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Vol. 1780 Page 13051
TIA # M-38-21903-7

This Agreement, made and entered into this 30th day of June, 1980 by and between

PAUL A. MONTGOMERY,

hereinafter called the vendor, and

WAYNE HORTON, WILLIAM C. RANSOM, and JAMES H. PATTON,

hereinafter called the vendees.

WITNESSETH

that the Vendor agrees to sell to the vendees and the vendees agree to buy from the vendor the all of the following described property situate in Klamath County, State of Oregon, to-wit:

A portion of the NE 1/4 of Section 32, Township 38 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows: Beginning at a point North 38° 56' East 60 feet

distant from the Northeastly corner of Block 82 in KLAMATH ADDITION TO THE CITY OF KLAMATH FALLS, OREGON; thence South

51° 4' East 120 feet; thence North 38° 56' East 60 feet; thence

North 51° 4' West 120 feet; thence South 38° 56' West 60 feet to the point of beginning.

at and for a price of \$ 200,000.00 payable as follows: to-wit: the vendees shall pay to the vendor the sum of \$ 165,141.10 at the time of the execution

***SEE ADDENDUM, attached hereto, marked as "Exhibit A" and made a part hereof.

of this agreement, the receipt of which is hereby acknowledged; \$ 34,469.10 with interest at the rate of 9 1/2 % per annum from date of contract

annum, inclusive of interest, the first installment to be paid on the day of

June 1980, and a further installment on the day of every month thereafter until the full balance and interest

are paid.

Vendee agrees to make said payments promptly on the dates above named to the order of the vendor, or the survivors of them, at the Klamath First Federal Savings and Loan Association,

Oregon; to keep said property at all times in as good condition as the same now are, that no improvement now on or which may hereafter be placed on said property shall be removed or destroyed before the entire purchase price has been paid and

that said property will be kept insured in companies approved by vendor against loss or damage by fire in a sum not less than full ins. value; with loss payable to the parties as their respective interests may appear, said

policy or policies of insurance to be held Vendor copy to Vendees that vendee shall pay regularly and seasonably and before the same shall become subject to interest charges, all taxes, assessments, liens and incumbrances of whatsoever nature and kind. Taxes to be prorated as of June 30, 1980.

and agrees not to suffer or permit any part of said property to become subject to any taxes, assessments, liens, charges or incumbrances whatsoever having precedence over rights of the vendor in and to said property. Vendee shall be entitled to the possession of said property as of June 30, 1980.

Vendor will on the execution hereof make and execute in favor of vendee good and sufficient warranty deed conveying a fee simple title to said property free and clear as of this date of all incumbrances whatsoever, except as set forth in said Warranty Deed.

which vendee assumes, and will place said deed

together with one of these agreements in escrow at the Klamath First Federal Savings & Loan Association,

at Klamath Falls, Oregon, and shall enter into written escrow instruction in form satisfactory to said escrow holder, instructing said escrow holder that when, and if, vendee shall have paid the balance of the purchase price in accordance with the terms and conditions of this contract; said escrow holder shall deliver said instruments to vendee, but that in case of default by vendee said escrow holder shall, on demand, surrender said instruments to vendor.

ADDENDUM TO CONTRACT

MONTGOMERY - HORTON/RANSON/PATTON
June 30, 1980

The down payment, as set forth herein, in the sum of \$165,141.10, to be paid as follows:

1. \$50,000.00 at the time of the execution of this agreement, receipt of which is hereby acknowledged.
2. \$80,664.50 by assumption of Contract dated June 26, 1973, between Fred R. Krauel, Vendor, and Ernest L. Groth and Marion J. Groth, and Harold I. Kezer and Lois Kezer, by Assignment dated April 1, 1977, recorded April 20, 1977, Book M-77, page 6762.
3. \$25,219.54 by assumption of unrecorded Contract dated July 10, 1974 between Ernest L. Groth and Marian J. Groth, Vendor, and Dearborn Development Company, a partnership, by Assignment of Vendees Interest dated April 11, 1977. recprded April 20, 1977 in Book M-77 page 6772.
4. \$9,646.86 by assumption of Contract dated April 1, 1977, recorded April 20, 1977 in Book M-77 page 6781, between Dearborn Development Co., a partnership, Vendor, and Paul A. Montgomery, Vendee.

