

MC 1602-3828

33475

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CONTRACT OF SALE

THIS CONTRACT OF SALE, made and entered into this 1st  
day of August, 1977, by and between DURWOOD FOSTER and  
LOIS M. FOSTER, husband and wife, hereinafter called Sellers, and  
MARGARET A. RAMSAY, hereinafter called Buyer,

W I T N E S S E T H :

That the Sellers agree to sell to Buyer, and Buyer agrees  
to buy from Sellers all of the following described real and personal  
property, to-wit:

PARCEL 1

All of Block 6, FAIRFIELD ADDITION, according to the official plat  
thereof on file in the office of the County Clerk of Klamath County,  
Oregon.

ALSO that portion of vacated alley which inured thereto.

PARCEL 2

Lot 1, Block 7, FAIRFIELD ADDITION, according to the official plat  
thereof on file in the office of the County Clerk of Klamath County,  
Oregon.

PARCEL 3

Lot 2, Block 7, FAIRFIELD ADDITION, according to the official plat  
thereof on file in the office of the County Clerk of Klamath County,  
Oregon.

PARCEL 4

Lot 3, Block 7, FAIRFIELD ADDITION, according to the official plat  
thereof on file in the office of the County Clerk of Klamath County,  
Oregon.

PARCEL 5

Lots 4 and 5, Block 7, FAIRFIELD ADDITION, according to the official  
plat thereof on file in the office of the County Clerk of Klamath  
County, Oregon.

PARCEL 6

Lots 6 thru 9, inclusive, Block 7, FAIRFIELD ADDITION, according to the  
official plat thereof on file in the office of the County Clerk of  
Klamath County, Oregon.

PARCEL 7

A tract of land situated in the SE $\frac{1}{4}$  of Section 5, Township 39 South,  
Range 9 East of the Willamette Meridian, Klamath County, Oregon.

Beginning at the South quarter corner of Section 5; thence North  
10° 29' 10" East 550 feet to the true point of beginning; thence

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South 88° 46' 10" East 550 feet; thence North 1° 29' 10" East to the Southerly line of Greensprings Drive; thence South 64° 40' West to the North South center line of said Section; thence South 1° 29' 10" West to the point of beginning.

SUBJECT, HOWEVER, TO THE FOLLOWING:

- (1) Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways. (Affects Parcels 1 and 7)
- (2) Reservation of public utility easements existing as of date of Vacation recorded March 21, 1952 in Commissioners Journal Volume 21 at page 306. (Affects Parcel 1)
- (3) Reservations as contained in deed recorded in Volume 90, page 578, Deed Records of Klamath County, Oregon, Geo. A. Massey et ux to Frank Blackman, to wit:  
"No outside toilets shall be constructed on said premises and only sanitary plumbing shall be used in any building. All dwellings shall be set back 20 feet from front of lot and no building costing less than \$1500.00 shall be erected on the front 60 feet of said lot." (Affects Parcel 2)
- (4) Right of Way, including the terms and provisions thereof, dated August 8, 1974, recorded August 9, 1974 in Volume M74, page 9696, Microfilm Records of Klamath County, Oregon, granted to California-Pacific Utilities Company.

TOGETHER WITH all equipment, furnishings, fixtures and inventory of said business, a more particular description of which is set forth in Exhibit "A" attached hereto and by this reference incorporated herein, together with the attached Exhibit "B" listing the thirteen (13) mobile homes described in Exhibit "B" attached hereto and by this reference made a part hereof.

ENCUMBRANCES: It is understood and agreed that the subject real property is to be conveyed free and clear of any and all encumbrances, liens, clouds on title or other impediments to marketability of title, except as follows:

- (1) Trust Deed, including the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advances as may be provided therein. (Affects Parcels 2 and 3)  
Dated: May 13, 1974  
Recorded: May 14, 1974 in Volume M74, page 6006, Microfilm Records of Klamath County, Oregon  
Amount: \$8,800.00  
Grantor: Durwood Foster and Lois Foster, husband and wife.  
Trustee: William Ganong, Jr.  
Beneficiary: First Federal Savings and Loan Association of Klamath Falls, Oregon, which Buyer does not assume and agree to pay, and Sellers further covenant to and with Buyer that the said prior Trust Deed shall be paid in full prior to, or at the time this contract is fully paid and that said above described real property will be released from the lien of said mortgage upon payment of this contract.

