

MTL 94212-DS

2012-007529

Klamath County, Oregon



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07/10/2012 11:14:48 AM

Fee: \$107.00

RECORDING COVER SHEET

THIS COVER SHEET HAS BEEN PREPARED BY THE
PERSON PRESENTING THE ATTACHED INSTRUMENT
FOR RECORDING. ANY ERRORS IN THIS COVER SHEET
DO NOT AFFECT THE TRANSACTION(S) CONTAINED
IN THE INSTRUMENT ITSELF.

After Recording Return To:

AmeriTitle
1495 NW Garden Valley Blvd.
Roseburg, OR 97470
Attn: Kim

1. Name(s) of the Transaction(s):

CONDITIONAL LAND SALE CONTRACT

2. Direct Party (Grantor):

BECKY F. PRATT, TRUSTEE OF THE BECKY F. PRATT REVOCABLE LIVING
TRUST

3. Indirect Party (Grantee):

CHARLES M. GEBETSBERGER AND KAREN J. CORNER, HUSBAND AND WIFE

4. True and Actual Consideration Paid:

\$69,900.00

5. Legal Description:

CONDITIONAL LAND SALE CONTRACT

THIS AGREEMENT, made this 28 day of June, 2012, by and between Becky F. Pratt, Trustee of the Becky F. Pratt Revocable Living Trust, Seller, and Charles M. Gebetsberger, and Karen J. Corner, husband and wife, Purchaser, witnesseth:

Seller hereby sells, and Purchaser hereby purchases, subject to the terms and conditions hereinafter set forth, the real property and improvements thereon described below, which is located at 4900 Bliss Road, Bonanza, Oregon, to wit:

All of the SE¼ of the SE¼ of Section 14, Township 38 South, Range 11½ East of the Willamette Meridian, Klamath County, Oregon, lying Southeast of the Lakeview Highway.

ALSO all of the NE¼ of the NE¼ of Section 23, Township 38 South Range 11½ East of the Willamette Meridian, Klamath County, Oregon, lying Southeast of the Lakeview Highway.

(the "Real Property") for which the Purchaser agrees to pay the total purchase price according to the terms as set forth herein below.

1. PURCHASE PRICE. Purchase price for the Real Property is the sum of sixty-nine thousand nine hundred dollars (\$69,900.00). The purchase price is to be paid as follows:

A. Seller acknowledges that Purchaser has paid one thousand dollars (\$1,000.00) in advance as an earnest money deposit and partial down payment, which is hereby applied to the purchase price;

B. Seller acknowledges that Purchaser has paid fourteen thousand dollars (\$14,000.00) as and for the balance of the down payment due at the close of escrow, which is hereby applied to the purchase price;

C. The balance of the purchase price in the sum of fifty-four thousand nine hundred dollars (\$54,900.00) shall be paid by making monthly payments thereon in the sum of

not less than three hundred sixty-nine dollars (\$369.00), with the first payment to be made on the 15th day of July, 2012, and with a similar payment on the 15th day of each succeeding month thereafter, until all amounts due hereunder are paid in full. Notwithstanding the other payment terms stated herein, the full contract balance, all accrued interest and all other amounts to be paid hereunder to the Seller shall become due and payable not later than May 15, 2042.

The payments made hereunder shall be applied first to accruing interest on that portion of the principal designated in said paragraph, with the balance applied to principal. Payments hereunder are payable to Seller, as Seller instructs; Seller's initial instruction is that payments shall be made through a collection escrow, as provided herein below. Seller may otherwise direct the manner of payment in writing or, in the event Seller assigns her interest in this contract, then directly to the holder hereof, or otherwise at holder's option.

2. INTEREST: Interest shall accrue at the rate of seven percent (7%) per annum on the unpaid principal balance. Interest on all amounts due hereunder shall commence as of June 15, 2012.

3. PREPAYMENT PRIVILEGE: Purchaser shall have the privilege of prepaying up to the full amount of that portion of the unpaid principal balance of the purchase price in any calendar year without interest penalty or other penalty to Purchaser. However, if Purchaser does prepay the entire balance of the principal amount of the purchase price hereunder, Purchaser will still be obligated to pay interest accrued up to the date of any such prepayment, together with any other amounts which have become due under this contract, notwithstanding such prepayment.

