

OT, **13054** CONTRACT—REAL ESTATE Vol. m90 Page. **6038**

THIS CONTRACT, Made this 19<sup>th</sup> day of March, 1990, between  
GREG L. HARRIS and DONNA M. HARRIS, as tenants by the entirety  
hereinafter called the seller,  
and MICHAEL J. FONNE, 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:  
(SEE ATTACHED EXHIBIT A)

for the sum of SEVENTY-NINE THOUSAND SEVEN HUNDRED NINETY-FIVE Dollars (\$79,795.00)  
(hereinafter called the purchase price) on account of which TWENTY THOUSAND  
Dollars (\$20,000.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller); the buyer agrees to pay the remainder of said purchase price (to-wit: \$59,795.00) to the order of the seller in monthly payments of not less than FIVE HUNDRED TWENTY-FIVE  
Dollars (\$525.00) each,

payable on the 1<sup>st</sup> day of each month hereafter beginning with the month of April, 1990,  
and continuing until said purchase price is fully paid. All of said purchase price may be paid at any time; all de-  
ferred balances of said purchase price shall bear interest at the rate of 10 per cent per annum from  
March 19, 1990 until paid, interest to be paid monthly and \* in addition to the minimum  
monthly payments above required. Taxes on said premises for the current tax 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) RESIDENTIAL for buyer's personal, family or household purposes;  
(B) for an organization or (even if buyer is a natural person) is for business or commercial purposes.

The buyer shall be entitled to possession of said lands on February 22, 1990, and may retain such possession so long as  
buyer is not in default under the terms of this contract. The buyer agrees that at all times buyer 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 buyer 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 seller in defending against any such liens; that  
buyer 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, buyer 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 \$ contract balance  
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 seller's expense and within 30 days from the date hereof, seller 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. Seller also agrees that when said purchase price is  
fully paid and upon request and upon surrender of this agreement, seller will deliver a good and sufficient deed conveying said premises in fee simple unto the  
buyer, buyer's 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 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 buyer's assigns.

(Continued on reverse)

\*IMPORTANT NOTICE: Deleted, by lining out, whichever phrase and whichever warranty (A) or (B) is not applicable. If warranty (A) is applicable and if the seller is a  
creditor, on 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. 1319 or similar.

GREG L. HARRIS/DONNA M. HARRIS 780 N. W. Cascade Court Gresham, OR 97030 SELLER'S NAME AND ADDRESS	
MICHAEL J. FONNE 6835 S. Sixth St. Klamath Falls, OR 97603 BUYER'S NAME AND ADDRESS	
After recording return to: MARK S. SWEDT, Attorney P. O. Box 594 Gresham, OR 97030 NAME, ADDRESS, ZIP	
Until a change is requested all tax statements shall be sent to the following address: MICHAEL J. FONNE 6835 S. Sixth St. Klamath Falls, OR 97603 NAME, ADDRESS, ZIP	

STATE OF OREGON, County of _____ } ss. I certify that the within instru- ment was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ or as fee/file/instru- ment/microfilm/reception No. _____, Record of Deeds of said county. Witness my hand and seal of County affixed. NAME TITLE By _____ Deputy	
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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, partially within 10 days of the time limited therefor, or fail to keep any agreement herein contained, then the seller at seller's option shall have the following rights:

- (1) To declare this contract cancelled for default and null and void, and to declare the purchaser's rights forfeited and the debt extinguished, and to retain sums previously paid hereunder by the buyer;
- (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.

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 the right to the possession of the premises above described and all other rights acquired by the buyer hereunder shall revert to and revest 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 this seller at any time to require performance by the buyer of any provision hereof shall in no way affect seller's 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.

#### ADDITIONAL TERMS:

1. Buyer acknowledges that the property is subject to an easement for access and use to the well and septic tank recorded June 8, 1977, Microfilm Records of Klamath County, Oregon.

2. A portion of the premises is currently leased, and Buyer takes the property subject to the lease. Seller hereby assigns the lessor's interest to Buyer. (See Below)

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$19,795.00. However, the actual consideration consists of a transfer of the property to the buyer, and the consideration indicated in the instrument is \$19,795.00.

In case suit or action is instituted to foreclose this contract or to enforce any provision hereof, the losing party in said suit or action agrees to pay such sum as the trial 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 or a corporation; that if the context so requires, the singular pronoun shall be taken to mean and include the plural 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, personal representatives, successors in interest and assigns as well.

