

1 each, including interest at the rate of 9½% per annum on the unpaid
 2 balances, the first of such installments to be paid on or before
 3 ~~July~~ ^{AUGUST} 3, 1978, with a like payment to be paid on or before the 3rd
 4 day of each month thereafter until the entire purchase price,
 5 including both principal and interest, is paid in full.

6 c. Acceleration Buyers may at any time, upon SIXTY DAYS
 7 (60 days) written notice to Seller, pay off the entire balance of
 8 the purchase price remaining due together with interest due
 9 thereon to the date of payment.

10 d. Collection Agent Buyers agree to make all said payments
 11 through Mountain Title Company, 407 Main Street, Klamath Falls,
 12 Oregon 97601 until directed otherwise by Seller.

13 e. Possession Buyers shall be entitled to possession of
 14 the property at and after the time of the execution of this Contract
 15 and the paying of the down payment.

16 3. PRIOR LAND SALE CONTRACT Seller is presently purchasing
 17 the property from JERRY STEPHEN MASSEY pursuant to a 10-year land
 18 sale contract executed on November 18, 1974. Seller warrants to
 19 Buyers that Seller is current on all obligations under the Massey
 20 contract. Seller further warrants to Buyers that, on June 28, 1978
 21 Seller delivered the Massey contract to the Klamath County Clerk
 22 with directions to record same, Seller prepaying the recording fee.
 23 Seller further warrants that, upon being notified by the Klamath
 24 County Clerk of the volume and page upon which the Massey contract
 25 has been recorded, Seller will notify Buyers, either by communica-
 26 tion from Seller or communication from Mountain Title Company, of
 27 the volume and page. Seller further warrants to Buyers that the
 28 Massey contract contains a provision authorizing Seller to
 29 accelerate payments to Mr. Massey and, thus, should the Buyers
 30 hereunder elect to accelerate, Seller will be in a position to
 31 likewise accelerate and convey a fee simple title.

32 Seller covenants that Seller will make all payments under the

1 Massey contract when due and will obey all the terms of such
 2 contract. If Seller should receive notice of breach of any of the
 3 terms of the Massey contract, Seller shall forthwith forward a
 4 copy of said notice to Buyers.

5 In the event Seller fails to make any payment required by
 6 the Massey contract, Buyers, at Buyers' option, may make any or
 7 all of the payments payable to Seller hereunder directly to Massey's
 8 collection agent, First National Bank of Oregon, Main Klamath Falls
 9 Branch, until such obligation is satisfied. Such payments shall
 10 be credited on the balance of the purchase price hereunder as
 11 though paid directly to Seller. Seller agrees to establish an
 12 arrangement with his collection agent, Mountain Title Company,
 13 whereby the amount of the payment due each calendar month on the
 14 Massey contract will be deducted by Mountain Title Company from the
 15 installment paid by the Buyers in the same calendar month per this
 16 Land Sale Contract, the amount deducted to be forwarded to the
 17 designated payee under the Massey contract.

18 4. TITLE INSURANCE Seller agrees to furnish at Seller's
 19 expense a purchaser's title insurance ^{new policy} policy in the amount of
 20 ~~TWENTY-TWO THOUSAND DOLLARS (\$22,000.00)~~ ^{TWENTY-ONE THOUSAND FIVE HUNDRED DOLLARS (\$21,500.00)} within 15 days from
 21 the date of the execution of this Contract, insuring Buyers
 22 against loss or damage sustained by Buyers by reason of the
 23 unmarketability of Seller's title, or liens or encumbrances thereon,
 24 excepting matters contained in the usual printed exceptions in such
 25 title insurance policies, the exceptions and encumbrances herein-
 26 above mentioned in this Contract and any additional taxes which
 27 may become payable due to loss of exempt veterans'-exemption status.

