

7718 CONTRACT--REAL ESTATE Vol. m87 Page 217899

THIS CONTRACT, Made this 20th day of October, 1989, between George Kosten and Carol Kosten, husband and wife, and Carl R. and Nancy L. Fernlund, husband and wife,

hereinafter called the seller, 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:

Lots 19 and 20 in Block 60 of GRANDVIEW ADDITION TO BONANZA, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.  
Tax Account No. 3911 010CB 02300

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.

for the sum of Twelve Thousand Dollars (\$12,000) (hereinafter called the purchase price) on account of which Four Thousand Dollars (\$4,000) 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: \$8,000) to the order of the seller in monthly payments of not less than One Hundred and Twenty-Five Dollars (\$125) each, monthly

payable on the 23 day of each month hereafter beginning with the month of November, 1989, 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 12/30/89 until paid, interest to be paid and \* being included in the minimum monthly payments above required. Taxes on said premises for the current tax year shall be prorated between the parties hereto as of the date of this contract.

The buyer warrants to and covenants with the seller that the real property described in this contract is

(A) primarily for buyer's personal, family, household or agricultural purposes.

(B) for commercial purposes other than agricultural purposes.

The buyer shall be entitled to possession of said lands on October 20, 1989, 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 premises and the buildings, now or hereafter erected thereon, in good condition and repair and will not suffer or permit any waste or strip thereof; that he will keep said premises free from construction 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 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 \$ 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 NO 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 agreements 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, existing, 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.

(Continued on reverse)

IMPORTANT NOTICE: Delete, by lining out, whichever phrase and whichever warranty (A) or (B) is not applicable. If warranty (A) is applicable and if seller is a creditor, as such word 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. If the contract becomes a first lien to finance the purchase of a dwelling use Stevens-Ness Form No. 1307 or similar.

George Kosten  
Carol Kosten  
PO Box 304 Bonanza OR 97623

SELLER'S NAME AND ADDRESS

Carl R. Fernlund  
Nancy L. Fernlund  
Rt 1 Box 93 Bonanza OR 97623

BUYER'S NAME AND ADDRESS

After recording return to:

MTG # 5884

NAME, ADDRESS, ZIP

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

Carl R. & Nancy Fernlund

P.O. Box 37

Bonanza, OR 97623

NAME, ADDRESS, ZIP

STATE OF OREGON,

County of

I certify that the within instrument was received for record on the day of 19

at o'clock M., and recorded

in book/reel/volume No. on

page or as document/fee/file/

instrument/microfilm No.

Record of Deeds of said county.

Witness my hand and seal of

County affixed.

NAME TITLE

By Deputy

5884

