

35268

LEASE-OPTION CONTRACT

THIS AGREEMENT, made and entered into this 6 day of Sept, 1977, by and between MICHAEL R. and LUCILLE C. DAVIS, husband and wife, hereinafter called the "First Party" (whether singular or plural) and JOHN E. and JEBECCA M. MEISTER, JR., hereinafter called the "Second Party," (whether singular or plural).

WITNESSETH:

In consideration of the covenants herein contained to be kept and performed by Second Party, First Party does hereby lease and let with an option to buy, unto the Second Party the following described property: a Concord, Conestoga, 3 Room Mobile Home, Serial No. 18A004433, located at 1505 Madson Space # 76 Klamath Falls, OR., at and for a payment of TWO HUNDRED FIFTY THREE and 97/100 (\$253.97) DOLLARS per month, during said term, payable in advance in lawful money of the United States to the order of the First Party as follows: Said payment shall be payable in 12 monthly installments of TWO HUNDRED FIFTY THREE and 97/100 (\$253.97) DOLLARS each, the first and last of such payments to be paid on or before the 15th day of September, 1977, and subsequent installments to be paid on the 15th day of each month thereafter. The option to buy shall be exercised, if at all, no later than September 30, 1978, as more fully set out herein.

The respective parties hereto agree to the following terms and conditions:

(a) The Second Party expressly agrees to pay said amounts at the times aforesaid; to use said premises for residential purposes and no other purpose without First Party's consent; to make no unlawful or offensive use of said premises; not to suffer or permit any waste or strip thereof; not to make any alterations or improvements upon said premises or assign this agreement or sublet said premises, or any thereof, or permit any other person to occupy the same without First Party's written consent first obtained; to comply with all laws, ordinances and regulations of any public authority respecting the use of said premises; promptly to pay for all heat, light, water, power and other services or utilities used on said premises; to keep said premises, including all exposed plumbing, heating equipment and apparatus, if any, at all times in good repair and to pay for all repairs on said premises during the term of this agreement except those which the First Party hereinafter

specifically agrees to make; to keep the roof of the building on and the sidewalks surrounding said premises free of snow, ice, rubbish and debris during the term hereof; not to commit, permit, or create any nuisance on said premises; promptly to replace all glass which may be broken or cracked in the windows and doors of said premises with glass as good or better quality than that now in use; to permit the First Party, his agents and representatives, at any time during business hours to enter said premises for the purpose of examining the condition thereof or lawful purposes; to keep said premises free of all mechanic's liens and upon the expiration of said term, or any termination hereof, to quit and deliver up said premises and all future additions to same, broom-clean, to the First Party, peaceably, quietly and in as good order and condition, reasonable use and wear thereof, damage by fire and the elements alone excepted, as the same are now in, and to keep and maintain any and all insurance policies presently in effect covering the said property, real and personal, and not allow any of said policies to lapse; the First Party shall notify or provide the Second Party with sufficient information as to said policies.

(b) In the event of the destruction of the building on said premises from any cause, the First Party may terminate this agreement after ten days written notice to the Second Party, effective as of the date of said destruction, and the Second Party may terminate this agreement, effective as of said date; provided, however, that if the damage to said building is more than 20 percent of its sound value, the First Party may or may not elect to restore said building; written notice of First Party's said election shall be given the Second Party within 15 days after the occurrence of said damage; if such notice is not so given, the First Party conclusively shall be deemed to have elected not to restore the building; if the First Party so elects, the Second Party forthwith may terminate this lease as of the date of said damage. If the damage to said building does not amount to the extent last indicated, or if the First Party elects to restore said building as aforesaid, then the First Party shall repair said building with all convenient speed and during said repairs there shall be such an abatement of rent as the nature of the damage and its interference with the occupancy of said leased premises shall warrant.

(c) Time is of the essence of this agreement, and if said rents shall be in arrears for 30 days, or if the Second Party shall neglect or fail to do or perform any of the covenants herein contained, then the First Party, without notice, may immediately or at any time while said default continues, enter upon said premises and repossess the same, expel the Second Party and remove his effects at Second Party's expense, forcibly if necessary, without being taken or deemed guilty in any manner

of trespass and without prejudice to any other remedies which might otherwise be used for arrears of rent or breach of covenant. In the event of any such default all notices required by law hereby are expressly waived by the Second Party.

