

56367

T/A #M-38-16532-7  
CONTRACT OF SALE

THIS AGREEMENT, made this 6th day of October, 1978  
between WILLIAM J. BUSHAW and HELEN E. BUSHAW, as Sellers,  
and CONWAY Mc D. LEWIS and FANNIE W. LEWIS, husband and wife,  
as Buyers.

W I T N E S S E T H:

That in consideration of the stipulations herein contained,  
and the payments to be made as hereinafter specified, the Sellers  
hereby agree to sell, and the Buyers agree to purchase, the  
following described real property situate in Klamath County,  
State of Oregon, to-wit:

Lot 15, Block 1, FOURTH ADDITION TO SUNSET VILLAGE,  
in the County of Klamath, State of Oregon  
for the sum of Fifty Five Thousand & Five Hundred (\$55,500.00)  
DOLLARS, on account of which Five Thousand and No/100ths  
(\$5,000.00) DOLLARS, is paid on the execution hereof, the re-  
ceipt of which is hereby acknowledged, and the remainder of  
Fifty Thousand Five Hundred and no/100ths (\$50,500.00) DOLLARS,  
to be paid to the Sellers at Klamath First Federal Savings &  
Loan Association, 2943 South Sixth Street, Klamath Falls, Oregon,  
with interest thereon from October 28, 1978 at the rate of 8  
percent per annum, at the dates and in the amounts as follows:

N.E.B. (A) Not less than Three Hundred Fifty and No/100ths  
(\$350.00) DOLLARS per month, including interest  
at 8 percent per annum; first payment to be made  
on the 1st day of December, 1978, and a like pay-  
ment on the 6th day of each and every month there-  
after until the whole amount, both principal and  
interest is paid in full.

(B) Buyer shall have the right at any time to prepay  
any part or all of the balance due hereunder, with-  
out penalty of interest. In the event Buyer shall  
prepay part of said balance, they shall be excused  
from the regular monthly payments due hereunder to  
the extent of such prepayments.

Buyers warrant that they have purchased the property  
solely upon their own inspection and personal knowledge and in  
its present actual condition and have not relied upon any warran-  
ties or representations made by the Sellers or by any agent of  
the Sellers.

1. CONTRACT OF SALE

Sellers warrant and represent to the Buyers that they are lawfully seised in fee simple of the above-premises free from all encumbrances, except, taxes for the year 1978-79 are now a lien but not yet payable; regulations, including levies, liens and utility assessments of the City of Klamath Falls; regulations, including levies, assessments, water and irrigation rights and easements for ditches and canals, of Enterprise Irrigation District; regulations, including levies, lien assessments, rights of way and easements of the South Suburban Sanitary District; restrictions, but omitting restrictions, if any, based upon race, color, religion or national origin, as shown on the recorded plat of Fourth Addition to Sunset Village; covenants, easements and restrictions, but omitting restrictions, if any, based on race, color, religion or national origin, imposed by instrument, including the terms thereof, recorded June 7, 1971 in Book M-71 at page 5502; this property lies within and is subject to the levies and assessments of the Sunset Lighting District; also subject to:

That certain Trust Deed, including the terms and provisions thereof, with interest thereon and such future advances as may be provided therein, given to secure the payment of \$23,000, dated June 27, 1972, recorded June 29, 1972 in Book M72 page 7068, wherein William J. Bushaw and Helen E. Bushaw, husband and wife, were Trustees; William Ganong, Jr. as Trustee and First Federal Savings & Loan Association of Klamath Falls, Oregon, a corporation as Beneficiary, Loan #1000045.

Sellers further warrant and represent that they will make all payments on the above-mentioned Trust Deed as the same fall due, and that in the event of their failure so to do, Buyers shall have the right to make such payments and take credit on this contract at the Buyer's option, or in the alternative, Buyers may give written notice to the Sellers of such deficiencies and in the event of the Seller's failure to remedy said deficiencies within thirty (30) days after receipt of such written notice, Buyers shall have the right to rescind this contract and recover the moneys paid thereon.

Sellers specifically warrant and covenant that Buyers

1 shall be entitled to peaceful and uninterrupted possession of  
2 the above-described premises so long as the Buyers comply with  
3 their obligations under this contract.