4. PENALTY FOR LATE PAYMENT: Notwithstanding the default provisions herein, it is understood and agreed between the parties hereto that if Purchaser shall fail to make the payments above named within ten (10) days of when due, then Purchaser shall be liable for

and shall pay a late payment penalty in the amount of the greater of fifty dollars (\$50.00) or five percent (5%) of all amounts then past due. Said late payment penalty shall accrue interest at the same rate as specified for the principal obligation designated herein above and said interest shall accrue from the first day the late penalty applies.

5. COLLECTION ESCROW: Seller hereby instructs that a collection escrow be established with AmeriTitle located at 300 Klamath Avenue, Klamath Falls, Oregon 97601, as the initial collection escrow agent. Purchaser shall be responsible for and pay the fee to set up the collection escrow account (which Purchaser understands to be \$100.00) and Purchaser shall be responsible for and pay the monthly collection fees from that account (which Purchaser understands to be \$10.00 per month, at the time of execution of this agreement). Purchaser shall pay all periodic payments to the collection escrow agent, until directed otherwise by Seller in writing. In addition to the collection of the periodic payments under the Land Sale Contract, Purchaser shall pay through the collection escrow agent the following:

A. Each month one-twelfth of the real property taxes for the Subject Property to be held in a reserve account and paid when due; Purchaser shall make payment of any deficiency in such reserve account immediately upon notice that the funds held therein are insufficient.

6. REPRESENTATIONS BY SELLER: Seller warrants and represents the following:

A. That Seller is the owner of the Real Property referenced herein above and that said property is being sold on the date of this transaction "as is" with no warranty, express or implied, and no representation as to use, quality or other characteristics. Upon payment in full of the purchase price according to the terms hereunder and all other amounts due hereunder, Seller

represents that Seller will transfer title free of liens or encumbrances except: recorded covenants, conditions and restrictions, zoning ordinances, building and use restrictions, reservations in federal patents, utility easements and other easements not materially affecting the value or intended use of the property and except for those items shown on the attached Schedule II (which Schedule II shall be a copy of title exceptions from the preliminary title report issued prior to the execution of this agreement).

B. Seller shall provide Purchaser with a Purchaser's policy of title insurance at time of closing or within a reasonable time thereafter, showing the title of Seller to be merchantable, except for those exceptions set forth herein. The cost of such Purchaser's title insurance shall be the responsibility of Purchaser (which Purchaser understands to be \$360.00).

7. REPRESENTATIONS BY PURCHASER. Purchaser represents and warrants the following, all of which shall survive the closing of this transaction:

A. Purchaser has made a full inspection of the above described Real Property and improvements thereon, which are the subject of this agreement and is purchasing the same based upon Purchaser's own opinion of the value thereof.

B. Purchaser acknowledges that the Real Property is being purchased "as is" without representation as to use, quality or other characteristics and without any warranty expressed, implied or implied in law. Purchaser acknowledges that Purchaser has been cautioned to and had an opportunity to check and verify the effect of any applicable zoning and land use laws and other laws or ordinances which may affect the use to which the land may be put.

C. Purchaser represents and acknowledges that neither Seller nor assigns shall be held to any covenant respecting the condition of improvements on said Real Property

nor to any agreement for alterations improvements or repairs, unless the agreement relied on is in writing and attached and made part of this contract.

D. Purchaser represents and acknowledges that the Real Property being purchased is bare land with little or no improvements thereon.

E. Purchaser acknowledges that there is a "Manufactured Home" on the Real Property, which was placed there by or for Reisch; Seller has no interest in the Manufactured Home and Seller shall not be responsible for the removal of the Manufactured Home from the Real Property; Seller has disclosed to Purchaser that there is a lienholder who to the best of Seller's knowledge has repossessed the Manufactured Home and who reportedly evicted Reisch from the Subject Property. To the best of Seller's knowledge the lienholder who now has or claims all right, title and interest in the Manufactured Home is Vanderbilt Mortgage and Finance, Inc., a Tennessee corporation ("Lienholder" or "Vanderbilt"), and to the best of Seller's knowledge the attorneys for Vanderbilt are or recently were: John W. Weil, Attorney at Law, of Hooper, Englund & Weil, LLP ("Lienholder's Attorneys"), the last known address and contact information for Lienholder's Attorneys being: Address: 2150 The Congress Center, 1001 SW Fifth Avenue, Portland, Oregon 97204-2150; Telephone: (503) 226-0500; FAX: (503) 226-7192. Seller shall cooperate with Purchaser in Purchaser's effort to have the Lienholder remove the Manufactured Home from the Real Property.

