

CONTRACT OF SALE

THIS AGREEMENT made and entered into this 19th day of August, 1977, by and between DALE M. MEINTS AND MILDRED M. MEINTS, as to an undivided $\frac{1}{2}$ interest as tenants by the entirety and EDWARD J. LUKES, as to an undivided $\frac{1}{2}$ interest, hereinafter called the GRANTORS, and BERT STANLEY DENHAM, hereinafter called the GRANTEE:

WITNESSETH:

GRANTORS AGREE to sell to GRANTEE and GRANTEE agrees to purchase the certain land, and all improvements thereon, situated in Klamath County, State of Oregon, described as follows:

TRACT 11, excepting the Southerly 10 feet thereof, and all of TRACTS 12 and 13, Block 8 of ALTAMONT ACRES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

The Grantee to pay a purchase price of the property, which shall be the sum of FORTY Thousand and no/100 (\$40,000.00) Dollars as follows;

(a) The sum of Ten Thousand and no/100 dollars (\$10,000.00) is paid upon execution hereof;

(b) The remaining balance of THIRTY THOUSAND and no/100 dollars (\$30,000.00) shall be paid in monthly payments of not less than TWO HUNDRED EIGHTY-Five and 40/100 dollars (\$285.40) each, which payments include interest at a rate of 9% per cent per annum on the unpaid balance, and a KID RESERVE, Real Estate Taxes and South Suburban Sanitary Sewer Assessment. (The monthly payment including principal and interest will be \$241.40 per month. The KID Reserve and Real Estate Tax and So. Suburban Sanitary Sewer Assessment will be \$44.00 per month. If the Tax Reserve and Assessment fund is insufficient to cover the taxes and assessments, the GRANTEE agrees to increase his monthly payment by 1/12 the increase in said taxes and assessments. In the event the assessment and tax reserve

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shows a surplus such surplus will be credited to the GRANTEE'S PRINCIPAL account. GRANTEE will be notified by mail of the amount of taxes and assessments paid each year.

THE first installment is to be paid on the 20th day of September, 1977, and subsequent installments to be paid on or before the 20th day of each and every month thereafter until the entire purchase price, including both principal and interest is paid in full, with final payment due not later than thirty years from the date of this Agreement.

1. GRANTEE shall have the privilege of increasing any payment or prepaying the whole consideration at any time, provided that no additional payments shall be credited as regular future payments nor excuse GRANTEE from making the regular payments provided for in this Agreement.

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3. GRANTEE agrees to keep all present buildings and all buildings that may be erected thereon, insured against loss by fire or other casualties in amounts not less than their full insurable values, with loss payable to the parties hereto as their interests appear at the time of the loss. All uninsured losses shall be borne by GRANTEE on or after the date of GRANTEE becomes entitled to possession.

4. GRANTEE shall be entitled to possession of the premises immediately upon signing of this Agreement.

5. GRANTEE agrees that all improvements now located or which shall hereafter be placed on the premises, shall remain a part of the real property and shall not be removed at any time prior to the expiration of this Agreement without the written consent of the GRANTORS. GRANTEE shall not demolish, alter, move or construct any new building or old

old buildings unless first obtaining written consent of the GRANTORS.

6. GRANTEE certifies that this Agreement of purchase is accepted and executed on the basis of their own examination and personal knowledge of the premises and opinion of the value thereof, that no attempt has been made to influence their judgement; that no representations as to the conditions or repair of said premises have been made by GRANTORS or by any agent of GRANTORS; and that GRANTEE takes said property and the improvements thereon in the condition existing at the time of this AGREEMENT.

7. FAILURE by GRANTORS at any time to require performance by GRANTEE of any of the provisions hereof shall in no way affect GRANTOR'S rights hereunder to enforce the same, nor shall any waiver of GRANTORS of any breach hereof be held to be a waiver of any succeeding breach, or a waiver of this non-waiver.

8. In case litigation is instituted arising directly or indirectly out of this Agreement, the losing party shall pay to the prevailing party his or her reasonable attorney fees and court costs together with any attorney fees incurred by the prevailing party on the appeal of any judgement or order of any trial court together with the prevailing party's costs of said appeal.

9. As soon as practicable following the execution of this Agreement GRANTORS shall deliver in escrow at MOUNTAIN TITLE COMPANY, South Sixth Branch, Klamath Falls, Oregon, Oregon;

1. A warranty Deed to the property, free and clear of all encumbrances, except as expressly specified herein, said deed to be executed by GRANTORS with BERT S. DENHAM as GRANTEE.
2. An executed copy of this Agreement.

10. The parties hereto hereby instruct said escrow agent to receive for GRANTORS account the balance of the installment payments provided for herein, the escrow agent shall deliver to GRANTEE the instrument specified above. If GRANTEE fails to pay any installments

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before the expiration of THIRTY (30) days after the due date thereof, the escrow agent is authorized to surrender to GRANTOR, upon demand and without notice to GRANTEE, all of documents specified in the preceding paragraphs, thereby terminating the escrow.

11. In the event the GRANTEE shall fail to perform any of the terms of this Agreement, time of payment and performance being of the essence, GRANTORS shall, at their option, subject to the requirements of notice as herein provided, having the following rights:

- (a) To foreclose this Agreement by strict foreclosure in equity.
- (b) To declare the full unpaid balance of the purchase price immediately due and payable.
- (c) To specifically enforce the terms of this Agreement by suit in equity.
- (d) To declare this Agreement null and void as of the date of breach and to retain as liquidated damages the amount of the payment theretofore made upon said premises. Under this option all of the right, title and interest of GRANTEE shall revert and revest in GRANTORS without any act of re-entry or without any other act by GRANTORS to be performed, and GRANTEE agrees to peaceably surrender the premises to GRANTORS, or in default thereof GRANTEE may, at the option of GRANTORS, be treated as a tenant holding over unlawfully after the expiration of a lease and may be ousted and removed as such.

12. GRANTEE shall not be deemed in default for failure to perform any covenant of the agreement, other than the failure to make payments as provided for therein, and the failure to obtain the written

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consent of the GRANTORS as required in paragraph five (5) of this agreement, until notice of said default has been give by GRANTORS to GRANTEE and GRANTEE shall have failed to remedy said default within fifteen (15) days after the mailing of the notice. Notice for this purposes shall be deemed to have been given by the deposit in the mail of a certified letter containing said notice and addressed to GRANTEE at 3738 Crest St., Klamath Falls, Ore. If GRANTEE shall fail to make payment as herein provided and such failure cotinues for more than 15 days after the payment becomes due; GRANTEE shall be deemed in default and GRANTOR shall not be obligated to give notice to GRANTEE of a declaration of said default.

The Covenants, conditions and terms of this Agreement shall extend to and be binding upon and insure to the benefit of the heirs, administrators, executors and assigns of the parties a hereto, provided, however, that nothing contained in this paragraph shall alter the restrictions hereinabove contained relating to assignment.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed this 19 day of August, 1977.

GRANTORS

Edward J. Luker

Method M. Monte

Val E. Monte

Pat. Mountain Tell Co

GRANTEE

But Stanley Gordon

STATE OF OREGON)
County of Klamath) ss.

Subscribed and sworn to before me this 19th day of August, 1977, the above Grantors and Grantee.

WM. D. Milne
Notary Public for Oregon
My Commission Expires: 26 July 1981

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 22 day of Aug A.D., 19 87 at 1:40 o'clock P M., and duly recorded in Vol 77 of deeds on Page 15 409

FEE 15.00

WM. D. MILNE, County Clerk

By Paul Luker Deputy