

T/A 38-14825-5

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Vol. 78 Page 10353

Recorded at the Request of:

Oscar E. Cleveland and
Joan M. Cleveland

Return to

First Federal Savings & Loan Assoc.
540 Main Street
Klamath Falls, OR 97601

AGREEMENT

AGREEMENT made on May 10th, 1978, between Oscar E. Cleveland and Joan M. Cleveland, husband and wife, residing at 5120 Barry Avenue, Klamath Falls, Oregon, sellers, and Larry Lawson and Lana Lawson, husband and wife, residing at 3812 Sevech Drive, Klamath Falls, Oregon, purchasers.

1. PROPERTY TO BE TRANSFERRED. Sellers agree to sell to purchasers, and purchasers agree to purchase from sellers, that improved property located in the City of Klamath Falls, County of Klamath, Oregon, and more particularly described as follows: The South 48 feet of Lot 12, Block 5, EXCEPTING THEREFROM the West 140 feet; the North 10 feet of the East 167.3 feet of Lot 11, Block 5, ALTAMONT ACRES, Klamath County, Oregon.

2. PURCHASE PRICE. The purchasers agree to pay to sellers the sum of TWENTY FIVE THOUSAND AND NO/100 DOLLARS (\$25,000.00), together with interest as herein provided as follows:

(a) The sum of SIX THOUSAND AND NO/100 DOLLARS (\$6,000.00) on execution of this Agreement, receipt of which is hereby acknowledged by sellers;

(b) The balance of NINETEEN THOUSAND AND NO/100 DOLLARS (\$19,000.00), together with interest thereon at the rate of seven and one-half percent (7½%) per annum from May 10, 1978 in monthly installments of ONE HUNDRED FIFTY AND NO/100 DOLLARS (\$150.00), commencing with the first payment on June 10, 1978, and a like payment on the 15th day of each month thereafter until the entire unpaid principal balance and all interest accrued thereon have been paid in full.

3. PAYMENT OF INSTALLMENTS. The monthly installments provided herein shall be made by purchasers to sellers at First Federal Savings and Loan Association in the City of Klamath Falls, State of Oregon as escrow agent.

4. PREPAYMENTS. Purchasers shall, at any time have the right to pay in addition to the monthly payments recited herein, additional amounts. Any such prepayments shall be applied to reduce the unpaid principal balance hereunder.

5. PROJECTED DATE OF FINAL PAYMENT. Payment in accordance with the terms of this Agreement shall be completed within 21 years from the date hereof, the final installment payment being due on June 10th, 1999.

6. EXECUTION AND DELIVERY OF DEED. In consideration of the payments made and to be made by purchasers, and the performance of all the covenants and conditions herein contained on the part of purchasers, sellers shall, on execution of this Agreement execute a ~~Grant-Deed~~ ^{Warranty Deed} to the above-described property in favor of purchasers. Sellers shall deliver the Deed to the

escrow agent, together with the executed original of the Agreement. If purchasers make the payments and perform their agreements as set forth herein, the escrow agent shall deliver the Deed to them. However, if purchasers fail to make the payments or fail to perform all of the agreements herein contained, the escrow agent shall return the Deed to sellers.

7. TAXES AND ASSESSMENTS. Sellers and purchasers shall prorate taxes as of May 12, 1978. Purchasers shall pay all taxes and assessments due thereafter. In the event purchasers fail to pay their portion of the taxes, or fail to pay any of the taxes or assessments on the property for subsequent years, sellers may pay such taxes or assessments and add the amount so paid to the remaining unpaid balance under this Agreement or, at their option, declare a default under this contract as hereinafter provided.

8. TITLE INSURANCE. Sellers shall procure, entirely at their expense, and deliver to purchasers within thirty (30) days from the execution of this Agreement, a policy of title insurance issued by Transamerica Title Company, insuring purchasers to the full amount of the purchase price hereunder against loss or damage occasioned by defect in, or encumbrance against, sellers' title to the property, not assumed by purchasers or as to which the conveyance hereunder is not to be subject.

9. POSSESSION OF PROPERTY. Purchasers shall be entitled to possession of the property upon closing, it being understood that sellers intend to vacate the property upon closing.

10. ESCROW INSTRUCTIONS. On execution of this Agreement, sellers shall deposit with First Federal Savings and Loan Association, of Klamath Falls, hereby designated as escrow agent to handle this transaction, the Grant Deed described above, with instructions to hold the same and make delivery thereof when purchasers have made the payments and performed the agreements as herein set forth, and to deduct from the monthly payments made by purchasers the periodic escrow fee as a charge against the account of sellers. The initial escrow fee shall be paid equally by the sellers and purchasers.

