

38493

## CONTRACT

Vol. 184 Page 11350

## REAL PROPERTY

THIS CONTRACT, made and entered into this 1st day of July, 1984, between SMALL BUSINESS ADMINISTRATION, an Agency of the United States of America, hereinafter called the "seller" and William H. Ferguson, hereinafter called the "purchaser."

WITNESSETH: That the seller agrees to sell to the purchaser and the purchaser agrees to purchase from the seller the following described real estate, with appurtenances, in Klamath County, State of Oregon:

Lots 92-98, inclusive, plus the 40 foot wide private service road easement lying adjacent to above lots as designated on the plat, all in BALSIGER TRACTS, in the County of Klamath, State of Oregon.

## SUBJECT TO:

1. Regulations, including levies, assessments, water and irrigation rights and easements for ditches and canals, of Klamath Irrigation District.
2. Regulations, including levies, liens, assessments, rights of way and easements of the South Suburban Sanitary District, and as per Ordinance No. 29 recorded May 24, 1983 in Book M-83 at page 8062.
3. Restrictions, but omitting restrictions, if any, based on race, color, religion or national origin, as shown on the recorded plat of Balsiger Tracts.
4. An easement created by instrument, including the terms and provisions thereof,

Dated : November 5, 1946  
 Recorded : November 18, 1946 Book: 198 Page: 408  
 In favor of : The California Oregon Power Company, a California Corporation  
 For : Transmission of Water

5. Rights of the public in and to the 40 foot wide public service road easement designated on the plat of Balsiger Tracts.

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.

The terms and conditions of this contract are as follows: The purchase price is one hundred five thousand (\$105,000.00), of which ten thousand (\$10,000.00) has been paid, the receipt whereof is hereby acknowledged, and the balance of said purchase price shall be paid as follows:

## Terms:

- a. Installments, including principal and interest, each in the amount of \$1,054.00, payable monthly, commencing on or before the 1st day of August, 1984, and on the 15 day of each succeeding month thereafter until fully paid.
- b. Each said installment shall be applied first to interest accrued to the date of receipt of said installment and the balance, if any, to principal.
- c. Interest on the unpaid principal shall be computed from the date of receipt of said installment at the rate of twelve and three quarters percent (12 3/4%) per annum on the unpaid principal.
- d. The balance of principal and interest shall be payable fifteen (15) years from date hereof.
- e. All payments to be made hereunder shall be made to:

Cashier, Small Business Administration, Denver, Colorado 80259, or at such other place as the seller may direct in writing.

## Conditions:

- a. The purchaser assumes and agrees to pay before delinquency all real property taxes and assessments that may as between grantor and grantee now be or will hereafter become a lien on said real estate.
- b. The purchaser agrees, until the purchase price is fully paid, to keep the buildings now and hereafter placed on said real estate insured to the actual cash value thereof against loss or damage by both fire and windstorm in a company acceptable to the seller and for the seller's benefit, as its interest may appear, and to pay all premiums therefor and to deliver all policies and renewals thereof to the seller.
- c. The purchaser agrees that full inspection of said real estate has been made and that neither the seller nor its assigns shall be held to any covenant respecting the condition of said real estate or any improvements thereon nor shall the purchaser or seller or the assigns of either be held to any covenant or agreement for alterations, improvements or repairs unless the covenant or agreement relied on is contained herein or in writing and attached to and made a part of this contract.
- d. The purchaser assumes all hazards of damages to or destruction of any improvements now on said real estate, or hereafter placed thereon and of the taking of said real estate or any part thereof for public use; and agrees that no such damage, destruction, or taking shall constitute a failure of consideration. In case any part of said real estate is taken for public use, the portion of the condemnation award remaining after payment of reasonable expenses of procuring the same shall be paid to the seller and applied as payment on the purchase price herein unless the seller elects to allow the purchaser to apply all or a portion of such condemnation award to the rebuilding or restoration of any improvements damaged by such taking. In case of damage or destruction from a peril insured against, the proceeds of such insurance remaining after payment of the reasonable expense of procuring the same shall be devoted to the restoration or rebuilding of such improvements or replacement of personal property within a reasonable time, unless purchaser elects that said proceeds shall be paid to the seller for application on the purchase price herein.
- e. The purchaser shall not sell or offer to sell or otherwise transfer or encumber the real property or any interest therein without the prior written consent of the seller.
- f. Seller agrees upon receiving full payment of the purchase price and interest in the manner above specified to execute and convey the real estate to purchaser by Bargain and Sale Deed.
- g. Unless a different date is provided for herein, the purchaser shall be entitled to possession of said real estate on date hereof and to retain possession so long as purchaser is not in default hereunder. The purchaser covenants to keep the building and other improvements on said real estate in good repair and not to permit waste and not to use, or permit the use of the real estate for illegal purpose. The purchaser covenants to pay all service, installation or construction charges for water, sewer, electricity, garbage or other utility services furnished to said real estate after the date purchaser is entitled to possession.
- h. In case the purchaser fails to make any payment herein provided or to maintain insurance, as herein required, the seller may make such payment or effect such insurance, and any amounts so paid by the seller, together with interest at the rate of twelve and three quarters percent (12 3/4%) per annum thereon from date of payment until repaid, shall be repayable by purchaser on seller's demand, all without prejudice to any other right the seller might have by reason of such default.
- i. Time is of the essence of this contract, and it is agreed that in case the purchaser shall fail to comply with or perform any condition or agreement hereof or to make any payment required hereunder promptly at the time and in the manner herein required, the seller may elect to declare all the purchaser's rights hereunder terminated, and upon doing so, all payments made by the purchaser hereunder and all improvements placed upon the real estate shall be forfeited to the seller as liquidated damages, and the seller shall have right to reenter and take possession of the real estate; and no waiver by the seller of any default on the part of the purchaser shall be construed as a waiver of any subsequent default. The purchaser shall not be deemed in default for failure to perform any covenants or conditions of this contract until written notice of said default has been