(d) All repairs, additions, improvements and alterations in and to said premises made by the Second Party shall be and become the property of the First Party as soon as made. Any holding over by the Second Party after the expiration of this agreement shall be deemed a tenancy from month to month only, terminable at will by either party hereto. In the event of any suit or action on this agreement, the Second Party agrees to pay such additional sums as the court may adjudge reasonable to be allowed plaintiff therein for attorney's fees, plus the statutory costs and disbursements and if an appeal is taken in any such suit or action, such further sum as the appellate court may deem reasonable as plaintiff's attorney's fees on such appeal.

(e) At any time while this agreement is in full force and effect, except as hereinafter provided, and Second Party is not in default in his performance hereof, the said First Party, for value received, hereby gives and grants unto the Second Party the sole, exclusive and irrevocable right to purchase the above described premises subject to and upon the terms and conditions set forth in the terms and conditions expressed herein, at and for a price to be ascertained as follows: The basic price for said premises shall be the sum of One Thousand Six Hundred and Sixty (\$1,660.00) DOLLARS, plus the balance still due to the original lender, Far West Federal or its assigns, by the First Party. A condition precedent to the exercise of the option shall be the complete payment of the twelve monthly installments of \$253.97.

(f) Time is of the essence hereof and this right shall be null and void and of no force and effect unless exercised by the Second Party on or before the 30th day of September, 1978, at or before 5:00 p.m. by notifying the First Party of his intent to exercise said right by a writing forwarded to the First Party at the First Party's address; immediately thereafter the parties hereto shall execute and deliver an agreement of sale and purchase. Contemporaneously with the delivery of said agreement of sale and purchase, the Second Party shall make the final payment.

(g) Within 10 days from the date of said purchase agreement, the First Party agrees to deliver to the Second Party, if appropriate, a policy of title insurance insuring in the amount of said selling price marketable title to the above described premises in First Party, subject to building restrictions, zoning ordinances, if any, and any liens or incumbrances against said premises to be assumed by Second Party in said sale; said First Party may have a reasonable time to correct any defects of title which may appear.

(h) Should Second Party fail to exercise his right to purchase, the foregoing agreement shall continue until terminated pursuant to its terms.

(i) This agreement and right shall bind and inure to the benefit of, as the circumstances may require, not only the immediate parties hereto but their respective heirs, executors and administrators, the successors and assigns of the First Party, and so far as the terms hereof permit assignment, the successors and assigns of the Second Party as well.

(j) In construing this agreement and right, it is understood that the First and Second Parties, one or both of them, may be more than one person or a corporation and that, therefore, 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 more than one individual.

Second Party may at any time pay off the entire balance of the purchase price remaining due. All irrigation, plumbing and heating fixtures and equipment, water heaters, electric light fixtures, light bulbs and florescent lamps, bathroom fixtures, venetian blinds, drapery and curtain rods, window and door screens, storm doors, and windows, attached linoleum, attached television antenna, all shrubs and trees and all fixtures except range and refrigerator are to be left on the premises as part of the property purchase. The following personal property is also included as part of the property for said purchase price: Washer, dishwasher, as is,

Per condition of original contract to Far West Federal, if paid off within five years of contract date, the SECOND PARTY will pay FIFTY and 00/100 (\$50.00) DOLLARS.

16555

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, in duplicate, on this, the day and year first hereinabove written.

Michael R. Davis
MICHAEL R. DAVIS

Lucille C. Davis
LUCILLE C. DAVIS First Party

John E. Meister, Jr.
JOHN E. MEISTER, JR.

Rebecca M. Meister
REBECCA M. MEISTER Second Party

STATE OF OREGON,

County of Klamath

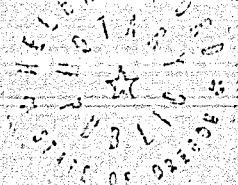
FORM NO. 23 — ACKNOWLEDGMENT
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

BE IT REMEMBERED, That on this 6th day of September, 1977, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Michael R. Davis and Lucille C. Davis, First Party and John E. Meister, Jr. and Rebecca M. Meister, Second Party

known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

John M. Milne
Notary Public for Oregon.
My Commission expires Jan. 28, 1978



Michael Davis
16431 NE Glison Apt #24
Portland, Oregon 97230

Return original
+ taxes

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record ~~at~~ at

this 6th day of SEPTEMBER A.D. 1977 at 2:50 P M., and

duly recorded in Vol. M77, of DEEDS on Page 16551

PM 19.00

W. D. MILNE, County Clerk
By John M. Milne