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.

GREG L. HARRIS

DONNA M. HARRIS

MICHAEL J. RONNE

\* BUYER: Comply with ORS 93.905 at req prior to exercising this remedy.

NOTE—The sentence between the symbols (1), if not applicable, should be deleted. See ORS 93.030.

(If executed by a corporation, affix corporate seal)

(If a signer of the above is a corporation, use the form of acknowledgment opposite.)

STATE OF OREGON

County of Klamath

This instrument was acknowledged before me on March 7, 1990, by

GREG L. HARRIS and DONNA M.

HARRIS

Notary Public for Oregon

(SEAL)

My commission expires: 6-16-92

STATE OF OREGON

County of Klamath

This instrument was acknowledged before me on April 2, 1990, by

MICHAEL J. RONNE

XXX

XXX

Notary Public for Oregon

My commission expires: 11/16/91

(SEAL)

ORS 93.635 (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 conveyer of the title to be conveyed. Such instruments, or a memorandum thereof, shall be recorded by the conveyor not later than 15 days after the instrument is executed and the parties are bound thereby.

ORS 93.990(3) Violation of ORS 93.635 is punishable, upon conviction, by a fine of not more than \$100.

#### (DESCRIPTION CONTINUED)

3. Seller agrees to pay and keep current the existing loan on the property. In the event Seller fails to do so, Buyer may make such payments and credit payments against the balance due on this contract.

4. All contract payments shall be made to a collection account to be established by the parties. The setup and administrative costs shall be borne equally by the parties.

5. Purchase price set forth above does not include certain items of veterinary and office equipment on the premises. Buyer will purchase said equipment by separate contract.

6. Buyer certifies that this contract 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 his judgment; that no representations as to the condition or repair of said premises has been made by Seller or any agent of Seller; that no agreement or promise to alter, repair or improve said premises has been made by Seller or any agent of Seller; and that Buyer takes said property and improvements thereon in the condition existing at the time of execution of this contract. Buyer has personally inspected the premises and accepts the condition of the premises AS IS.

7. The property described in this agreement may not be within a fire protection district protecting structures. Buyer bears all responsibility of verifying existence of fire protection for structures.

8. In addition to the monthly payments as set forth above, buyer shall pay 1/12th of the annual real property taxes each month. In the event of a change in taxes, the parties will adjust the payments annually

EXHIBIT "A"  
LEGAL DESCRIPTION

The following described real property in Klamath County, Oregon:

A parcel of land situated in the SW1/4 SE1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a brass bolt on the intersection of the centerline of the Dalles-California Highway (South Sixth Street) and the South line of said Section 1, said point being South 89 degrees 56' West a distance of 17.90 feet from the Southwest corner of the SE1/4 SE1/4 of said Section 1 as shown on Survey No. 590 recorded in the office of the Klamath County Surveyor; thence North 46 degrees 09' West along the centerline of said highway a distance of 356.00 feet; thence North 17 degrees 48' West a distance of 63.18 feet to a 3/4 inch iron pipe on the intersection of the Southwesterly bank of the Enterprise Irrigation District Canal and the Northeasterly right of way line of said Highway, said point being the true point of beginning of this description and said point being North a distance of 306.77 feet and West a distance of 293.94 feet from the Southwest corner of the SE1/4 SE1/4 of said Section 1 (this point is described as West 293.8 feet and North 310.1 feet from said corner of existing deed record); thence North 17 degrees 48' West along the Southwesterly bank of said canal (North 17 degrees 45' West by deed record) a distance of 358.00 feet to a 5/8 inch iron pin; thence South 43 degrees 51' West a distance of 170.00 feet to a 5/8 inch iron pin on the Northeasterly right of way line of said highway; thence South 46 degrees 09' East along said right of way line (South 46 degrees 07' East by deed record) a distance of 315.07 feet to the true point of beginning of this description.

EXCEPTING THEREFROM that portion deeded to the State of Oregon, by and through its State Highway Commission.

Tax Account No: 3909 001DC 00700

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 3rd day  
of April A.D., 19 90 at 2:04 o'clock P.M., and duly recorded in Vol. M90  
of Deeds on Page 6038.

FEE \$33.00

Evelyn Biehn, County Clerk

By *Pauline Mulinder*