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AGREEMENT

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THIS AGREEMENT, made and entered into this 6 day of OCTOBER, 1975, by and between MARION B. FENTON, an unmarried man, hereinafter called the Seller, and KENNETH M. SMITH and WANDA M. SMITH, husband and wife, hereinafter called the Buyer.

WITNESSETH:

In consideration of the payments to be made as hereinafter provided and the performance of the terms and conditions of this agreement, the Seller agrees to sell and the Buyers to purchase certain real property in Klamath County, Oregon, described as follows:

Lot Seven, Block Twenty of the Town of Merrill, Klamath County, Oregon, according to the duly recorded plat thereof on file in the Office of the County Clerk of Klamath County, Oregon.

PURCHASE PRICE AND PAYMENT: The Seller and Buyers mutually agree that the total purchase price for the above described real property is Five-thousand and no/100 (\$5,000.) Dollars, payable by Buyers, as follows:

- (1) Buyers have paid Eight Hundred (\$800.) Dollars with the execution of this agreement, receipt of which Seller hereby acknowledges.
- (2) The unpaid balance of the purchase price of Four Thousand Two Hundred (\$4,200.) Dollars shall bear interest at the rate of Eight and one-half (8½%) percent per annum from the date of this agreement and shall be paid by Buyers in equal monthly installments of no less than One-hundred (\$100.) Dollars, each installment, which sum includes principal and interest, with Buyers making the first monthly payment of One-hundred (\$100.) Dollars on or before November 3rd, 1975, and making payment of a like sum on or before the same date of each month thereafter, until all sums due Seller under this agreement have been paid in full.

Buyers shall make payment of all sums due Seller under this agreement directly to Seller at 1044 South Stage Road, Medford, Oregon; or unto

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such different address or place as Seller might hereafter direct, in writing.

PRE-PAYMENT PRIVILEGE: The Buyers have the privilege of pre-paying all or part of the principal balance owing Seller hereunder, or of increasing the monthly payments, at any time and without penalty, provided that no pre-payment or increase of monthly payments so made shall be credited as or excuse Buyers from making the regular monthly payments thereafter due.

POSSESSION: Buyers shall have possession of the above described real property effective with the execution of this agreement.

TAXES: Buyers shall pay all taxes, including public, municipal and statutory charges, now or hereafter levied against the above described real property for the current tax year and all subsequent tax years. Buyers shall pay the taxes promptly, when the same become due; all tax statements shall be sent directly to Buyers who shall provide Seller with satisfactory evidence of such tax payment, upon request.

INSURANCE: The Buyers agree to keep the buildings on the premises insured against loss by fire in an amount equal to the maximum insurable value thereof or the unpaid balance owing Seller under this agreement, whichever is less, with loss payable to Seller as his interests might appear, and to provide Seller with satisfactory evidence of such insurance

MAINTENANCE AND IMPROVEMENTS: Buyers shall make all repairs and maintenance of the buildings and land at Buyers' own expense; shall not do anything to the land that will lessen the value thereof; and, any improvements of the land or buildings shall become a part thereof and shall not be removed prior to the time final payment is made under this agreement, without Seller's written consent

TITLE AND CONVEYANCE: When Buyers have paid the entire purchase price, both principal and interest, as required by the terms of this agreement,



and have otherwise performed all other terms and conditions of this agreement, Seller shall cause title to the above described real property to be conveyed to Buyers, by good and sufficient deed; and, title so conveyed shall be clear and marketable and free of all liens and encumbrances, excepting any liens, encumbrances or other affects upon title arising by act or omission of the Buyers.

It is mutually understood and agreed that should Buyers desire title insurance upon the above described real property, either purchaser's or owner's title insurance, they shall obtain the same at their own expense; and, it is further understood and agreed that Buyers shall assume the expense of preparing the deed conveying title to them, as above provided, and any other expense that might arise relevant to conveying title to them in the usual course of events.