- (2) Mortgage, including the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advances as may be provided therein.  
Dated: January 2, 1960  
Recorded: February 3, 1960 in Volume 194, page 397, Deed Records of Klamath County, Oregon  
Amount: \$46,378.63  
Mortgagor: David C. Pitts and Bessie Pitts, husband and wife

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~~Mortgagee: 97 Trailer Park, a Co-Partnership, consisting of Clifton Richmond, J. V. Kindig and Nitro H. Kindig~~

~~Said Mortgage was assigned by instrument.  
Recorded: February 26, 1980 in Volume 174 page 643, Deed  
Records of Klamath County, Oregon  
To: Clifton Richmond and Maria Richmond husband and wife, or  
the survivor of them, and J. V. Kindig and Nitro H. Kindig,  
husband and wife, or the survivor of them  
(Affects Parcels 1, 4, 5 and 6)~~

(3) Assignment, including the terms and provisions thereof, dated July 15, 1970, recorded July 7, 1976 in Volume M76, page 10227, Microfilm Records of Klamath County, Oregon, Eva N. Baker, formerly Eva N. Lewis, and her husband, Harold E. Baker, Assignors, sell, transfer, assign and set over unto Durwood Foster, Assignee, (affects Parcel 1, 4, 5 & 6), which Buyer does not assume and agree to pay, and Sellers further covenant to and with Buyer that the said prior mortgage shall be paid in full prior to, or at the time this contract is fully paid and that said above described real property will be released from the lien of said mortgage upon payment of this contract.

ALSO TOGETHER WITH the assumed business name of "Ninety-Seven Mobile Home Park";

ALL at and for a total purchase price of ONE HUNDRED NINETY THOUSAND AND NO/100 DOLLARS (\$190,000.00) payable as follows:

(1) TWENTY-NINE THOUSAND ONE HUNDRED THIRTY-ONE AND 68/100 DOLLARS (\$29,131.68) cash on exercise hereof, receipt of which is hereby acknowledged.

(2) Assignment of Vendors interest in that certain contract of sale dated May 2, 1977, between Margaret A. Ramsay, Seller, and Antonio Beebe and Verne E. Beebe, husband and wife, Buyers, collection escrow number 8109, escrowed at Crater Title Insurance Co., 604 W. Main Street, Medford, Oregon 97501, the balance of which is \$25,968.32 with interest at the rate of 8 3/4% with monthly payments of \$300.00 per month.

(3) The balance of ONE HUNDRED THIRTY-FOUR THOUSAND NINE HUNDRED AND NO/100 DOLLARS (\$134,900.00) with interest at the rate of 8 1/2% per annum from August 1, 1977, payable in monthly installments of not less than \$800.00 per month inclusive of interest with the first payment due on the 1st day of September, 1977, for one year from the date of this contract, at which time the monthly installments shall increase to not less than \$900.00 per month, inclusive of interest, for one year, at which time the monthly installments shall increase to not less than \$1,000.00 per month inclusive of interest, and a like installment on the 1st day of every month thereafter for a period of twelve (12) years at which time Buyer agrees to refinance the balance of this contract and to pay Sellers their remaining balance. It is further agreed by and between the parties hereto that in the event Buyer cannot obtain said financing that the monthly payments shall increase to \$1,150.00 per month with interest to change to 9 3/4%, until the balance due and owing and interest are fully paid.

It is further agreed by and between the parties hereto that Buyer agrees to pay an additional sum of \$10,900.00 on or before 8/1/77 10/1/77

(4) Of the \$190,000.00 purchase price 42,400.00 is allocable to personal property and 147,600 is allocable to real property.



All payments due hereunder shall be made to Sellers at Mountain Title Company, 4535 South Sixth Street, Klamath Falls, Oregon, herein designated as escrow agent.

INTEREST: Buyer shall pay interest on all deferred balances at the rate of 8½% per annum until paid, interest to commence August 1, 1977.

