

AmeriTitle  
MTC 177123AM

2017-011533  
Klamath County, Oregon  
10/11/2017 10:00:01 AM  
Fee: \$77.00

**Seller's Name and Address:**

Debra A. Reinke, Trustee  
Debra A Paddock Trust  
3933 Southview Terrace  
Medford, Oregon 97504

**Buyer's Name and Address:**

Keith E. and Beverly J. McClung  
PO Box 7659  
Klamath Falls, Oregon 97602

**After Recording Return to:**

AmeriTitle - *Account Servicing Dept.*  
300 Klamath Avenue  
Klamath Falls, Oregon 97601

**Until Change is Requested**

**Send Tax Statements to:**

Unchanged

The true and actual consideration stated in this instrument is:  
**\$ 810,000.00.**

**LAND SALE CONTRACT**

**THIS CONTRACT** is made and entered into this 10th day of October, 2017, by and between **Debra A. Reinke, Trustee of the Debra A. Paddock Trust Agreement dated December 20, 1990,** hereinafter called "Seller", and **Keith E. McClung and Beverly J. McClung, Husband and Wife,** 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 Buyer and Buyer agrees to buy from Seller for the price and on the terms and conditions set forth hereafter all of the real property situate in the County of Klamath, State of Oregon, legally described on Exhibit A, attached hereto and incorporated by reference as though fully set forth herein;

SUBJECT TO a Trust Deed (securing payment of note) dated April 29, 2009, and recorded May 6, 2009 at 2009-006384 which Seller agrees to pay from out of the proceeds received in payment of the within Contract. So long as Buyer is not in default in the performance of

the within Contract, Seller agrees to pay in full the said Trust Deed according to its terms and conditions.

ALSO SUBJECT TO contracts and/or liens for irrigation and/or drainage and fire protection, restrictions, easements, restrictions and rights-of-way of record.

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

It is mutually agreed as follows:

1. **Possession:** Buyer is currently a tenant in the property which is the subject of this contract, and thus shall be entitled to possession of the property as a Buyer as of the date of this Contract.

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 Buyer's 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 prorated 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, or to procure and pay seasonably for insurance, 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 shall bear interest at the rate of Five Percent (5.0%). Said payment by Seller shall be without waiver, however, of any right arising to Seller for Buyer's breach of contract, and, in such event or events, such amounts may be added to the contract balance upon Buyer and the escrow agent referred to hereinbelow being tendered a proper receipt therefor by Seller.

4. **Insurance:** It is agreed that Buyer will keep any building 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 (the date of this Contract). Buyer shall furnish Seller proof of such insurance coverage and a copy of the policy.

**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 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 / Collection Escrow:** Seller shall, upon the execution hereof, make and execute in favor of Buyer a Special Warranty Deed conveying said property free and clear of all liens and encumbrances, except as provided hereinabove, and shall place the same together with an undated and signed Request For Full Re-conveyance into a collection escrow to be maintained at AmeriTitle. The parties shall execute collection escrow instructions in a form satisfactory to the collection escrow agent providing for payments as made to be, in turn, paid in payment of the encumbrances on the property with any residue to be remitted to Seller. All payments shall be paid through the said collection escrow (or a successor) until the full unpaid obligation owing pursuant to the within Land Sale Contract has been paid with reference to the real property which is the subject of this agreement.

**7. Tax Payment Procedures:** Until a change is requested, all property tax statements shall be sent to the address designated by Seller. Seller shall be required to promptly transmit the statements to Buyer. Buyer shall be required to pay the same and provide proof of such payment to Seller before the same shall become past due or delinquent.

**8. Warranties:** Buyer certifies that this contract of purchase is accepted and executed on the basis of Buyers' own examination and personal knowledge of the premises and opinion of the value thereof.

**9. Consent to Assignment:** Buyer shall not sell or assign this agreement, Buyer's rights thereunder, or in the property covered thereby, without the written consent of the Seller. Such consent shall not be unreasonably withheld.

**10. Time of Essence:** It is understood 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 make 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 Seller, shall, at Seller's option, have the following rights, in addition to other remedies provided under Oregon law:

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

b. To foreclose this contract by suit or by strict foreclosure in equity, in which event the non-prevailing party shall be responsible for all foreclosure costs, including attorney fees.

