

MTG 2251

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CONTRACT OF SALE

THIS CONTRACT made and entered into this 1 day of September, 1976, by and between CLYDE M. HUME and THELMA HUME, husband and wife, hereinafter referred to as "Sellers," and JIM A. KELLEY, a single man, hereinafter referred to as "Purchaser":

WITNESSETH:

The Sellers agree to sell to the Purchaser and the Purchaser agrees to purchase from the Sellers the following described real property situated in the county of Klamath, State of Oregon, to-wit:

All that portion of Lot 10, Block 45, FIRST ADDITION to the City of Klamath Falls, Klamath County, Oregon, according to the duly recorded plat thereof on file in the office of the County Clerk of Klamath County, Oregon

on the following terms and conditions:

The purchase price is Twenty-One Thousand Five Hundred Dollars (\$21,500.00), of which One Thousand Dollars (\$1,000.00) has been paid as a downpayment of the execution hereof, the receipt of which is hereby acknowledged, and the Purchaser agrees to pay the balance of said purchase price as follows: Twenty Thousand Five Hundred Dollars (\$20,500.00) to be paid to the order of Sellers in monthly installments of not less than One Hundred Ninety and 00/100 Dollars (\$190.00) each commencing October 1, 1976, and a like payment being due on the first day of each month thereafter and continuing until said purchase price is fully paid. All of said purchase price shall bear interest at the rate of nine percent (9%) per annum from the date of this contract until paid, interest to be paid monthly and being included in the minimum monthly payments above required.

The Purchaser shall be entitled to possession of said premises on Closing. The real property taxes assessed on said premises shall be prorated between the parties as of September 1, 1976.

The property has been carefully inspected by the Purchaser and no agreements or representations pertaining thereto, or to this transaction, have been made, save such as are stated herein.

The Purchaser agrees to pay before delinquent all taxes and assessments which shall hereafter be assessed against the property and any which, as between Sellers and Purchaser thereafter become a lien upon the premises; not to permit waste; and not to use the premises for any illegal purpose. If the Purchaser shall fail to pay before delinquent any such taxes or assessments, the Sellers may pay them and the amounts so paid shall be deemed part of the purchase price and be payable forthwith with interest at the rate of ten percent (10%) per annum until paid, without prejudice to any other rights of the Sellers by reason of such failure.

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The Purchaser assumes all risk of taking of the property for a public use and agrees that any such taking shall not constitute a failure of consideration, but all monies received by Sellers by reason thereof shall be applied as a payment on account of the purchase price, less any sums which the Sellers may be required to expend in procuring such monies.

The Sellers agree, upon execution of this contract, to place in escrow at First Federal Savings & Loan Association of Klamath Falls, Oregon, a warranty deed to the property, free of encumbrances except easements, restrictions, rights-of-way of record and those apparent on the land.

This instrument as well as any interest therein or the property described therein shall not be assigned without first obtaining the written consent of the Sellers.

Time is of the essence hereof, and in the event Purchaser shall fail to pay any amount herein provided within thirty (30) days of the due date thereof, or shall fail to comply with or perform any condition or agreement hereof promptly at the time and in the manner herein required, the Sellers may elect to declare all of the Purchaser's rights hereunder terminated. Upon termination of the Purchaser's rights, all payments made hereunder and all improvements placed upon the premises shall be forfeited to the Sellers as liquidated damages, and the Sellers shall have the right to re-enter and take possession of the property; and if the Sellers after such forfeiture shall commence an action to procure an adjudication of the termination of the Purchaser's rights hereunder, the Purchaser agrees to pay the expense of searching the title for the purpose of such action, together with all costs and a reasonable attorney's fee.

This contract has been prepared by Crane & Bailey, Attorneys at Law, 325 Main Street, Klamath Falls, Oregon 97601, as attorneys for the Sellers. Purchaser acknowledges that he has been advised of his right to seek separate counsel to advise him in this transaction.

At Purchaser's expense he will insure and keep insured all buildings now or hereafter erected on said premises against loss or damage by fire, with extended coverage, in an amount not less than Twenty Thousand Five Hundred Dollars (\$20,500.00) in a company or companies satisfactory to the Sellers, with loss payable first to the Sellers and then to the Purchaser as their respective interests may appear, and a copy of said policy of insurance shall be delivered as soon as issued to the Sellers.

Sellers upon the execution of this document shall secure a title insurance policy insuring marketable title in and to said premises in themselves with Purchaser's interest appearing thereon.

Sellers and Purchaser agree to divide equally the attorney's fees incurred in preparation of these documents and the closing costs incurred herein.

Until a change is requested, all tax statements shall be sent to Mr. Jim A. Kelley, 639 Washington Street,

Klamath Falls, Oregon 97601

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IN WITNESS WHEREOF, the parties have executed this contract in triplicate on the date first above written.

Clyde M. Hume
Clyde M. Hume

Jim A. Kelley
Jim A. Kelley
PURCHASER

Thelma Hume
Thelma Hume

SELLERS

STATE OF OREGON)
County of Klamath) ss.

Personally appeared the above named Clyde M. Hume and Thelma Hume, husband and wife, and acknowledged the foregoing contract their voluntary act and deed this 1 day of September, 1976.

Donald R. Crane
Notary Public for Oregon
My Commission expires: 6-18-78

STATE OF OREGON)
County of Klamath) ss.

Personally appeared the above named Jim A. Kelley and acknowledged the foregoing contract his voluntary act and deed this 1 day of September, 1976.

Donald R. Crane
Notary Public for Oregon
My Commission expires: 6-18-78

After recording, return to: Crane & Bailey
Attorneys at Law
325 Main Street
Klamath Falls, OR 97601

STATE OF OREGON; COUNTY OF KLAMATH; ss.
for record at request of MOUNTAIN TITLE CO
this 3rd day of SEPTEMBER 11.06 A. D. 1976 at 11.06 o'clock AM and
fully recorded in Vol. N 76, of DEEDS on Page 13803
FEE \$ 9.00
Wm D. MILNE, County Clerk
By Hazel Inagaki