

7260

MTC-17043-L  
CONTRACT - REAL ESTATE

Vol. 1187 Page 6761

THIS CONTRACT, Made this 20th day of March, 1987, between MICHAEL L. SPENCER and PAMELA J. SPENCER, husband and wife, hereinafter called the seller, and EDWARD A. SORRELS and MARJORIE J. SORRELS, husband and wife, hereinafter called the buyer,

WITNESSETH: That in consideration of the mutual covenants and agreements herein contained, the seller agrees to sell unto the buyer and the buyer agrees to purchase from the seller all of the following described lands and premises situated in Klamath County, State of Oregon to-wit:

Lot 11, Block 12, TRACT NO. 1143, RESUBDIVISION of a portion of Blocks 11, 12, 13, and 14, BUENA VISTA ADDITION to the City of Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

SUBJECT TO:

1) Reservations as contained in plat dedication, to wit: "said plat is subject to: (1) Public utilities easements as shown on the annexed plat, said easements are dedicated to the City of Klamath Falls for the use and regulations thereof; (2) All applicable zoning ordinances and recorded restrictive covenants."

2) Deed of Trust, including the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advances as may be provided therein;

Dated: September 24, 1985

Recorded: September 24, 1985

Volume: M85, page 15479, Microfilm Records of Klamath County, Oregon

Amount: \$49,000.00

Grantor: Michael L. Spencer and Pamela J. Spencer, husband and wife

Trustee: William L. Sisemore

Beneficiary: Klamath First Federal Savings and Loan Association  
(Buyers herein do not agree to assume said Trust Deed)

For the sum of FIFTY-SIX THOUSAND FIVE HUNDRED AND NO/100 Dollars (\$56,500.00) (hereinafter called the purchase price) on account of which ONE THOUSAND AND NO/100 Dollars (\$1,000.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller); the buyer agrees to pay the remainder of said purchase price (to-wit: \$55,500.00) to the order of the seller in monthly payments of not less than SIX HUNDRED AND NO/100 Dollars (\$600.00) each, payable on the 1st day of each month hereafter beginning with the month of May, 1987, and continuing until said purchase price is fully paid. All of said purchase price may be paid at any time; all deferred balances of said purchase price shall bear interest at the rate of 10 per cent per annum from March 23, 1987 until paid, interest to be paid monthly and being included in the minimum monthly payments above required. The balance due shall be due and payable in full on or before March 23, 1988.

Taxes on said premises for the current tax year shall be prorated between the parties hereto as of the date of this contract. Taxes in the amount paid by the lender through the reserve account beginning with the 1987/88 tax year shall be added back to the contract each year.

The buyer warrants to and covenants with the seller that the real property described in this contract is primarily for buyer's personal, family, household or agricultural purposes.

The buyer shall be entitled to possession of said lands on March 23, 1987, and may retain such possession so long as he is not in default under the terms of this contract. The buyer agrees that at all times he will keep the buildings on said premises, now or hereafter erected, in good condition and repair and will not suffer or permit any waste or strip thereof; that he will keep said premises free from mechanic's and all other liens and save the seller harmless therefrom and reimburse seller for all costs and attorney's fees incurred by him in defending against any such liens; that he will pay all taxes hereafter levied against said property, as well as all water rents, public charges and municipal liens which hereafter lawfully may be imposed upon said premises, all promptly before the same or any part thereof become past due; that at buyer's expense, he will insure

87 MAR 24 AM 8 49

and keep insured all buildings now or hereafter erected on said premises against loss or damage by fire (with extended coverage) in an amount not less than \$56,500.00 in a company or companies satisfactory to the seller, with loss payable first to the seller and then to the buyer as their respective interests may appear and all policies of insurance to be delivered to the seller as soon as insured. Now if the buyer shall fail to pay any such liens, costs, water rents, taxes, or charges or to procure and pay for such insurance, the seller may do so and any payment so made shall be added to and become a part of the debt secured by this contract and shall bear interest at the rate aforesaid, without waiver, however, of any right arising to the seller for buyer's breach of contract.