PRE-PAYMENT: The Buyer shall have the right after January 2, 1978, to prepay the balance of this contract without penalty, with payments being applied first to accrued interest and the balance to principal.

However, no prepayment shall be credited in lieu of any regular future installment nor excuse Buyer from making the regular installment payments specified in this contract until the full sum of both principal and interest is paid.

TAXES AND LIENS: Except as herein expressly provided to the contrary, all current taxes and other assessments on the properties shall be prorated between the parties as of the date of August 1, 1977. Buyer agrees to pay all such taxes and assessments thereafter levied before they become delinquent.

Buyer further agrees to pay and discharge of record all other liens which may thereafter be claimed or imposed against said property, or any part thereof, within thirty (30) days after the filing thereof or shall supply assurances satisfactory to Sellers that said liens, or any judgments entered thereon, will be paid and discharged of record.

POSSESSION: Buyer shall be entitled to possession of the above-described real and personal property as of August 1, 1977, and may retain such possession only so long as Buyer is not in default herein.

PERSONAL PROPERTY: The personal property described herein is hereby transferred by Bill of Sale. Buyer agrees that she will keep said personal property in good condition and repair and will replace any property which shall become broken or worn out with articles of like kind and value. All such replacements and property acquired by exchange and all other personal property hereafter acquired shall be subject to and collateral for the security interest of Sellers in this personal property.

REPRESENTATION: Buyer certifies that this Contract is accepted on the basis of Buyer's own examination and personal knowledge of the properties and opinion as to the value thereof; that the only material representations and warranties inducing this transaction are those expressly set forth herein; that no agreement or promise to alter, repair or improve said properties has been made by Sellers or any agent of Sellers; and Buyer hereby agrees to take said properties and the improvements thereon in the condition they are in at the time of execution of this Contract of Sale. Buyer agrees to keep said properties and the improvements in a good condition of repair and maintenance, and Buyer will commit no waste thereof.

SELLERS' WARRANTIES: Sellers covenant with Buyer as follows: Except as expressly provided herein to the contrary, Sellers are the sole owner of said properties and seized in fee simple of the above-described real and personal property; that Sellers' title to the same is marketable; that Sellers have a right to transfer title to the same and possession thereof; that the properties are presently



free from all matured and inchoate liens, charges and encumbrances whatsoever, except as the same may be noted in this contract; that Buyer shall have quiet enjoyment of the properties and that Sellers will warrant and defend the same against all lawful claims and demands whatsoever, except as stated herein.

**TITLE INSURANCE:** The Sellers agree that at their expense they will furnish unto Buyer a title insurance policy insuring in an amount equal to said purchase price marketable title in and to said premises as of the date of this Contract of Sale.

**INSURANCE:** At Buyer's expense, she 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 \$ 48,500, in a company or companies satisfactory to the Sellers, with loss payable first to the Sellers then to the Buyer as their respective interest may appear and all policies of insurance to be delivered to the Sellers as soon as insured.

**ASSIGNMENT:** Buyer shall not sell, transfer or assign this contract or any right or interest therein without first obtaining the written consent of the Sellers, and no sale, transfer or assignment of this contract shall be valid or recognized by any person for any purpose unless Sellers' consent be obtained in writing; any such consent given pursuant hereto shall not be construed as any representation or agreement by Sellers concerning the condition or degree of the right or interest reported to be sold, transferred or assigned by any such sale, transfer or assignment, consented to by Sellers, and any breach of the terms or provisions of this paragraph by Buyer may be deemed by Sellers to be a default in the terms thereof, and Sellers shall have the right to declare all sums then remaining unpaid on this contract immediately due and payable, and if not so paid, shall have the right to foreclose this Contract of Sale. Consent of Sellers to transfer shall not be unreasonably withheld.

