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49964

CONTRACT—REAL ESTATE

Vol. 1992 Page 15770

THIS CONTRACT, Made this 12 day of August, 1992, between Robert C. Johnson and Patricia A. Johnson, husband and wife

and Mark E. Gates and Julie M. Gates, husband and wife, as Joint Tenants

hereinafter called the seller,
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:

1. That portion of the S $\frac{1}{2}$ of the N $\frac{1}{2}$ of the SE $\frac{1}{4}$; and that portion of the North 16.88 feet. of the S $\frac{1}{2}$ of the SE $\frac{1}{4}$, that are lying East of the Easterly Right of Way line of the Malin-Bonanza Road, in Section 24, Township 40 South, Range 11 East, of the Willamette Meridian. (TAX LOT # R 4011 02400 01000)
2. The South $\frac{1}{4}$ of Government Lot 2, Section 30, Township 40 South, Range 12 East, of the Willamette Meridian. (TAX LOT # R 4012 03000 00300)

for the sum of Twenty Nine Thousand Seven Hundred Fifty & 00/100 Dollars (\$29,750.00) (hereinafter called the purchase price) on account of which Two Hundred Seventy Five and 00/100 Dollars (\$275.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller), and the remainder to be paid at the times and in amounts as follows, to-wit:

The balance of \$29,475.00 to be payable in monthly installments of \$275.00, or more, including 9% interest per annum. All due and payable on or before August 15, 2002. Interest shall begin August 15, 1992. The first payment shall be due September 15, 1992, and on the 15th day of each month thereafter until paid in full. No penalty for pre-payment.

All of said purchase price may be paid at any time; all deferred balances shall bear interest at the rate of Nine (9) per cent per annum from August 15, 1992 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 nil, 19

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 or household purposes.

The buyer shall be entitled to possession of said lands on August 15, 1992, 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 \$ 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.

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, buyer's 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 items of record commonly accepted and common to the area.

and has placed said deed, together with an executed copy of this contract and escrow agent, with instructions to deliver said deed, to the order of the buyer, buyer's 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

(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. 1319, or equivalent.

R. C. & P. A. Johnson
P. O. Box 2270
Lake Havasu City, AZ. 86405

SELLER'S NAME AND ADDRESS

M. E. & J. M. Gates
1855 Birch St.
Klamath Falls, OR. 97601

BUYER'S NAME AND ADDRESS

After recording return to:

Mountain Title Co.
Collection# 5997

NAME, ADDRESS, ZIP

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

Mark Gates
1855 Birch Street
Klamath Falls, OR 97601

NAME, ADDRESS, ZIP

STATE OF OREGON,

County of

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 fee/file/instrument/microfilm/reception No. Record of Deeds of said county.

Witness my hand and seal of County affixed.

NAME

TITLE

By Deputy

SPACE RESERVED

FOR

RECORDER'S USE

19771



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 30 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;
- (3) To withdraw said deed and other documents from escrow; and/or
- (4) 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 remain 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 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.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 29,750.00. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which). ①

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 name to be signed and its seal affixed by an officer or other person duly authorized to do so 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.

* SELLER: Comply with ORS 93.905 et seq prior to exercising this remedy.

NOTE—The sentence between the symbols ①, if not applicable, should be deleted. See ORS 92.030.

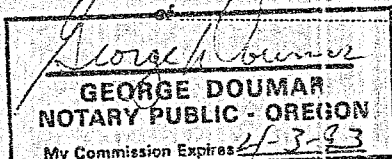
STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on August 18, 1992,
by Mark E. Gates and Julie M. Gates

This instrument was acknowledged before me on _____, 19____,

by _____

as _____



George Doumar
Notary Public for Oregon
My commission expires 4-3-93

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 conveyer not later than 15 days after the instrument is executed and the parties are bound thereby.

ORS 93.680(3) Violation of ORS 93.635 is punishable, upon conviction, by a fine of not more than \$100.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 31st day
of Aug., A.D., 19 92 at 11:23 o'clock A.M., and duly recorded in Vol. M92
of Deeds on Page 19770

FEE \$35.00

Evelyn Biehn, County Clerk

By Dorlene M. Mendenhall