

68-1113 *ht*
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CONTRACT OF SALE

THIS AGREEMENT, made this 29th day of August, 1968, by RUSSELL L. HAHN and ARLEY M. HAHN, husband and wife, herein called Sellers, and ROBERT ZITEK and ELLA E. ZITEK, husband and wife, herein called Purchasers, WITNESSETH:

Sellers agree to sell to the Purchasers, and the Purchasers agree to purchase that certain land situated in Klamath County, State of Oregon, described as follows:

E $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 1; N $\frac{1}{2}$ NE $\frac{1}{4}$ NNW $\frac{1}{4}$ NW $\frac{1}{4}$ and that portion of the N $\frac{1}{2}$ N $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ in Section 12, lying West of the Dalles-California Highway, all in Township 25 South Range 8 East of the Willamette Meridian,

Containing approximately 30 acres.

PURCHASE PRICE: and TERMS: The purchase price of the property, which Purchasers agree to pay, shall be the sum of Eight Thousand Dollars (\$8,000.00), payable as follows:

- (a) The sum of \$200.00, which has previously been paid as earnest money;
- (b) The sum of \$1,800.00, which is paid upon execution hereof;
- (c) The remaining balance of \$6,000.00 shall be paid by annual installments of not less than \$2,000.00, plus accrued interest at the rate of Five and one-half Percent (5 $\frac{1}{2}$ %) per annum on the unpaid balances, the first of such installments to be paid on the 1st day of each September, commencing September 1, 1969, until the entire purchase price, including both principal and interest, is paid in full.

All payments hereunder shall be paid to the Sellers at 949 Veronica Springs Road, Santa Barbara, California, 93100, or at such other place as the Sellers may hereafter designate.

INTEREST: Interest on all unpaid balances shall accrue at the rate of Five and one-half Percent (5 $\frac{1}{2}$ %) per annum, commencing September 1, 1968, and shall be payable each September 1st, commencing September 1, 1969.

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POSSESSION: Purchasers shall be entitled to possession of the premises as of the 1st day of September, 1968.

PREPAYMENT PRIVILEGES: Purchasers shall have the privilege of increasing any monthly payment or prepaying the whole consideration at any time.

TAXES: All taxes levied against the above described property for the current tax year shall be pro-rated between Sellers and Purchasers as of September 1, 1968. Purchasers agree to pay when due all taxes which are hereafter levied against the property and all public, municipal and statutory liens which may be hereafter lawfully imposed upon the premises.

COVENANTS OF TITLE: Sellers covenant that they are the owners of the above described property free of all encumbrances except the Sellers are the holders of a Purchasers' interest under a contract of purchase from the record owners, which contract balance the Sellers will pay in full upon the execution of this contract of sale and merchantable title will be vested in the Sellers.

EVIDENCE OF TITLE: Sellers shall furnish at their expense a Purchasers' title insurance policy in the amount of \$8,000.00 within thirty (30) days from the date hereof insuring Purchasers against loss or damage sustained by them by reason of the unmarketability of Sellers' title, or liens or encumbrances thereon, excepting matters contained in usual printed exceptions in such title insurance policies, easements, conditions and restrictions of record and encumbrances herein specified, if any.

DELIVERY OF DEED: Upon payment of the entire purchase price for the property, as provided herein, and performance by Purchasers of all other terms, conditions and provisions hereof, Sellers shall forthwith execute and deliver to Purchasers a good and sufficient deed conveying said property free and clear of all liens and encumbrances, except as above provided and those placed upon the property or suffered by Purchasers subsequent to the date of this agreement.

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REPRESENTATIONS: Purchasers have purchased the property solely upon Purchasers' own inspection and personal knowledge of the premises and opinion of the value thereof, and no promise to alter, repair or improve said premises has been made by the Sellers or by any agent of the Sellers.

