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CONTRACT OF SALE

THIS AGREEMENT, Made this 13 day of January, 1966, between FRANK M. FERRARIO and ROWENA K. FERRARIO, husband and wife, herein after called the Sellers and FRANK CRAIG URBAN, a single man, hereinafter called Buyer,

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

That in consideration of the stipulations herein contained, and the payments to be made as hereinafter specified, the Sellers hereby agree to sell, and the Buyer agrees to purchase, the following described real property situate in the County of Klamath, State of Oregon, to-wit:

A portion of Lots 1 and 2, Block 93, BUENA VISTA ADDITION to the City of Klamath Falls.

Beginning at a point on a curve which is on the Westerly boundary of said Lot 2, the following distances; 45.83 feet Southerly along said curve from the Northwest Corner of said Lot 1, 14.1 feet Southerly along said curve to the Westerly Corner common to said Lots 1 and 2 and 31.73 feet Southerly along said curve from the Westerly Corner common to said Lots 1 and 2; thence on a radial line in an Easterly direction 70 feet more or less to the Easterly boundary of a tract of land conveyed to William G. Vallier by Deed recorded September 16, 1959 in Deed Book 315 at page 643, Deed Records of Klamath County, Oregon; said point being the true point of beginning of the tract to be hereinafter described; thence continuing Easterly along said radial line 69.6 feet more or less to the Easterly boundary of said Lot 2; thence Northerly 67.27 feet more or less along the Easterly line of said Lots 1 and 2 to the Northeastly Corner of said Lot 1; thence Westerly along the Northerly line of said Lot 1 to the Easterly boundary of the William G. Vallier Tract above referred; thence Southerly along the Easterly boundary of said William G. Vallier Tract to the true point of beginning.

for the sum of SEVEN THOUSAND and NO/100 (\$7,000.00) DOLLARS, on account of which ONE THOUSAND and NO/100 (\$1,000.00) DOLLARS is paid on the execution hereof, the receipt of which is hereby acknowledged, and the remainder of SIX THOUSAND and NO/100 (\$6,000.00) DOLLARS to be paid to the Sellers at First National Bank of Oregon, Sixth Street Branch, Klamath Falls, Oregon, with interest thereon from the date of this Contract at the rate of 6 1/2% per annum, at the dates and in the amounts as follows:

(A) Not less than Sixty-Five and No/100 (\$65.00) DOLLARS per month, including interest at 6 1/2% per annum; first

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payment to be made on the 15 day of FEBRUARY, 1966, and a like amount on the 15 day of each and every month thereafter until the whole amount, both principal and interest is fully paid.

(B) Buyer shall have the right at any time to prepay any part or all of the balance due hereunder, without penalty of interest. In the event Buyer shall prepay part of said balance, he shall be excused from the regular monthly payments due hereunder to the extent of such prepayments.

Buyers shall be entitled to possession of said premises on 15 day of JANUARY, 1966.

Buyer warrants that he has purchased the property solely upon his own inspection and personal knowledge and in its present actual condition and has not relied upon any warranties or representations made by the Sellers or by any agent of the Sellers.

Sellers warrant and represent to the Buyer that they are lawfully seised in fee simple of the above premises free from all encumbrances, except reservations, restrictions, easements, rights-of-way of record and those apparent upon the land and a certain mortgage including the terms and provisions thereof, dated July 5, 1962, recorded July 9, 1962, in Mortgage Book 211 at page 428, given to secure the payment of \$3,600.00, with interest thereon and such future advances as may be provided therein, executed by Frank M. Ferrario and Rowena K. Ferrario, husband and wife, to the First National Bank of Oregon, Portland, a national banking association.

Sellers further warrant and represent that they will make all payments on the above mentioned incumbrances as the same fall due, and that in the event of their failure so to do, Buyer shall have the right to make such payments and take credit on this contract at the Buyer's option, or in the alternative, Buyer may give written notice to the Sellers of such deficiencies and in the event of the Sellers' failure to remedy said deficiencies within thirty (30) days after receipt of such written notice, Buyer shall have the right to rescind this contract and recover the moneys paid thereon.

Sellers specifically warrant and covenant that Buyer shall be entitled to peaceful and uninterrupted possession of the above described premises so long as the Buyer complies with his obligation under this

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contract.

It is understood and agreed between the parties hereto that should there be any contracts, mortgages, liens, judgments or other incumbrances outstanding which Sellers have entered into or incurred during or prior to this contract, Buyer shall have the right upon default by Sellers in payment thereof to make such payments and to apply the payments as part payment on this contract.

It is agreed between the parties that all the taxes, if any, shall be prorated as of the date of the Contract.

It is further agreed that all the buildings now erected on said premises will be kept insured by the Buyer in favor of the Sellers against loss or damage by fire in an amount equal to the full insurable value of the improvements located upon the aforementioned premises; in a company or companies satisfactory to the Sellers; and the Buyer will have all policies of insurance on said property made payable to the Sellers as their interest may appear; and the Buyer will deliver all policies of insurance on said premises to the Sellers as soon as insured.

