

SP-78086

MTC # 5794

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THIS CONTRACT, Made this 1 day of July, 1987, between Robert C. Johnson and Patricia A. Johnson and John D. Patterson and Cheryl A. Patterson, hereinafter called the seller,

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:

That portion of the N $\frac{1}{2}$  of S $\frac{1}{2}$  of SE $\frac{1}{4}$  of Section 24, Township 40 South, Range 11 East, of the Willamette Meridian, Klamath County, Oregon, lying East of the Easterly right of way line of the Malin-Bonanza Road, lying EXCEPTING THEREFROM, the North 16.88 feet; The North 16.88 feet of the S $\frac{1}{2}$  of S $\frac{1}{2}$  of SE $\frac{1}{4}$  of said Section 24, lying East of the Easterly right of way line of the Malin-Bonanza Road; The North  $\frac{1}{2}$  of Lot 3, Section 30, Township 40 South, Range 12 East, of the Willamette Meridian, Klamath County, Oregon

for the sum of Twenty Nine Thousand and 00/100 ----- Dollars (\$ 29,000.00 )  
(hereinafter called the purchase price) on account of which Two Hundred Fifty & 00/100 )  
Dollars (\$ 250.00 ) is paid on the execution hereof (the receipt of which  
hereby is acknowledged by the seller), and the remainder to be paid at the times and in amounts as follows,  
to-wit:  
The balance of \$28,750.00 to be payable:  
\$225.00 on or before the 1st day of January, 1956

The balance of \$28,750.00 to be payable in monthly installments of \$225.00, or more. Interest to begin July 10, 1987 and the first payment due August 10, 1987. This Agreement will be all due and payable on July 10, 1992. However, Seller grants Purchaser the option to renew this Agreement for an additional 10 years with the interest rate being adjusted at that time to that rate being charged by the U.S. National Bank of Oregon for their 90% real estate loans at the time option is exercised.

All of said purchase price may be paid at any time; all deferred balances shall bear interest at the rate of 8 per cent per annum from July 10, 1987 until paid, interest to be paid monthly and \* xxxxxx in addition to the minimum payments above required. Taxes on said premises for the current tax year shall be xxxxxx and the buyer shall be responsible for the payment of the same.

The Buyer warrants to and covenants with the seller that the real property described in this contract is (B) not encumbered by any mortgage, lien, or agricultural purposes.

The buyer shall be entitled to possession of said lands on July 10, 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 therefrom that he will keep said premises, now or hereafter erected, free of all 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 rent, public charges and municipal liens against any such liens; that he will 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 \$ 0.00 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 as soon as insured to the seller and then to the buyer if the buyer shall fail to pay any such liens, costs, water rents, taxes, or charges or incur any loss or damage to the property or 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 breach of contract.

Contemporaneously herewith, the seller has executed a good and sufficient deed (the form of which beets to the above described real estate in fee simple unto the buyer, his heirs and assigns forever.

[illegible]

consists of or includes other property or value given or promised which is ~~part of the~~ <sup>entire</sup> consideration (indicate which). ①

In case suit is instituted to foreclose this contract or to enforce any provision hereof, the buyer agrees to pay such sum as the trial court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit and if an appeal is taken from any judgment or decree of such 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 trial. In constraining this contract, it is understood that the seller or the buyer shall be bound by the grammatical construction of the contract; 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.

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

**IN WITNESS WHEREOF,** said parties have executed this instrument in triplicate; 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.

John D. Patterson  
Cynthia Patterson  
Ceryll A. Patterson

Robert C. Johnson  
Patricia A. Johnson

**IMPORTANT NOTICE:** Delete, by lining out, whichever phrase and whichever warranty (A) or (B) is not applicable.

If warranty (A) is applicable and if the seller is a creditor, as such warranty is defined in the Truth-in-Lending Act and Regulation Z, the seller **MUST** comply with the Act and Regulation by making required disclosures; for this purpose, use Stevens-Ness Form No. 1308 or similar, unless the contract will become a first lien to finance the purchase of a dwelling in which event use Stevens-Ness Form No. 1307 or similar.

NOTE: The sentence between the symbols ①, if not applicable, should be deleted; see Oregon Revised Statutes, Section 93.030. (Notarial acknowledgment on reverse).