DEFAULT PROVISIONS: It is mutually agreed that should Buyers fail to make payment of the purchase price, principal and interest, as required by the terms of this agreement, or should Buyers fail to perform any other term or condition of this agreement, the Seller, at his option and subject to giving notice as hereinafter provided, has the right to exercise to exercise the following rights which are cumulative and can be exercised concurrently:

- 1- Seller can foreclose this agreement by strict foreclosure in equity.
- 2- Seller can declare the entire balance of the purchase price, principal and interest, immediately due and payable.
- 3- Seller can declare this entire agreement null and void, in which event all rights and interests hereby created and then existing in favor of Buyers shall cease and determine and shall revert to and re-vest in Seller without any act of re-entry or other thing to be done by Seller, and Buyer agrees to peaceably surrender possession

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of the above described real property to Seller.

4- Seller can use any remedy available in law or equity.

Before Seller shall exercise any of the foregoing rights, Seller shall give Buyer written notice of the nature of the default claimed, by sending such notice to Buyers at their last known address, by certified mail or its equivalent, or by personal delivery to either Buyer, and the buyers shall have thirty days from the date notice is posted in the mail or personally delivered in which to correct the default.

WAIVER: It is mutually agreed that no waiver by Seller of any breach of this agreement, or, failure by the Seller to require or demand strict performance of any term or condition of this agreement, shall be a waiver of a subsequent breach of the same or of any other term or condition of this agreement, or affect Seller's rights under this agreement or the default provisions of this agreement, in any way.

DISPUTE OR LITIGATION BETWEEN PARTIES: The Buyers agree: that should a dispute or litigation arise between Seller and Buyer for any reason, then, without regard to what might be the outcome, Buyers shall either removes themselves from and surrender the premises to Seller, or shall pay for the use and occupancy of the premises by continuing to pay Seller monthly payments in the amount and at the time hereinabove required for installment payments; and, all payments so made shall be deemed rent unless the dispute or litigation is settled in favor of Buyers and then such payments shall be deemed principal and interest; and, if Buyers fail to so make any such monthly payment for use and occupancy of the premises their status shall be that of tenants at sufferance on the 10th day such payment is overdue and Seller can remove Buyers as such, without further notice; and, a dispute exists on the date notice of default is mailed or personally delivered, as hereinabove provided.

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Should either party commence suit or action to enforce this agreement or any part hereof, the prevailing party shall be entitled to recover statutory costs and disbursements plus reasonable attorney fees in the trial or any higher court.

ASSIGNMENT OR SALE: Buyers cannot assign or convey, or contract to assign or convey this agreement or the real property herein involved without first obtaining Seller's written consent, which consent cannot be unreasonably withheld, but Seller can require as a condition of his consent that the third party assume this agreement, in writing.

ENTIRE CONTRACT: The parties mutually agree that Buyers are purchasing the above described real property as it is and on the basis of their own inspection thereof; and, that all understandings, discussions and agreements heretofore made relative to sale and purchase of the property have been incorporated within and this agreement represents the entire contract between Seller and Buyer.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above mentioned.

on aian B. Fenton  
Seller

Handwritten Signature  
Kenneth M. Smith  
Buyers

STATE OF OREGON, County of Jackson)ss.

October 6th, 1975. Personally appeared the above named Merrill B. Fenton, Kenneth M. Smith & Wanda M. Smith and acknowledged the foregoing instrument to be their voluntary act and deed.

Handwritten Signature Notary public for Oregon  
My commission expires

Until a change is requested send all tax statements to:

Return to: Kenneth M. & Wanda M. Smith Kenneth M. & Wanda M. Smith P.O. Box 526  
P.O. Box 526 Merrill, Oregon  
Merrill, Or. 97633 --Page Five--

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of \_\_\_\_\_  
this 27th day of OCTOBER A.D., 1975 at 11:35 o'clock A.M., and duly recorded in  
Vol. M 75 of DEEDS on Page 13407

FEE \$ 15.00

WM. D. MILNE, County Clerk

By Handwritten Signature Deputy