The Buyer in consideration of the premises, hereby agrees that he will pay for all public and municipal liens which may hereafter lawfully be imposed upon said premises, promptly and before the same or any part thereof becomes past due. In the event that the Buyer shall allow the taxes or other assessments upon said property to become delinquent or shall fail to remove any lien or liens imposed upon said property, the Sellers without obligation to do so, shall have the right to pay the amount due and to add said amount so paid to the principal remaining due under this agreement, to bear interest thereon at the rate provided herein. It is understood by the parties hereto that the ad valorem taxes upon said premises are presently being paid by the First National Bank of Oregon under the terms of the mortgage herein- before described, however, it shall remain at all times the duty of Buyer to pay said taxes and he shall be obligated to make a cash payment directly to the Sellers within thirty (30) days of the date of



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presentation of a paid receipt evidencing the fact that said taxes have been paid upon the premises and in the event that the Buyer fails to so pay said taxes to the Sellers, the Sellers may at their option declare this contract in default or they may add the amount of the taxes back to the principal balance of the contract by presenting the tax statement to the escrow holder, which is the First National Bank of Oregon, Sixth Street Branch, Klamath Falls, Oregon.

All improvements placed on the premises shall remain, and shall not be removed before final payment is made to the said above described premises.

Sellers agree to furnish Buyer with a Purchaser's Policy of Title Insurance upon the execution of this agreement showing good and merchantable title in the Sellers as of the date of this contract.

In case the Buyer, his legal representatives or assigns shall pay the several sums of money aforesaid punctually and at the times above specified, and shall strictly and literally perform all and singularly the agreements and stipulations aforesaid, according to the true intent and tenor thereof, then the Sellers shall give unto the Buyer, his heirs or assigns, upon request at Klamath Falls, Oregon, a good and sufficient warranty deed of conveyance conveying said premises in fee simple, free and clear of incumbrances as of the date of this contract.

Time is of the essence in this contract and the Buyer covenants promptly to make all payments of principal and interest when due and to otherwise fully and promptly perform his obligations under this contract, and in the event of default by the Buyer upon any of the terms and conditions contained herein, Sellers may, upon thirty (30) days written notice to the Buyer, and providing said default continues during said thirty (30) day period, declare this contract terminated and at an end, and upon such termination, all of the Buyer's right, title and interest in and to the described property shall immediately cease. 36  
Sellers shall be entitled to the immediate possession of the described property, they may forcibly enter and take possession of said property, removing the Buyer and his effects, and all payments theretofore made



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by Buyer to Sellers and all improvements or fixtures placed on the described property shall be retained by the Sellers as liquidated damages, OR:

Sellers may at their option foreclose this contract by strict foreclosure in equity, and upon the filing of such suit, all of the Buyer's right, title and interest in and to the above described property shall immediately cease, Sellers shall be entitled to the immediate possession of said property, they may enter forcibly and take possession of said property, removing the Buyer and his effects, and all payments theretofore made by Buyer to the Sellers and all improvements or fixtures placed upon the described real property shall be forfeited to the Sellers as liquidated damages. Such right to possession in the Sellers shall not be deemed inconsistent with the suit for strict foreclosure but shall be in furtherance thereof, and in the event Buyer shall refuse to deliver possession upon the filing of such suit, Buyer by the execution of this contract consents to the entry of an interlocutory order granting possession of the premises to the Sellers immediately upon the filing of any suit for strict foreclosure without the necessity of the Sellers posting a bond, or having a receiver appointed, OR:

Sellers shall have the right to declare the entire unpaid principal balance of the purchase price, with interest thereon, at once due and payable, and in such event, Sellers may either bring an action at law for the balance due, thereby waiving the security, or in the alternative, may file suit in equity for such unpaid balance of principal and interest and have the property sold at judicial sale, with the proceeds thereof applied to the court costs, attorney's fees, and the balance due the Sellers, and may recover a deficiency judgment against the Buyer for any unpaid balance remaining thereon.

In addition to the aforementioned remedies, Sellers shall have any and all other remedies under the law.

In case suit or action is instituted to enforce any of the provisions of this contract, the prevailing parties shall be entitled

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to such sums as the Court may adjudge reasonable as attorney's fees in said suit or action, in addition to costs and disbursements provided by statute.

The Buyer further agrees that failure by the Sellers at any time to require performance by the Buyer of any provision hereof shall in no way affect the Sellers' right hereunder to enforce the same, nor shall any waiver by said Sellers of the 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.

IN WITNESS WHEREOF, the said parties have hereunto set their hands in duplicate the day and year first above written.

Frank M. Ferrario  
Rosemary K. Ferrario  
Sellers

x Frank Craig Urban  
Buyer

STATE OF OREGON, COUNTY OF KLAMATH; ss.

Filed for record at request of Frank Urban  
this 31st day of August A.D. 19 66 at 3:10 clock P. M., and  
duly recorded in Vol. M-66, of Contract of Sale on Page 8780  
\$ 900 By Dorothy Rogers  
DOROTHY ROGERS, County Clerk

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