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CONTRACT—REAL ESTATE

Vol. 1781 Page 15025

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THIS CONTRACT, Made this 19th day of August, 1981, between
Kepner, Kepner and Sario, a partnership

and David M. Monschein and Sally A. Monschein, husband and wife hereinafter called the seller,
hereinafter called the buyer,

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 12, Block 307, DARROW ADDITION TO THE CITY OF KLAMATH FALLS, in the County of Klamath, State of Oregon.

1. Regulations, including levies, liens and utility assessments of the City of Klamath Falls.

2. Mortgage, including the terms and provisions thereof, with interest thereon and such future advances as may be provided therein, given to secure the payment of \$8,000.00

Dated: August 15, 1974

Recorded: August 19, 1974

Book: M-74 Page: 10084

Mortgagor: Lucile F. Kepner

Mortgagee: Klamath First Federal Savings and Loan Association
a federal corporation, which Buyers herein do

not assume and agree to pay, and Sellers further covenant to and with Buyers that the said prior mortgage shall be paid in full prior to, or at the time this contract is fully paid and that said above described real property will be released from the lien of said mortgage upon payment in full of this contract.

3. Taxes for the year 1981-82 are now a lien but not yet payable;

for the sum of Twenty-Two Thousand Nine Hundred and No/100ths Dollars (\$22,900.00) (hereinafter called the purchase price) on account of which Four Thousand Five Hundred and No/100ths Dollars (\$4,500.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller); the buyer agrees to pay the remainder of said purchase price (to-wit: \$18,400.00) to the order of the seller in monthly payments of not less than Two Hundred Thirty-Seven and 56/100ths---- Dollars (\$237.56) each, or more, prepayment without penalty.

payable on the 1st day of each month hereafter beginning with the month of October, 1981, and continuing until said purchase price is fully paid. 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 11 1/2% per cent per annum from August 19, 1981 until paid, interest to be paid monthly and * in addition to being included in the minimum

monthly payments above required. Taxes on said premises for the current tax year shall be prorated between the parties hereto as of the date of this contract.

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

(A) primarily for buyer's personal, family, household or agricultural purposes.

(B) for the organization or operation of a business or commercial purpose other than agricultural purposes.

The buyer shall be entitled to possession of said lands on August 19, 1981, 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 seller agrees that at his expense and within 30 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. 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 encumbrances as of the date hereof and 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 Truth-in-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.

Kepner, Kepner & Sario, a partnership

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/fee/file/instrument/microfilm No. _____

Record of Deeds of said county.

Witness my hand and seal of County affixed.

NAME _____ TITLE _____

By _____ Deputy

SELLER'S NAME AND ADDRESS

Monschein

BUYER'S NAME AND ADDRESS

After recording return to:

Transamerica Title Insurance Co.

Attn: Julie # 23827-0

NAME, ADDRESS, ZIP

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

Mr/Mrs/ David M. Monschein

2331 Radcliff

Klamath Falls, Ore., 97601

NAME, ADDRESS, ZIP

& copy -to Klamath First Federal Savings & loan

And it is understood and agreed between said parties that time is of the essence of this contract, and in case the Buyer shall fail to make the payments above required, or any of them, punctually within 20 days of the time limited therefor, or fail to keep any agreement herein contained, then the seller at his option shall have the following rights: (1) to declare this contract null and void, (2) to declare the whole unpaid principal balance of said purchase price with the interest thereon at once due and payable, (3) to withdraw said deed and other documents from escrow and/or (4) to foreclose this contract by suit in equity, and in any of such cases, all rights and interest created or then existing in favor of the buyer as against the seller hereunder shall utterly cease and determine and the right to the possession of the premises above described and all other rights acquired by the buyer hereunder shall revert to and be held in said seller without any act of re-entry, or any other act of said seller to be performed and without any right of the buyer of return, reclamation or compensation for moneys paid on account of the purchase of said property as absolutely, fully and perfectly as if this contract and such payments had never been made; and in case of such default all payments theretofore made on this contract are to be retained by and belong to said seller as the agreed and reasonable rent of said premises up to the time of such default. And the said seller, in case of such default, shall have the right immediately, or at any time thereafter, to enter upon the land aforesaid, without any process of law, and take immediate possession thereof, together with all the improvements and appurtenances thereon or thereto belonging.

