

13212

CONTRACT OF SALE

Vol. M82 Page 8363

1
2
3
4 1st day of July, 1982, by and between RUSSELL O. PALMER and
5 ANN B. PALMER, husband and wife as tenants by the entirety, here-
6 inafter designated as "Sellers", and JAMES RALIEGH LARIMER and
7 VICKIE ELLA LARIMER, husband and wife, with rights of survivorship
8 hereinafter designated as "Purchasers";
9

10
11 WITNESSETH

12 Sellers agree to sell to Purchasers and
13 Purchasers agree to purchase from Sellers, the following-described
14 real property situated in Klamath County, Oregon, to wit:

15 The SE 1/4 NE 1/4 of Section 35, Township 34
16 South, Range 8 East of the Willamette Meridian
Klamath County, Oregon.

17 SUBJECT TO:

- 18 1. Reservations, restrictions, rights of way
and easements of record.
19 2. The assessment roll and tax roll disclose
20 that the within-described premises were
specifically assessed as farm use/forest land.
21 If the land becomes disqualified for the
special assessment under the statute, an
22 additional tax may be levied for the last five
or lesser number of years in which the land
23 was subject to the special land use assessment.
24 3. Rights of the public in and to any portion
of said premises lying within the limits of
25 roads and highways.

26 For, and at the price of: FORTY THOUSAND
27 DOLLARS (\$40,000.00) with Three Thousand Dollars (\$3,000.00)
payable upon the execution of this Agreement, and the balance of
28 CONTRACT OF SALE

Page 1 of 7

82 JUL 1 PM 3 31

1 Thirty-Seven Thousand Dollars (\$37,000.00) at the rate of Three
2 Hundred Fifty Dollars (\$350.00) per month, including interest at
3 the rate of Eleven Percent (11%) per annum on the unpaid balance
4 from the date of this Agreement. Payment shall be made to the
5 order of Sellers, or the survivor if one should die during this
6 period, at 5227 Mazama Drive, Klamath Falls, Oregon 97601, or as
7 they shall order, with the provision that Sellers shall have the
8 option of designating an escrow, at any time thereafter, to which
9 Purchasers shall make payments, and at which escrow the deed and
10 title policy shall be held for their benefit. If this option is
11 exercised, Sellers agree to pay the costs of escrow and collection
12 fees. Should one of the Sellers die, when one-half (1/2) of the
13 principal is paid, or if any problem should develop making manner
14 of payment by Buyers to Sellers more onerous, Buyers shall have
15 the right to demand that an escrow be established at a Klamath
16 Falls, Oregon, bank or savings association, to hold a warranty
17 deed from Sellers to Buyers, purchasers policy of title insurance
18 and a copy of this Contract of Sale to be delivered to Buyers on
19 full payment or to be returned to Sellers in the event of default,
20 and to receive the balance of payments due from Buyers and
21 disburse same to Sellers. If this option is exercised, Buyers
22 agree to pay the costs of escrow and collection fees.

23 , The first payment due on said Contract of
24 Sale shall be on the 15th day of July, 1982, and a like payment
25 on the 15th day of each month thereafter, together with an
26 additional payment of Five Thousand Dollars (\$5,000.00) on the
27 15th day of July, 1983, and an additional payment of Four Thousand
28 CONTRACT OF SALE

Page 2 of 7

8365

1 Dollars (\$4,000.00) on the 15th day of July, 1984, until the full
2 amount of principal and interest shall have been paid. It is
3 provided that Purchasers shall not make additional payments,
4 other than as provided for above, prior to January 1, 1983,
5 without payment of penalties equal to the income tax burden to
6 the Sellers caused thereby. Thereafter, Purchasers shall have the
7 right to make additional payments without said penalties.
8

9 Purchasers agree to keep the property, at
10 all times, in as good condition as it is now, and that improve-
11 ments now on or which may thereafter be placed on said property,
12 shall not be removed or destroyed before the entire purchase
13 price shall be paid. Standing timber upon said property cannot
14 be used except for use in buildings placed upon said property.
15 It is understood that standing timber upon said property can be
16 used to build log-type improvements. Standing timber may not be
17 sold commercially without written permission of the Sellers.
18 Purchasers will regularly and seasonably and before same shall
19 become subject to interest charges, penalties or other charges,
20 pay all taxes, assessments, liens and encumbrances of whatsoever
21 kind and nature. Failure to comply with these provisions shall
22 constitute default under this contract.

23 Sellers, without a duty to do so, shall
24 have the option of paying such taxes and add such amount to the
25 balance due from Purchasers to the Sellers hereunder, which shall
26 accrue interest as provided herein, at the rate of Eleven Percent
27 (11%) per annum and shall be paid to the Sellers as herein
28 provided.

CONTRACT OF SALE

Page 3 of 7

1 Sellers, upon the execution of this
2 Contract of Sale, shall make and execute in favor of Purchasers,
3 a good and sufficient Warranty Deed, conveying fee simple title
4 to said property, free and clear of all encumbrances as of this
5 date, except the usual reservations and exceptions customarily
6 contained in transfers in this area. Said deed will be delivered
7 to the Purchasers, or as they shall designate in writing, upon
8 full payment of principal and interest.

