

MC # S842

(This contract should be executed in triplicate, acknowledged by seller and recorded in the deed records.)

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THIS CONTRACT, Made this 22 day of September, 1988, between TARA ENTERPRISES,

hereinafter called the seller, and BOBBY R. FLEMING and BEVERLY A. FLEMING, husband and wife, as joint tenants, 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:

Lots 4 and 5, Block 1, Tract 1218, Dodds Hollow Estates, County of Klamath, State of Oregon.

for the sum of Sixty Four Thousand and 00/100 Dollars (\$ 64,000.00) (hereinafter called the purchase price) on account of which Four Hundred and 00/100 Dollars (\$400.00) is paid on the execution hereof (the receipt of which hereby is acknowledged by the seller), and the remainder to be paid at the times and in amounts as follows, to-wit:

The unpaid balance of \$63,600.00, to be payable in monthly installments of \$400.00, or more, including 7 1/2% interest, per annum. Interest to begin October 1, 1988. The first payment to be due November 1, 1988, and on the first day of each month thereafter. The entire balance will become due and payable on October 1, 1993.

SEE ATTACHMENT "A" FOR SPECIAL INSTRUCTIONS:

All of said purchase price may be paid at any time; all deferred balances shall bear interest at the rate of 7 1/2 per cent per annum from until paid; interest to be paid monthly and * being included in the minimum regular payments above required. Taxes on said premises for the current tax year shall be prorated between the parties hereto as of this date.

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 investment purposes, and the seller agrees to execute a deed of trust in favor of the lender.

The buyer shall be entitled to possession of said lands on October 1, 1988, 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 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 \$ 0.00 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 as soon as insured to the escrow agent hereinafter named. 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 has exhibited unto the buyer a title insurance policy insuring marketable title in and to said premises in the seller; seller's title has been examined by the buyer and is accepted and approved by him.

Contemporaneously herewith, the seller has executed a good and sufficient deed (the form of which hereby is approved by the buyer) conveying the above described real estate in fee simple unto the buyer, his heirs and assigns, free and clear of incumbrances as of the date hereof, excepting the easements, building and other restrictions now of record, if any, and existing back taxes that are covered in Attachment "A" and has placed said deed, together with an executed copy of this contract

in escrow with Mountain Title Company in Klamath Falls, OR, escrow agent, with instructions to deliver said deed, together with the deed and this contract, to the order of the buyer, his heirs and assigns, upon the payment of the purchase price and full compliance by the buyer with the terms of this agreement. The buyer agrees to pay the balance of said purchase price and the respective installments thereof, promptly at the times provided therefor, to the said escrow agent for the use and benefit of the seller. The escrow fee of the escrow agent shall be paid by the seller and buyer in equal shares; the collection charges of said agent shall be paid by the Seller.

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, punctually within 20 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 interest thereon at once due and payable, (3) to withdraw said deed and other documents from escrow and for (4) to foreclose this contract by suit in equity, and in any of such cases, all rights and interest 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.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$64,000.00. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which) 0.

In case suit is instituted to foreclose this contract or to enforce any provision hereof, the buyer agrees to pay such sum as the trial court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit and if an appeal is taken from any judgment or decree of such trial court, the buyer further agrees to pay such sum as the appellate court shall adjudge reasonable as plaintiff'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 or a corporation, 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.

This agreement shall bind and inure to the benefit of, as the circumstances may require, not only the immediate parties hereto but their respective heirs, executors, administrators, 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 duly authorized thereunto by order of its board of directors.

Bobby R. Fleming

Beverly A. Fleming

Tara Enterprises by

Robert C. Johnson

IMPORTANT NOTICE: Delete, by lining out, whichever phrase and whichever warranty (A) or (B) is not applicable, should be deleted, use Oregon Revised Statutes, Section 93.030, (Notarial acknowledgment on reverse).

ATTACHMENT "A"

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- ITEM 1. Buyers are aware that there are existing back real estate taxes on both lots they are purchasing for the tax years 1984 to 1987. Seller hereby agrees to instruct Mountain Title Company to send one half of each monthly payment received to the Klamath County Tax Collector with instructions that these funds are applied to the existing back taxes until such time as those taxes are paid in full. One $\frac{1}{2}$ of that payment is to go to Tax Key #697703 for Lot 4 and $\frac{1}{2}$ to go to Tax Key #697712 for Lot 5.
- ITEM 2. The seller named in this Contract hereby grants to the buyers the option to renew this Contract for an additional ten (10) years on October 1, 1993, with the rate of interest being changed to the same rate being charged by the U. S. National Bank of Oregon, for their 15 year real estate loans, not to exceed 12 $\frac{1}{2}$ %. The monthly payment to be adjusted at that time to reflect the change in interest on the remaining balance at that time.
- Seller shall be responsible to Notify Mountain Title Company of any such change.

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STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co.
of Oct. A.D., 19 88 at 12:39 o'clock P.M., and duly recorded in Vol. M88
of Deeds on Page 17139
Evelyn Biehn
By Pauline Mullins County Clerk

FEE \$18.00