11. INSURANCE. Purchasers shall, at their own expense, beginning May 12, 1978, and at all times thereafter, keep in force with an insurance company or companies acceptable to sellers, fire and extended coverage insurance on the property being purchased, in an amount at least equal to the unpaid balance of the purchase price, with a loss-payable clause for the benefit of the beneficiaries, sellers, and purchasers, as their respective interests may appear at the time of any loss.

12. TIME OF ESSENCE. Time is of the essence of this Agreement.

13. DEFAULT. In the event purchasers fail to make the payments or fail to perform the conditions and agreements provided herein, at the times when due, sellers shall give written notice to purchasers either by registered mail, return receipt requested, at the address of the property described herein, or by personal delivery of such notice to purchaser, of the nature of the default. Purchasers shall have twenty (20) days thereafter within which to correct such default. In the

event such notice is given, and the default is not corrected within (90) days from the date of the notice, then sellers, at their option, shall have in addition to all other remedies provided by law, the right to accelerate and declare due and payable all of the remaining balances of principal and interest under this Agreement. In the event that such payments are accelerated by sellers, as herein provided, purchasers shall have twenty (20) days thereafter within which to pay the balance of the purchase price, together with any accelerated interest thereon. In the event such acceleration is declared by sellers and purchasers shall fail, within the time provided, to make the payment, or in the event no acceleration is declared by sellers and sellers elect to terminate this Agreement, if purchasers do not pay the balance of the purchase price, together with any interest accrued thereon, within a period of twenty (20) days, then all payments made by purchasers shall be considered damages for breach of this Agreement and compensation for the use and occupation of the premises, and the same shall be retained by sellers, it being understood and agreed that under the circumstances damages would be impractical and extremely difficult to fix.

If, after notice of default as set forth above, purchasers fail to make the required payments, this Agreement shall be of no further force and effect, and purchasers shall immediately vacate the property described herein. Purchasers shall allow sellers to re-enter and take possession of the property and any of the improvements made thereon by purchasers the same as if no Agreement had ever been made.

14. ATTORNEYS' FEES AND COSTS. In the event that there is default under this Agreement and it becomes necessary for any party hereto to employ the services of an attorney either to enforce or to terminate this Agreement, with or without litigation, the losing party or parties to the controversy shall pay to the successful party or parties a reasonable attorney's fee and, in addition, such reasonable costs and expenses as are incurred in enforcing or terminating this Agreement.

15. WAIVER OF DEFAULT. In the event of default under this Agreement by any party hereto, and if such default is waived by the other party or parties, such waiver shall not constitute a waiver of any subsequent defaults by any party, and shall not serve to vary the terms of this Agreement.

16. FUTURE CONVEYANCES AND ENCUMBRANCES. Sellers, as long as this contract is executory and purchasers are not in default hereunder, shall not convey the property described herein or encumber it in any way or do anything that will affect the record title to the property as it now appears in the records of the recording officer of the County of Klamath, State of Oregon.

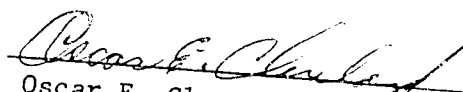
17. ENTIRE AGREEMENT. It is hereby expressly understood and agreed by the parties that purchasers accept the property in its present condition and that there are no representations, covenants, or agreements between the parties with reference to the property except as herein specifically set forth.

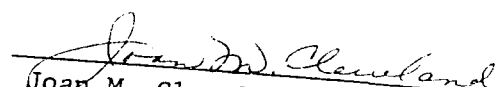
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18. ASSIGNMENT BY PURCHASERS. This contract shall not be assigned by purchasers without the prior written consent of sellers. Such consent by sellers shall not be unreasonably withheld.

19. BINDING EFFECT. This Agreement shall inure to the benefit of and be binding on the heirs, executors, administrators, assigns, devisees, and legatees of the parties.

Executed at Klamath Falls, Oregon, on the date first above written.



Oscar E. Cleveland


Joan M. Cleveland

STATE OF OREGON)
County of Klamath) ss.


BE IT REMEMBERED, that on this 10th day of May, 1978 before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Oscar E. Cleveland and Joan M. Cleveland, known to me to be the identical individuals described in and who freely 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.


Notary Public for Oregon
My commission expires: 4/5/80

10360



Larry Lawson


Lana Lawson

STATE OF OREGON)
County of Klamath) ss.

BE IT REMEMBERED, that on this 16th day of May, 1978
before me, the undersigned, a Notary Public in and for said
County and State, personally appeared the within named Larry Lawson
and Lana Lawson, known to me to be the identical individuals
described in and who freely 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.


Notary Public for Oregon
My commission expires: 4-5-82

*Return
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NOTARY PUBLIC, COUNTY OF KLAMATH, OREGON
for record at request of Transamerica Title Co.
on 17th day of May A.D. 1978 3:53 P.M.
Recorded in Vol. M78 of Deeds 10353

By Bernice Smith