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CONTRACT OF SALE

THIS CONTRACT, made this 9th day of July, 1973, between LORINE ANDERSON and JERRY O. ANDERSON, hereinafter called the Sellers, and JENE HAWKINS and ESTHER L. COGAR, hereinafter called the Buyers,

W I T N E S S E T H :

That in consideration of the mutual covenants and agreements herein contained, the sellers agree to sell unto the buyers and the buyers agree to purchase from the sellers all of the following described lands and premises situated in the County of Klamath, State of Oregon, to-wit:

The North half of Lot 14 in Block 9 of PLEASANT VIEW TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon,

for the sum of EIGHT THOUSAND FIVE HUNDRED DOLLARS AND NO/100 (\$8,500.00) hereinafter called the purchase price, on account of which FIVE HUNDRED DOLLARS AND NO/100 (\$500.00) is paid on the execution hereof, the receipt of which is hereby acknowledged by the sellers, and the remainder of EIGHT THOUSAND DOLLARS AND NO/100 (\$8,000.00) to be paid at the times and in the amounts as follows, to-wit: \$35.00 per month, beginning on the 15th day of July, 1973, and a like payment on the 15th day of each and every month thereafter, until the total sum of principal and interest is paid. All of said purchase price may be paid at any time; all deferred balances shall bear interest at the rate of 7% per annum, from July 15, 1973, until paid, interest to be paid monthly, and being included in the minimum regular payments above required. Taxes,

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fire insurance, liability insurance and irrigation water expenses shall be pro-rated between the parties hereto as of July 15, 1973.

The buyers warrant to and covenant with the sellers that the real property described in this contract is for business purposes other than agricultural.

The buyers shall be entitled to possession of said lands on June 20, 1973, and may retain such possession so long as he is not in default under the terms of this contract.

The sellers do hereby bargain, give and grant to the buyers, for the period of ninety (90) days from the date hereof, the sole, exclusive and irrevocable right and option to purchase the above described real property subject to that certain Trust Deed recorded on February 8, 1971, in Book M71, Page 1178, of the Mortgage Records of Klamath County, Oregon, as and for the agreed price of TWO THOUSAND FIVE HUNDRED DOLLARS AND NO/100 (\$2,500.00), inclusive of any and all \$85 monthly payments paid hereunder. ^{And \$5.00⁰⁰ down payment,} In the event said buyers shall elect to purchase said premises hereunder, and shall pay in full the sum of \$2,500.00 inclusive of all \$85 monthly payments paid hereunder to the sellers, within ninety days of the date hereof, then said sellers shall forthwith convey said premises free and clear of all encumbrances except the above described Trust Deed to said buyers, by good and sufficient deed with covenants of warranty together with title insurance insuring good marketable title; that in case said buyers shall not, within said ninety day period elect to purchase said premises as aforesaid, then said option shall become null and void, that said Contract of Sale shall be binding

according to the terms herein contained as if said option agreement did not exist.

Buyers agree that at all times they will keep the buildings on said premises, now or hereafter erected, in good condition and repair and will not suffer or permit any waste or strip thereof; that they will keep said premises free from mechanic's and all other liens and save the sellers harmless therefrom and reimburse sellers for all costs and attorney's fees incurred by them in defending against such liens; that they 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 becomes past due; that at buyers' expense, they will insure and keep insured all buildings now or hereafter erected on said premises against loss or damage by fire in an amount not less than \$10,000.00 in a company or companies satisfactory to the sellers, with loss payable first to the sellers and then to the buyers as their respective interests may appear and all policies of insurance to be delivered as soon as insured to the Escrow agent hereinafter named. Now if the buyers shall fail to pay any such liens, costs, water rents, taxes or charges or to procure and pay for such insurance, the sellers may do so and any payments 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 sellers for buyers' breach of contract.

The sellers have exhibited unto the buyers a title insurance policy insuring marketable title in and to

said premises in the sellers; sellers title has been examined by the buyers and is accepted and approved by them. Contemporaneously herewith, the sellers have executed a good and sufficient deed, the form of which is hereby approved by the buyers, conveying the above described real estate in fee simple unto the buyers, his heirs and assigns, free and clear of encumbrances as of the date hereof excepting the easements, building and other restrictions now of record, if any, and those apparent upon the land, and has placed said deed, together with an executed copy of this contract in escrow with the First National Bank of Oregon, with instructions to deliver said deed, together with fire insurance policies, to the order of the buyers, their heirs and assigns, upon the payment of the purchase price and full compliance by the buyers with the terms of this agreement. The buyers agree to pay the balance of said purchase price in the respective installments thereof, promptly at the times provided, therefore, to said Escrow agent for the use and benefit of the sellers. The Escrow fee of the Escrow agent shall be paid by the sellers and buyers in equal shares; the charges of said agent shall be paid by the buyers and sellers equally. The sellers shall provide title insurance upon the full payment of this contract or the option contained herein.

And it is understood and agreed between said parties that time is of the essence of this contract, and in case the buyers shall fail to make the payments above required, or any of them, punctually within twenty (20) days of the time limited therefore, or fail to keep any agreement herein contained, then the sellers at their 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 buyers as against the sellers hereunder shall utterly cease and determine and the right to the possession of the premises above-described and all other rights acquired by the buyers hereunder shall revert to and re-vest in said sellers without any act or re-entry, or any other act of said sellers to be performed and without any right of the buyers 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 the said sellers as the agreed and reasonable rent of said premises up to the time of such default. And the said sellers, 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 buyers further agree that failure by the seller at any time to require performance by the buyers of any provision hereof shall in no way affect their right hereunder to enforce the same, nor shall any waiver by said sellers 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 EIGHT THOUSAND FIVE HUNDRED DOLLARS AND NO/100 (\$8,500.00).

In case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, the buyers agree to pay such sum as trial court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit or action and if an appeal is taken from any judgment or decree of such trial court, the buyers further promise to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal.

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, successors in interest and assigns as well.

IN WITNESS WHEREOF, said parties have executed this instrument in triplicate.

Lorene Anderson

LORENE ANDERSON

Jerry O. Anderson

JERRY O. ANDERSON

Jene Hawkins

JENE HAWKINS

Esther L. Cogar

ESTHER L. COGAR

AFTER RECORDING, RETURN TO:

Neal G. Buchanan
Attorney at Law
210 N. 4th

STATE OF OREGON: COUNTY OF KLAMATH ;ss
I hereby certify that the within instrument was received and filed for record on the 18 day of March A.D., 19 82 at 4:12 o'clock P M and duly recorded in Vol m 82, of deed on page 3414

FEE \$ 24.00

EVELYN BIRN COUNTY CLERK
by Joyce M. Shaw Deputy