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85727

CONTRACT—REAL ESTATE

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THIS CONTRACT, Made this 17th day of June, 1980, between
Rawland E. Mueller and Alice P. Mueller, Husband and Wife

and Ignacio Garza and Gloria Garza, Husband and Wife

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 19, Block 44, City of Malin, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon.

for the sum of Twenty Thousand ----- Dollars (\$20,000.00), hereinafter called the purchase price, of which \$5,000.00 has been paid at the time of the execution hereof, the receipt whereof hereby is acknowledged by the seller; the buyer agrees to pay the balance of said purchase price to the order of the seller at the times and in the amounts as follows, to-wit:

Remaining balance of Fifteen Thousand Dollars payable at not less than \$198.00 per month, including annual percentage rate of interest at ten per cent (10%) per annum.

Payments due on the first day of each month beginning July 1, 1980 and every month thereafter.

The buyer warrants to and covenants with the seller that the real property described in this contract is

(A) ~~not~~ 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 10% per cent per annum from July 1, 1980 until paid, interest to be paid being included in the minimum regular payments above required. Taxes on said premises for the current year shall be prorated between the parties hereto as of June 17, 1980.

The buyer shall be entitled to possession of said lands on June 17, 1980, 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 premises and the buildings, now or hereafter erected thereon, in good condition and repair and will not suffer or permit any waste or strip thereof; that he will keep said premises free from construction and all other liens and save the seller harmless therefrom and reimburse seller for all costs and attorney's fees incurred by him 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 \$ full insurable value in a company or companies satisfactory to the seller, with loss payable first to the seller and then to the buyer as their respective interests may appear and all policies of insurance to be delivered to the seller 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 seller 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 seller for buyer's breach of contract.

The said described premises are now subject to a contract or a mortgage (the word mortgage as used herein includes within its meaning a trust deed) recorded in the Deed*, Mortgage*, Miscellaneous* Records of said county in book/reel/volume No M-78 on page 6733 thereof or as document/tee/file/instrument/microfilm No. (reference to which hereby is made) on which the unpaid principal balance thereof at this time is \$ 8,511.89 and no more, with interest.

The seller agrees to pay all sums due and to become due on said contract or mortgage promptly at the times required for said payments and to keep said contract or mortgage free from default; should any of the installments on said mortgage so paid by the seller include taxes or insurance premiums on said described premises, the buyer agrees on seller's demand forthwith to repay to the seller that portion of said installments so paid applicable to taxes and insurance premiums; should the seller for any reason permit said contract or mortgage to be or become in default, the buyer may pay any sums required by said contract or mortgage to be paid or otherwise perform said contract or mortgage and the buyer shall be entitled to credit for all sums so paid by him against the sums next to become due on the above purchase price pursuant to the terms of this contract.

The seller agrees that at his expense and within ten days from the date hereof, he 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 seller 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, and the said contract or mortgage. Seller also agrees that when said purchase price is fully paid and upon request and upon surrender of this agreement, he will deliver a good and sufficient deed conveying said premises in fee simple unto the buyer, his heirs and assigns, free and clear of all encumbrances since said date placed, permitted or arising by, through or under seller, excepting, however, the said easements and restrictions, and the taxes, municipal liens, water rents and public charges so assumed by the buyer and further excepting all liens and encumbrances created by the buyer or his assigns.

(Continued on reverse)

*IMPORTANT NOTICE: Delete, by lining out, whichever phrase and whichever warranty (A) or (B) is not applicable. If warranty (A) is applicable and if seller is a creditor, as such word is defined in the Anti-Lending Act and Regulation Z, the seller MUST comply with the Act and Regulation by making required disclosures; for this purpose, use Stevens-Ness Form No. 1308 or similar. If the contract becomes a first lien to finance the purchase of a dwelling use Stevens-Ness Form No. 1307 or similar.

Rawland and Alice Mueller
5082 Harlan Drive P.O. Box 432
Klamath Falls, Oregon 97601
SELLER'S NAME AND ADDRESS

Ignacio and Gloria Garza
P.O. Box 243
McDoel, California 96058
BUYER'S NAME AND ADDRESS

After recording return to:

Mountain Title Company
407 Main Street
Klamath Falls, Oregon 97601
NAME, ADDRESS, ZIP

Until a change is requested all tax statements shall be sent to the following address.

Ignacio and Gloria Garza
P.O. Box 243
McDoel, California 96058
NAME, ADDRESS, ZIP

STATE OF OREGON,

County of _____

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ or as document/tee/file/instrument/microfilm No. _____, Record of Deeds of said county.

Witness my hand and seal of County affixed.

NAME

TITLE

By _____ Deputy

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(DESCRIPTION CONTINUED)

Fee \$7.00

C. Bernetha & Ketsch