8. LIABILITY AND LIABILITY INSURANCE: During the term of this agreement Purchaser agrees that any liability arising out of the ownership, use or possession of the Real Property being purchased hereunder and the improvements thereon shall be borne by and be the responsibility of the Purchaser and Purchase agrees hereby to indemnify and hold Seller harmless from any such liability. Purchaser agrees to provide a liability insurance policy with

the minimum limits of two hundred fifty thousand dollars (\$250,000.00) per occurrence and one hundred thousand dollars (\$100,000.00) property damage and agrees to list Seller as an additional insured thereon. All uninsured losses shall be borne solely by Purchaser. The insurance required hereunder shall be kept in full force and effect during the entire term of this agreement and the policy obtained shall provide Seller at least ten (10) days prior written notification in the event of any impending termination or cancellation of such policy. Purchaser shall pay the premium annually in advance for the full year forthcoming and provide written proof of such insurance to Seller annually so that it is received by Seller on or before the date upon which the coverage last documented would lapse. Proof of such insurance shall be given to Seller at the time of execution of this transaction or within ten (10) days thereafter.

9. RISK OF LOSS/EMINENT DOMAIN: Purchaser assumes all risk of damage to or destruction of any improvements now on said land or hereafter placed thereon, and of the taking of said premises or any part thereof for public use.

10. PASSAGE OF TITLE: It is understood and agreed that the title to the Real Property being purchased hereunder and the improvements thereon shall not pass to the Purchaser, but shall remain vested in and be the property of the Seller, or its assigns, until the purchase price, interest, and all other sums due hereunder have been fully paid. Seller agrees to make and execute a good and sufficient Special Warranty Deed of said premises, subject to the exceptions referenced herein above, and to deliver such deed to the collection escrow designated herein so that upon full payment of the purchase price and all other amounts due to Seller hereunder in the manner specified herein, such deed can be delivered to Purchaser. Purchaser directs that the deed be prepared in the name of CHARLES M. GEBETSBERGER and KAREN J. CORNER, husband and wife.

11. USE AND CARE OF PROPERTY: The Purchaser agrees to keep, use, and maintain the property and improvements in a careful manner so as not to unreasonably or unnecessarily expose the same to waste, damage, wear or depreciation, and agrees to keep the same in good order and repair and agrees not to remove any of the improvements from its present location listed herein above, nor to sell, assign, or transfer its rights under this contract or transfer possession of said property or permit the same to pass from its possession without consent from Seller, which consent shall not be unreasonably withheld.

12. TAXES: All real property taxes and other taxes levied with respect to the property and improvements hereunder shall be the sole responsibility of Purchaser prorated as of the date of closing and Purchaser shall pay the same promptly and before they become past due.

13. POSSESSION-SPECIFIED DATE: The Purchaser shall have possession of said Real Property and improvements thereon from June 15, 2012 for as long as Purchaser complies with the terms of this agreement. It is understood and agreed that, if Purchaser is in default on any term hereunder, Seller's right to possession is superior to any right of Purchaser.

14. LIENS, ENCUMBRANCES AND OTHER TAXES: Purchaser hereby agrees that during the term of this agreement Purchaser shall not permit any mechanic's or any other liens, or encumbrances to arise or to be filed against the Real Property or improvements being purchased hereunder and agrees to make all payments and do all things necessary to avoid such liens and encumbrances and keep it free from other taxes due whatsoever. Purchaser further agrees not to use the property being purchased hereunder as security for any other obligation and agrees to keep the same free of any such security interest, except as otherwise provided herein, during the entire term of this agreement.

