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## CONTRACT OF SALE

C-21115

CONTRACT NO.

DATED: September 21, 1988

BETWEEN:

The State of Oregon  
by and through the  
Director of Veterans' Affairs

SELLER

AND:

KENNETH L. BARNELL

NORENE K. BARNELL

Husband &amp; Wife

BUYER(S)

On the terms and conditions set forth below, Seller agrees to sell and Buyer agrees to buy the following described real property (the "property"):

Lot 8, Block 29, FIFTH ADDITION TO KLAMATH RIVER ACRES, in the County of Klamath, State of Oregon.

Together with the following described mobile home which is firmly affixed to the property:

1973 PARKWAY 24' x 56' Serial No. S3133

Tax Account Nos. 622847 and 39988.

Subject only to the following encumbrances:

1. Restrictions, but omitting restrictions, if any, based on race, color, religion or national origin, as shown on the recorded plat of Fifth Addition to Klamath River Acres.
2. Easement, including the terms and provisions thereof:  
Recorded : August 10, 1933  
Book : 101  
Page : 331  
In Favor Of : California Oregon Power Company, a California Corporation  
For : Transmission and distribution of electricity  
Affects : Government Lot 4, 5 and 6, TWP 40 S., R 8 EWM.  
Power Line adjacent to Easterly line of the Keno-Dorris Highway.
3. Subject to rules, and regulations of Fire Patrol District.

## TAX STATEMENT

Until a change is requested, all tax statements shall be sent to:

Kenneth L. Barnell

Name of Buyer

15531 Greenwing Loop

Mailing Address

Keno, Oregon 97627

City State Zip

SECTION 6.1

- EVENTS OF DEFAULT. Time is of the essence of this Contract. A default shall occur under any of the following circumstances:
- (a) Failure of Buyer to make any payment when payment is due. No notice of default and no opportunity to cure shall be required if during any twelve (12)-month period Seller has already sent three (3) notices to Buyer concerning non-payment or late payment under this Contract.
- (b) Failure of Buyer to perform any other obligation in this Contract in addition to payment. Buyer must perform obligation within thirty (30) days after receiving Notice of Default from Seller. Such Notice shall specify the nature of the default.
- (c) Failure of Buyer to assemble the personal property and make it available to Seller.

SECTION 6. DEFAULT

6.1 EVENTS OF DEFAULT. Time is of the essence of this Contract. A default shall occur under the following circumstances:

(a) Failure of Buyer to make any payment when due.

SECTION 5. SECURITY AGREEMENT

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If a condemning authority takes all or any portion of the property, Sale of the property in lieu of condemnation shall be treated as a taking of the property. Buyer and Seller shall share in the condemnation proceeds in proportion to the values of their respective interests in the property. Sale of the property in lieu of condemnation shall be treated as a taking of the property.

This instrument shall constitute a security agreement.

SECTION 4. EMINENT DOMAIN

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If a condemning authority takes all or any portion of the property, the Seller shall pay the balance of the insurance proceeds to Buyer. Any proceeds not to restore the property, Seller shall keep a sufficient amount of the balance due on the Contract. If a condemning authority takes all or any portion of the property, the Seller shall pay first accrued interest and then the principal

### 3.2

[illegible]

SECTION 3. INSURANCE

SECTION 3. INSURANCE. Buyer shall promptly make all required repairs, alterations, and additions. Buyer may proceed in good faith with any such requirements and without compliance during any proceeding, including appropriate appeals, so long as Seller's interest in the property is not jeopardized.

## 2.3

[illegible]

## 2.2. *Phylogenetic analysis*

2.2 MAINTENANCE. Buyer shall keep all buildings, other improvements, and landscaped areas in good repair. Except for domestic use, Buyer shall not permit any waste or removal of the material, and shall not permit any building, other improvement, and landscaped area to be vacant for more than thirty (30) consecutive days.

2. *Chlorophyll a* and *Chlorophyll b* contents were determined by spectrophotometry using the method of Lichtenthaler and Whistler (1987).

