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CONTRACT OF SALE

THIS AGREEMENT, made this 18 day of May, 1967,
between MARTIN K. NIELSON and EDYTHE L. NIELSON, husband and
wife, hereinafter called the Sellers and GRETTA C. MOORMAN,
a single woman, hereinafter called the Buyer,

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 Buyer agrees to purchase, the
following described real property situate in the County of Klamath,
State of Oregon, to-wit:

North 42.5 feet of Lots 5 and 6, Block 57, HOT
SPRINGS ADDITION to the City of Klamath Falls,
Oregon

for the sum of Eight Thousand and no/100ths (\$8,000.00) Dollars,
on account of which Five Hundred and no/100ths (\$500.00) is paid
on the execution hereof, the receipt of which is hereby acknowledged,
and the remainder of Seven Thousand Five Hundred and no/100ths
(\$7,500.00) Dollars, to be paid to the Sellers at United States
National Bank of Oregon, main branch, Klamath Falls, Oregon, with
interest thereon from June 1, 1967, at the rate of seven per cent
per annum, at the dates and in the amount as follows:

- A- Not less than Seventy Five and no/100ths (\$75.00)
including interest at 7% per annum; first payment
to be made on the 3rd day of July, 1967, and a like
amount on the 3rd day of each and every month there-
after until the whole amount, both principal and
interest is fully paid.
- B- Buyer shall have the right at any time to prepay
any part or all of the balance due hereunder, without
penalty of interest. In the event Buyer shall prepay
part of said balance, she shall be excused from the
regular monthly payments due hereunder to the extent
of such prepayments.

Buyer shall be entitled to possession of said premises
on June 1, 1967.

Buyer warrants that she has purchased the property solely
upon her own inspection and personal knowledge and in its present

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actual condition and has not relied upon any warranties or representations made by the Sellers or by any agent of the Sellers.

Sellers warrant and represent to the Buyer that they are lawfully seised in fee simple of the above premises free of all incumbrances except a certain Mortgage wherein Martin K. Nielson and Edythe L. Nielson, husband and wife, are mortgagors and the United States National Bank of Oregon, a national banking association, is mortgagee, for the principal sum of \$6,500.00, at 6½% interest, dated April 26, 1963, recorded April 26, 1963, in Book 216 of Mortgages, Klamath County, Oregon, page 667.

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

Sellers specifically warrant and covenant that Buyer shall be entitled to peaceful and uninterrupted possession of the above described premises so long as the Buyer complies with her obligations under this contract.

It is understood and agreed between the parties hereto that should there be any contracts, mortgages, liens, judgments, or other incumbrances outstanding which Sellers have entered into or incurred during or prior to this contract, Buyer shall have the right upon default by Sellers in payment thereof to make such payments and to apply the payments as part payment on this contract.

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It is agreed between the parties hereto that all the taxes, if any, shall be prorated as of the date of this contract.

It is further agreed that all the buildings now erected on said premises will be kept insured by the Seller, naming the Buyer upon said policy, against loss or damage by fire in an amount equal to the full insurable value of the improvements located upon the aforementioned premises. The monthly payment stated hereinbefore shall include fire insurance, and the Sellers shall pay all fire insurance premiums and upon presentation of a paid receipt to the escrow holder, shall add said payment premiums back to the principal of this contract, to carry interest as hereinbefore mentioned.

The Buyer in consideration of the premises, hereby agrees that she will pay for all public and municipal liens which may hereafter lawfully be imposed upon said premises, promptly and before the same or any part thereof becomes past due. However, it is agreed that the Buyer shall pay said taxes and liens in her monthly payment and that the Sellers shall pay all said taxes and liens and add the same back to the principal of this contract by presentation to the escrow holder of paid receipt of said taxes and liens and they shall carry interest as hereinbefore mentioned.

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

It is agreed between the parties that upon payment of this contract to a contract balance of less than \$5,000.00, that the Sellers will furnish Title Insurance, showing good and merchantable title in the Sellers as of the date of this contract.

In case the Buyer, her legal representatives or assigns shall pay the several sums of money aforesaid punctually and at the times above specified, and shall strictly and literally perform all and singular the agreements and stipulations aforesaid,

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according to the true intent and tenor thereof, then the Sellers shall give unto the Buyer, her heirs or assigns, upon request at United States National Bank of Oregon, Main Branch, Klamath Falls, Oregon, a good and sufficient warranty deed of conveyance conveying said premises in fee simple, free and clear of incumbrances as of the date of this contract.

Time is of the essence in this contract and the Buyer covenants to promptly make all payments of principal and interest when due and to otherwise fully and promptly perform her obligations under the contract, and in the event of default by the Buyer upon any of the terms and conditions contained herein, Sellers may, upon thirty (30) days written notice to the Buyer, and providing said default continues during said thirty (30) day period, declare this contract terminated and at an end, and upon such termination, all of the Buyer's right, title and interest in and to the described property shall immediately cease. Sellers shall be entitled to the immediate possession of the described property, they may forcibly enter and take possession of said property, removing the Buyer and her effects, and all payments theretofore made by Buyer to Sellers and all improvements or fixtures placed on the described property shall be retained by the Sellers as liquidated damages. OR:

Sellers may at their option foreclose this contract by strict foreclosure in equity, and upon the filing of such suit, all of the Buyer's right, title and interest in and to the above described property shall immediately cease, Sellers shall be entitled to the immediate possession of said property, they may enter forcibly and take possession of said property, removing the Buyer and her effects, and all payments theretofore made by Buyer to the Sellers and all improvements or fixtures placed upon the described real property shall be forfeited to the Sellers as liquidated damages. Such right to possession in the Sellers shall not be deemed inconsistent with the suit for strict foreclosure, Contract. -4-

but shall be in furtherance thereof, and in the event Buyer shall refuse to deliver possession upon the filing of such suit, Buyer by the execution of this contract consents to the entry of an interlocutory order granting possession of the premises to the Sellers immediately upon the filing of any suit for strict foreclosure without the necessity of the Sellers posting a bond or having a receiver appointed. OR:

Sellers shall have the right to declare the entire unpaid balance of the purchase price, with interest thereon, at once due and payable, and in such event, Sellers may either bring an action at law for the balance due, thereby waiving the security, or in the alternative, may file suit in equity for such unpaid balance of principal and interest, and have the property sold at judicial sale, with the proceeds thereof applied to the Court costs, attorneys' fees, and the balance due the Sellers, and may recover a deficiency judgment against the Buyer for any unpaid balance remaining thereon.

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

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

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 the Sellers right hereunder to enforce the same, nor shall any waiver by said Sellers of the 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.

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

Martin B. Nielson

Edythe L. Nielson
Sellers

Gretta C. Moorman
Buyer

Gretta C. Moorman
241 Michigan
K Falls, Or.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Gretta C. Moorman

this 5th day of October A. D. 1979 at 11:23 o'clock A. M., or.

fully recorded in Vol. M79, of Deeds on Page 23645

Wm D. MILNE, County Clerk

By Bernetha Schetch
Fee \$21.00