**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 or by Court order for the purpose of protecting and preserving the property and Seller's security interest herein, and in the event possession is so taken by Seller, Seller shall not be deemed to have waived Seller's 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:** Each party further agrees that failure by the other party at any time to require performance of any provision thereof shall in no way affect the rights granted hereunder to enforce the same, nor shall any waiver 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 EIGHT HUNDRED TEN THOUSAND and No Hundredths Dollars (\$810,000.00) payable as follows:

**a. "Down Payment" Consisting of Real Property:** Buyer shall pay an initial "down payment" consisting of the conveyance by Buyer of any and all interest of Buyer in certain real property civilly described as 4847 Meadow Glen Loop, Klamath Falls, Oregon and legally described as follows, to-wit:

Lot 31 FIRST ADDITION TO EVERGREEN MEADOWS - TRACT 1329 according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon

Conveyance of which such property will result in a credit as against the purchase price provided herein in the sum of **EIGHTY THOUSAND and No Hundredths Dollars (\$80,000.00);** and

**b. Payment of Remaining Balance:** The remaining balance of the purchase price in the amount of **SEVEN HUNDRED THIRTY THOUSAND and No Hundredths Dollars (\$730,000.00)** shall be payable during the initial twelve (12) months that this contract is in effect in monthly installments in the amount of **\$3,041.67** per month including interest at the rate of **FIVE PERCENT (5.0%)** per annum on the unpaid balance; the first of such payments shall be payable on the 11th day of Nov., 2017, with a further and like installment payable on the same day of each and every month thereafter until Oct 11th, 2018, when the required payment amount shall increase to installments in the amount of **\$3,918.80** per month including interest at the same rate of **FIVE PERCENT (5.0%)** per annum on the unpaid balance; the first of such payments shall be payable on the 11th day of Nov., 2018, with a further and like installment payable on the same day of each and every month thereafter until the entire remaining balance, including principal and interest has been paid in full. Buyer may make advance or excess payments without penalty, and if so made, such payments shall be applied toward account interest, and the remainder will be applied toward the principal balance.

**17. Inclusion of Personal Property:** It is agreed between Buyer and Seller that the property conveyed by the within Land Sale Contract includes certain personal property currently located on the premises, including, but not limited to:

Corex box and excavator

All contents of the improvements on the premises that are the property of the Seller

Snowmobiles

Quads and other items, all of which have been purchased pursuant to a previously completed exchange agreement

**18. Representation By Attorney:** The parties hereto acknowledge that this contract was prepared by Neal G. Buchanan, Attorney at Law, 435 Oak Avenue, Klamath Falls, Oregon 97601, solely on behalf of the Buyer / Vendee and that said attorney in no way represents the Seller / Vendor, who has been advised to seek the advice of Buyer's independent counsel and tax advisor.

"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 AND 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 SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS, 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010."

**IN WITNESS WHEREOF** the parties have caused this agreement to be executed effective as of the date first above written.

**SELLER:**

**Debra A. Reinke, Trustee of the  
Debra A. Paddock Trust Agreement  
Dated December 20, 1990**

By: Debra A. Reinke

**TRUSTEE**

**BUYER:**

Keith E. McClung  
**KEITH E. MCCLUNG**

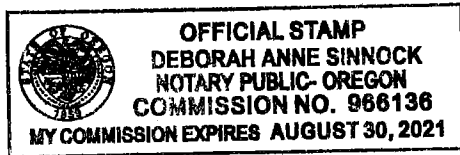
Beverly J. McClung  
**BEVERLY J. MCCLUNG**

STATE OF OREGON, County of Klamath ) ss.

PERSONALLY APPEARED the above-named Debra A. Reinke, Trustee of the Debra A Paddock Trust Agreement as Trustee and

acknowledged the foregoing instrument to be her voluntary act and deed.

Before me this 9th day of October, 2017.

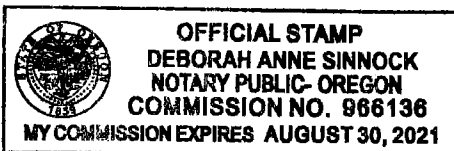


Deborah Anne Sinnock  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 8-30-21

STATE OF OREGON, County of Klamath ) ss.

PERSONALLY APPEARED the above-named Keith E. McClung and Beverly J. McClung and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me this 6th day of October, 2017.



Deborah Anne Sinnock  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 8-30-21

## EXHIBIT "A"

177123AM

### Tract 1

Parcel 2 of Land Partition 23-15 in the E1/2 NW1/4 in Section 26, Township 34 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon, and recorded October 25, 2016 as Instrument No. 2016-011342.

### Tract 2

The SW1/4 of the NE1/4 of Section 26, Township 34 South, Range 6 East of the Willamette Meridian in Klamath County, Oregon.

### Tract 3

The E1/2 of the NE1/4 of Section 26, Township 34 South, Range 6 East of the Willamette Meridian and the S1/2 of the NW1/4 of Section 25, Township 34 South, Range 6 East of the Willamette Meridian in Klamath County, Oregon.