

65646

CONTRACT—REAL ESTATE

Vol. 186 Page 16056

THIS CONTRACT, Made this 1st day of June, 1986, between Howard A. Phearson, Sr. & Judy Ann Phearson, and Howard A. Phearson, Jr., hereinafter called the seller,

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:

The West 1/2 of Lots 1 and 2 in Block 62 of Lakeview Addition to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

This Contract is being re-recorded to correct the legal description.

for the sum of Thirty thousand and no/100----- Dollars (\$30,000.) 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. _____ at page _____ or as document/fee/file/instrument/microfilm No. _____ (indicate which) of the Dead*, Mortgage*, Miscellaneous* Records of said county, reference to which hereby is made, the unpaid principal balance of which is \$ _____, 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:

(Down Payment) 0
\$300. per month beginning 6-1-86 at 9%
(Buyer shall be responsible for 1987 taxes and 6-1-86 to 12-31-86 taxes and Property taxes each year until such time that said contract is paid in full.
Seller responsible for 1982, 1983, 1984, and 1-1-86 to 6-1-86 9% property tax.

All of said purchase price may be paid at any time; all of the said deferred payments shall bear interest at the rate of _____ per annum from 6-1-86 until paid; interest to be paid _____ monthly and _____ (in addition to 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 6-1-86, 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 strin 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 \$ _____ 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 not furnished _____ 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 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, 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.

Howard & Judy Phearson, Sr.
1140 Wild Plum Ave.
Klamath Falls, Oreg., 97601
SELLER'S NAME AND ADDRESS

Howard A. Phearson, Jr.
622 Lowell
Klamath Falls, Oregon, 97601
BUYER'S NAME AND ADDRESS

After recording return to:
Seller

NAME, ADDRESS, ZIP

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

622 Lowell Street
Klamath Falls, Oregon, 97601
NAME, ADDRESS, ZIP

STATE OF OREGON,

County of Klamath
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.

NAME TITLE

By _____ Deputy

18661

16057

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, 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 \$ 30,000.00. However, the actual consideration consists of or includes other property or value given or promised which is part of the whole consideration (indicate which).

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, 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 WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

Howard A. Phearson, Jr.
Howard A. Phearson, Sr.
Judy Ann Phearson

STATE OF OREGON,)
County of Klamath) ss.
September 5, 19 86

Personally appeared the above named
Howard Phearson, Jr. and
Howard A. Phearson, Sr. and
Judy Ann Phearson

STATE OF OREGON, County of) ss.
September 5, 19 86
Personally appeared)
) 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

Land acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:
OFFICIAL SEAL)
Notary Public for Oregon
My commission expires: 8/27/87

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.

Notary Public for Oregon
My commission expires:

(SEAL)

Section 4 of Chapter 646, 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 September A.D., 19 86 at 4:18 o'clock P M., and duly recorded in Vol. M86
of Deeds on Page 18660

FEE \$9.00

Evelyn Biehn,
By

County Clerk

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of
of October A.D., 19 86 at 3:09 o'clock P M., and duly recorded in Vol. M86
of Deeds on Page 18660

FEE \$9.00

Evelyn Biehn, County Clerk
By