

A/T # M-27297-9
CONTRACT FOR THE SALE OF REAL PROPERTY

THIS AGREEMENT, made and entered into the 23rd day of March, 1984, by and between GERALD R. CANNON and GLORIA A. CANNON, husband and wife, hereincalled Vendors, and KENNETH D. MILLS and CHARLOTTE I. MILLS, husband and wife, herein called Vendees;

WITNESSETH:

Vendors agree to buy from the Vendors all of the following described property situated in Klamath County, State of Oregon, to-wit:

TRACT NO. 53, PLEASANT HOME
TRACTS NO. 2;
SUBJECT TO: Regulations, restrictions, covenants, easements and rights of way of record and those apparent on the land; and also subject to a mortgage made by Michael R. Davis and Esther L. Davis in favor of Amfac Mortgage Corporation dated February 10, 1975, and recorded in Vol. M-75 at page 1701 of the records of Klamath County, Oregon; also subject to the "AS IS" condition of the property;

at and for the purchase price and on the terms and conditions herein set forth which Vendees and their successors, assigns, grantees, heirs, devisees and legatees jointly and severally agree to pay, perform and observe:

1. Purchase Price. The total purchase price to be paid by the Vendees to the Vendors and the successors and assigns is the sum of

\$75,000.00 to be paid as follows:

\$5,500.00 is to be paid at the time of closing on or before March 23, 1984; and the balance of

\$69,500.00 is to be paid as follows:

- a. The sum of \$ 51,356.77, which represents the unpaid balance of the above referenced Note and Mortgage in favor of Amfac Mortgage Company, with interest thereon at the rate of 9.0% per annum from March 23, 1984, payable in monthly installments of not less than \$573.77 each, including interest, the first installment to be paid on the 1st day of April, 1984, and a further installment on the 1st day of each month thereafter until the full balance and interest are paid;
- b. The sum of \$ 18,143.23, which represents the balance of said \$69,500.00, with interest thereon at the rate of 10.0% per annum from March 23, 1984, payable in monthly installments of not less than \$250.00 each, including interest, the first installment to be paid on the 1st day of April ¹⁹⁸⁴ ~~May~~, 1984, and a further installment on the 1st day of each month thereafter until the full balance and interest are paid;
- c. Any late payment penalties charge to Vendors by Amfac Mortgage Company as a result of late payments by Vendees shall be charged to Vendees and shall be due and payable upon demand;
- d. Any payment required to be made by paragraph (1)(b) above which is not made within 15 days of its due date shall result in a late payment penalty to Vendees in the amount of \$10.00 per late payment, said late payment charges shall be due and payable upon demand;
- e. The sums required of Vendees to be paid by subparagraphs a and b above may be prepaid. Any such prepayment shall be applied first to the full payment of the sums due under subparagraph b and then to the full payment of the sums due under subparagraph a; however any partial prepayment shall not excuse the Vendees from making the regularly scheduled monthly payments as they become due.
- f. All payments received from the Vendees shall be applied first to pay the interest then due and then to the reduction of the principal balances of the obligations.

- g. The balance due on the Note and Mortgage in favor of Amfac Mortgage may be prepaid as provided above; however, the obligation evidenced thereby may not be assumed by the Vendees; and
- h. In the event the Vendees agree to sell, convey, assign or alienate their interest in the above described property or any portion thereof, without first having obtained the written consent or approval of the Vendors, then, at Vendors' option, all of the unpaid principal balances and accrued interest required of Vendees to be paid hereinabove shall become immediately due and payable.

2. Additional Consideration. As additional consideration for this Agreement to Sell, the Vendees agree, within a year after the date hereof, to replace the rear one-half of the roof of the fourplex located on the above described premises, and to also completely repaint the exterior of the said fourplex. All such work shall be completed in a good workmanlike manner and the Vendees covenant with the Vendors that no liens shall attach to the subject property as a result of said improvements.

3. Collection Escrow. Vendees agree to make the payments required hereinabove on the dates above named to the Order of the Vendors, or the survivors of them, at Certified Mortgage Company, 803 Main Street, Klamath Falls, Oregon.

