

27368

THIS AGREEMENT, Made and entered into this 15 th day of March, 19 77, by and between Kraig B. and Linda L. Weider

hereinafter called the first party (whether singular or plural), and Alex Ray and Doris Elaine Mortensen

hereinafter called the second party (whether singular or plural), WITNESSETH: In consideration of the covenants herein contained to be kept and performed by second party, first party does hereby lease, demise and let unto the said second party the following described premises situated in the City of Klamath Falls, County of Klamath, and State of Oregon, to-wit:

Lot 673, Block 107, Mills Addition to the city of Klamath Falls

known as 2150 Darrow for a term beginning the 25 th day of March, 1977, and extending to and including midnight on the 25 th day of March, 19 78, at and for a rental of \$ 175.00 per month during said term, payable in advance in lawful money of the United States to the order of the first party as follows:

\$ 175.00 on March 25, 1977 and a like amount each consecutive month thereafter for eleven (11) months or until the option is exercised.

The respective parties hereto agree to the following terms and conditions:

- (a) The second party expressly agrees to pay said rents at the times aforesaid; to use said premises for primary residence and to rent and care for in like manner the extra quarters attached thereto and no other purpose without first party's consent; to make no unlawful or offensive use of said premises; not to suffer or permit any waste or strip thereof; ~~not to use said premises for any other purpose~~ or permit any other person to occupy the same without first party's written consent first obtained; to comply with all laws, ordinances and regulations of any public authority respecting the use of said premises; promptly to pay for all heat, light, water, power and other services or utilities used on said premises; to keep said premises, including all exposed plumbing, heating equipment and apparatus and elevators, if any, at all times in good repair and to pay for all repairs on said premises during the term of this lease except those which the first party hereinafter specifically agrees to make; to keep the roof of the building on and the sidewalks surrounding said premises free of snow, ice, rubbish and debris during the term hereof; not to commit, permit or create any nuisance on said premises; promptly to replace all glass which may be broken or cracked in the windows and doors of said premises with glass of as good or better quality than that now in use; to permit the first party, his agents and representatives, at any time during business hours to enter said premises for the purpose of examining the condition thereof or other lawful purpose; to keep said premises free of all mechanic's liens and upon the expiration of said term, or any termination hereof, to quit and deliver up said premises and all future additions to the same, broom-clean; to the first party, peaceably, quietly and in as good order and condition, reasonable use and wear thereof, damage by fire and the elements alone excepted, as the same are now in. During the term of this lease the first party agrees to maintain the exterior walls, gutters, downspouts, unexposed plumbing and foundations of the building on said premises and the sidewalks thereabout in good order and repair; provided, however, that all sums expended by the first party for said purposes shall be reported to the second party in writing within thirty days after each expenditure is made.
- (b) In the event of the destruction of the building on said premises from any cause, the first party may terminate this lease after ten days written notice to the second party, effective as of the date of said destruction, and the second party may terminate this lease, effective as of said date; provided, however, that if the damage to said building is more than \_\_\_\_\_ per cent of its sound value, the first party may or may not elect to restore said building; written notice of first party's said election shall be given the second party within fifteen days after the occurrence of said damage; if such notice is not so given, the first party conclusively shall be deemed to have elected not to restore the building; if the first party so elects, the second party forthwith may terminate this lease as of the date of said damage. If the damage to said building does not amount to the extent last indicated, or if the first party elects to restore said building as aforesaid, then the first party shall repair said building with all convenient speed and during said repairs there shall be such an abatement of rent as the nature of the damage and its interference with the occupancy of said leased premises shall warrant.
- (c) Time is of the essence of this lease and if said rents shall be in arrears for ten days, or if the second party shall neglect or fail to do or perform any of the covenants herein contained, then the first party without notice may immediately or at any time while said default continues, enter upon said premises and repossess the same, expel the second party and remove his effects at second party's expense, forcibly if necessary, without being taken or deemed guilty in any manner of trespass and without prejudice to any other remedies which might otherwise be used for arrears of rent or breach of covenant. In the event of any such default all notices required by law hereby are expressly waived by the second party.
- (d) All repairs, additions, improvements and alterations in and to said premises made by the second party shall be and become the property of the first party as soon as made. Any holding over by the second party after the expiration of this lease shall be deemed a tenancy from month to month only, terminable at will by either party hereto. In the event of any suit or action on this lease, the second party agrees to pay such additional sum as the court may adjudge reasonable to be allowed plaintiff therein for attorney's fees, plus the statutory costs and disbursements and if an appeal is taken in any such suit or action, such further sum as the appellate court may deem reasonable as plaintiff's attorney's fees on such appeal.

