

55596

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THIS AGREEMENT, made this 19th day of September, 1978, by and between
 KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, a Federal Corporation, here-
 inafter called Vendor, and JOHN E. GERBERT and CARROLL ZON GERBERT, husband and
 wife, hereinafter called Vendees,

W I T N E S S E T H:

WHEREAS, by an Agreement dated the 30th day of August, 1974, the parties
 entered into a land sale contract for the sale by Vendor and purchase by Vendees
 of all of the following-described real property, situated in Klamath County,
 State of Oregon, to-wit:

Lots 9, 10, 11, Block 13, Hillside Addition
 to the City of Klamath Falls, according to
 the official plat thereof on file in the rec-
 ords of Klamath County, Oregon; and

WHEREAS, the contract price for the above-described premises was \$32,500.00;
 and the contract further provided that the Vendor would advance to the Vendees
 an additional \$6,000.00 when the Vendees had made additions and improvements on
 the premises in the amount of \$10,000.00; and

WHEREAS, the said contract dated August 30, 1974 was amended by an Agree-
 ment dated the 24th day of February, 1975, by and between the above-named parties,
 which Amendment provided that instead of the \$6,000.00 additional advance by the
 Vendor to the Vendees, the sum would be increased to \$10,000.00, to be repaid
 over the term of the original contract of sale; and

WHEREAS, the Vendees now desire to borrow from the Vendor the sum of
 \$7,000.00 to make additional improvements on the said real property; and

WHEREAS, the Vendor is willing to advance to Vendees the sum of \$7,000.00
 for further additional improvements on the subject premises; provided, however,
 that such \$7,000.00 advance shall be secured by Vendor's original contract and
 all of its right, title and interest in and to the above-described premises and
 the said contract, including, but not limited to, the Vendor's lien created
 thereby;

NOW KNOWING, in consideration of the mutual covenants and promises here-
 in contained, the parties agree as follows:

1. The Vendor shall advance to the Vendees the sum of \$7,000.00 which,

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upon disbursement, shall be secured by the original contract and all of the Vendor's right, title and interest in and to the above-described premises and the said contract, including, but not limited to, the Vendor's lien created thereby.

2. The said \$7,000.00 loan shall be payable in monthly installments of not less than \$63.90 each, inclusive of interest at the rate of 10% per annum, accruing thereon from the date of the disbursement of the said advance. The first installment is to be paid on the 5th day of December, 1978, and a further installment of \$63.90 on the 5th day of every month thereafter until the full balance and interest are paid.

3. The \$7,000.00 advance shall, for bookkeeping purposes, be treated as a separate loan; provided, however, that a default on either loan shall constitute a default on the contract of sale, entitling the Vendor to exercise the remedies provided therein. The said additional advance shall be amortized and paid off within the term of the original contract, to-wit: 29-1/2 years.

4. Disbursement of the advance herein provided shall be made in a manner which will protect the premises against the establishment of mechanic's and materialmen's liens thereon.

5. The Vendees warrant that the premises are free from any and all encumbrances incurred by them and shall not become subject to mechanic's or materialmen's liens as a result of the work, labor and materials furnished or to be furnished at the instance or request of the Vendees.

6. On payment of all principal and interest owing by the terms of the original contract, as amended, and the principal and interest due on the additional \$7,000.00 advance herein provided for, the Vendor shall make, execute and deliver in favor of Vendees a good and sufficient warranty deed conveying fee simple title to the said premises, free and clear as of that date of all encumbrances whatsoever, except as stated in the original contract, and except those to which the Vendees have permitted the subject premises to become subjected, if any.

Except as otherwise provided in this Agreement, the original contract, and all of the terms and provisions thereof, including, but not limited to, the remedies of breach of contract as therein provided, shall remain in full force and

effect and are re-affirmed hereby and exclusively applied to the provisions of this Agreement.

WITNESS the hands of the parties the day and year first above mentioned.

KLAMATH FIRST FEDERAL SAVINGS AND LOAN
ASSOCIATION

By

Van S. Mollison
its President

By

James D. Bocchi
its Secretary

Vendor

John E. Gerbert
John E. Gerbert

Carroll Zon Gerbert
Carroll Zon Gerbert

Vendees

STATE OF OREGON)

County of Klamath) SS

On this 22nd day of September, 1978, personally appeared Van S. Mollison and James D. Bocchi who, being duly sworn, each for himself and not one for the other, did say that the former is the president and that the latter is the secretary of Klamath First Federal Savings and Loan Association, a Federal corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

Before me:

Donald Bert Hamilton
Notary Public for Oregon

My Comm. Expires: 3/29/81

STATE OF OREGON)

County of Klamath) SS

On this 22nd day of September, 1978, personally appeared the above-named John E. Gerbert and Carroll Zon Gerbert, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:

Donald Bert Hamilton
Notary Public for Oregon

My Comm. Expires: 3/29/81

RETURN TO:

KLAMATH FIRST FEDERAL
Savings and Loan Association

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STATE OF OREGON; COUNTY OF KLAMATH; ss. .

I hereby certify that the within instrument was received and filed for record on the 26th day of September A.D. 1978 at 2:47 o'clock P. M., and duly recorded in Vol. M78, of Deeds on Page 21332.

FILE \$9.00

WM. D. MILNE, County Clerk

By Bonita H. Hark Deputy