28 5. DEED Upon payment of the total purchase price for the
 29 property as provided herein, and performance by Buyers of all
 30 other terms hereof, Seller shall forthwith deliver to Buyers a good
 31 and sufficient warranty deed conveying the property free and clear
 32 of all liens and encumbrances, excepting those exceptions herein-

1 6. TAXES - ASSESSMENTS All taxes levied against the
2 property for the current tax year shall be prorated between Seller
3 and Buyers as of July 1, 1978. Buyers agree to pay when due the
4 installment obligations on the city improvement lien hereinabove
5 mentioned in Paragraph 1 of this Contract. Buyers agree to pay
6 when due all taxes and assessments which are assumed hereunder or
7 or hereafter levied against the property, but may elect to pay
8 in accordance with any available installment method. If Buyers
9 object in good faith to the validity or amount of any such tax or
10 assessment, Buyers, at their sole expense, may contest the
11 validity or amount of the tax or assessment. Buyers shall other-
12 wise keep the property free from all public, municipal and statu-
13 tory liens which may be hereafter lawfully imposed upon the
14 property.

15 7. MAINTENANCE AND CASUALTY INSURANCE Commencing with the
16 possession date and thereafter at all times during the term of
17 this Contract, Buyers shall with respect to the property do the
18 following:

19 a. Maintenance Buyers agree that all improvements now
20 located or which shall hereafter be placed on the property, shall
21 remain a part of the real property and shall not be removed at any
22 time prior to the expiration of this agreement without the written
23 consent of Seller. Buyer shall not commit or suffer any waste of
24 the property, or any improvements thereon, or alteration thereof,
25 and shall maintain the property, improvements and alterations
26 thereof, in good condition and repair, provided, Buyers shall not
27 make or cause to be made any major improvement or alteration to
28 the property without first obtaining the written consent of Seller.
29 Any alterations shall be completed in a workmanlike manner and
30 within a reasonable time.

31 b. Legal Requirements Promptly comply with all laws,
32 ordinances, regulations, directions, rules and requirements of

1 all governmental authorities applicable to the use or occupancy
2 of the property, and in this connection promptly make all
3 required repairs, alterations and additions.

4 c. Casualty Insurance Keep all improvements now existing
5 or which shall hereafter be placed on the property insured
6 against fire and other casualties covered by a standard policy
7 of fire insurance with extended coverage endorsements. The
8 policy shall be written to the insurable value thereof with loss
9 payable to JERRY STEPHEN MASSEY, Seller and Buyers as their
10 respective interests may appear, said policy or policies of
11 insurance to be held by Mountain Title Company for Seller. In the
12 event of loss Buyers shall give immediate notice to Seller.
13 Seller may make proof of loss if Buyers fail to do so within 15
14 days of the casualty.

15 8. CONDITION OF PROPERTY Buyers have made an independent
16 investigation and inspection of the premises herein described and
17 have entered into this Contract without relying on any statement
18 or representation or covenant not specifically embodied in this
19 Contract and accept the property "as is" and require no work of
20 any kind to be done to said property by the Seller.

21 9. DEFAULT BY BUYERS It is understood and agreed between
22 the parties that time is of the essence of this Contract and in
23 case the Buyers fail to make the payments hereinabove required, or
24 any of them, within TEN DAYS (10 days) of the time limited there-
25 for, or fail, within a reasonable time, to keep any other agreement
26 herein contained, then the Seller, at his option, shall have the
27 right to:

- 28 a. Declare the entire balance of the purchase price and
29 interest immediately due and payable;
30 b. Foreclose this Contract by strict foreclosure in equity;
31 c. Specifically enforce the terms of this Contract by suit
32 in equity;

d. Declare this Contract null and void as of the date of the breach and retain as liquidated damages the amount of the payments previously made hereunder. In such event, all of the right, title and interest of Buyers to the property shall revert to and be vested in Seller without any act of re-entry or without any other act by Seller to be performed, and Buyers agree to so surrender the property. Seller may at his option treat Buyers as tenants holding over unlawfully after the expiration of a lease and Buyers may be ousted and removed as such.

The remedies provided hereinabove shall be nonexclusive and in addition to any other remedies provided by law.

10. NOTICE Any notice under this Contract shall be in writing and shall be effective when actually delivered or when deposited in the mail, registered or certified, addressed to the party to be notified, at the address stated in this Contract or such other address as any party may designate by written notice to the other.

Seller's Address is: ARTHUR J. HOOD
c/o Mountain Title Company
407 Main Street
Klamath Falls, Oregon 97601

Buyers' Address is: Edward & Louise Roethler
Mary Elizabeth Warden
126 S. Carroll Street
Klamath Falls, Oregon 97601

11. WAIVER Failure of any party at any time to require performance of any provision of this Contract shall not limit the right of said party to enforce the provision, nor shall any waiver by any party of any breach of any provision be a waiver of any succeeding breach of that provision or a waiver of that provision itself or any other provision.

