

89184

OPTION AGREEMENT

THIS AGREEMENT, made and entered into this 2nd day of September, 1980, by and between EMILEE A. MONTGOMERY, GRANTOR, and RONALD DALE BRYANT and SHEILA J. BRYANT, husband and wife, Grantees,

WITNESSETH: In consideration of the covenants herein contained to be kept by Grantees, Grantor does hereby grant unto Grantees the right to purchase the following described premises, located in Klamath County, Oregon, to-wit:

Lot 68 of CLOVERDALE according to the plat thereof on file in the office of the Clerk of Klamath County, Oregon, more commonly known as 5676 Deleware Street, Klamath County, Oregon; at and for a price of Forty Four Thousand and No/100 Dollars, payable as follows, to-wit:
1.1 \$1,000.00 at the time of execution of this agreement, the receipt of which is hereby acknowledged; \$100.00 per month for six months with the first said payment due and payable on the 2nd day of October, 1980, and with the sixth said payment due on the 2nd day of March, 1981; and then \$150.00 per month for 18 months with the first said payment due and payable at the 2nd day of April, 1981, and the last said payment due on the 2nd day of August, 1982; and then the entire remaining purchase price shall be paid on or before the 2nd day of September, 1982. No interest is being charged in this transaction and all of the above payments shall be credited to the purchase price in the event that the option to purchase is exercised.

1.2 As additional consideration for the granting of the above option to purchase the Grantees agree to occupy and maintain the premise and to pay the additional sum of \$150.00 per month as rent. Said monthly rental payments are due and payable on the 2nd day of each month, commencing on October 2, 1980, and continuing until September, 2, 1982, unless the option to purchase the premise is sooner exercised.

1.3 The Grantees further agree to pay to the Grantor monthly and with the above described rental, 1/12 of the annual property taxes and 1/12 of the annual insurance premiums on the said premises. The Grantor agrees to provide the Grantees reasonable proof of the actual property taxes and insurance being paid on the premises by the Grantor.

80 SEP 4 AM 9 40

1 1.4 Each monthly payment shall be applied first to rent, taxes and insurance
 2 and then as option money to be deducted from the purchase price.

3 1.5 The Grantees agree to maintain the interior and exterior of the premise in
 4 as good a condition as the same now are; including, without limitation, the
 5 electrical and plumbing systems; heating, water and sewage facilities; the roof,
 6 foundation, windows and the landscaping; and the electric range and water
 7 heater. The Grantees acknowledge that the above agreement to maintain the pre-
 8 mises is part of the consideration given for the grant of the option to pur-
 9 chase the premise and that maintainance of the premises is normally a duty of
 10 the Landlord as set forth in the Oregon Residential Landlord and Tenant Act.
 11 Grantees duty to maintain shall begin September 12, 1980.

12 1.6 Grantees acknowledge that the payments to be made by them which are set
 13 forth in paragraph ~~1.1~~ ^{2m} ~~and 1.2~~ are option payments given in consideration of
 14 the grant of right to purchase the premises; that if the said option to pur-
 15 chase is exercised the said option payments will be deducted from the purchase
 16 price; but that if the said option to purchase is not exercised or if the Gran-
 17 tees violate the terms of this agreement the said option payment shall be for-
 18 feited by the Grantees to the Grantor.

19 2.1 The Grantees shall be entitled to possession of the premises immediately
 20 after the execution of this agreement and shall be entitled to continue in pos-
 21 session so long as they comply with the terms and conditions of this agreement.

22 2. If the Grantees fail to exercise the option to purchase granted herein they
 23 expressly agree to quit and deliver up the premises to the Grantor, peacefully
 24 and quietly and in as good order and condition as the same now are no later
 25 than 5:00 o'clock P.M. on September 2, 1982.

26 2.2 If the payments, hereinabove mentioned, to be made by the Grantees should
 27 be in arrears for a period of 30 days, time is hereby declared to be the essence
 28 of the agreement, or if the Grantees shall fail to strictly and literally per-
 29 form any of the covenants and conditions herein contained, then all payments
 30 theretofore made by Grantees to the Grantor shall be considered as rent and
 31 shall be retained and belong to the Grantor and the option herein granted to the
 32 Grantees shall thereupon become null and void 24 hours after delivery of Notice of
 termination by the Grantor to the Grantees at the above described premises.

16726

3.1 Grantor, upon receipt of ten days written Notice from the Grantees of the Grantees election to exercise the right to purchase granted herein, shall deliver to the grantees, or a representative designated by grantees, a preliminary title report showing fee simple title to the above described premises vested in Grantor. Grantor shall then deliver her warranty deed to the premises to a mutually agreeable escrow agent and shall direct said agent to procure a policy of Title Insurance with a face value of \$44,000.00 at Grantor's expense to be delivered with said deed to the purchasers at such time as they have deposited the balance of the purchase price with said agent. The parties agree to prorate any unpaid taxes and insurance as of the closing date and to divide equally the payment of all closing costs.

3.2 In order to exercise the option to purchase granted herein, Grantees shall comply with all the covenants and conditions of the agreement and shall deliver the balance of the purchase price to the said escrow agent no later than 4:00 o'clock P.M. on September 2, 1982.

4.1 In case suit or action is instituted to enforce any of the provisions hereof, the prevailing party in such suit or action shall be entitled to receive from the other party his costs which shall include the reasonable cost of title report and title search and such sum as the trial court and or appellate court, if an appeal is taken, may adjudge reasonable as attorney's fees to be allowed the prevailing party in said suit or action and or appeal, if an appeal is taken. The Grantees' interest herein maybe assigned upon the written consent of the Grantor, said consent maynot be unreasonably withheld.

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

Ronald D. Bryant
Ronald Dale Bryant

Sheila J. Bryant
Sheila J. Bryant
5676 Delaware
Klamath Falls, Oregon 97601

Emilee A. Montgomery
Emilee A. Montgomery
3416 Beverly Drive
Klamath Falls, Oregon 97601

STATE OF OREGON, County of Klamath)ss.

September 2, 1980

Personally appeared Ronald Dale Bryant, Sheila J. Bryant and Emilee A. Montgomery, persons known to me, and acknowledge the foregoing act to be their voluntary act and deed.

Return
to
↓
WM. M. GANONG
ATTORNEY AT LAW
P.O. BOX 57
KLAMATH FALLS, OR.
97601
(503) 882-7228

OPTION AGREEMENT - Page 3.

Wm. M. Ganong
Notary Public for Oregon
WM. M. GANONG
NOTARY PUBLIC - OREGON
MY COMMISSION EXPIRES 11-2-82

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 4th day of September A.D., 19 80 at 9:40 o'clock A M., and duly recorded in Vol. M80 of Deeds on Page 16724.

FEE \$10.50

WM. D. MILNE, County Clerk
By Bernice Spetch Deputy