15. TRANSFERABILITY/DUE ON SALE: Purchaser shall not sell, transfer or assign this contract or any of the property covered hereby or any of the rights hereunder without first obtaining the written consent of Seller, which consent shall not be unreasonably withheld. In the event the within described property, or any part thereof, or interest therein is sold, agreed to be sold, conveyed, assigned or alienated by Purchaser without first having obtained the written consent of Seller, then, at Seller's option, the full unpaid balance of the purchase price hereunder shall become immediately due and payable.

16. DEFAULT: Time is of the essence of this agreement with respect to all terms of this agreement. It is understood and agreed between the parties hereto that if Purchaser shall fail to make the payments required hereunder within ten (10) days of when due, or in the event Purchaser fails to perform any other term or condition to be performed by Purchaser pursuant to the terms of this agreement within thirty (30) days after written notice of Purchaser's default being given or sent hereunder, it being specifically understood that no such notice, oral or written, shall be required in the event Purchaser fails to make any payment required hereunder, then Purchaser shall be deemed in default of this agreement. In the event of any default by Purchaser in the performance of any of the terms or conditions hereof, Seller shall have the following options:

A. Without further notice, except as required by law, (at the time of execution of this contract the only notice required is that under ORS 93.915) to declare this agreement terminated and of no further force and effect, and keep all payments then received hereunder as rent for the use of the within premises and liquidated damages, and all the rights hereby granted or then existing in favor of Purchaser in and to said above described property shall wholly cease and terminate, and the full title to the said real property shall automatically revert to and revest in

Seller without any further declaration of forfeiture or act of reentry without any right of Purchaser to reclamation or compensation for money paid hereunder or improvements on said property or otherwise; Seller's enforcement of such forfeiture remedy shall be made pursuant to Oregon law regarding Forfeiture Under Land Sale Contract, if any, which at the time of execution of this agreement is pursuant to ORS 93.905, et seq.

B. Enter and retake possession of the premises, with or without legal process and hold the same free of all claims of the Purchaser;

C. Without notice declare the entire unpaid balance of the purchase price, with interest thereon immediately due and payable and bring suit or action for specific performance or strict foreclosure of this contract, at Seller's option;

D. Without notice to Purchaser or further consent or approval of Purchaser, to appoint a receiver for said property to take possession thereof, to enter upon and rent or lease the same, to collect the rents, issues, income and profits of such property and out of the same to make necessary repairs and keep the property in proper condition and repair, pay all taxes and assessments, pay insurance premiums necessary to keep the premises insured according to the terms of this agreement, pay the expenses of such receivership, and, at the option of the Seller, to have the balance remaining, if any, applied upon the amounts due Seller under this agreement;

E. To exercise any and all of the rights granted to Seller under this agreement and/or Oregon law.

F. Any and all other remedies available at law or equity.

The above remedies, at the option of the Seller, shall be deemed cumulative and shall not be deemed to be the exclusive remedy of Seller in the event of a default of this agreement.

For the purpose of enforcing the Seller's rights hereunder in the event of Purchaser's default, the Purchaser authorizes the Seller to enter on the premises, with or without notice, and retake possession and use of the premises and improvements thereon and further authorizes the Seller to remove any and all personal property of Purchaser from said premises, to transport and store such personal property, all at Purchaser's expense and Purchaser hereby waives any action, or right of action, arising out of such entry and repossession and/or removal, transportation and storage of such personal property, and if the matter be placed in the hands of an attorney for suit or enforcement, the Purchaser agrees to pay a reasonable sum for attorney fees and all expenses incurred.

17. ENTIRE AGREEMENT: This constitutes the entire agreement between the parties and the same may not be modified, altered or amended unless in writing and signed by the parties. Any provision of this contract prohibited by the laws of any state shall, as to such state, be ineffective to the extent of such prohibition without invalidating the remaining provisions or portion of that provision of this contract not offending.

18. BENEFIT/BINDING EFFECT: This agreement shall bind the parties thereto, their legal representatives, heirs, successors and assigns. The transfer, extension or assignment of this contract or the loss of the property being purchased hereunder shall not release the Purchaser from Purchaser's obligations under this agreement.

19. ATTORNEYS FEES: In the event of any dispute involving the terms of this agreement, the parties hereby agree that in the event suit or action is filed, the prevailing party shall be entitled to reasonable attorney fees to be set by the court or courts in which the matter is tried or heard, including any appeal thereon. The parties agree further that, if collection of any amounts due hereunder or enforcement of any terms hereunder is placed in the hands of an

attorney or collector for collection or enforcement, the Purchaser agrees to pay the reasonable value of such services and expenses, whether or not suit or action is filed.

