

THIS CONTRACT, Made this 18th day of July, 1977, between Gertrude M. Schroeder

and Vernon T. DuBois and Alice J. DuBois, Husband and Wife, hereinafter called the seller,

WITNESSETH: That in consideration of the mutual covenants and agreements herein contained, the seller agrees to sell unto the buyer and the buyer agrees to purchase from the seller all of the following described lands and premises situated in Klamath County, State of Oregon, to-wit:

Beginning at the most Southerly corner of Lot 4 Block 57 of NICHOLS ADDITION to Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon; thence Northwesterly along the Northeasterly line of Tenth Street 80 feet; thence Northeasterly at right angles to Tenth Street 80 feet; thence Southeasterly at right angles to Jefferson Street 80 feet to the Northwesterly line of Jefferson Street; thence Southwesterly along the Northwesterly line of Jefferson Street 80 feet to the point of beginning, being a portion of Lots 3 and 4 of said Block 57 of NICHOLS ADDITION to the city of Klamath Falls, Oregon.

for the sum of Twelve thousand five hundred and No/100 Dollars (\$ 12,500.00 ) (hereinafter called the purchase price) on account of which One thousand and No/100 Dollars (\$ 1,000.00 ) is paid on the execution hereof (the receipt of which is

hereby acknowledged by the seller), and the remainder to be paid to the order of the seller at the times and in amounts as follows, to-wit: The balance of \$11,500.00 shall be paid in monthly installments of \$100.00, which payment shall include interest accrued to the date of payment, the first payment to be come due on August 15, 1977 and subsequent payments on the 15th day of each month thereafter until both principal and interest are paid in full. Delivery of possession shall be July 18, 1977. Contract shall be in escrow at First Federal Savings and Loan Association, 1st party pays initial escrow fees, 2nd party shall pay all subsequent fees.

It is stipulated and agreed that this contract will not be transferred without the written consent of the Seller. The cost of Foundation, Fence or other improvements not to exceed \$3,500.00 may be made by the Seller and added to this contract. Estimates of cost and paid bills to be placed with this escrow.

The buyer warrants to and covenants with the seller that the real property described in this contract is

(A) primarily for buyer's personal, family, household or agricultural purposes

(B) for an organization or (even if buyer is a natural person) for business or commercial purposes other than agricultural purposes.

All of said purchase price may be paid at any time; all deferred balances of said purchase price shall bear interest at the rate of Seven (7) per cent per annum from July 18, 1977 until paid, interest to be paid monthly and in addition to the minimum regular payments above required. Taxes on said premises for the current tax year shall be prorated between the parties hereto as of the date of this contract.

The buyer shall be entitled to possession of said lands on July 18, 1977, and may retain such possession so long as he is not in default under the terms of this contract. The buyer agrees that at all times he will keep the buildings on said premises, now or hereafter erected, in good condition and repair and will not suffer or permit any waste or strip thereof; that he will keep said premises free from mechanic's and all other liens and save the seller harmless therefrom and reimburse seller for all costs and attorney's fees incurred by him in defending against any such liens; that he will pay all taxes hereafter levied against said property, as well as all water rents, public charges and municipal liens which hereafter lawfully may be imposed upon said premises, all promptly before the same or any part thereof become past due; that at buyer'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 insurable value.

The seller agrees that at his expense and within 10 days from the date hereof, he will furnish unto buyer a title insurance policy insuring (in an amount equal to said purchase price) marketable title in and to said premises in the seller on or subsequent to the date of this agreement, save and except the usual printed exceptions and the building and other restrictions and covenants now of record, if any. Seller also agrees that when said purchase price is fully paid and upon request and upon surrender of this agreement, he will deliver a good and sufficient deed conveying said premises in fee simple unto the buyer, his heirs and assigns, free and clear of encumbrances as of the date hereof and free and clear of all encumbrances since said date placed, permitted or arising by, through or under seller, excepting, however, the said easements and restrictions and the taxes, municipal liens, water rents and public charges so assumed by the buyer and further excepting all liens and encumbrances created by the buyer or his assigns.

And it is understood and agreed between said parties that time is of the essence of this contract, and in case the buyer shall fail to make the payments above required, or any of them, punctually within ten days of the time limited therefor, or fail to keep any agreement herein contained, then the seller at his option shall have the following rights: (1) to declare this contract null and void, (2) to declare the whole unpaid principal balance of said purchase price with the interest thereon or once due and payable and/or (3) to foreclose this contract by suit in equity, and in any of such cases, possession of the premises above described and all other rights acquired by the buyer hereunder shall revert to and revert in said seller without any act on account of the purchase of said property as absolutely, fully and perfectly as if this contract and such payments had never been made; and in case of such default all payments theretofore made on this contract are to be retained by and belong to said seller as the agreed and reasonable rent of said premises up to the time of such default. And the said seller, in case of such default, shall have the right immediately, or at any time thereafter, to enter upon the land aforesaid, without any process of law, and take immediate possession thereof, together with all the improvements and appurtenances thereon or thereto belonging.

The buyer further agrees that failure by the seller at any time to require performance by the buyer of any provision hereof shall in no way affect his right hereunder to enforce the same, nor shall any waiver by said seller of any breach of any provision hereof be held to be a waiver of any succeeding breach of any such provision, or as a waiver of the provision itself.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$12,500.00. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which).

In case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, the buyer agrees to pay such sum as the court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit or action and if an appeal is taken from any judgment or decree of the trial court, the buyer further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal.

In construing this contract, it is understood that the seller or the buyer may be more than one person; that 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 individuals.

IN WITNESS WHEREOF, said parties have executed this instrument in duplicate; if either of the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal affixed hereto by its officers duly authorized thereunto by order of its board of directors.

Vernon T. DuBois Gertrude M. Schroeder  
Alice J. DuBois

\*IMPORTANT NOTICE: Delete, by lining out, whichever phrase and whichever warranty (A) or (B) is not applicable. If warranty (A) is applicable and if the seller is a creditor, as such word is defined in the Truth-in-Lending Act and Regulation Z, the seller MUST comply with the Act and Regulation by making required disclosures; for this purpose, use Stevens-Ness Form No. 1308 or similar unless the contract will become a first lien to finance the purchase of a dwelling in which event use Stevens-Ness Form No. 1307 or similar.

NOTE: The sentence between the symbols Ⓢ, if not applicable, should be deleted; see Oregon Revised Statutes, Section 93.030, (Notarial acknowledgment on reverse).

