

HA 38-19442

This contract being recorded to correct contract recorded June 29, 1979 in Vol. M79 page 15358. The notary was omitted from first contract.

1 CONTRACT OF SALE

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3 This agreement made and entered into this 2
4 day of April, 1973, by and between GLENN J. CHAPMAN and
5 ARLENE CHAPMAN, husband and wife, hereinafter called the SELLER,
6 and THOMAS ELWOOD DENSON and PATSY JOYCE DENSON, husband and
7 wife, with right of survivorship, hereinafter called BUYER.

8 W I T N E S S E T H:

9 SELLER agrees to sell to BUYER and BUYER agrees
10 to buy from SELLER all of the following described real property
11 situate in Klamath County, State of Oregon, described as follows,
12 to-wit:

13 The Northwesterly one-half of Lot 5,
14 Block 56 NICHOLS ADDITION to the City of
15 Klamath Falls

16 PAYMENT:

17 The total purchase price is the sum of \$15,000.00,
18 payable as follows: \$350.00 as down-payment which has heretofore
19 been paid, receipt of which is hereby acknowledged by SELLER,
20 and the balance of \$14,650.00, with interest at the rate of 7-3/4
21 per cent per annum on the unpaid balance from May 1, 1973, payable
22 in installments of not less than \$150.00 per month; the first in-
23 stallment to be made on or before the 5th day of May, 1973, and
24 a further installment on the 5th day of each and every month there-
25 after until the full balance and interest are paid.

26 PRO-RATE OF TAXES
AND INSURANCE:

27 Real property taxes and the prepaid insurance pre-
28 mium applicable to the above-entitled real property shall be pro-
29 rated by and between the SELLER and BUYER as of the first day of
30 April, 1973, and the BUYER has contemporaneously with the execution
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1 of this agreement, delivered a check to SELLER covering his
2 pro-rated share of taxes and insurance.

3 FUTURE TAXES AND INSURANCE
4 PREMIUMS:

5 SELLER agrees to pay when due all real property
6 taxes that are hereinafter levied against the property and all
7 insurance premiums that are hereinafter required to insure the
8 property against loss by fire or other casualty in an amount of
9 not less than \$15,000.00, and it is hereby agreed by and between
10 SELLER and BUYER that the SELLER shall provide the Escrow Agent
11 with a receipt for said taxes and the Escrow Agent shall add said
12 taxes to the balance then due on the contract in such addition to
13 the purchase price and shall bear interest at the same rate as
14 provided herein.

15 SELLER agrees to keep the buildings on said premises
16 insured against loss by fire or other casualty in an amount not
17 less than insurable value with loss payable to the parties as
18 their interest may appear, and it is understood and agreed by
19 and between SELLOR and BUYER that all such payments made for
20 insurance by the SELLER shall be evidenced by a receipt to the
21 Escrow Agent who shall be instructed and directed to add said
22 payments made for the purpose of insurance to the purchase price
23 then due on the date such insurance payment is made and such amount
24 shall bear interest at the same rate as provided herein.

25 Any amount received by SELLER under the insurance in
26 payment of a loss, shall be applied upon the unpaid balance of
27 the purchase price and shall reduce said unpaid balance to the
28 extent of the amount of the insurance payment received by SELLER.
29 All uninsured losses shall be borne by BUYER on or after the
30 BUYER becomes entitled to possession of the premises.

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1 WARRANTY OF TITLE:

2 SELLER will on the execution hereof make and execute
3 in favor of BUYER a good and sufficient Warranty Deed conveying
4 a fee simple title to said premises, free and clear as of this
5 date of all encumbrances whatsoever, except as hereinafter set
6 forth, and will place said Deed, together with Contract of Sale
7 in escrow at First Federal Savings and Loan Association, Klamath
8 Falls, Oregon, hereby instructing said escrow holder that when
9 and if the BUYER shall have paid the balance of the purchase price
10 and shall have in all other respects fully complied with all of
11 the terms and conditions of this contract, said escrow holder
12 shall deliver said instruments to BUYER.

13 TITLE INSURANCE:

14 When the principal balance due becomes less than
15 \$13,000.00, SELLER shall, within thirty days, furnish at his
16 expense, a policy of title insurance in the amount of \$15,000.00;
17 said policy shall insure BUYER against loss or damage sustained
18 by him by reason of the unmarketability of SELLER'S title or lien
19 or encumbrances thereon, excepting matters contained in the usual
20 printed exceptions in such title insurance policies, easements,
21 conditions and restrictions of record and encumbrances herein
22 specified.

23 ASSIGNMENT BY BUYER PROHIBITED:

24 Any assignment by the BUYER of this agreement or
25 any or all of their rights thereunder and any lease by BUYER
26 of said property, or any part thereof, shall be inoperative and
27 void unless SELLER shall assent thereto in writing.

28 PRE-PAYMENT:

29 BUYER shall have the privilege of increasing any
30 monthly payment, or pre-paying the whole consideration at any
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1 time without penalty.

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3 MAJOR CONSTRUCTION OR
4 ALTERATIONS TO PREMISES:

5 It is expressly understood and agreed that the
6 BUYER shall make no major alterations, modifications or additions
7 to the residence located upon the premises without first obtain-
8 ing the written authorization and consent of the SELLER.

9 DEFAULT:

10 BUYER agrees to make all payments called for under
11 the terms of this contract promptly as the same shall fall due
12 and to pay the purchase price at First Federal Savings & Loan
13 Association, Klamath Falls, Oregon, and to keep said premises at
14 all times in as good condition as the same now are.

15 PROVIDED, FURTHER, time shall be of the essence of
16 this agreement and if the BUYER shall fail, refuse or neglect
17 for a period of thirty days to pay either or any of said install-
18 ments or any of said interest promptly as the same become due, or
19 shall fail to keep and perform any of the agreements or payments
20 contained herein, then all of the rights of the BUYER in and to said
21 property and under this contract shall at the SELLER'S option
22 immediately and utterly cease and determine, and the property
23 herein described shall revert to and revest in the SELLER with-
24 out any declaration of forfeiture or act of re-entry, or without
25 any other act by the SELLER to be done or performed and without
26 any right of the BUYER of reclamation or compensation for money
27 paid or for improvements made on said premises as fully, perfectly
28 and absolutely as if the agreement had never been made, and all
29 money theretofore paid to the SELLER under this contract shall
30 thereupon be forfeited without process of law and shall be re-
31 tained by and belong to the SELLER as the accrued and reasonable

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