"EXHIBIT A"

Exhibit "A"

13054

FURTHER PROVISIONS OF AGREEMENT: Vendee agrees to assume, perform, and pay, all obligations of the buyers, vendees, or purchasers, under the contracts listed as being assumed by the buyers as part of the down payment and described as paragraphs number 2, 3 and 4, in page 1 of Exhibit "A" of this agreement.

PREPAYMENT: Vendee has the right to prepay any or all parts of the balance due hereunder without penalty after January 1, 1981. Vendee shall have no right to any prepayment prior to January 1, 1981, and any tender thereof shall be void.

VENDORS RIGHT TO PAY: In the event Vendee fails to pay, when due, any amounts required of Vendee to be paid to third parties hereunder, Vendor may pay any or all such amounts. If Vendor makes any such payments, the amounts thereof shall be immediately due and payable to Vendor from Vendee. Until paid, such amounts shall be secured by this contract and shall bear interest at the rate of Nine and One-Half Percent (9 1/2%) per year. Vendor's election to make any payments pursuant to this paragraph shall not constitute a waiver of seller's right to declare purchaser to be in default of this contract.

INSURANCE: Notwithstanding the provisions regarding insurance on page 1 of this agreement, the fire insurance policy shall name both Vendor and Vendees as insured, as their respective interests may appear, and shall provide that the policy will not be cancelled without ten (10) days prior written notice to Vendor. A copy of said policy, with said endorsement, shall be delivered to Vendor on or before the 1st day of August of

each year that any amount due under this contract remains unpaid. Provided further, that said contract of insurance shall insure the personal property sold from Vendor to Vendee and described in Exhibit "B" to this agreement.

INDEMNIFICATION: Vendee shall indemnify and defend Vendor from any claim, loss or liability arising out of or related to any activity of Vendee or Vendee's agents, tenants, employees, invitees or licensees on the property, or any condition of the property.

*out per
made
W.H.
J.H.
W.R.
P.A.M.* 7-11-80

~~DEFAULT: In addition to the provisions set forth previously in this agreement, a default shall occur if Vendees, or any of them, become insolvent, a receiver is appointed to take possession of all or a substantial part of Vendee's properties, Vendee makes an assignment for the benefit of creditors or files a voluntary petition in bankruptcy, or Vendee is the subject of an involuntary petition in bankruptcy which is not dismissed within 90 days.~~

CONDITION OF PROPERTY: Vendee accepts the land, buildings, improvements, personal property, and all other aspects of the property in their present condition, AS IS, including latent defects, without any representations or warranties, expressed or implied, unless they are in writing signed by Vendor. Vendee agrees that he has ascertained, from sources other than Vendor, the applicable zoning, building, housing and other regulatory ordinances and laws and that he accepts the property with full awareness of these ordinances and laws as they may affect the present use or any intended future use of the property, and Vendor has made no representations with respect thereto.

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SMOKE DETECTORS: Notwithstanding the provisions of the previous paragraph entitled "Condition of Property" Vendor warrants that he has installed smoke detectors in each of the apartment units of the property, and that said smoke detectors meet the requirements of ORS 479.250 to 479.300.

PAM

WKR
W.H.
L.H.P.

Return To: TIA - So. 6th St.

Send Tapes To:

Messrs. Horton, Ramson & Patton
628 Oak St.
City, 97601

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Transamerica Title Co.

this 14th day of July A. D. 1980 at 4:01 clock P.M., an

uly recorded in Vol. M80, of Deeds on Page 3051

W^o D. MILNE, County Clerk

Bernetha J. DeLoach

Fee \$21.00