

CONTRACT OF SALE

VOLUME PAGE 755

Parties.

Seller. EDGAR E. COLBURN and BARBARA A. COLBURN, husband and wife, and WARD BETTIS and FLOSSIE BETTIS, husband and wife.

Buyer. CARL F. LAMBE and MARGARET J. LAMBE, husband and wife.

Agreement.

Seller agrees to sell, and Buyer agrees to buy, real property and its appurtenances described as:

Lot 11, Block 6 of Cres-Del Acres, Second Addition, situated in the Northwest Quarter of Section 7, Township 24 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

Purchase Price. \$4,000.

Down Payment Received by Seller. \$500.

Contract Balance. \$3,500.

Terms.

The contract balance shall be paid to the Sellers at the First National Bank of Oregon, Bend Branch, Bend, Oregon, in installments of not less than \$35 per month, including interest.

The yearly interest rate on the unpaid contract balance is seven per cent (7%).

Interest begins the date of this contract.

The first installment payment shall be made on March 10, 1980.

Subsequent installment payments shall be made on the same day of each month thereafter until all of the contract balance and interest is fully paid.

Buyer may prepay at any time without penalty.

Warranty of Possession.

Buyer shall be entitled to possession of said premises on

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At:  
McKAY, PANNER, JOHNSON & MARCEAU  
ATTORNEYS AT LAW  
BEND, OREGON 97701

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the date of this contract and shall have the right to remain in possession so long as Buyer is not in default under the terms of this contract.

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Buyer's Inspection.

Buyer has purchased the property solely upon Buyer's own inspection and in its present actual condition and has not relied upon any warranties or representations made by the Seller, or by any agent of the Seller.

Warranty of Title.

Seller warrants and represents to the Buyer that Seller owns the property in fee simple free from all liens and encumbrances.

Payment of Seller's Liens.

Seller warrants that Seller will make all payments on any contracts, mortgages, liens, judgments or other encumbrances outstanding which Seller has incurred during or prior to this contract as the same fall due except this year's taxes, and that in the event of Seller's failure so to do, Buyer shall have the right to make such payments and take credit on this contract at Buyer's option.

Payment of Taxes and Other Liens.

Buyer shall pay all taxes beginning the date of this contract.

Buyer will pay all liens which Buyer permits or which may be lawfully imposed upon the property promptly and before the same or any part thereof become past due. In the event that the Buyer shall allow the taxes or other assessments upon the property to become delinquent or shall fail to pay any lien or liens imposed or permitted upon the property as they become due, the Seller, without obligation to do so, shall have the right to pay the amount due and to add said amount to the contract balance, to bear interest at the rate provided herein.



Removal of Improvements.

No improvements placed on the property shall be removed before this contract is paid in full.

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Use of Property.

Buyer agrees not to abuse, misuse or waste the property, real or personal, described in this contract and to maintain the property in good condition.

Title Insurance.

Upon full payment and performance of this contract Seller will furnish Buyer a title insurance policy showing good and merchantable title as to the date of this contract, subject to the usual exceptions contained in title insurance policies in this area and subject to restrictions listed on Exhibit "A" attached hereto, together with 1969-70 real property tax lien.

Buyer's Deed.

When the Buyer pays and performs this contract in full Seller shall give to Buyer, or Buyer's heirs or assigns, a good and sufficient warranty deed conveying good and merchantable title in fee simple, free and clear of encumbrances excepting liens and encumbrances suffered or permitted by the Buyer or Buyer's heirs or assigns and subject to restrictions listed on Exhibit "A" attached hereto, together with 1969-70 real property tax lien.

Seller's Remedies.

