property, or any improvements thereon, or alteration thereof, and shall maintain the property, improvements and alterations thereof, in good condition and repair, provided, Buyers shall not make or cause to be made any major improvements or alterations to the property without first obtaining the written consent of Sellers.

**TRANSFER OF TITLE:** Sellers shall upon the expiration hereof made and execute in favor of Buyers a good and sufficient deed conveying said property free and clear of all liens and encumbrances, except as herein provided, and which Buyers assume, unless otherwise therein provided, and will place said deed, together with one of these agreements, in escrow at Klamath County Title Company, 422 Main Street, Klamath Falls, Oregon, and shall enter into written escrow instructions in form satisfactory to said escrow holder and the parties hereto, instructing said escrow holder that when, and if, Buyers shall have paid the balance of the purchase price in accordance with the terms and conditions of this contract, said escrow holder shall deliver said deed to Buyers, but in case of default by Buyers said escrow holder shall, on demand, surrender said instruments to Sellers;

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

*PK*  
*Md*

Mr. & Mrs. Marvin Williams  
5819 Pomedale  
Klamath Falls, OR 97603

**NO WARRANTIES:** Buyers certify that this contract of purchase is accepted and executed on the basis of his own examination and personal knowledge of the premises and opinion of the value thereof; that no attempt has been made to influence their judgment; that no representations as to the condition or repair of said premises has been made by Sellers or by any agent of Sellers; and that Buyers take said property and the improvements thereon in the condition existing at the time of this agreement.

**TIME OF THE ESSENCE:** It is understood and agreed between the parties that time is of the essence of this contract.

**DEFAULT:** Should Buyers fail to make the payments aforesaid, or any of them, punctually and upon the strict terms and at the times above specified, or failed to keep any of the terms or conditions of this agreement, then the Sellers, at their option, shall have the following rights:

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- 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;
- 3) To withdraw said deed and other documents from the escrow and/or;
- 4) To foreclose this contract by suit or by strict foreclosure in equity, and in any of such cases, all rights and interest created or then existing in favor of the Buyers as against the Sellers hereunder shall utterly cease and determine, and the right to the possession of the premises above-described and all other rights acquired by the Buyers hereunder shall revert to and revest in said Sellers without any act of re-entry, or any other act of said Sellers to be performed and without any right of Buyers of return, reclamation or compensation for monies 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 Sellers as the agreed and reasonable rent of said premises up to the time of such default. The said Sellers, 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 of the improvements thereon; and alternatively, Buyers shall have the right to apply to the Court for appointment of a receiver as a matter of right, and nothing in this contract shall preclude appointment of the Sellers as such receiver.

**PREMISES:** Should Buyers, while in default, permit the premises to become vacant, Sellers may take possession of same for the purpose of protecting and preserving the property and his security interest herein, and in the event possession is so taken by Sellers, they shall not be deemed to have waived their right to exercise any of the foregoing rights.

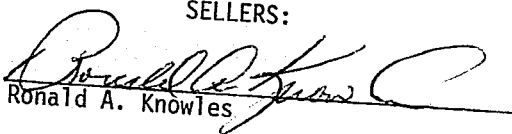
**ATTORNEY FEES:** In the event suit or action is instituted to enforce any of the terms of this contract, the prevailing party shall be entitled to recover from the other party such sum as the Court may adjudge reasonable as attorney fees at trial or on appeal of such suit or action, in addition to all other sums provided by law.

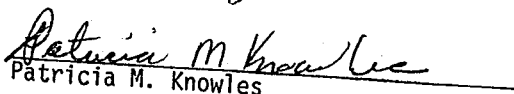
**WAIVER:** Buyers further agree that failure by Sellers at any time to require performance by Buyers of any provision hereof shall, in no way, affect Sellers' rights hereunder to enforce the same, nor shall any waiver by Sellers of any breach of any provision hereof be held to be a waiver by any succeeding breach of any such provision, or as a waiver of the provision itself.

**BINDING ON SUCCESSORS:** This agreement shall bind and inure to the benefit of, as the circumstances may require, the parties hereto and their respective heirs, executors, administrators, successors and assigns, subject to the foregoing.

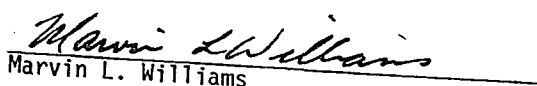
IN WITNESS WHEREOF, the parties have caused this agreement to be executed this 30 day of August, 1985.

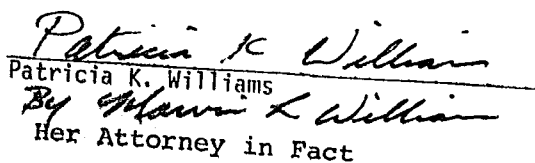
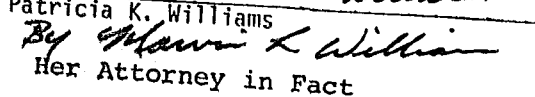
SELLERS:

  
Ronald A. Knowles

  
Patricia M. Knowles

BUYERS:

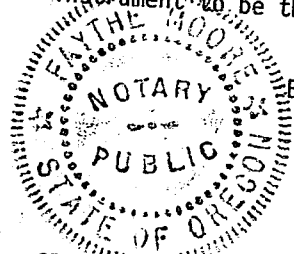
  
Marvin L. Williams

  
Patricia K. Williams  
By   
Her Attorney in Fact

STATE OF OREGON }  
County of Klamath } ss.

