

## CONTRACT OF SALE

THIS CONTRACT made and entered into this 20 day of July, 1977, by and between JOEL DeAVILLA, hereinafter referred to as "Seller," and LEROY MCGREW and SARAH J. MCGREW, husband and wife, WILLIAM F. STOTZ, JR. and DONNIE S. MCGREW, hereinafter referred to as "Purchasers";

## WITNESSETH:

The Seller agrees to sell to the Purchasers and the Purchasers agree to purchase from the Seller the following described real property situated in the county of Klamath, state of Oregon, to-wit:

The Southerly 70 feet of Lot 25, all of Lots 26 and 27 in Block 6, INDUSTRIAL ADDITION to the city of Klamath Falls, in the city of Klamath Falls, Klamath County, Oregon.

upon the following terms and conditions:

The Purchasers shall take title as tenants in common; that is, Leroy McGrew and Sarah J. McGrew, husband and wife, shall own an undivided one-third (1/3) and William F. Stotz, Jr. and Donnie S. McGrew shall each own an undivided one-third (1/3) of the above described property.

The purchase price is Thirty-Five Thousand Dollars (\$35,000), of which Five Thousand Dollars (\$5,000) has been paid as a downpayment on the execution hereof, the receipt of which is hereby acknowledged, and the Purchasers agree to pay the balance of said purchase price as follows: Thirty Thousand Dollars (\$30,000) to be paid to the order of Seller in monthly installments of not less than Three Hundred Ninety-six and 46/100 Dollars (\$396.46) each commencing on the 20 day of August, 1977, and a like payment being due on the 20 day of each month thereafter and continuing until said purchase price is fully paid. The entire balance of said purchase price to be paid not later than ten (10) years from the date of this contract. 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 ten percent (10%) 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 Purchasers shall be entitled to possession of the premises thirty (30) days after closing. The real property taxes assessed on said premises shall be prorated as of the date of closing and all future real property taxes shall be paid by the Purchasers.

Seller upon the execution of this document shall secure a title insurance policy insuring marketable title in and to said premises in himself with Purchasers' interests appearing thereon.

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

The Purchasers agree to pay before delinquent all assessments which shall hereafter be assessed against the property and any which, as between Seller and Purchasers hereafter become a lien upon the premises; not to permit waste; and not to use the premises for any illegal purpose. If the Purchasers shall fail to pay before



12381

delinquent any such assessments, the Seller 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 Seller by reason of such failure.

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

The Seller agrees, upon execution of this contract, to place in escrow at Western Bank, Shasta Plaza Branch, 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 Seller.

Time is of the essence hereof, and in the event Purchasers 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 Seller may elect to declare all of the Purchasers' rights hereunder terminated. Upon termination of the Purchasers' rights, all payments made hereunder and all improvements placed upon the premises shall be forfeited to the Seller as liquidated damages, and the Seller shall have the right to re-enter and take possession of the property; and if the Seller after such forfeiture shall commence an action to procure an adjudication of the termination of the Purchasers' rights hereunder, the Purchasers agree to pay the expense of searching the title for the purpose of such action, together with all costs and a reasonable attorney's fee.

At Purchasers' expense they 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 the contract balance owing to Seller at any given time, with loss payable first to the Seller and then to the Purchasers as their respective interests may appear, and a copy of said policy of insurance shall be delivered as soon as issued to the Seller.

*Subscribed*  
*WPS*  
The parties agree that a block building presently exists on the premises being sold. Seller agrees to lease from Purchasers and Purchasers agree to lease to Seller said block building for a period of twelve (12) months from the date of closing of this agreement. The rent for said building shall be Two Thousand Four Hundred Dollars (\$2,400) payable in equal monthly installments of Two Hundred Dollars (\$200) each, payments to be due on the date specified for payment of the contract balance hereinabove set forth. During the period of said lease, lessee shall have exclusive use of the block building. Lessors shall maintain the fire and extended coverage policies hereinabove set forth and shall further be responsible for all taxes, liens and assessments hereinafter levied against said building.

A gas tank is included in the sale of the above described premises and Purchasers shall have possession of said gas tank when the gas presently existing in the tank is used by Seller.



12882

Until a change is requested, all tax statements shall be  
sent to: Quality Insulation Co.

P. O. Box 3575

Central Point, OR 97502

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

IN WITNESS WHEREOF, the parties have executed this contract  
on the date first above written:

Joel DeAvilla  
Joel DeAvilla

SELLER

Leroy McGrew  
Leroy McGrew

Sarah J. McGrew  
Sarah J. McGrew

William F. Stotz, Jr.  
William F. Stotz, Jr.

Donnie S. McGrew  
Donnie S. McGrew

PURCHASERS

STATE OF OREGON )  
County of Klamath ) ss.

Personally appeared the above named Joel DeAvilla and  
acknowledged the foregoing contract his voluntary act and deed  
this 20th day of July, 1977.

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

STATE OF OREGON )  
County of John ) ss.

Personally appeared the above named Leroy McGrew and Sarah J.  
McGrew, husband and wife, William F. Stotz, Jr. and Donnie S. McGrew  
and acknowledged the foregoing contract their voluntary act and deed  
this 18th day of July, 1977.

James E. Milne  
Notary Public for Oregon  
My Commission expires: 3-30-78

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record of DEEDS  
this 20 day of July A. D. 19 77 at 8:50 o'clock P. M., on  
Deeds on Page 12880  
July recorded in Vol. M 77, at

Fee \$9.00

Wm D. Milne, County Clerk  
Wm D. Milne