

## HOUSING REHABILITATION LOAN PROGRAM

## Home Improvement Loan Agreement

THIS AGREEMENT is made this 25th day of October, 1983,  
between the City of Klamath Falls, Oregon, a municipal corporation ("City") and  
Jack and Delilah Luoma ("Homeowner").

WITNESSETH: That in consideration of a loan of Ten thousand seven hundred  
fifty-nine and 00/100ths (\$10,759.00) Dollars from the City, of  
technical and other assistance provided by the City in connection with repairs and/  
or improvements to Homeowner's property, and of promises contained in this agree-  
ment, the Homeowner and the City agree as follows:

1. The work to be paid for with loan proceeds in an amount not to exceed  
\$ 10,759.00 shall include only repairs and improvements listed or  
described in the Contract Documents and other eligible costs approved by the City,  
which documents are hereby incorporated by reference within this agreement. Home-  
owner's property to be improved is located at 2447 Darrow Street  
(street address) in the City of Klamath Falls, Klamath County, Oregon, and more  
particularly described as:

Lot 542 and West 1/2 of Lot 541, Block 127, MILLS ADDITION to the City of  
Klamath Falls, according to the official plat thereof on file in the office  
of the County Clerk of Klamath County, Oregon

2. Homeowner and City agree that the administration of the construction work  
to be performed with the loan proceeds shall be governed by and subject to the  
terms of the Contract Documents and the applicable terms of the Housing Rehabilita-  
tion Loan/Grant Program for the City of Klamath Falls, Oregon, as adopted by the  
City Council and currently existing as of the date of this Agreement.

3. The Homeowner expressly authorizes the City to establish a rehabilitation  
account with the loan proceeds, and to disburse such proceeds in accordance with  
the Contract Documents and the Program.

4. The Homeowner will begin the contract work on or after receiving written  
authorization to proceed from the City, and will complete the work within 45  
days of such receipt. If the work is not completed within such time, and the com-  
pletion date has not been extended in writing by the City due to work delay not  
caused by Homeowner's negligence or neglect, the City shall have the right to com-  
plete the work by whatever method it deems expedient, and the right to use any amount  
remaining in the Homeowner's rehabilitation account to pay the costs of such com-  
pletion.

5. Homeowner shall notify City in writing of the sale or transfer, whether for  
consideration or not, of any legal or equitable interest in any part of the property,  
whether it is voluntary or involuntary. Such notice shall be sent as soon as Home-  
owner knows that there will be a sale or transfer and not later than one week before  
the expected sale or transfer except in the case of the death of the last surviving  
Homeowner, in which case the Homeowner's estate shall notify the City as soon as  
reasonably possible. The notice must include the name of the Homeowner, the address  
of the property, the name of the person to whom the property is being sold or trans-  
ferred, and the name of any person or company who is acting as a closing agent for  
the sale or transfer or is otherwise participating in the transaction. Homeowner  
authorizes City to contact any of the persons so named and authorize and direct such  
persons to pay City any obligations owing under this agreement from any monies which  
such persons owe to Homeowner.

ck  
12/10

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6. Homeowner has executed a Promissory Note in favor of the City the same date as this agreement and, to secure said note, a Trust Deed to the City which document Homeowner acknowledges will be recorded by City. In addition, Homeowner acknowledges that City may record this agreement.
7. Each Homeowner who signs this agreement shall be individually and jointly responsible for performing the obligations of Homeowner in this agreement. This agreement shall be binding upon the successors of the parties. Homeowner shall not assign this agreement.
8. In the event of legal suit or action including any appeals therefrom, brought by either party against the other to enforce any of the obligations of this agreement, the losing party shall pay the prevailing party such reasonable amount for investigation costs, attorney's fees and expert witness fees, as may be set by the court. This agreement shall be enforceable in Klamath County, Oregon, and if legal action is necessary by either party with respect to the enforcement of any or all of the terms or conditions herein, exclusive venue for the enforcement of same shall lie in Klamath County, Oregon.
9. This document contains the entire agreement between the parties and shall not be modified except by a written instrument signed by the parties.
10. THE HOMEOWNER UNDERSTANDS AND AGREES THAT THE CITY NEITHER HAS NOR WILL HAVE ANY RESPONSIBILITY OR OBLIGATION, LEGAL OR OTHERWISE, IN CONNECTION WITH ANY CONTRACT WORK OR WITH MATERIALS OR EQUIPMENT SUPPLIED; AND THAT ANY GUARANTEE OR WARRANTY OF CONTRACT WORK OR MATERIALS MUST BE OBTAINED BY THE HOMEOWNER FROM WHOEVER SUPPLIES SUCH MATERIALS OR PERFORMS SUCH WORK; AND THAT THE CITY IS NOT RESPONSIBLE FOR THE QUALITY OR ACCEPTABILITY OF SUCH WORK OR MATERIALS; AND THAT IN CONNECTION WITH SAME, THE PROPERTY MUST BE KEPT FREE OF CONSTRUCTION LIENS.
11. HOMEOWNER ACKNOWLEDGES RECEIVING A COPY OF THIS LOAN AGREEMENT AND OF A COPY OF THE PROGRAM.

IN WITNESS WHEREOF, this loan agreement has been duly executed by the undersigned, as of the date above written.

CITY:

By Greg C. Hettler  
Mayor

Attest: Garren Fowler

Recorder

HOMEOWNER

Jack Luoma Jack Luoma

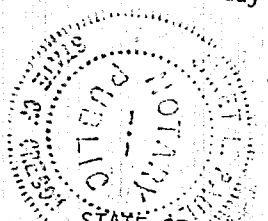
Delilah Luoma Delilah Luoma

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STATE OF OREGON, )  
 ) ss.  
 County of Klamath )

BE IT REMEMBERED, that on this 25th day of October, 1983, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Jack and Delilah Luoma known to me to be the identical individual(s) described in and who executed the within Loan Agreement and acknowledged to me that said individual(s) executed the same freely and voluntarily.

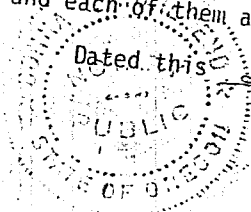
IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



STATE OF OREGON, )  
 ) ss.  
 County of Klamath )

[Signature]  
 Notary Public for Oregon  
 My Commission Expires: 10/15/84

Personally appeared George Flitcraft and Karren Fowler who being first duly sworn, each for himself and not one for the other, did say that the former is the Mayor and that the latter is the Recorder of the City of Klamath Falls, a municipal corporation of the State of Oregon, and that the foregoing instrument was signed on behalf of said municipal corporation by authority of its Council; and each of them acknowledged said instrument to be its voluntary act and deed.



Dated this 3rd day of November, 19 83.

Before me:

[Signature]  
 Notary Public for Oregon  
 My Commission Expires: 10/28/87

Please return  
 to Donna H.  
 City of Klamath Falls  
 P.O. Box 237  
 Klamath Falls,  
 OR

STATE OF OREGON, )  
 County of Klamath )

Filed for record at request of

on this 23 day of Nov. A.D. 19 83  
 at 10:09 o'clock A M, and duly  
 recorded in Vol. M83 of Mtge.

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EVELYN BIEHN, County Clerk

By [Signature] Deputy

Fee 12.00