4 It is agreed between the parties that all the taxes, if <sup>78</sup>  
5 any, shall be prorated as of ~~the date of this contract.~~ Oct. 28, 1978  
6 N.E.B.

7 It is further agreed that all the buildings now erected on  
8 said premises will be kept insured by the Buyers in favor of the  
9 Sellers against loss or damage by fire in an amount of not less  
10 than \$50,000, in a company or companies satisfactory to the  
11 Sellers; and the Buyers will have all policies of insurance on  
12 said property made payable to the Sellers as their interest may  
13 appear; and the Buyers will deliver all policies of insurance on  
14 said premises to the Sellers as soon as insured.

15 The Buyers agree that they shall be responsible for all  
16 public and municipal lines upon the property. It is understood  
17 that the Sellers will pay all taxes, or other assessments and in-  
18 surance costs and upon written notice to the holder add said sums  
19 back to the principal of this contract to carry interest at the  
20 rate hereinabove specified. The Sellers shall notify the Buyers  
21 of the amounts so paid and the Buyers shall make additional pay-  
22 ments upon this contract of not less than 50% of said sum on May  
23 1 and November 1 of each year.

24 All improvements placed on the premises shall remain,  
25 and shall not be removed before final payment is made for the  
26 said above described premises.

27 Sellers agree to furnish Buyers with a Purchaser's Policy  
28 of Title Insurance upon the execution of this agreement showing  
29 good and merchantable title in the Sellers as of the date of this  
30 contract.

31 In case the Buyers, their legal representatives or assigns  
32 shall pay the several sums of money aforesaid punctually and at  
33 the times above specified, and shall strictly and literally per-  
34 form all and singular the agreements and stipulations aforesaid,  
35 according to the true intent and tenor thereof, then the Sellers

1 shall give unto the Buyers, their heirs or assigns, upon re-  
2 quest, a good and sufficient warranty deed of conveyance con-  
3 veying said premises in fee simple, free and clear of incum-  
4 brances as of the date of this contract.

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10 The Buyers herein shall make application with not less  
11 than three lending institutions, prior to July 1, 1981, to  
12 obtain a loan on the property herein in a sum of not less than  
13 \$45,000.00. The parties agree that in the event Buyers are able  
14 to obtain the above-mentioned loan that the proceeds of said  
15 loan will be applied to this contract and that the Sellers  
16 will accept a note and mortgage upon the real property in a sum  
17 not to exceed \$6,000.00; payable at the same rate of interest as  
18 the loan obtained from the lending institution, to be paid in  
19 equal monthly installments over a five year period. In the event  
20 the Buyers are unable to obtain the financing hereinabove men-  
21 tioned, they shall list the property for sale with a real estate  
22 broker in Klamath County, Oregon, at a price not to exceed an amount  
23 *N.E. 13* ~~based on a~~ <sup>qualified appraisal</sup> ~~based on a~~ and said property shall remain so listed until the  
24 property is either refinanced or sold. The Buyers shall make  
25 application with not less than three lending institutions with-  
26 in each six month period after July 1, 1981 under the same terms  
27 as set forth above. Buyers shall provide Vendors copies of all  
28 loan applications and listing agreements made by them. Failure  
29 of the Buyers to comply with the provisions of this paragraph  
30 shall be a default under this contract and Sellers shall be  
31 entitled to all remedies as set out hereafter.

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55 Time is of the essence in this contract and the Buyers  
56 covenant to promptly make all payments of principal and interest  
57 when due and to otherwise fully and promptly perform their obli-  
58 gations under this contract, and in the event of default by the  
59 Buyers upon any of the terms and conditions contained herein,  
60 Sellers may, upon thirty (30) days written notice to the Buyers,  
61 and providing said default continues during said thirty (30) day  
62 period, declare this contract terminated and at an end, and upon  
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4. CONTRACT OF SALE

1 such termination, all of the Buyer's right, title and interest  
2 in and to the described property shall immediately cease. Sellers  
3 shall be entitled to the immediate possession of the described  
4 property, they may forcibly enter and take possession of said  
5 property, removing the Buyers and their effects, and all payments  
6 theretofore made by Buyers to Sellers and all improvements or fix-  
7 tures placed on the described property shall be retained by the  
8 Sellers as liquidated damages; OR

