

## LAND SALE CONTRACT

Vol. 1195 Page 13611

THIS CONTRACT, made and entered into this 23rd day of May, 1995, by and between Frank Paygr, Jr., and Lydia Anne Paygr, as Trustees of the Paygr 1991 Family Trust, hereinafter called Seller; and Jerry McKoen, hereinafter called Buyer; (it being understood that the singular shall include the plural if there are two or more sellers and/or buyers).

## W I T N E S S E T H:

Seller agrees to sell to the Buyer and the Buyer agrees to buy from the Seller for the price and on the terms and conditions set forth hereinafter all of the following described property and improvements, located in the County of Klamath, State of Oregon, legally described as follows, to-wit:

The E $\frac{1}{2}$ NE $\frac{1}{4}$  and the NE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 2, Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon

SUBJECT TO contracts and/or liens for irrigation and/or drainage, reservations, easements, restrictions and rights-of-way of records and those apparent on the land.

ALSO SUBJECT TO rights of the public in and to any portion of the herein described property lying within the boundaries of roads or highways.

ALSO SUBJECT TO special assessment as farm use land. If the land becomes disqualified for this special assessment under the statute, an additional tax may be levied, and in addition thereto, a penalty may be levied if notice of disqualification is not timely given. Buyer takes the real property subject to any such additional tax or penalty, which Buyer shall be responsible to assume and to pay.

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, AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

It is mutually agreed as follows:

1. **Possession:** Buyer shall be entitled to possession of the property as of date hereof;

2. **Prepayment Privileges:** After the date hereof, Buyer shall have the privilege of increasing any payment or prepaying the entire balance provided for hereinafter with interest due thereon to the date of payment;

3. **Payment of Liens and Taxes:** Buyer 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 adjustment of same for any reason, assessments, liens, and encumbrances of whatsoever kind affecting said property after this date, provided, all such taxes, assessments and charges for the current year shall be pro-rated as of the date hereof and in the event Buyer shall fail to so pay, when due, any such matters or amounts required by Buyer to be paid hereunder, Seller may pay any or 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 Seller and such amount shall bear interest at the same rate as provided herein, without waiver, however, of any right arising to Seller for Buyer's breach of contract, and, in such event or events, the escrow holder is hereby directed

\*\*\*\*\*

The true and actual consideration for this conveyance is \$57,000.00.

GRANTORS NAME AND ADDRESS: Frank Paygr, Jr. & Lydia Anne Paygr, Trustees of the Paygr Trust  
25115 Old Malin Hwy, Malin, OR 97632

GRANTEES NAME AND ADDRESS: Jerry Mc Koen  
24219 Old Malin Hwy, Malin, OR 97632

AFTER RECORDING, RETURN TO: Frank Paygr, Jr. & Lydia Ann Paygr, Trustees  
c/o Mountain Title Company 222 So. 6th Street, KFO 97601

UNTIL A CHANGE IS REQUESTED,  
SEND TAX STATEMENT TO: Jerry Mc Koen  
24219 Old Malin Hwy, Malin, OR 97632

and authorized to so add such amount to the contract balance, upon being tendered proper receipt therefore;

4. **Insurance:** Buyer and Seller agree that there is only a punice block potato cellar located on the subject property, and that Buyers do not require insurance coverage thereon. Should additional buildings be constructed, however, it is agreed that Buyer will keep any buildings or improvements on said property insured against loss or damage by fire or other casualty in an amount of 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 Buyer on or after the date Buyer becomes entitled to possession; Buyer shall furnish Seller proof of such insurance coverage;

5. **Waste Prohibited:** Buyer agrees 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 consent of Seller. Buyer shall not cut or remove any timber, trees or shrubbery without Seller's prior written consent. Buyer 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, Buyer shall not make or cause to be made any major improvements or alterations to the property without first obtaining the written consent of Seller;

6. **Transfer of Title:** Seller shall upon the execution hereof make and execute in favor of Buyer a good and sufficient deed conveying said property free and clear of all liens and encumbrances, except as provided herein, and will place said document, together with one of these agreements, in escrow at Mountain Title Company of Klamath County, 221 South 6th Street, Klamath Falls, Oregon, and shall enter into written escrow instructions in a form satisfactory to said escrow holder and the parties hereto, instruct said escrow holder that when, and if, Buyer 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 documents to Buyer, but in case of default by Buyer, said escrow holder shall, on demand, surrender said documents to Seller;

7. **Tax Payment Procedures:** Until a change is requested, all tax statements shall be sent to the address as designated by Buyer herein. Buyer shall be required to pay the same and provide proof of such payment to Seller within thirty (30) days of the date of mailing of the said tax statement by the County Tax Collector;

8. **Property Taken "As Is":** Buyer certifies 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 Buyer has made a personal inspection of the property so as to determine its acceptability, and has personally researched and is satisfied with the ability to obtain access to the property; that no attempt has been made to influence his judgment; that no representations as to the condition or repair of said premises have been made by Seller or by an agent of Seller; and that Buyer takes said property and the improvements thereon in the condition existing at the time of this agreement;

