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OPM No. 540—CONTRACT—REAL ESTATE—Monthly Installments Payable to Vendors (Husband and Wife) with Schedule (Truth-in-Lending Series)

57422

THIS CONTRACT, Made this 12 day of Oct, 1978, between Michael B. Jager and Margaret H. Jager, (H&W) and Clark J. Kenyon, a single man, hereinafter called the seller, and Herfried O. Palige and Evelyn Palige, (H&W), hereinafter called the buyer,

WITNESSETH: That in consideration of the mutual covenants and agreements herein contained, the seller agrees to sell unto the buyer and the buyer agrees to purchase from the seller all of the following described lands and premises situated in Klamath County, State of Oregon, to-wit:

Lot 2, Block 10, Tract 1039 Yonna Woods Unit #2

for the sum of Four Thousand Eight Hundred Dollars and no .100 Dollars ($4,800.00) (hereinafter called the purchase price) on account of which Four Hundred Eighty Dollars and no .100 Dollars ($480.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller), and the remainder to be paid to the order of the seller at the times and in amounts as follows, to-wit:

Forty One Dollars and Twenty Nine Cents ($41.29) per month or more until both principal and interest are paid in full. First payment due Nov. 27, 1978, and a like payment the 27th of each month thereafter.

The buyer warrants to and covenants with the seller that the real property described in this contract is ~~(A) primarily for buyer's personal, family, household or agricultural purposes,~~ (B) for an organization or (even if buyer is a natural person) is for business or commercial purposes other than agricultural purposes.

All of said purchase price may be paid at any time; all deferred balances of said purchase price shall bear interest at the rate of 8% per cent per annum from monthly until paid, interest to be paid monthly and ~~in addition to~~ the minimum regular payments above required, Taxes on said premises for the current tax year shall be prorated between the parties hereto as of the date of this contract. paid by sellers, taxes thereafter by buyers.

At the time of the execution hereof, the sellers herein (who are husband and wife) own said described real estate as tenants by the entireties; wherefore, the sellers intend and declare that their interest in this contract and in the unpaid purchase price of said described real estate hereafter shall be that of joint tenants with the right of survivorship and not that of tenants in common; in the event of the death of one of the sellers, the title to the sellers' interest in this contract and in and to the then unpaid balance of said purchase price, principal and interest, immediately shall vest solely in the survivor of the sellers.

The buyer shall be entitled to possession of said lands on closing, 19 78, and may retain such possession so long as he is not in default under the terms of this contract. The buyer agrees that at all times he will keep the buildings on said premises, now or hereafter erected, in good condition and repair and will not suffer or permit any waste or strip thereof; that he will keep said premises free from mechanic's and other liens and save the sellers harmless therefrom and reimburse sellers for all costs and attorney's fees incurred by them in defending against any such liens; that he will pay all taxes hereafter levied against said property, as well as all water rents, public charges and municipal liens which hereafter lawfully may be imposed upon said premises, all promptly before the same or any part thereof become past due; that at buyer's expense, he will insure and keep insured all buildings now or hereafter erected on said premises against loss or damage by fire (with extended coverage) in an amount not less than $ NONE in a company or companies satisfactory to the sellers, with loss payable to the sellers as their interest may appear and all policies of insurance to be delivered to the sellers as soon as insured. Now if the buyer shall fail to pay any such liens, costs, water rents, taxes, or charges or to procure and pay for such insurance, the sellers may do so and any payment so made shall be added to and become a part of the debt secured by this contract and shall bear interest at the rate aforesaid without waiver, however, of any right arising to the sellers for buyer's breach of contract.

The sellers agree that at their expense and within ten days from the date hereof, when principal reduced 50% they will furnish unto buyer a title insurance policy insuring (in an amount equal to said purchase price) marketable title in and to said premises in the sellers on or subsequent to the date of this agreement, save and except the usual printed exceptions and the building and other restrictions and easements now of record, if any. Sellers also agree that when said purchase price is fully paid and upon request and upon surrender of this agreement, they will deliver a good and sufficient deed conveying said premises in fee simple unto the buyer, his heirs and assigns, free and clear of encumbrances as of the date hereof excepting all liens and encumbrances created by the buyer or his assigns, municipal liens, water rents and public charges so assumed by the buyer and further excepting all liens and encumbrances created by the buyer, and in case the buyer shall fail to make the payments above required, or any of them, punctually within ten days of the time limited therefor, or fail to keep any agreement herein contained, then the sellers at their option shall have the following rights: (1) to declare the whole unpaid principal balance of said purchase price with the interest thereon at once due and payable and/or (2) to foreclose this contract by suit in equity, and in any of such cases, all rights and interest created or then existing in favor of the buyer as against the buyer hereunder shall revert to and revest in said sellers right to the possession of the premises above described and all other rights acquired by the buyer hereunder shall revert to and revest in said sellers without any act of re-entry or any other act of said property, as absolutely, fully and perfectly as if this contract and such payments had never been for moneys paid on account of the purchase of said property, as absolutely, fully and perfectly as if this contract and such payments had never been made, and in case of such default all payments heretofore made on this contract are to be retained by and belong to said sellers as the agreed and reasonable rent of said premises up to the time of such default. And the said sellers, in case of such default, shall have the right immediately or at any time thereafter to enter upon the land aforesaid without any process of law and take immediate possession, thereof together with all the improvements and appurtenances thereon or thereto belonging.

The buyer further agrees that failure by the sellers at any time to require performance by the buyer of any provision hereof shall in no way affect their right hereunder to enforce the same, nor shall any waiver by said sellers of any breach of any provision hereof be held to be a waiver of any succeeding breach of any such provision or as a waiver of the provision itself.

The true and actual consideration paid for this transfer, stated in terms of dollars, is $4,800.00. ~~(However, the actual consideration consists wholly or in part of other property or value given or promised which is the whole consideration (indicate which).~~

In case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, the buyer agrees to pay such sum as the court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit or action and if an appeal is taken from any judgment or decree of the trial court, the buyer further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal.

In construing this contract, it is understood that the buyer may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine shall include 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 individuals; also, in the event of the demise of one of said sellers, that the word "sellers" shall mean only the survivor of them and the heirs and assigns of such survivor.

IN WITNESS WHEREOF, said parties have executed this instrument in duplicate; if either of the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal affixed hereto by its officers duly authorized thereunto by order of its board of directors.

Buyers: Herfried O. Palige, Herfried O. Palige; Evelyn B. Palige, Evelyn B. Palige

Sellers: Michael B. Jager; Margaret H. Jager; Clark J. Kenyon

*Delete, by initialing, the clause which is not applicable. If warranty (A) or (B) is not applicable, it may be deleted by all parties. ...disclosures under the ... and whichever warranty (A) or (B) is not applicable, it may be deleted by all parties. ...

STATE OF OREGON, COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 27th day of October A.D., 19 78 at 9:16 o'clock A M., and duly recorded in Vol. M78, of Deeds on Page 24185.

WM. D. MILNE, County Clerk

By Bernetha G. Belsch Deputy

FEE $3.00

RETURN TO: FIRST NATIONAL BANK OF OREGON 601 Main Street Klamath Falls Oregon 97601 ATTENTION: CLARA

Herfried O. and Evelyn Palige 1709 No. Craig Avenue, Altadena, California 91001

Send tax statement to:

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