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Vol. 117 Page 2078



KLARA M. MATHIS  
DONALD MATHIS  
19991 HWY. 97 S. KLAMATH FALLS OR. 97603  
Seller's Name and Address

19855 HWY. 97 S. KLAMATH FALLS OR. 97603  
Buyer's Name and Address

After recording, return to (Name, Address, Zip):

DAVID G. CLELLAND

19855 HWY. 97 S. KLAMATH FALLS

OREGON 97603

Until requested otherwise, send all tax statements to (Name, Address, Zip):

DAVID G. CLELLAND

19855 HWY. 97 S. KLAMATH FALLS

OREGON 97603

SPACE RESERVED  
FOR  
RECORDERS USE

STATE OF OREGON,

County of \_\_\_\_\_ ss.

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  
\_\_\_\_\_ and/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.

CONTRACT - REAL ESTATE

THIS CONTRACT, Made this 3rd day of JANUARY, 1997, between

KLARA M. MATHIS AND DONALD MATHIS

and DAVID G. CLELLAND

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:

TOWNSHIP 40, RANGE 08, SEC. 03400 TAX LOT 00800 BLK. SUB DIV. TWP. 40 RANGE 08  
BLK. SEC. 34 TRACT POR. LOTS 3 and 4 37 acres- 600 and 900: 21 acres FOREST RANGE #600  
16.47 acres # 600 and # 900 COMMERCIAL = 37.47 ACRES. CODE 22; TAX ACCT. #1S.M25939  
R626433, M27198, H49209, R626399: WITH PURCHASE, ADDENDUM AGREEMENT DATED 12/28/1978  
BETWEEN KLARA M. MATHIS AND JOSEPH M. KINGSBURY RE: WATER USE, COMMON DRIVEWAY,  
AND EASEMENTS, ATTACHED COPY OF ADDENDUM AGREEMENT.

for the sum of TWO HUNDRED AND TWENTY THOUSAND Dollars (\$ 220,000.00 ),  
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 the purchase price (to-wit: \$ 200,000.00 ) to the order of the seller in monthly payments of not  
less than THREE THOUSAND THREE HUNDRED THIRTY THREE Dollars (\$ 3333.00 )  
each, FOR FIVE YEARS 60 MONTHS ENDING DECEMBER 31st. YEAR 2002

payable on the 5th day of each month hereafter beginning with the month of JANUARY, 1997, and con-  
tinuing until the purchase price is fully paid.

The true and actual consideration for this conveyance is \$ 220,000.00 (Here comply with ORS 93.030.)  
TWO HUNDRED AND TWENTY THOUSAND AND INTEREST BALLOON PAYMENT OF \$ 9,200.00 per year.  
BEGINNING ON OR BEFORE JANUARY 31st. 1998 UNTILL PAID YEAR 2002

All of the purchase price may be paid at any time; all of the deferred payments shall bear interest at the rate of 8.8%  
percent per annum from JANUARY 31/98 until paid; interest to be paid JANUARY 31st. and ☐ in addi-  
tion to ☐ to be included in the minimum monthly payments above required. Taxes on the premises for the current tax year shall be  
prorated between the parties hereto as of JANUARY 1st., 1997.

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,  
\* (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 the lands on JANUARY 1st., 1997, 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 the premises free from construction and all other liens and  
save the seller harmless therefrom and reimburse seller for all costs and attorney fees incurred by seller in defending against any such liens; that buyer will pay all  
taxes hereafter levied against the property, as well as all water rents, public charges and municipal liens which hereafter lawfully may be imposed upon the 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 the premises against loss or damage by fire (with extended coverage) in an amount not less than \$ 20,000.00 in a company or companies satisfactory  
to the seller, specifically naming the seller as an additional insured, 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. If the buyer shall fail to pay any such liens, costs, water rents, taxes or charges, the sell-  
er 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.

IMPORTANT NOTICE: Delete, by lining out, whichever warranty (A) or (B) is not applicable. If warranty (A) is applicable and if the 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-Hess Form No. 1318 or equivalent.

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**WARNING:** Unless buyer provides seller with evidence of insurance coverage as required by the contract or loan agreement between them, seller may purchase insurance at buyer's expense to protect seller's interest. This insurance may, but need not, also protect buyer's interest. If the collateral becomes damaged, the coverage purchased by seller may not pay any claim made by or against buyer. Buyer may later cancel the coverage by providing evidence that buyer has obtained property coverage elsewhere. Buyer is responsible for the cost of any insurance coverage purchased by seller, which cost may be added to buyer's contract or loan balance. If it is so added, the interest rate on the underlying contract or loan will apply to it. The effective date of coverage may be the date buyer's prior coverage lapsed or the date buyer failed to provide proof of coverage. The coverage seller purchases may be considerably more expensive than insurance buyer might otherwise obtain alone and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

The seller agrees that at seller's expense and within 90 days from the date hereof, seller will furnish unto buyer a title insurance policy insuring (in an amount equal to the purchase price) marketable title in and to the 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 the purchase price is fully paid and upon request and upon surrender of this agreement, seller will deliver a good and sufficient deed conveying the 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 the date placed, permitted or arising by, through or under seller, excepting, however, the 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.