The buyer further agrees that failure by the seller at any time to require performance by the buyer of any provision hereof shall in no way affect his right hereunder to enforce the same, nor shall any waiver by said seller of any 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.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$22,900.00. However, the actual consideration consists of ~~an includes other property or value given or promised which is not the consideration (indicate which)~~ ①.

In case suit or action is instituted to foreclose this contract or to enforce any provision hereof, the losing party in said suit or action agrees to pay such sum as the trial court may adjudge reasonable as attorney's fees to be allowed; the prevailing party in said suit or action and if an appeal is taken from any judgment or decree of such trial court, the losing party further promises to pay such sum as the appellate court shall adjudge reasonable as the prevailing party's attorney's fees on such appeal.

In construing this contract, it is understood that the seller or the buyer may be more than one person or a corporation; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

This agreement shall bind and inure to the benefit of, as the circumstances may require, not only the immediate parties hereto but their respective heirs, executors, administrators, personal representatives, successors in interest and assigns as well.

IN WITNESS WHEREOF, said parties have executed this instrument in triplicate; if either of the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal affixed hereto by its officers duly authorized thereunto by order of its board of directors.

Lucile F. Kepner
Lucile F. Kepner

David M. Monschein
David M. Monschein

Sally A. Monschein
Sally A. Monschein

NOTE—The sentence between the symbols ①, if not applicable, should be deleted. See ORS 93.030.

STATE OF OREGON,

County of Klamath

August 21, 19 81

STATE OF OREGON, County of _____, ss.

Personally appeared _____, 19 _____, and _____

Lucile F. Kepner, above named

David M. Monschein and Sally A. Monschein

and acknowledged the foregoing instrument to be _____ voluntary act and deed.

each for himself and not one for the other, did say that the former is the _____ who, being duly sworn, _____ president and that the latter is the _____ secretary of _____

_____ a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires 11-16-84

Notary Public for Oregon

My commission expires:

(SEAL)

ORS 93.635 (1) All instruments contracting to convey fee title to any real property, at a time more than 12 months from the date that the instrument is executed and the parties are bound, shall be acknowledged, in the manner provided for acknowledgment of deeds, by the conveyer of the title to be conveyed. Such instruments, or a memorandum thereof, shall be recorded by the conveyer not later than 15 days after the instrument is executed and the parties are bound thereby.

ORS 93.990(3) Violation of ORS 93.635 is punishable, upon conviction, by a fine of not more than \$100.

SPECIAL PROVISION OF THIS CONTRACT:

It is agreed by and between the parties hereto that in the event Buyers herein sell or assign the property to a third party in the future, then the Sellers shall have the right to re-negotiate the interest rate with the new Buyers of said real property.

Buyers herein specifically agree to pay the full contract balance on or before September 1, 2001.

Sellers will pay by November 30th of each year all real property taxes levied and assessed against the real property. The amount of such payment shall be added to and become a part of the principal balance of the purchase price to be paid by Buyers and shall draw interest at the contract rate from the date of payment. A receipt issued by the taxing body showing payment, when produced by the Sellers, shall constitute satisfactory proof of payment to the extent of the sums receipted for and shall further constitute sufficient authority to add the sums receipted for to the balance of the purchase price of this contract.

Sellers will further pay on Buyers' behalf the fire insurance premiums on the property. The amount of such payment shall be added to and become a part of the principal balance of the purchase price to be paid by Buyers and shall draw interest at the contract rate from the date of such payment. A receipt issued by the insurance company showing payment, when produced by Sellers, shall constitute satisfactory proof of payment to the extent of the sums receipted for and shall further constitute sufficient authority to add the sums receipted for to the balance of the purchase price of this contract.

(for continuation of this contract see attached Exhibit "A")

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It is further agreed by and between the parties hereto that in the event the taxes and fire insurance increase or decrease each year the payments shall be adjusted accordingly each year to compensate for said change.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Transamerica Title Co.

this 21st day of August A. D. 19 81 at 3:55 o'clock P M., and
duly recorded in Vol. M81, of Deeds on Page 4025.

EVELYN BIEHN, County Clerk
By Lorretta A. Hetch

Fee \$10.50

Exhibit "A"