given to the purchaser and the purchaser shall have failed to remedy within ten (10) days after the giving of the notice.

Service upon purchaser of all demands, notices or other papers with respect to forfeiture and termination of purchaser's rights may be made by United States mail, postage prepaid, return receipt requested, direct to the purchaser at his address last known to the seller.

- j. In case any suit or action is instituted for any purpose under or in connection with this agreement, the prevailing party shall be entitled to an attorney's fee in such amount as the court may determine reasonable for both trial court and appellate court proceedings plus court costs in addition to any other relief granted.

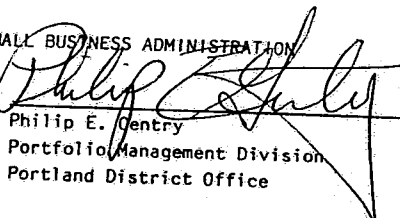
If the seller shall bring suit to procure an adjudication of the termination of the purchaser's rights hereunder, and judgment is entered, the purchaser agrees to pay a reasonable sum as attorney's fees and all costs and expenses in connection with such suit, and also the reasonable cost of searching records to determine the condition of title at the date such suit is commenced, which sums shall be included in any judgment or decree entered in such suit.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first above written.

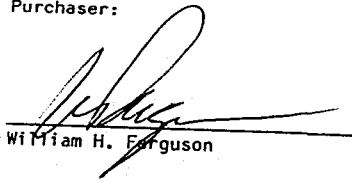
Seller:

SMALL BUSINESS ADMINISTRATION

By

  
Philip E. Gentry  
Portfolio Management Division  
Portland District Office

Purchaser:

  
William H. Ferguson

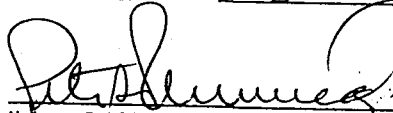
*Return*  
U.S. SMALL BUSINESS ADMINISTRATION  
FEDERAL BUILDING  
1220 S.W. THIRD AVENUE, ROOM 676  
PORTLAND, OREGON 97204-2882

11353

STATE OF OREGON           )  
                                  ) ss  
COUNTY OF MULTNOMAH    )

This certifies that before me on this day there personally appeared Philip E. Gentry, Chief, Portfolio Management Division, Portland District Office, SMALL BUSINESS ADMINISTRATION, an Agency of the United States of America, and acknowledged to me that he executed the foregoing instrument as the free and voluntary act and deed of SMALL BUSINESS ADMINISTRATION, for the uses and purposes therein mentioned, and on oath stated that he was duly and regularly authorized to execute the same on its behalf.


IN WITNESS WHEREOF, my hand and official seal this 27<sup>th</sup> day of June, 1984.

  
Notary Public in and for the State of Oregon  
residing at Portland, Oregon  
My Commission Expires: 10-28-85

STATE OF OREGON           )  
                                  ) ss  
COUNTY OF JACKSON KLAMATH    )

This certifies that before me on this day there personally appeared William H. Ferguson, to me known to be the individual described in, and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, my hand and official seal this 22 day of June, 1984.

  
Notary Public in and for the State of Oregon,  
residing at Shasta Falls, Oregon  
My Commission Expires: 7-13-86

STATE OF OREGON: COUNTY OF KLAMATH:ss  
I hereby certify that the within instrument was received and filed for  
record on the 5th day of July A.D., 1984 at 4:29 o'clock P M,  
and duly recorded in Vol M34 of Deeds on page 11350.

Fee: \$ 16.00

EVELYN BIEHN, COUNTY CLERK  
by: Bernetha A. Letoch, Deputy