

35058

Vol. 2177 Page 16214

THIS CONTRACT, Made this 12th day of August, 1977, between Michael B. Jager and Margaret H. Jager, husband and wife, and Clark T. Kenyon, a single man, hereinafter called the seller, and Jill A. O'Grady, a single woman, hereinafter called the buyer,

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: "You have the option to void your contract or agreement by notice to the seller if you did not receive a Property Report prepared pursuant to the Rules and Regulations of the Office of Interstate Land Sales Registration, U.S. Department of Housing and Urban Development, in advance of, or at the time of your signing the contract or agreement. If you received the Property Report less than 48 hours prior to signing the contract or agreement you have the right to revoke the contract or agreement by notice to the seller until midnight of the third business day following the consummation of the transaction. A business day is any calendar day except Sunday, or the following business holidays: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Columbus Day, Thanksgiving, and Christmas." It is mandatory that the purchaser be a member of the Little Deschutes River Woods Owners Association and is subject to maintenance of both the access road and those roads within subdivision Tract 1069 as spelled out in the Articles of Association recorded in Klamath County on March 12, 1973 instrument No. 74116, volume M73, page No. 2591. The sellers are able to deliver deeds free of the lien of the blanket encumbrance in all cases because the 40 acre minimum release provision is well within their financial capability to perform.

Lot 9, Block 3, Tract No. 1069.

for the sum of Two Thousand Two Hundred Five and no/100 Dollars (\$2,205.00) (hereinafter called the purchase price), on account of which Two Hundred Twenty and no/100 Dollars (\$220.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller); the buyer agrees to pay the remainder of said purchase price (to-wit: \$1,985.00) to the order of the seller in monthly payments of not less than Twenty-eight and no/100 Dollars (\$28.00) each,

payable on the 20th day of each month hereafter beginning with the month of September, 1977, and continuing until said purchase price is fully paid. 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 7.5 per cent per annum from August 20, 1977, until paid, interest to be paid monthly and * (in addition to being included in the minimum monthly payments above required, Taxes on said premises for the current tax year shall be pro-rated between the parties hereto as of the date of this contract--paid by sellers; thereafter by buyer

The buyer warrants to and covenants with the seller that the real property described in this contract is (A) primarily for business or commercial purposes, and (B) for an organization or (even if buyer is a natural person) is for business or commercial purposes other than agricultural purposes.

The buyer shall be entitled to possession of said lands on August 20, 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 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 liens, all other liens and taxes, and will pay all taxes hereafter levied against said property, as well as all water, rent, public charges and municipal liens which hereafter 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 \$100,000 in a company or companies satisfactory to the seller, with loss payable first to the seller and then to the buyer as their respective interests may appear and all policies of insurance to be delivered to the seller as soon as insured; that when such loss, costs, water rents, taxes, or charges are incurred by or for such insurance, the seller may do so and payment to be added to and become a part of the debt secured by this contract and shall bear interest at the rate aforesaid, without waiver, however, of any right arising to the seller for buyer's breach of contract.

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, 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 all 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 encumbrances 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 the purchase price and interest created or then existing in favor of the seller hereunder shall utterly cease and determine 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 to said seller without any act of re-entry, or any other act of said seller to be performed and without any right of the buyer of return, redemption or compensation for moneys paid 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 such 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 \$2,205.00. However, the actual consideration consists of no money, either property or value, given or assumed, which is the note.

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 contract 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.

BUYER:

SELLERS:

STATE OF OREGON, COUNTY OF KLAMATH, ss.

I hereby certify that the within instrument was received and filed for record on the 1st day of SEPTEMBER A.D., 1977 at 10:23 o'clock A.M., and duly recorded in Vol. 2177 of DEEDS on Page 16214.

WM. D. MILNE, County Clerk

By Hazel Drazic Deputy

FEE \$3.00

Send tax statement to: Jill A. O'Grady, 4565 Kazar, Irvine, Calif. 92714

SEP 1 1977

SEP 1 1977

FIRST NATIONAL BANK OF OREGON

601 Main Street, Klamath Falls, Oregon 97601

ATTENTION: CLERK