9 Sellers may at their option foreclose this contract by  
10 strict foreclosure in equity, and upon the filing of such suit,  
11 all of the Buyer's right, title and interest in and to the above-  
12 described property shall immediately cease, Sellers shall be  
13 entitled to the immediate possession of said property, they may  
14 enter forcibly and take possession of said property, removing the  
15 Buyers and their effects, and all payments theretofore made by  
16 Buyers to the Sellers and all improvements or fixtures placed  
17 upon the described real property shall be forfeited to the  
18 Sellers as liquidated damages. Such right to possession in the  
19 Sellers shall not be deemed inconsistent with the suit for  
20 strict foreclosure but shall be in furtherance thereof, and in the  
21 event Buyers shall refuse to deliver possession upon the filing  
22 of such suit, Buyers, by the execution of this contract, consent  
23 to the entry of an interlocutory order granting possession of the  
24 premises to the Sellers immediately upon the filing of any suit  
25 for strict foreclosure without the necessity of the Sellers post-  
26 ing a bond, or having a receiver appointed; OR

27 Sellers shall have the right to declare the entire unpaid  
28 principal balance of the purchase price, with interest thereon,  
29 at once due and payable; and in such event, Sellers may either  
30 bring an action at law for the balance due, thereby waiving the  
31 security, or in the alternative, may file suit in equity for  
32 such unpaid balance of principal and interest and have the pro-  
33 perty sold at judicial sale, with the proceeds thereof applied  
34 to the court costs, attorney's fees and the balance due the



1 Sellers and may recover a deficiency judgment against the Buyers  
2 for any unpaid balance remaining thereon.

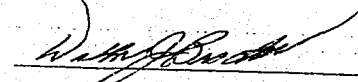
5 In addition to the aforementioned remedies, Sellers shall  
6 have any and all other remedies under the law.

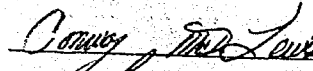
10 In case suit or action is instituted to enforce any of the  
11 provisions of this contract, the prevailing parties shall be  
12 entitled to such sums as the Court may adjudge reasonable as  
13 attorney's fees in said suit or action, in addition to costs and  
14 disbursements provided by statute.

20 The Buyers further agree that failure by the Sellers at  
21 any time to require performance by the Buyers of any provision  
22 hereof shall in no way affect the Seller's right hereunder to  
23 enforce the same, nor shall any waiver by said Sellers of the  
24 breach of any provisions hereof be held to be a waiver of any  
25 succeeding breach of any such provision, or as a waiver of the  
30 provision itself.

35 It is understood and agreed by the parties hereto that  
36 neither this contract nor any interest in such contract, or in  
37 the above-described property, shall be assigned, conveyed or  
38 transferred in any manner whatsoever, directly or indirectly, by  
39 the Buyers without the written consent of the Sellers nor may  
40 possession or control of the premises or any part thereof or  
41 interest therein be transferred by the Buyers without the written  
45 consent of the Sellers.

50 IN WITNESS whereof, the said parties have hereunto set  
51 their hands in duplicate the day and year first above written.

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Helen E. Bushard  
Sellers

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Connie M. Lewis  
Buyers

STATE OF OREGON )  
County of Klamath ) ss. October 9, 1978.

Personally appeared the above-named WILLIAM J. BUSHAW and HELEN E. BUSHAW, and acknowledged the foregoing instrument to be their voluntary act. Before me:

*Marlene I. Adlington*  
Notary Public for Oregon  
My Commission expires: 3-22-81

STATE OF OREGON )  
County of Klamath ) ss. October 6, 1978.

Personally appeared the above-named CONWAY Mc D. LEWIS and FANNIE W. LEWIS, husband and wife, and acknowledged the foregoing instrument to be their voluntary act. Before me:

*Marlene I. Adlington*  
Notary Public for Oregon  
My Commission expires: 3-22-81

Return To: T/A

Attn: Marlene

Top Stubs to be sent as  
your records now show no change

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Transamerica Title Co.

This 9th day of October A. D. 1978 at 3:49 clock PM., and

fully recorded in Vol. M78, of Deeds on Page 22493

Wm D. MILNE, County Clerk

Fee \$21.00

By *Bernetha A. Heltsch*