**DEFAULT:** If Buyer fails to make any of the payments herein stated within thirty (30) days of the specified payment date, or if the Buyer fails to perform any of the other terms, covenants or conditions of this Contract of Sale, and if any such default in payment or performance shall remain uncorrected by Buyer for thirty (30) days after written notice of such default has been given by certified mail by Sellers to Buyer at the Buyer's last known post office address, (provided always, that NO NOTICE WHATSOEVER SHALL BE REQUIRED OF SELLERS FOR ANY DEFAULT IN PAYMENT OF ANY DEFERRED INSTALLMENTS OF PURCHASE PRICE), time of payment and strict performance in all things being of the essence of this contract, Sellers shall have the following rights:

(1) To declare the entire unpaid balance of the purchase price, both principal and interest, immediately due and payable and to exercise any of the following options:

- (a) To sue for the unpaid balance then due on this contract;
- (b) To foreclose this contract by strict foreclosure in equity; and to the appointment of a receiver during the pendency of the suit;
- (c) To sue for specific enforcement of this contract;

(2) or, to declare this contract null and void and to retain as liquidated damages the payments theretofore made under



this contract by Buyer, and any repair and improvements made upon said properties. If Sellers shall so elect to declare this contract null and void as hereinabove provided, all of the right, title and interest of Buyer shall immediately revert to and revest in Sellers without any other act by Sellers to be performed and without any right of Buyer of reclamation or compensation for money paid or repairs or improvements added, as absolutely, fully and perfectly as if no contract had ever been made, and Buyer agrees to surrender peaceably said properties and the possession thereof to Sellers, or in default thereof Buyer may, at the option of the Sellers, be treated as a tenant holding over unlawfully after expiration of a lease and may be ousted and removed as such. Provided always that the recitation of remedies herein shall not be deemed exclusive and shall not bar the parties from any other or additional or supplemental remedy or remedies afforded at law, in equity, or otherwise.

**DELINQUENT CHARGES:** If Buyer shall fail to pay any assessments, liens, insurance premiums, or any other expense necessary to preserve Sellers' lien hereby retained, and the value and priority thereof, Sellers, without obligation to do so, and without waiver of Buyer's default, has the right to pay the same, and treat the amount so paid as a debt due and owing from Buyer to Sellers, secured by the lien of this contract, and to bear interest at contract rate per annum until paid.

**WAIVER:** No waiver of a breach of any covenant, term or condition of this contract shall be a waiver of any other or subsequent breach of the same, or any other term, covenant or condition, or as a waiver of the term, covenant or condition itself; nor shall such waiver require any notice of any kind to be given to reinstate the defaulted term, covenant or condition, or to make time and strict performance again of the essence.

**PARTIES:** The obligations of the undersigned are joint and several, and wherever the context hereof so admits or requires, the singular shall include the plural. This Contract of Sale contains the entire agreement of the parties and cannot be modified except upon written agreement. This contract shall benefit and bind the heirs, executors, administrators, successors and assigns of the parties.

**ATTORNEY'S FEES:** Should suit, action or other legal proceeding be instituted to declare or enforce any right created by this instrument, the prevailing party therein shall be entitled to the costs and disbursements provided by statute, and such other sum as the Court may adjudge reasonable for attorney's fees.

**PRIOR AGREEMENTS:** This document is the entire, final and complete contract of the parties pertaining to the sale and purchase of the real and personal property, and supersedes and replaces all written and oral contracts heretofore made or existing by and between the parties or their representatives insofar as the property is concerned.

#### GENERAL PROVISIONS:

(1) All of the terms herein, the rights, duties and remedies of the parties shall be governed by the laws of Oregon.

(2) Each demand, notice or other communication shall be served or given by mail or telegraph addressed to the party at their mailing address set forth herein. For purposes of Notice, Sellers' address shall be 2055 Greenwood Dr. Klamath Falls, Ore. 97601 Klamath Falls, Oregon 97601. Buyer's address shall be P.O. Box 396, Jacksonville, R.R. 97530. Reasonable notice, when notice is required shall be ten (10) days, from mailing date.

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**TRUTH IN LENDING:** The parties agree that this transaction is a sale and purchase for business use and no disclosure statement is necessary under any federal or state trust in lending statute.