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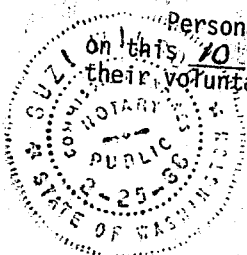
Personally appeared the above-named MARVIN L. WILLIAMS and PATRICIA K. WILLIAMS on this 30 day of August, 1985, and acknowledged the foregoing instrument to be their voluntary act and deed.



Before Me:

Laythe Moore  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 8/27/87

STATE OF WASHINGTON }  
County of Thurston } ss.



Personally appeared the above-named RONALD A. KNOWLES and PATRICIA M. KNOWLES, on this 30 day of August, 1985, and acknowledged the foregoing instrument to be their voluntary act and deed.

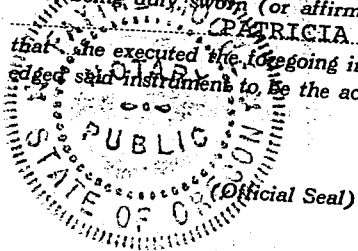
Before Me:

Suzi Nelson  
NOTARY PUBLIC FOR WASHINGTON  
My Commission Expires: 2-15-86

FORM No. 159—ACKNOWLEDGMENT BY ATTORNEY-IN-FACT.

STATE OF OREGON, }  
County of Klamath } ss.

On this the 30th day of August, 19 85 personally appeared MARVIN L. WILLIAMS, who being duly sworn (or affirmed), did say that he is the attorney in fact for PATRICIA K. WILLIAMS and that she executed the foregoing instrument by authority of and in behalf of said principal; and he acknowledged said instrument to be the act and deed of said principal.



Before me:  
Laythe Moore  
(Signature)  
My Commission Expires: 8/27/87  
(Title of Officer)

EXHIBIT A

A tract of land situated in the SE1SE1 of Section 14, Township 39 South, Range 9 E.W.M., more particularly described as follows:

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Beginning at an iron pin on the East boundary of Homedale Road, said point being North 89°48' East a distance of 30.0 feet and South 0°10' East a distance of 279 feet from the Northwest corner of the SE1SE1 of said Section 14; thence South 0°10' East along the East boundary of Homedale Road a distance of 132.0 feet; thence North 89°48' East a distance of 350.0 feet; thence North 0°10' West parallel with Homedale Road a distance of 132.0 feet to an iron pin; thence South 89°48' West a distance of 350.0 feet, more or less, to the point of beginning.

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.

SUBJECT TO: Contracts and/or liens for irrigation and/or drainage, the schedule of exclusions from coverage, together with any schedules contained in standard title policies, reservations, easements, restrictions and rights of way of record and those apparent on the land.

ALSO SUBJECT TO: Liens and assessments of Klamath Project and the Klamath Irrigation District, and regulations, contracts, easements and water and irrigation rights in connection therewith.

ALSO SUBJECT TO: Any unpaid charges or assessments of Klamath Irrigation District.

ALSO SUBJECT TO: Agreement between Henry E. Ankeny, et al, and the United States of America, dated February 12, 1906, recorded August 26, 1909, in Deed Volume 27, page 340, records of Klamath County, Oregon.

ALSO SUBJECT TO: Agreement between United States of America and J.W. Siemens dated March 20, 1919, recorded April 19, 1919, in Deed Volume 50, page 163, records of Klamath County, Oregon, as supplemented by Contract between United States of America and J.W. Siemens, dated February 19, 1920, recorded June 7, 1920, in Deed Volume 52 on page 567, records of Klamath County, Oregon.

ALSO SUBJECT TO: Easement from E.L. Campbell and Bessie A. Campbell, husband and wife, to Charles G. Axel and Mildred C. Axel, husband and wife, dated March 13, 1951, recorded March 20, 1951, in Deed Volume 246, page 30, records of Klamath County, Oregon.

ALSO SUBJECT TO: Easement, including the terms and provisions thereof, given by Larry D. Johnson and Muri Dean Johnson to Oregon Water Corporation, dated October 11, 1971 and recorded October 15, 1971, in M-71, page 10850, records of Klamath County, Oregon.

ALSO SUBJECT TO: Deed of Trust, including the terms and provisions thereof, given by Ronald L. Cooper and Carole J. Cooper, husband and wife, to D. L. Hoots as Trustee for Security Savings and Loan Association, dated November 17, 1978 and recorded November 20, 1978, in M-78 on page 26253, Records of Klamath County, Oregon, to secure the payment of \$39,000.00, which said Deed of Trust is not assumed by the Buyers herein, and which is to be paid from out of the proceeds of the within contract, as is more fully set forth hereinbefore.

ALSO SUBJECT TO: Contract, including the terms and provisions thereof, given by Ronald L. Cooper and Carole J. Cooper, husband and wife, to Norbert L. Peterson and Brenda J. Peterson, husband and wife, dated February 29, 1980 and recorded March 3, 1980, in M-80 on page 4022, Records of Klamath County, Oregon.

By Assignment recorded July 30, 1981 in M-81 on page 13598, Records of Klamath County, Oregon, the vendee's interest in said contract was assigned to Ronald A. Knowles and Patricia M. Knowles, which said contract has been paid in full, and the requisite instruments in fulfillment thereof are being held within the escrow to be established in accordance with the terms and provisions of the within instrument.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of \_\_\_\_\_  
of \_\_\_\_\_ October \_\_\_\_\_ A.D., 19 85 at 2:57 o'clock \_\_\_\_\_ P.M., and duly recorded in Vol. M85  
of \_\_\_\_\_ Deeds \_\_\_\_\_ on Page 16453

FEE \$21.00

EVELYN STEIN

County Clerk

By

*Bernetha A. Hetch*

*Return  
KCTC*