9. **Consent to Assignment:** Buyer shall not assign this agreement, his rights thereunder, or in the property covered thereby without the written consent of Seller. Such consent shall not be unreasonably withheld. In the event the within described property, any part thereof, or any interest therein (whether legal or equitable) is sold, agreed to be sold, conveyed, assigned or alienated by the Buyer without having first obtained the written consent or approval of the Seller, then, at the Seller's option, all obligations secured by this instrument, irrespective of the maturity date expressed herein, shall become immediately due and payable;

10. **Time of Essence:** It is understood that and agreed between the parties that time is of the essence of this contract;

11. **Default:** In case Buyer shall fail to make the payments aforesaid, or any of them punctually and upon the strict terms and at the times above-specified or fail to keep any of the terms or conditions of this agreement, then the Seller at his option shall have the following rights;

(a) To declare this contract null and void, after giving such notice as is then required by Oregon Revised Statutes; and/or

(b) To declare the whole unpaid principal balance of said purchase price with the interest thereon at once due and payable; and/or

- (c) To withdraw said deed and other documents from the escrow and/or;
- (d) To foreclose this contract by suit or by strict foreclosure 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 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 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 Buyer 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 Seller as the agreed and reasonable rent of said premises up to the time of such default. The said Seller, in case of such default, shall have the right immediately, or any time thereafter, to enter upon the land aforesaid, without any process of law, and take immediate possession thereof, together with any of the improvements thereon; and alternatively, Buyer 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 Seller as such receiver;

12. **Abandonment:** Should Buyer, while in default, permit the premises to become vacant for a period in excess of 20 days, Seller may take possession of same individually or by appointment of a receiver by self-help or by Court order for the purpose of protecting and preserving the property and his security interest herein, and in the event possession is so taken by Seller, he shall not be deemed to have waived his right to exercise any of the foregoing rights;

13. **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's fees at trial or on appeal of such suit or action, in addition to all other sums provided by law;

14. **No Waiver:** Buyer further agrees that failure by Seller at any time to require performance by Buyer of any provision hereof shall in no way affect Seller's right hereunder to enforce the same, nor shall any waiver by 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;

15. **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;

16. **Purchase Price and Payments:** The purchase price for the interest conveyed is the sum of Fifty-seven Thousand Dollars (\$57,000.00), payable as follows:

(a) Buyer shall pay an initial payment in the sum of Fourteen Thousand Two Hundred Fifty Dollars (\$14,250.00), and

(b) The remainder of the purchase price in the amount of Forty-two Thousand Seven Hundred Fifty Dollars (\$42,750.00) shall be payable in annual installments of \$14,250.00, PLUS INTEREST on the remaining unpaid balance at the rate of 8 per cent per annum; together with one half ( $\frac{1}{2}$ ) of the collection escrow fees; the first of such payments shall be payable on the 23rd day of May, 1996, with a further and like installment payable on the 23rd day of May each and every year thereafter until the 23rd day of May, 1998, WHEN THE ENTIRE UNPAID BALANCE including principal and interest, shall be fully due and payable. Buyer may make advance or excess payments without penalty, and if so made, shall first be applied toward account interest, and the remainder will be applied toward the principal balance. No partial prepayment shall excuse the payment of installments next coming due.

17. **Inclusion of Personal Property:** Buyer and Seller agree that the property conveyed by the within Land Sales Contract includes a pumice block potato cellar located on the said real property, which said item constitutes an improvement to the

////

real property conveyed by the within instrument. No other personal property is being sold pursuant to the within Land Sale Contract.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed this 22nd day of May, 1995.

SELLER:

BUYER:

FRANK PAYGR, JR., AND LYDIA ANNE  
PAYGR 1991 FAMILY TRUST

by Frank Paygr, Jr. Trustee  
FRANK PAYGR, JR., Trustee

by Lydia Anne Paygr Trustee  
LYDIA ANNE PAYGR, Trustee

Jerry McKoen  
JERRY MCKOEN

STATE OF OREGON/County of Klamath) ss.

PERSONALLY APPEARED the above-named Jerry McKoen and acknowledged the foregoing instrument to be his voluntary act and deed.

Dated before me this 22nd day of May, 1995.



Margaret A. Stuart  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 12/20/98

STATE OF OREGON, County of Klamath) ss.

PERSONALLY APPEARED the above-named Frank Paygr, Jr., and Lydia Anne Paygr, as Trustees of the Paygr 1991 Family Trust, and acknowledged the foregoing instrument to be their voluntary act and deed.

Dated before me this 22nd day of May, 1995.



Margaret A. Stuart  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 12/20/98

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 23rd day  
of May A.D., 19 95 at 11:15 o'clock A M., and duly recorded in Vol. M95  
of Deeds on Page 13611

FEE \$45.00

By Bernetha G. Lisch Bernetha G. Lisch, County Clerk