4. Condition of Property; Insurance and Taxes. Vendees agree to keep said property at all times in as good condition as the same now are, that no improvements, now on or which may hereinafter be placed on said property shall be removed or destroyed before the entire purchase price has been paid and that said property will be kept insured in companies approved by Vendors against loss or damage by fire in a sum not less than the full insurable value, with loss payable to the parties as their respective interests may appear, and policy or policies of insurance to be held by the Vendees with notice to Vendors, that Vendee shall pay regularly and seasonably and before the same shall become subject to interest charges, all taxes, assessments, liens and incumbrances of whatsoever nature and kind and agree not to suffer or permit any part of said property to become subject to any taxes, assessments, liens, charges or incumbrances whatsoever having precedence over the rights of the Vendors in and to said property.

5. Possession. Subject to the rights of the Tenants currently in possession of the subject property, Vendees shall be entitled to the possession of said property upon the closing of this sale.

6. Deed and Escrow. Vendors will on the execution hereof make and execute in favor of Vendees a good and sufficient Warranty Deed conveying a fee simple title to said property free and clear as of this date of all incumbrances whatsoever, except reservations, restrictions, regulations, easements and rights of way of record and those apparent on the land, which Vendees assume and will place said Deed together with one of these agreements in escrow at Klamath County Title Company at Klamath Falls, Oregon.

The parties shall enter into written escrow instructions with Certified Mortgage Company and Klamath County Title Company instructing said holders that when, and if, Vendees shall have paid the balance of the purchase price in accordance with the terms and conditions of this contract, said escrow holders shall deliver said instruments to Vendees, but that in case of default by Vendees said escrow holder shall, on demand, surrender said instruments to Vendors.

7. Default. In the event that Vendees shall fail to make the payments aforesaid, or any of them, punctually and upon the strict terms and at the times above specified, or fail to keep any of the other terms or conditions of this agreement, time of payment and strict performance being declared to be the essence of this agreement, then Vendors shall have the following rights: (1) To foreclose this contract by strict foreclosure in equity; (2) To declare the full unpaid balance immediately due and payable; (3) To specifically enforce the terms of the agreement by suit in equity; (4) To declare this contract null and void, and in any of such cases, except exercise of the right to specifically enforce this agreement by suit in equity, all the right and interest hereby created or then existing in favor of Vendee derived under this agreement shall utterly cease and determine, and the premises aforesaid shall revert and revest in Vendor without any declaration of forfeiture or act of reentry, and without any other act by Vendor to be performed and without any right of Vendees of reclamation or compensation for money paid or for improvements made, as absolutely, fully and perfectly as if this agreement had never been made.

Should Vendees, while in default, permit the premises to become vacant, Vendors may take possession of same for the purpose of protecting and preserving the property and their security interest therein, and in the event possession is so taken by Vendors they shall not be deemed to have waived their right to exercise any of the foregoing rights.

And in case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, Vendees agree to pay reasonable cost of title report and title search and such sum as the 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 Vendees further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal.

Vendees further agrees that failure by Vendors at any time to require performance by Vendees of any provision hereof shall in no way affect Vendors' right hereunder to enforce the same, nor shall any waiver by Vendors of such 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.

8. Use of the Property. This instrument does not guarantee that any particular use may be made of the property described in this instrument. A buyer should check with the appropriate city or county planning department to verify approved uses.

This agreement shall bind and inure to the benefit of, as the circumstances may require, the Parties hereto and their respective heirs, executors, administrators and assigns.

WITNESS the hands of the Parties the day and year first herein written.

Gerald R. Cannon
Gerald R. Cannon

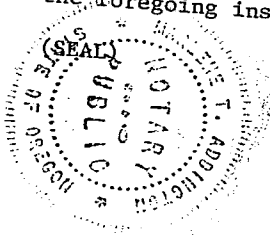
Kenneth D. Mills
Kenneth D. Mills

Gloria A. Cannon
Gloria A. Cannon

Charlotte I. Mills
Charlotte I. Mills

STATE OF OREGON)
County of Klamath) SS.

Personally appeared this 23rd day of March, 1984, the above named Gerald R. Cannon, Gloria A. Cannon, Kenneth D. Mills and Charlotte I. Mills and acknowledged the foregoing instrument to be their voluntary act and deed.



Marlene T. Addington
Notary Public for Oregon

My Commission expires: 3-22-85

STATE OF OREGON,)
County of Klamath)
Filed for record at request of

Return To:
Aspen Title
Attn: Marlene
Send Tax Statements to:

Mr. & Mrs. Kenneth D. Mills
5875 Winter
Klamath Falls, Oregon 97603

on this 23rd day of March A.D. 19 84
at 3:36 o'clock P M, and duly
recorded in Vol. M84 of Deeds
Page 4733

EVELYN BIEHN, County Clerk

By Pat Smith Deputy

Fee 12.00