9
10 Should Purchasers become in default under
11 this Contract of Sale, Sellers may maintain ejectment against the
12 Purchasers to regain the immediate possession of said property
13 after thirty (30) days written notice to Purchasers, and the
14 Purchasers agree to pay to Sellers, all costs involved in such
15 action, including title report, attorney fees, and allowable
16 court costs, including attorney fees upon any appeal, together
17 with costs of appeal. This is in addition to, and not in lieu of,
18 the rights hereunder provided.

19 Should Purchasers, while in default, permit
20 these premises to become vacant, Sellers may take possession of
21 same for the purpose of protecting and preserving the property,
22 and their security interest herein, and in the event possession
23 is so taken by Sellers, they shall be deemed not to have waived
24 any of their rights as, herein provided.

25 Time is of the essence in this Contract
26 of Sale, and all parties are aware that late performance may
27 place in jeopardy the rights of prior owners and encumbrances.
28 Thus, should the Purchasers fail to make the aforesaid payments as
CONTRACT OF SALE

1 herein set forth, of principal, interest and taxes as herein
2 provided, within thirty (30) days, Sellers, thereafter, upon
3 thirty (30) days additional written notice to Purchasers, shall
4 have the following rights:

5 1. To immediately take possession of the
6 premises herein above described, declare this Contract of Sale
7 null and void, and, after deduction of all of Seller's expenses
8 in connection with this sale, reasonable rent, and any damages
9 which Sellers may have incurred by reason of said breach by said
10 Purchasers, from the principal payments made by Purchasers herein,
11 refund the balance of said principal to said Purchasers. It
12 being understood that the portion of the payment attributed to
13 interest shall be earned income to the Sellers upon the principal
14 balance due them and not be refundable.

15 2. To foreclose this Contract of Sale by
16 strict foreclosure.

17 3. To declare the full unpaid balance
18 immediately due and payable.

19 4. To specifically enforce the terms of
20 this Agreement by suit in equity.

21
22 Should it become necessary for either
23 party to secure the services of any attorney or incur any other
24 expenses to enforce any of the provisions of this Contract of
25 Sale, the party in default agrees to pay such reasonable attorney
26 fees and expenses necessary to such enforcement, together with
27 such attorney fees, foreclosure report, and expenses which may be

28 CONTRACT OF SALE

Page 5 of 7

8368

1 incurred in a lawsuit, including fees and costs upon any appeal
2 to an appellate court.
3

4 Purchasers agree that failure by Sellers,
5 at any time, to require performance by Purchaser of any of the
6 provisions hereof, shall in no way affect Sellers rights hereunder
7 to enforce same nor shall any waiver of Sellers of any breach
8 of any provision hereof be held to be a waiver of any succeeding
9 breach of any such provision, or as a waiver of the provision
10 itself.

11 It is provided that prior to payments of
12 over one-half (1/2) of the balance due Sellers, Purchasers shall
13 not assign or transfer or sell their rights under this Contract
14 of Sale to a third party. After one-half (1/2) of the balance
15 due Sellers has been paid, this provision shall no longer apply.
16 Except as herein provided, this Agreement shall bind and inure to
17 the benefit of, as the circumstances may require, the parties
18 thereto, their respective heirs, executors, administrators,
19 personal representatives, except that Purchasers or successors to
20 Purchasers shall not be relieved of personal liability herein by
21 any assignment of any interest to another party.

22 WITNESSETH the hand of the parties, the
23 day and year above first written.

24 Russell O Palmer
25 RUSSELL O. PALMER, Seller

James Ralieg Larimer
JAMES RALIEGH LARIMER, Purchaser

26 Ann B. Palmer
27 ANN B. PALMER, Seller

Vickie Ella Larimer
VICKIE ELLA LARIMER, Purchaser

28 CONTRACT OF SALE

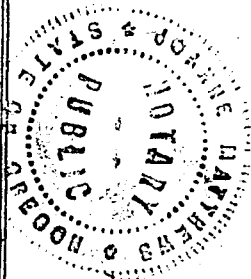
Page 6 of 7

1 STATE OF OREGON)
2) ss.
3 County of Klamath)

8369

4 PERSONALLY APPEARED the above-named
5 RUSSELL O. PALMER and ANN B. PALMER, and acknowledged the fore-
6 going instrument to be their voluntary act and deed.

7 DATED THIS 28th day of June, 1982.



8 Joanne Matthews
9 NOTARY PUBLIC FOR OREGON
10 My Commission Expires: 08-02-85

11
12
13
14 STATE OF OREGON; COUNTY OF KLAMATH; ss.

15 Filed for record . . . 3:31
16 this 1 day of July A.D. 19 82 at o'clock P.M. and
17 duly recorded in Vol. M 82, of Deeds on Page 8363

18 Fee \$28.00

19 By Joyce McQuinn
20
21
22
23
24
25
26
27
28
EVELYN BIENN, County Clerk

Ret: James R. Laxman
Rt 2, Box 15-15
City

CONTRACT OF SALE

Page 7 of 7