Time is of the essence of this contract and Buyer agrees to promptly make all payments when due and to fully and promptly perform all other obligations of this contract. In the event of default by the Buyer upon any of the terms and conditions contained herein and after 30 days written notice of default by Seller:

(1) Seller may declare this contract terminated and at an end and upon such termination, all of Buyer's right, title and interest in and to the described property shall immediately cease. Seller shall be entitled to the immediate possession of the described property; may forcibly enter and take possession of said property removing Buyer and his effects; and all pay-



ments theretofore made by Buyer to Seller and all improvements or fixtures placed on the described property shall be retained by the Seller as liquidated damages, or in the alternative,

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(2) Seller may, at his option, declare the entire unpaid principal balance of the purchase price with interest thereon at once due and payable, and 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. Seller shall be entitled to the immediate possession of said property; may forcibly enter and take possession of said property removing Buyer and his effects and all payments theretofore made by Buyer to Seller and all improvements or fixtures placed on the described real property shall be retained by the Seller as liquidated damages. Such right to possession in the Seller 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 Seller immediately upon the filing of any suit for strict foreclosure without the necessity of the Seller posting a bond or having a receiver appointed, or in the alternative,

(3) Seller 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, Seller 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 of such suits, attorney's fees, and the balance due Seller, and may recover a deficiency judgment against the Buyer for any unpaid balance remaining on this contract.

(4) In addition to the aforementioned remedies, Seller shall have any and all other remedies under the law.

Payment of Court Costs.

If suit or action is instituted to enforce any of the provisions of this contract, the prevailing party shall be entitled to such sums as the court may adjudge reasonable as attorney's fees in said suit or action in any court including any appellate court in addition to costs and disbursements provided by statute. Prevailing party shall also recover cost of title report.

Waiver of Breach of Contract.

The parties agree that failure by either party at any time to require performance of any provision of this contract shall in no way affect the right to enforce that provision or be held a waiver of any subsequent breach of any such provision.

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ATTORNEYS AT LAW  
BEND, OREGON 97701

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DATED this 8<sup>th</sup> day of October, 1969.

Seller.

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Edgar E. Colburn  
Edgar E. Colburn

Barbara A. Colburn  
Barbara A. Colburn

Ward Bettis  
Ward Bettis

Flossie Bettis  
Flossie Bettis

Buyer.

Carl F. Lambe  
Carl F. Lambe

Margaret J. Lambe  
Margaret J. Lambe

STATE OF OREGON )  
County of Deschutes ) ss.

December 31, 1969.

Personally appeared the above-named Edgar E. Colburn and Barbara A. Colburn and acknowledged the foregoing instrument to be their voluntary act. Before me:

IDA A. FORD  
Notary Public for Oregon  
My Commission expires June 23, 1972

STATE OF CALIFORNIA )  
County of Orange ) ss.

December 22, 1969.

Personally appeared the above-named Ward Bettis and Flossie Bettis and acknowledged the foregoing instrument to be their voluntary act. Before me:

Jacqueline Gillim  
Notary Public for California  
My Commission expires: \_\_\_\_\_

STATE OF CALIFORNIA )  
County of Los Angeles ) ss.

October 8<sup>th</sup>, 1969.

Personally appeared the above-named Buyer and acknowledged the foregoing instrument to be their voluntary act. Before me:

Margaret J. Lambe  
Notary Public for California  
My Commission expires: \_\_\_\_\_

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Subject to the following restrictions:

1. Animals will be restricted to household pets. No cows, pigs, chickens, ducks or goats. Three horses per lot maximum.
2. Buildings shall be constructed in a workmanlike manner and comply with state and county building codes.
3. Any trailer used as a permanent residence shall have a retail value of \$1500 or more when installed.
4. Businesses shall be restricted to lots having highway frontage only.
5. All lot owners shall be responsible for maintaining their lots free of trash and refuse at all times.
6. No tents shall be used as dwellings on the property.

STATE OF OREGON, }  
County of Klamath } ss.

Filed for record at request of:  
McKay, Panner, Johnson & Marceau  
on this 30th day of January A. D., 1970  
at 2:10 o'clock P. M. and duly  
recorded in Vol. M-70 of Deeds  
Page 765

WM. D. MILNE, County Clerk

By Charles E. Hovstman  
Fee \$9.00 Deputy.

EXHIBIT

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