SECTION 2. POSSESSION; MAINTENANCE

conditions:

1.7. WARRANTY DEED. Upon payment of the total purchase price for the property as provided for by this Contract and performance by Buyer of all obligations under the Contract, Seller shall deliver to Buyer a Warranty Deed. Such Warranty Deed shall contain no covenants, conditions, and provisions of the Contract. Seller shall deliver to Buyer a Warranty Deed which shall contain no covenants, conditions, and provisions of the Contract. Seller shall deliver to Buyer a Warranty Deed which shall contain no covenants, conditions, and provisions of the Contract. Seller shall deliver to Buyer a Warranty Deed which shall contain no covenants, conditions, and provisions of the Contract.

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1.5 PRE-PAYMENTS. Buyer may prepay all or any portion of the balance due on the Contract at any time without penalty. The interest rate shall be 9.0 percent per annum.

**SUBVISED**

1.4 INTEREST RATE. The annual interest rate during the term of this Contract is variable; it cannot increase by more than one (1) percent except to maintain the initial annual interest rate shall be 9.0%.

1.3 TERM OF CONTRACT This is a 20 year Contract and the final payment is due \_\_\_\_\_  
 1.4 INTEREST \_\_\_\_\_

Buyer shall pay an amount estimated by Seller to be sufficient to pay taxes, when due. Buyer also shall pay to Seller on demand any additional amounts which may be necessary for payment of the taxes or assessments.

The total monthly payments on this Contract shall change if the interest rate changes.

balance due on the date of the sale shall be paid in full.

\_\_\_\_\_ 19\_\_ The initial payments shall be \$ 248.00

\_\_\_\_\_ payments beginning on the first day of \_\_\_\_\_ each, including interest, in addition to that amount

The balance due on the contract of \$ 27,500.00

the c  
dpo

Buyer shall make improvements to the property in accordance with the Property Improvement Agreement, Form 590-M, signed this date. Completion of the improvements will satisfy the equity requirements of ORS 407.375(3). The value of the improvements will not be subtracted from the purchase price.

10. *Journal of the American Statistical Association*, 1997, 92, 1023-1032.

1.2 PAYMENT OF TOTAL PURCHASE PRICE. The total purchase price shall be paid as follows:

\_\_\_\_\_  
 NONE

\_\_\_\_\_  
 Buyer shall make

\_\_\_\_\_  
 Seller acknowledges receipt of the sum of \$

\_\_\_\_\_  
 \$27,500.00

\_\_\_\_\_  
 Buyer agrees to pay Seller the sum of \$

\_\_\_\_\_  
 as the total purchase price for

... ..

SECTION 1. PURCHASE PRICE: PAYMENT

1.1 TOTAL PURCHASE PRICE. Buyer agrees to pay Seller the sum of \$27,500.00 for the property.

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**6.2 REMEDIES ON DEFAULT.** In the event of a default, Seller may take any one or more of the following steps:

- (a) Declare the entire balance due on the Contract, including interest, immediately due and payable;
- (b) Foreclose this Contract by suit in equity;
- (c) Specifically enforce the terms of this Contract by suit in equity;
- (d) Exercise the rights and remedies of a secured party as provided by the Uniform Commercial Code. Seller may exercise these rights and remedies with respect to any part of the property which constitutes personal property in which Seller has a security interest.
- (e) Choose to impose a late charge. The charge will not exceed five (5) cents per dollar of the payment in the event Buyer fails to make any payment within 10 days after it is due.
- (f) Declare this Contract to be void thirty (30) or more days after Seller gives written notice to Buyer of Seller's intention to do so, unless the performance then due under this Contract is tendered or accomplished prior to the time stated. At the end of the thirty (30) days, all of Buyer's rights under this Contract shall cease without further act by Seller. Seller shall then be entitled to immediate possession of the property. All payments previously made to Seller by Buyer may be kept by Seller as reasonable rental of the property up to the time of default.
- (g) Appoint a receiver. Seller shall be entitled to the appointment of a receiver as a matter of right. It does not matter whether or not the apparent value of the property exceeds the amount of the balance due on the Contract. Any receiver appointed may serve without bond. Employment by Seller shall not disqualify a person from serving as a receiver. Upon taking possession of all or any part of the property, the receiver may:
  - (i) Use, operate, manage, control, and conduct business on the property and make necessary expenditures for all maintenance and improvements that in the receiver's judgement are proper;
  - (ii) Collect all rents, revenues, income, issues, and profits from the property and apply such sums to the necessary expenses of use, operation, and management;
  - (iii) Complete any construction in progress on the property, at Seller's option. To complete that construction, receiver may pay all bills, borrow funds, employ contractors, and make any changes in plans and specifications that Seller deems appropriate.