ASSIGNMENT: It is understood and agreed that the Purchasers shall not sell, transfer or assign this contract nor any part of or interest in the real property described herein unless Purchasers have first paid the full balance remaining to be paid the Sellers hereunder. Any transfer in violation hereof shall be void.

DEFAULT: In the event that Purchasers shall fail to perform any of the terms of this agreement, time of payment and performance being of the essence, Sellers shall, at their option, subject to the requirements of notice as herein provided, have the following rights:

- (a) To foreclose this contract by strict foreclosure in equity.
- (b) To declare the full unpaid balance of the purchase price immediately due and payable.
- (c) To specifically enforce the terms of this agreement by suit in equity.
- (d) To declare this agreement null and void as of the date of the breach and to retain as liquidated damages the amount of the payment theretofore made upon said premises. Under this option all of the right, title and interest of Purchasers shall revert and revest in Sellers without any other act by Sellers to be performed, and Purchasers agree to peaceably surrender the premises to Sellers, or in default thereof Purchasers may, at the option of Sellers, be treated as a tenant holding over unlawfully after the expiration of a lease and may be ousted and removed as such.

Purchasers shall not be deemed in default for failure to perform any covenant or condition of this contract, other than the failure to make payments as provided for herein, until notice of said default has been given by Sellers to Purchasers and Purchasers shall have failed to remedy said default within thirty (30) days after the giving of the notice. Notice for this purpose shall be deemed to

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have been given by the deposit in the mails of a certified letter containing said notice and addressed to Purchasers, or one of them, at their last known address. If Purchasers shall fail to make payment as herein provided and said failure shall continue for more than thirty (30) days after the payment becomes due, Purchasers shall be deemed in default and Sellers shall not be obligated to give notice to Purchasers of a declaration of said default.

WAIVER: No waiver of a breach of any covenant, term or condition of this agreement shall be a waiver of any other or subsequent breach of the same or any other covenant, term or condition or as a waiver of the covenant, term or condition itself.

INTERPRETATION: The covenants, conditions and terms of this agreement shall extend to and be binding upon and inure to the benefit of the heirs, administrators, executors and assigns of the parties hereto.

LITIGATION FEES and EXPENSES: In the event suit or action be instituted to enforce any of the terms of conditions of this agreement, the losing party shall pay to the prevailing party, in addition to the costs and disbursements allowed by Statute, such sum as the Court may adjudge reasonable as attorneys' fees in such suit or action, in both trial court and appellate courts.

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

Russell L. Hahn
Russell L. Hahn

Arley M. Hahn
Arley M. Hahn

SELLERS

Robert Zitek
Robert Zitek

Ella E. Zitek
Ella E. Zitek

PURCHASERS

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BEND, OREGON

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STATE OF OREGON

County of *Deschutes* } ss.
Klamath

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August *26*, 1968.

Personally appeared the above-named ROBERT ZITEK and ELLA E. ZITEK, husband and wife, and acknowledged the foregoing instrument to be their voluntary act. Before me:

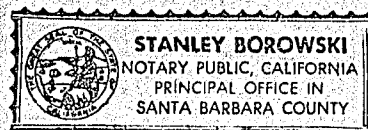
Stanley Borowski
Notary Public for Oregon
My Commission expires *10-1-68*

STATE OF CALIFORNIA

County of *Santa Barbara* } ss.

August *29*, 1968.

Personally appeared the above-named RUSSELL L. HAHN and ARLEY M HAHN, husband and wife, and acknowledged the foregoing instrument to be their voluntary act. Before me:



Stanley Borowski
Notary Public for California
My Commission expires: *STANLEY BOROWSKI*
My Commission Expires April 28, 1969

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of *Transamerica Title Insurance Co.*
this *11th* day of *September* A.D. 19 *68* at *11:47* clock A.M., and
duly recorded in Vol. *M-68*, of *Deeds* on Page *8201*

DOROTHY ROGERS, County Clerk

By *Dorothy Rogers*

Fee: \$7.50

Return to:
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