12. COSTS AND ATTORNEY FEES In the event suit or action is instituted to enforce any of the terms of this Contract, the prevailing party shall be entitled to recover from the other party

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1 such sum as the court may adjudge reasonable as attorneys' fees at
 2 trial or on appeal of such suit or action, in addition to all other
 3 sums provided by law.

4 13. SUCCESSOR INTERESTS This Contract shall be binding upon
 5 and inure to the benefit of the parties, their successors and
 6 assigns.

7 14. CONSTRUCTION As used herein the singular shall include
 8 the plural, and the plural the singular. The masculine and neuter
 9 shall each include the masculine, feminine and neuter, as the
 10 context requires. All captions used herein are intended solely for
 11 convenience of reference and shall not in any limit any of the
 12 provisions of this Contract.

13 IN WITNESS WHEREOF, the parties have cause this Contract
 14 to be executed as of the day and year first above written.
 15

16 *Arthur J. Hood*
 17 ARTHUR J. HOOD, Seller

18 *Mary Elizabeth Warden*
 19 MARY ELIZABETH WARDEN, Buyer

20 *Edward Raymond Roethler*
 21 EDWARD RAYMOND ROETHLER, Buyer

22 *Louise Elaine Roethler*
 23 LOUISE ELAINE ROETHLER, Buyer

24 STATE OF OREGON)

25 County of Klamath) SS

26 On the 10 day of July, 1978 personally appeared before me
 27 ARTHUR J. HOOD, who acknowledged the execution and subscription
 28 of the foregoing Land Sale Contract to be his voluntary act and
 deed.

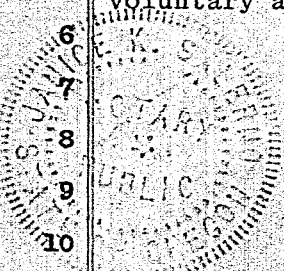
29
 30
 31 *[Signature]*
 32 NOTARY PUBLIC FOR OREGON
 My Commission
 Expires: April 29, 1980

RICHARD N. GOFFENA
 ATTORNEY AT LAW
 2448 SO. 6TH STREET
 P. O. BOX 627
 KLAMATH FALLS, OR. 97601

1 STATE OF OREGON)

2 County of Klamath) ss.

3 On the 10 day of July, 1978 personally appeared before me
 4 MARY ELIZABETH WARDEN, who acknowledged the execution and
 5 subscription of the foregoing Land Sale Contract to be her
 6 voluntary act and deed.



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NOTARY PUBLIC FOR OREGON

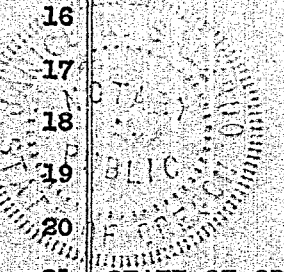
My Commission

Expires: April 29, 1980

11 STATE OF OREGON)

12 County of Klamath) ss.

13 On the 10 day of July, 1978 personally appeared before me
 14 EDWARD RAYMOND ROETHLER, who acknowledged the execution and
 15 subscription of the foregoing Land Sale Contract to be his
 16 voluntary act and deed.



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NOTARY PUBLIC FOR OREGON

My Commission

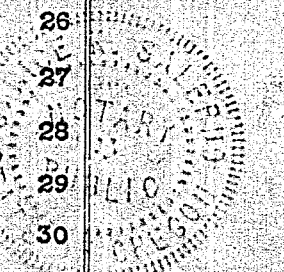
Expires: April 29, 1980

21 STATE OF OREGON)

22 County of Klamath) ss.

23 On the 10 day of July, 1978 personally appeared before me
 24 LOUISE ELAINE ROETHLER, who acknowledged the execution and
 25 subscription of the foregoing Land Sale Contract to be her
 26 voluntary act and deed.

Return to MTC



27
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31
NOTARY PUBLIC FOR OREGON

My Commission

Expires: April 29, 1980

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 11th day of
July, A.D., 19 78 at 1:27 o'clock P M., and duly recorded in Vol. M78,
 of Mortgages on Page 14843.

FEE \$24.00

WM. D. MILNE, County Clerk

By Bernice Heltsch Deputy