**SPECIAL PROVISIONS:** The property is presently subject to Trust Deed and Mortgage which are set forth in this Contract of Sale, pages 2 and 3, Trust Deed in favor of Klamath First Federal Savings and Loan Association of Klamath Falls, Oregon, and Mortgage in favor of Eva N. Baker, formerly Eva N. Lewis, and her husband, Harold E. Baker. Sellers covenant that the said prior mortgages shall be paid in full prior to, or at the time this contract is fully paid, and they further covenant that they will hold Buyer harmless therefrom. If Sellers should receive notice of breach of any of the terms of such instruments, Sellers shall immediately forward a copy of such notice to Buyer.

In the event Sellers fail to make any payments required by such instruments, Buyer, at Buyer's option, may make any or all of the payments payable by Sellers hereunder, directly to the contracts until such obligation is satisfied. Such payments shall be credited on the balance of the purchase price hereunder as though paid directly to Sellers.

**RELEASES:** It is further agreed by and between the parties hereto that Sellers agree to give deeds for portions of the vacant properties at any time upon an additional principal payment on the contract equal to the county appraised value of the portion to be released to Buyer. Any expenses of said releases shall be borne by Buyer.

**ESCROW ARRANGEMENTS:** As soon as practicable following the execution of this Contract of Sale, Sellers shall deliver in escrow to Mountain Title Company, 4535 South Sixth Street, Klamath Falls, Oregon 97601 the following:

- (1) Recorded Contract of Sale.
- (2) Unrecorded Warranty Deed.

The parties hereby instruct said Escrow Agent to receive for Sellers' account the balance of the installment payments provided herein. Said Escrow Agent is further authorized and instructed that it is to close the escrow and deliver the documents to the parties entitled thereto at such time as all sums called for hereunder, including interest, have been fully and completely paid by Buyer.

Said Escrow Agent is further directed and instructed to deduct from the payments made by Buyer the sum of \$150.00 to apply to Escrow Number 2237 (Eva N. Baker et ux--Durwood Foster et ux) to Klamath First Federal Savings and Loan Association, 540 Main Street, Klamath Falls, Oregon; and the sum of \$100.00 to be sent to Klamath First Federal Savings and Loan Association, 540 Main Street, Klamath Falls, Oregon, to apply to Klamath First Federal's Mortgage Number 01-9600; and the balance to be deposited to the Account Number \_\_\_\_\_ of Durwood Foster and Lois M. Foster, husband and wife, Klamath First Federal Savings and Loan Association.

If Buyer fails to pay any installment before the expiration of thirty (30) days after the due date thereof, the Escrow Agent is authorized to surrender to Sellers, upon demand, after proof of written notice to Buyer, all of the documents specified in the preceding paragraphs, thereby terminating the escrow.

EXECUTED IN QUADRUPLICATE, ONE COPY OF WHICH WAS DELIVERED



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authorized to surrender to Sellers, upon demand, after proof of written notice to Buyer, all of the documents specified in the preceding paragraphs, thereby terminating the escrow.

EXECUTED IN QUADRUPLICATE, ONE COPY OF WHICH WAS DELIVERED TO AND RETAINED BY THE BUYER, this 1st day of August, 1977.

Durwood Foster  
Durwood Foster

Margaret A. Ramsay  
Margaret A. Ramsay

Lois M. Foster  
Lois M. Foster

BUYER

SELLERS

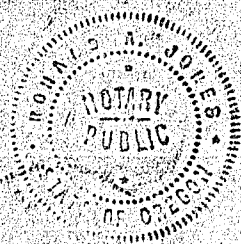
STATE OF OREGON )  
County of Klamath ) ss.

Personally appeared the above-named DURWOOD FOSTER and LOIS M. FOSTER, husband and wife, and MARGARET A. RAMSAY and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

[Signature]  
Notary Public for Oregon  
My Commission Expires:

5/26/78



STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of MOUNTAIN TITLE CO.this 3rd day of AUGUST A. D. 19 77 at 2:38 o'clock PM andduly recorded in Vol. M77 of DEEDS on Page 13936

FEE \$ 24.00

Wm D. MILNE, County Clerk

By [Signature]

After Recording: MTC

TAY Statements

Ramsay

P.O. Box 396

Jacksonville, OR 97530

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