The seller agrees that at his expense and within 10 days from the date hereof, he will furnish unto buyer a title insurance policy insuring (in an amount equal to said purchase price) marketable title in and to said premises in the seller on or subsequent to the date of this agreement, save and except the usual printed exceptions and the building and other restrictions and easements now of record, if any. Seller also agrees that when said purchase price is fully paid and upon request and upon surrender of this agreement, he will deliver a good and sufficient deed conveying said premises in fee simple unto the buyer, his heirs and assigns, free and clear of encumbrances as of the date hereof and free and clear of all encumbrances since said date placed, permitted or arising by, through or under seller, excepting, however, the said easements and restrictions and the taxes, municipal liens, water rents and public charges so assumed by the buyer and further excepting all liens and encumbrances created by the buyer or his assigns.

And it is understood and agreed between said parties that time is of the essence of this contract and in case the buyer shall fail to make the payments above required, or any of them, punctually, within ten days of the time limited therefor, or fail to keep any agreement herein contained, then the seller at his option shall have the following rights: (1) to declare this contract null and void, (2) to declare the whole unpaid principal balance of said purchase price with the interest thereon at once due and payable and/or (3) to foreclose this contract by suit in equity, and in any of such cases, all rights and interest created or then existing in favor of the buyer as against the seller hereunder shall utterly cease and determine and the right to the possession of the premises above described and all other rights acquired by the buyer hereunder shall revert to and revert in said seller without any act of re-entry, or any other act of said seller to be performed and without any right of the buyer of return, reclamation or compensation for monies paid on account of the purchase of said property as absolutely, fully and perfectly as if this contract and such payments had never been made; and in case of such default all payments theretofore made on this contract are to be retained by and belong to said seller as the agreed and reasonable rent of said premises up to the time of such default. And the said seller, in case of such default, shall have the right immediately, or at any time thereafter, to enter upon the land aforesaid, without any process of law, and take immediate possession thereof, together with all the improvements and appurtenances thereon or thereto belonging.

The buyer further agrees that failure by the seller at any time to require performance by the buyer of any provision hereof shall in no way affect his right hereunder to enforce the same, nor shall any waiver by said seller of any 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.

The true and actual consideration paid for this transfer, stated in terms of dollars is \$56,500.00.

In case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, the buyer agrees to pay such sum as the 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 the trial court, the buyer further promises to pay such sum as the appellate court shall adjudge reasonable as plaintiff's attorney's fees on such appeal.

In construing this contract, it is understood that the seller or the buyer may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, said parties have executed this instrument in duplicate; if either of the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal affixed hereto by its officers duly authorized thereunto by order of its board of directors.

SELLERS:

*Michael L. Spencer*  
MICHAEL L. SPENCER  
*Pamela J. Spencer*  
PAMELA J. SPENCER

BUYERS:

*Edward A. Sorrels*  
EDWARD A. SORRELS  
*Marjorie J. Sorrels*  
MARJORIE J. SORRELS

STATE OF OREGON )  
 ) ss.  
County of Klamath )

Personally appeared the above named MICHAEL L. and PAMELA J. SPENCER and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

*Linda Steele*  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 7/13/89

STATE OF OREGON )  
 ) ss.  
County of Klamath )

Personally appeared the above named EDWARD A. and MARJORIE J. SORRELS and acknowledged the foregoing instrument to be thier voluntary act and deed.

Before me:

*Linda Steele*  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 7/13/89

MICHAEL L. SPENCER and PAMELA J. SPENCER  
2743 Aurora Drive  
Klamath Falls, Oregon 97603  
Seller's Name and Address

EDWARD A. SORRELS and MARJORIE J. SORRELS  
2504 Yonna  
Klamath Falls, Oregon 97601  
Buyer's Name and Address

## After Recording Return to

MOUNTAIN TITLE COMPANY  
407 Main Street  
Klamath Falls, OR 97601

Until a change is requested all tax statements shall be sent to the following address:

KLAMATH FIRST FEDERAL SAVINGS & LOAN  
540 Main Street  
Klamath Falls, OR 97601

STATE OF OREGON, ss.  
County of Klamath

Filed for record at request of:

Mountain Title Company  
on this 24th day of March A.D., 19 87  
at 8:49 o'clock A M. and duly recorded  
in Vol. M87 of Deeds Page 4768  
By Evelyn Biehn, County Clerk  
By *Ann Smith* Deputy.

Fee, \$13.00