If the revenues produced by the property are insufficient to pay expenses, the receiver may borrow, from Seller or otherwise, such sums as receiver deems necessary. These sums shall be used for the purposes stated in this paragraph. Repayment of such sums shall be secured by this Contract. Amounts borrowed from or advanced by Seller shall bear interest at the same rate as the balance on this Contract. Interest shall be charged from the date the amount is borrowed or advanced until the amount is repaid. Any amount borrowed shall be paid by Buyer on demand.
- (h) Elect to collect all rents, revenues, income, issues, and profits (the "Income") from the property, whether due now or later. Prior to default, Buyer may operate and manage the property and collect the Income from the property. In the event of default and at any time hereafter, Seller may revoke Buyer's right to collect the Income from the property. Seller may collect the income either through itself or a receiver. Seller may notify any tenant or other user to make payments of rents or use fees directly to Seller. If the income is collected by Seller, then Buyer irrevocably designates Seller as Buyer's attorney-in-fact and gives Seller permission to endorse rent or fee checks in Buyer's name. Buyer also gives Seller permission to negotiate and collect such rents or fees. Payments by tenants or other users to Seller in response to Seller's demand shall satisfy the obligation for which the payments are made, whether or not any proper grounds for the demand existed. Seller shall apply the Income first to the expenses of renting or collection and the balance (if any) to payment of sums due from Buyer to Seller under this Contract.

**6.3 REMEDIES NONEXCLUSIVE.** The remedies provided above shall not exclude any other remedies provided by law. They are in addition to any other such remedies.

**SECTION 7. SELLER'S RIGHT TO CURE**

If Buyer fails to perform any obligation required of it under this Contract, Seller may, without notice, take any steps necessary to remedy such failure. Buyer shall reimburse Seller for all amounts expended in so doing on demand. Such action by Seller shall not constitute a waiver of the default or any other right or remedy which Seller may have on account of Buyer's default.

**SECTION 8. WAIVER**

Failure of either party at any time to require performance of any provision of this Contract shall not limit the party's right to enforce the provision. If a party waives a breach of any provision of this Contract, the waiver applies only to that specific breach. It does not apply to the provision itself.

**SECTION 9. INDEMNIFICATION**

Buyer shall forever defend, indemnify, and hold Seller harmless from any claim, loss, or liability arising out of or in any way connected with Buyer's possession or use of the property; Buyer's conduct with respect to the property, or any condition of the property. In the event of any litigation or proceeding brought against Seller and arising out of or in any way connected with any of the above events or claims, against which Buyer agrees to defend Seller, Buyer shall, upon notice from Seller, vigorously resist and defend such actions or proceedings through legal counsel reasonably satisfactory to Seller.

**SECTION 10. SUCCESSOR INTERESTS**

This Contract shall be binding upon and for the benefit of the parties, their successors, and assigns. But no interest of Buyer shall be assigned, subcontracted, or otherwise transferred, voluntarily or involuntarily, without the prior written consent of Seller. Consent by Seller to one transfer shall not constitute consent to other transfers or waiver of this section.

As a condition to such consent, Seller may increase the interest rate under this Contract from the date of the transfer. Any increase in the interest rate under this Contract shall entitle the Seller to increase monthly payments. Monthly payments may be increased to the amount necessary to retire the obligation within the time provided for in Section 1, 1.3, in this Contract. Any attempted assignment in violation of this provision shall be void and of no effect with respect to Seller. Buyer hereby waives notice of and consent to any and all extensions and modifications of this Contract granted by Seller. Any other person at any time obligated for the performance of the terms of this Contract also hereby waives such notice and consent. Any such extensions or modifications will not in any way release, discharge, or otherwise affect the liability of any person at any time obligated under this Contract.

**SECTION 11. TRANSFER FEE**

If any interest of the Buyer under this Contract is assigned, subcontracted, or otherwise transferred, a fee to cover administrative costs will be immediately due and payable to Seller. The amount of the fee shall be prescribed by Seller's duly adopted Oregon Administrative Rule 274-20-440.

**SECTION 12. NOTICE**

Any notice under this Contract shall be in writing and shall be effective when actually delivered in person or ten (10) days after being deposited in the U.S. mail, postage prepaid and addressed to the party at the address stated in this Contract or such other address as either party may designate by written notice to the other.