The second party agrees to paint the exterior of both units and to make such repairs and improvements that his equity position will be sufficient to refinance and purchase the property prior to September 25, 1978.

(e) **OPTION TO SECOND PARTY**—At any time while this lease is in full force and effect, except as hereinafter provided, and second party is not in default in his performance hereof, the said first party, for value received, hereby gives and grants unto the second party the sole, exclusive and irrevocable right and option to purchase the above described premises subject to and upon the terms and conditions set forth in the form of purchase agreement hereto attached, at and for a price to be ascertained as follows: The basic price for said premises shall be the sum of \$ 17,500.00 and from which shall be made the following deductions and additions, to-wit: To said basic price shall be added (1) the aggregate of the sums expended by the first party and reported in writing by him to the second party, between the date of this lease and the exercise of this option, for the maintenance of the exterior walls, gutters, downspouts, unexposed plumbing and the foundations of the building on said premises and the sidewalks thereabout; (2) the aggregate of all fire insurance premiums, all taxes and city, county and district liens on said premises paid by the first party between the date hereof and the exercise of this option; (3) a sum equal to unearned insurance premiums, plus

(OVER)

a prorate as of the date hereof of taxes, paid by the first party during the fiscal tax year in which this option is given and covering a period extending to the date of the exercise of this option, together with the cost of repairs and maintenance of the premises, shall be deducted from the net sum so ascertained shall be the option price on said premises.

(f) Time is of the essence hereof and this option shall be null and void and of no force and effect unless exercised by the second party on or before the 25th day of September, 1978, at 5:00 P.M. by notifying the first party of his intent to exercise said option by a writing forwarded to the first party at first party's address stated below; immediately thereafter the parties hereto, following the formula stated above, shall determine the amount of said purchase price and shall execute and deliver an agreement of sale and purchase in the form attached hereto. Contemporaneously with the delivery of said agreement of sale and purchase, the second party shall make the first or down payment stated in said agreement.

(h) Within ten days from the date of said purchase agreement, the first party agrees to deliver to the second party a policy of title insurance insuring in the amount of said selling price marketable title to the above described premises in first party, subject to building restrictions, zoning ordinances, if any, and any liens or incumbrances against said premises to be assumed by second party in said sale; said first party may have a reasonable time to correct any defects of title which may appear.

(i) Should second party fail to exercise his said option, the foregoing lease shall continue until terminated pursuant to its terms.

(j) This lease and option shall bind and inure to the benefit of, as the circumstances may require, not only the immediate parties hereto but their respective heirs, executors and administrators, the successors and assigns of the first party, and, so far as the terms hereof permit, assignment, the successors and assigns of the second party as well.

(k) In construing this lease and option agreement it is understood that the first and second parties, one or both of them, may be more than one person or a corporation and that, therefore, if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to more than one individual.

(1) Option may be exercised anytime from December 25, 1977 until September 25, 1978

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands in duplicate on this, the day and year first hereinabove written.

Rt. 1, Box 134-A

First Party's Address

Klamath Falls, Oregon

Kraig B. Heider  
Linda L. Heider  
Olav R. Mortensen

First Party

Doris Elaine Mortensen

Second Party

N.B. ATTACH FORM OF CONTRACT (see paragraphs (c) and (d))

As a form of contract to be attached to the above lease and option, we recommend Stevens-Ness numbers 704, 705, 706, 840, 845 and 854, one of which will tend itself to almost any type of sale and purchase in Oregon.

Lease and Option Agreement (Form No. 409)	Between	and	of	the County of	State of
	Between	and	of	the County of	State of
Date	Expires	STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.			
Return to: K. B. Heider Rt. 1, Box 134-A City					

STATE OF OREGON, COUNTY OF KLAMATH; ss

Noted for record

this 29th day of March, A.D. 1977, at 4:34 P.M.

Noted for record in Vol. M 77, of DEEDS, on Page 5262

W. D. MILNE, County Clerk

FEE \$ 6.00

Hazel Magie

PLATE NO. AND PLATE NO. REQUIRED

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