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## OPTION FOR PURCHASE OF REAL ESTATE

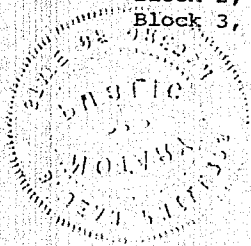
KNOW ALL MEN BY THESE PRESENTS, That Kerns Brothers Real Estate a partnership consisting of James W. Kerns, John Kerns and Ben Kerns the \*party of the first part, for and in consideration of ..... Dollars, to the first party paid, do hereby bargain, give and grant to Paul K. Rogers and/or Anne L. Rogers the \*party of the second part, for a period of 10 years from the date hereof, the sole, exclusive and irrevocable right and option to purchase that certain real estate situate, lying and being in the County of Klamath and State of Oregon more particularly bounded and described as follows, to-wit:

Township 39, Range 9, Section 12, Kerns Tracts  
Klamath County, Oregon

Block 1, portion of lot 2, all of lot 3

Block 2, lots 6 through U

Block 3, lots 6 through U



\*82 MAR 2 AM 10 03

at and for the agreed price of One-Hundred-Seventy-Five-Thousand 00/100 Dollars to be paid (if the said party of the second part shall elect to purchase hereunder) in manner and form as follows, to-wit:

For the period January 1, 1982 through January 1, 1985, the agreed price shall be \$175,000.00. The down payment shall be \$30,000.00 and the balance payable as follows: The underlying mortgage with Klamath First Federal shall be assumed by Paul K. Rogers. The balance shall be carried on contract at 13% annual interest amortized over 20 years. An annual payment shall be due on April 15th of each year and shall be pro-rated at the time the option is exercised. Each successive year on or before January 1, Paul K. Rogers shall have the exclusive and irrevocable option to purchase subject Real Estate for 10 years at the same terms and conditions excepting that the purchase price shall be adjusted to the national annual rate of inflation as determined by the consumer price index as of December 31, of each year. Option on this real estate cannot be exercised until Paul K. Rogers has acquired \$60,000.00 of stock in J. W. Kerns, Inc., an Oregon corporation owned by James Kerns, R. Benjamin Kerns and John Kerns.

\* So designated whether singular or plural.



and in case said party of the second part shall elect to purchase said premises hereunder and shall pay said consideration and deliver any documents to said party of the first part, in time, manner and form as hereinbefore specified, then the said party of the first part agrees forthwith to convey said premises free of all encumbrances except No additional liens or encumbrances may be placed on property by Kerns Brothers Real Estate or any partners thereof.

to said party of the second part by good and sufficient deed with covenants of warranty, together with title insurance insuring good marketable title; but in case said party of the second part shall not within said period elect to purchase said premises as aforesaid then this agreement shall at the expiration of said period become at once null and void, and the said party of the first part may and shall retain to first party's own use and benefit all money before that time paid hereunder.

Done at Klamath County, this 8th day of January, 1982.

If executed by a corporation, affix corporate seal

*James W. Kerns*  
*John Kerns*  
*Ben Kerns*

STATE OF OREGON,

County of Klamath ss.

January 8, 1982

Personally appeared the above named Kerns Brothers Real Estate a partnership consisting of James W. Kerns, John Kerns and Ben Kerns,

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

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 3-2-84

STATE OF OREGON, County of \_\_\_\_\_ ss.

Personally appeared \_\_\_\_\_

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

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.

Notary Public for Oregon

My commission expires:

(OFFICIAL SEAL)

*Ret Paul Rogers*  
*6318 Klamath*  
*City*

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record ~~at~~ \_\_\_\_\_

this 2 day of March A.D. 19 82 at 10:03 o'clock A.M. and

duly recorded in Vol. M82 of Deeds on Page 2605

Fee \$8.00

By *Joyce M. Moore* EVELYN BIEHM County Clerk

IMPORTANT NOTICE: If the one who gives the above option is a creditor and the one to whom it is given is a customer as those words are defined in the Truth-in-Lending Act and Regulation Z, legal advice should be obtained as to whether Disclosures and other notices are required—and when. For a Notice of Rescission see Stevens-Ness Form No. 1301 and for a Notice of Non-Rescission, Form No. 1303.