20. WAIVER OF BREACH: Waiver of any breach of any provision of this agreement shall not constitute or operate as a waiver of any other breach of such provision or any other provision, nor shall any failure to enforce any provision hereof operate as a waiver of such provision or any other provision.

21. NOTICES: All notices or other communications required or permitted hereunder shall be sufficiently given if sent by registered mail, postage prepaid and addressed as follows:

Seller: Becky Pratt, Trustee
Becky F. Pratt Revocable Living Trust
2808 SW G Street
Grants Pass, OR 97526

Purchaser: Charles M. Gebetsberger
Karen J. Corner
Pine Hill Road
Watsonville, CA 95076

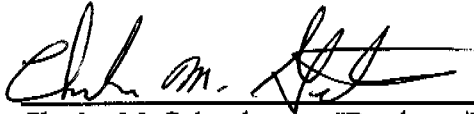
or such other addresses as shall be furnished in writing from time to time by any party hereto, such notice shall be deemed to be given as of the date so mailed.


Purchaser acknowledges receipt of a true copy hereof.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES 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 THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTION 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTION 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. ORS 90.400.

22. COSTS TO PURCHASER AND LEGAL REPRESENTATION: The parties acknowledge that Purchaser shall be responsible for the costs of preparing the Contract of Sale, Memorandum of Sale and Special Warranty Deed, in addition to the cost of the closing escrow, the costs of the collection escrow and the cost of title insurance called for herein, up to a maximum of \$2,000.00. The parties further acknowledge that Seller is represented by Jeffrey W. Foxx, Attorney at Law, Medford, Oregon, and that Purchaser is represented by James C. Lynch, Attorney at Law, Lakeview, Oregon.

IN WITNESS WHEREOF, the parties hereto have set forth their hands the day and year first above written.


Charles M. Gebetsberger, "Purchaser"


Karen J. Corner, "Purchaser"

Becky F. Pratt Revocable Living Trust, "Seller"

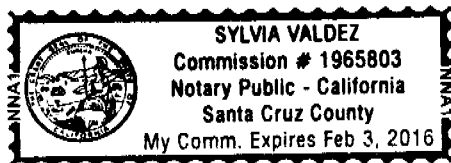
X

Becky F. Pratt, Trustee

STATE OF CALIFORNIA, County of Santa Cruz) ss

On June 28, 2012, before me Sylvia Valdez, personally appeared CHARLES M. GEBETSBERGER and KAREN J. CORNER who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed same in their authorized capacity, and that by their signatures on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.



Place Notary Seal Above

WITNESS my hand and official seal.

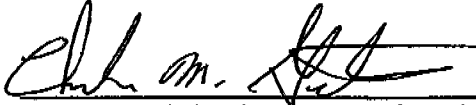
Signature




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Karen J. Corner, "Purchaser"

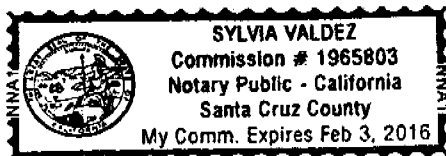
Becky F. Pratt Revocable Living Trust, "Seller"


Becky F. Pratt, Trustee

STATE OF CALIFORNIA, County of Santa Cruz) ss.

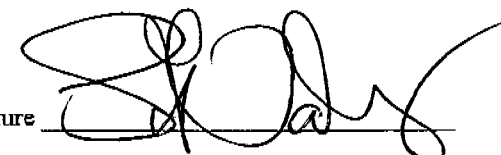
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I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.



Place Notary Seal Above

WITNESS my hand and official seal.

Signature 

STATE OF OREGON, County of Jackson) ss.

Before me on June 29th, 2012, personally appeared the above named BECKY F. PRATT and acknowledged the foregoing Conditional Land Sale Contract to be her voluntary act and deed in her capacity as Trustee of the Becky F. Pratt Revocable Living Trust.



Liza Michelle Smith
Notary Public for Oregon

My Commission Expires: October 20, 2015