And it is understood and agreed between the 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 shall have the following rights and options:

- (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 the 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 the seller without any act of re-entry, or any other act of the 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 the 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 the seller as the agreed and reasonable rent of the premises up to the time of such default. And the 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 the 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.

Seller, seller's agents, and the holder of any existing encumbrance to which the lands and premises are subject may enter upon the lands and premises at reasonable times (upon reasonable prior notice to buyer) for the purpose of inspecting the property.

In case suit or action is instituted to foreclose this contract or to enforce any provision hereof, the losing party in the suit or action agrees to pay such sum as the trial court may adjudge reasonable as attorney fees to be allowed the prevailing party in the 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 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.

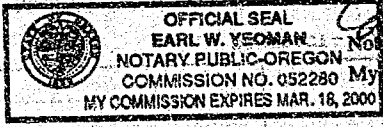
**IN WITNESS WHEREOF**, the parties have executed this instrument in duplicate; if either of the undersigned is a corporation, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.

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

*Donald A. Mathis*  
*Silvana J. Mathis*  
*David G. Clelland*

\* SELLER: Comply with ORS 93.925 et seq. prior to executing this remedy.

STATE OF OREGON, County of KLAMATH  
This instrument was acknowledged before me on 23<sup>rd</sup> JAN, 1997,  
by DONALD MATHIS, KLARA MATHIS, DAVID CLELLAND  
This instrument was acknowledged before me on \_\_\_\_\_, 19\_\_\_\_,  
by \_\_\_\_\_  
as \_\_\_\_\_  
of \_\_\_\_\_



*Earl W. Yeoman*  
Notary Public for Oregon  
3-18-00

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

DESCRIPTION CONTINUED

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ADDENDUM AGREEMENT

THIS AGREEMENT made this 28<sup>th</sup> day of December, 1978, by and between, KLARA M. MATHIS, hereinafter referred to as Seller, and JOSEPH M. KINGSBURY and HANNALORE A. KINGSBURY, husband and wife, hereinafter referred to as Purchaser.

RECITALS

WHEREAS Seller is the owner of the Property commonly known as Worden Truck Stop, Worden Cafe and Worden Tavern which property is the subject matter of a certain contract of sale between the Seller and Purchaser, dated the 28<sup>th</sup> day of December, 1978, wherein Seller agreed to sell and Purchaser agreed to Purchase the Property.

WHEREAS the water supply to the Worden Truck Stop-service station is supplied from the private well of the Seller located on Seller's residence.

WHEREAS, water supply to Worden Cafe and Tavern is supplied from a separate well located on the Property which is the subject matter of the sale between the Seller and the Purchaser.

NOW THEREFORE, in consideration of the foregoing recitals which are by reference expressly made a part of this Agreement and the terms, covenants and conditions hereinafter contained, on the part of the respective parties, kept and performed, IT IS AGREED:

WATER USE

Purchaser and Seller and their heirs and assigns shall have a right to the use of water from the well of the other. The cost of maintenance and operation of the well and the pump, including

ADDENDUM AGREEMENT- Page 1



any electricity expenses, shall be shared equally by the Purchaser and the Seller. In the event the well dries up, without the fault of either party, or in the event Public water is available, the water use provision of this Addendum Agreement shall terminate.

#### COMMON DRIVEWAY

Seller and her agents, guests, invitees and patrons shall have the right to use the common driveway and through the parking lot area of the Property purchased by the Purchaser for the purpose of ingress and egress to any property owned by the Seller.

#### EASEMENT

Seller and her heirs, successors and assigns shall have perpetual easement over and under the Purchaser's property for sewer, water and other underground lines, overhead utility wires and driveway easements to Seller's Property, which Seller retains on the date of this Agreement. Said easements shall run with the land and shall be binding on and shall inure to the benefit of the parties hereto their heirs, successors and assigns.

In the event the Purchaser or his heirs, successors and assigns intend to expand the present facilities, by building additional buildings, the right of expansion, shall be superior to easement and said easement shall terminate.

#### OPERATION OF TAVERN

Seller shall retain the right to operate the Tavern, without any rent, for a period of sixty days from the date of this Agreement, and shall employ the Purchaser, or his agents, in said Tavern until the Purchaser shall obtain his own license,

at which time, the right to operate the Tavern, by Seller, shall terminate and the Seller shall relinquish the Tavern to the Purchaser.

IN WITNESS WHEREOF, the parties have caused this Addendum Agreement to be made this 28th day of December, 1978.

Klara M. Mathis  
KLARA M. MATHIS, SELLER

Joseph M. Kingsbury  
JOSEPH M. KINGSBURY, PURCHASER

Hannelore A. Kingsbury  
HANNELORE A. KINGSBURY, PURCHASER

STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of Klara M. Mathis the 23rd day  
of January A.D. 19 97 at 3:47 o'clock P. M., and duly recorded in Vol. M97  
of Deeds on Page 2078

FEE \$50.00

by Bernetha G. Letsch County Clerk  
Rebecca Ross