

OA

61577

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KNOW ALL MEN BY THESE PRESENTS, That Lena Brown, by Harry H. Brown,  
her attorney in fact

hereinafter called the owner, in consideration of \$ 600.00 to him paid by  
Grant D. Hamilton, and Lori J. Hamilton  
hereinafter called the second party, the receipt of which hereby is acknowledged by the owner, has given and granted  
and does hereby give and grant unto the second party the sole, exclusive and irrevocable right and option for a period  
commencing this date and ending the 7TH day of MAY, 1987 (hereinafter for  
brevity called the expiration date) to purchase the following described real property in Klamath  
County, State of Oregon, to-wit:

The North  $\frac{1}{2}$  of Lot 7, Block 3, second addition to Altamont Acres,  
commonly known as 4430 Bisbee St.

at and for a price of \$ 30,000.00, payable at the times and in the manner following:

This is a lease option where in the party of the first part agrees to  
lease option to party of the second part for twelve months commencing  
May, 1986 and continuing to May, 1987.  
Rent will be \$300.00 per month of which \$75.00 per month will apply on  
the purchase at time of the exercise of the option. To exercise the  
option party of the second part must notify party of the first part  
of his intent to exercise his option 30 days prior to closing, said  
notice to be in writing.

Party of the second part may exercise his option at any time during the  
12 month tenure of this agreement by giving notice and paying the  
amount that would have accrued monthly (\$900.00) Upon the exercise of  
this option the monthly payments will be \$275.00 including interest at  
9% per annum.

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.

If the second party elects to exercise this option, he shall deliver written notice thereof to the owner on or before the said expira-  
tion date; said notice shall be accompanied by a cashier's check or by a certified check made payable to the owner in the amount of  
\$, to be applied on said purchase price. In lieu of making manual delivery of said notice and check, the second party  
may place the same in a sealed envelope addressed to the owner at the address opposite his signature below, said envelope then to be  
deposited in the United States registered mails, with postage thereon fully prepaid, and delivered at the owner's said address on or be-  
fore said expiration date.

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If this option is exercised, then for the purpose of closing the sale and purchase of said premises, the parties hereto hereby constitute and appoint Mountain Title Co. as their escrow agent. Within five days after the delivery of second party's said notice of election to purchase, the owner shall deposit his deed with said escrow agent and the second party shall deposit with said escrow agent all sums of money required by the above terms of said sale to be paid by him on the delivery of deed, together with all written instruments, fully executed, whatsoever required of him at said time. The owner's deed mentioned above shall be a good and sufficient warranty deed conveying said described property to the second party, his heirs and assigns, free of all incumbrances excepting zoning ordinances, building, use and other restrictions of record and the following incumbrances:

Balance owing after credit for the \$75.00 a month as acknowledged above. Party of the second part agrees to pay his share of the closing cost at closing.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

Upon said deposit in escrow being made, the owner and the second party shall execute and deliver to the said escrow agent suitable and appropriate escrow instructions which shall direct and authorize said escrow agent to deliver the owner's said deed to the order of the second party to deliver to the order of the owner the moneys and written instruments so deposited by the second party as soon as the owner has delivered to the escrow agent for the grantee named in said deed a policy of title insurance issued by a reputable title insurance company authorized to do business within the State of \_\_\_\_\_, insuring (in a sum equal to said option price) the owner's marketable title in and to said real estate, free and clear of all incumbrances whatsoever excepting only those above stated and the usual printed exceptions.

Should said option be exercised and should either party hereto fail to deposit the written instruments and the moneys required of him to be deposited pursuant to the foregoing terms and conditions, or should the owner fail to deliver to the escrow agent said title insurance policy within fifteen days after the execution and delivery of said escrow instructions, each party may withdraw from escrow all moneys and written instruments previously deposited by him.

All adjustments between the parties relative to taxes, insurance premiums, interest, rents and other matters shall be made as of the date of delivery of deed out of escrow; the expense of revenue stamps, title insurance and preparation of deed shall be borne by the owner; the fees and expenses of the escrow agent shall be shared equally between the owner and the second party.

The owner covenants and agrees to and with the second party that he is the owner of said property and has a valid right to sell and convey the same and to contract so to do.

This document is an option and nothing more than an option and does not pass to or vest in the second party any right, title or interest whatsoever in or to the said described real estate. In the event that the second party does not so elect to exercise his said option within the time and in the manner stated, time being of the essence hereof, this instrument forthwith shall become null and void and of no further force or effect.

This contract shall bind and inure to the benefit of, as the circumstances may require, not only the immediate parties hereto but their respective heirs, administrators, executors, successors-in-interest and assigns as well.

It is understood that either party hereto may be more than one individual or a corporation; therefore, the parties hereto agree that if the context and the circumstances so require, the singular as used herein shall mean and include the plural, the masculine pronoun shall mean and include the feminine and the neuter and that generally all grammatical changes shall be assumed, made or implied so that the provisions of this agreement shall apply equally to individuals and to corporations.

IN WITNESS WHEREOF, the owner has hereunto set his hand on MAY 9, 1986.

Grant D. Hamilton  
Lori J. Hamilton

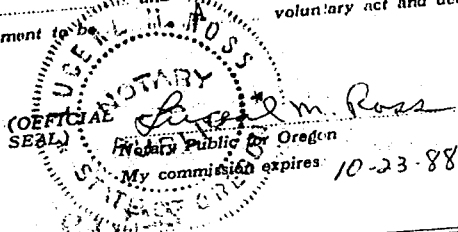
IMPORTANT NOTICE: If the one who gives the above option is a creditor and the one to whom it is given is a customer as those words are defined in the Truth-in-Lending Act and Regulation Z, legal advice should be obtained as to whether Disclosures and other notices are required — and when. For a Notice of Right of Rescission see Stevens-Ness Form No. 1301 and for a Notice of Non-Rescission, Form No. 1303.

STATE OF OREGON, \_\_\_\_\_ ) ss.  
County of Klamath, 1986  
May 10

Personally appeared the above named \_\_\_\_\_

Grant D. Hamilton  
Lori J. Hamilton

and acknowledged the foregoing instrument to be his voluntary act and deed.



STATE OF OREGON, County of \_\_\_\_\_, 19\_\_\_\_, and  
Personally appeared \_\_\_\_\_, who, being duly sworn,

each for himself and not one for the other, did say that the former is the \_\_\_\_\_ president and that the latter is the \_\_\_\_\_ secretary of \_\_\_\_\_

\_\_\_\_\_ a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

Before me:

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: \_\_\_\_\_

AGREEMENT

8676

This agreement by and between Lena Brown lessor and Grant D. Hamilton, Lessee wherein agrees to lease option the subject property in as "AS IS" condition and further agrees to clean and do necessary repairs.

L.H.  
LORI J. HAMILTON

The subject property is: N  $\frac{1}{2}$  of Lot 7 Block 3, Second addition to Altamont Acres.

JH

This agreement is attached to the Lease Option and becomes a part hereof.

Lena B Brown  
Lessor  
By Harry H Brown  
attorney in fact

Grant D. Hamilton  
Lessee

Lori J. Hamilton  
Lessee

May 9, 1986

Ret. Harry Brown  
2934 Summer St #17  
MFO.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of \_\_\_\_\_  
of May A.D., 19 86 at 3:35 o'clock P M., and duly recorded in Vol. 20th day  
of \_\_\_\_\_ Deeds on Page 8674 M86

FEE \$13.00

Evelyn Biehn  
By \_\_\_\_\_ County Clerk  
Phyllis Smith