

NE 34543 CONTRACT—REAL ESTATE Vol. m 91 Page 18429

THIS CONTRACT, Made this 0 th day of SEPTEMBER, 1991, between MARY POLSAK, the Seller

and SHANNON R. PENOLI AND PATRICIA D. PENOLI, not as tenants in common, but with the rights of survivorship, 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 KIAMATH County, State of OREGON, to-wit:

LOTS 23 and 24, BLOCK 2, STEWART ADDITION, KIAMATH FALLS, OREGON 97601

BUYERS HEREBY AGREE TO MAINTAIN PROPERTY AT LEAST AS PRESENT CONDITION, INCLUDING ROOFS AND WINDOWS. TO TAKE PROPERTY AS IS, INCLUDING SEWER SYSTEM AND WELL OR ANY OTHER CONDITION THAT HEREAFTER MIGHT BE DETERMINED A DEFECT, OF WHICH THE SELLER SHALL NOT BE HELD RESPONSIBLE.

TAXES AND INSURANCE SHALL NOT BE PRORATED. BUT SHALL BE PAID BY THE BUYER, (AND KEPT IN FORCE AT ALL TIMES) INSURANCE TO BE SUCH AS TO REIMBURSE SELLER IN CASE OF LOSS, ON UNPAID BALANCE.

for the sum of TWENTY-ONE THOUSAND-TWO HUNDRED AND SEVENTY DOLLARS Dollars (\$21,270.00) (hereinafter called the purchase price) on account of which \$3,000.00 DOWN PAYMENT Dollars (\$3,000.00) 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: \$18,270.00) to the order of the seller in monthly payments of not less than \$315.00 three hundred-fifteen dollars Dollars (\$315.00) each, for 58 months (four years-10 months)

payable on the 1st day of each month hereafter beginning with the month of NOVEMBER, 1991 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 0% per cent per annum from no interest until paid, interest to be paid and * in addition to 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 or household purposes. (B) for an organization or (even if buyer is a natural person) is for business or commercial purposes.

The buyer shall be entitled to possession of said lands on OCTOBER 1, 1991, and may retain such possession so long as buyer is not in default under the terms of this contract. The buyer agrees that at all times buyer 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 buyer 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 seller in defending against any such liens; that buyer 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, buyer 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 \$ insurable value (in an amount equal to said purchase price) markable 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, seller will deliver a good and sufficient deed conveying said premises in fee simple unto the buyer, buyer's heirs and assigns, free and clear of all 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, 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 buyer's assigns.

*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 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. 1319 or similar.

MARY POLSAK
c/o JULIA LASOTA
FRANKLIN, KANSAS 66735
SELLER'S NAME AND ADDRESS

Shannon R. Penoli
4443 Douglas
Klamath Falls, Or. 97601
BUYER'S NAME AND ADDRESS

After recording return to:
KIAMATH COUNTY TITLE CO.
422 MAIN ST.
KIAMATH FALLS, OR. 97601
NAME, ADDRESS, ZIP

Until a change is requested all tax statements shall be sent to the following address:
SHANNON RAE PENOLI
4443 DOUGLAS
KIAMATH FALLS, OR. 97601
NAME, ADDRESS, ZIP

STATE OF OREGON, } ss.
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 fee/file/instrument/microfilm/reception No. _____, Record of Deeds of said county.
Witness my hand and seal of County affixed.
By _____ Deputy

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 20 days of the time limited therein, or fail to keep any agreement herein contained, then the seller at seller's option shall have the following rights:

- (1) To declare this contract cancelled for default and null and void, and to declare the purchaser's rights forfeited and the debt extinguished, and to retain sums previously paid hereunder by the buyer;
- (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.

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 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 moneys 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 seller's 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 \$21,270.00. However, the actual consideration consists of or includes other property or value given or promised which is part of the consideration (indicate which).

In case suit or action is instituted to foreclose this contract or to enforce any provision hereof, the losing party in said suit or action agrees to pay such sum as the trial court may adjudge reasonable as attorney's fees to be allowed the prevailing party in said suit or action and if an appeal is taken from any judgment or decree of the trial court, the losing party further promises to pay such sum as the appellate court shall adjudge reasonable as the prevailing party'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 or a corporation; that if the context so requires, the singular pronoun shall be taken to mean and include the plural 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, personal representatives, successors in interest and assigns as well.

IN WITNESS WHEREOF, said parties have executed this instrument in duplicate; if either of the undersigned is a corporation, it has caused its name to be signed and its seal affixed by an officer or other person duly authorized to do so by order of its board of directors.

SELLER Mary Polsak

Mary Polsak

Ione Morris

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.

Witness

BUYER Shannon R. Penoli Shannon R. Penoli

Co-buyer Patricia D. Penoli Patricia D. Penoli

* SELLER: Comply with ORS 93.903 at seq prior to exercising this remedy.

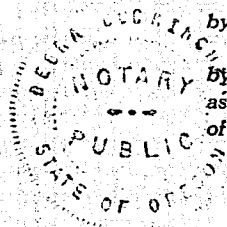
NOTE—The sentence between the symbols (), if not applicable, should be deleted. See ORS 93.030.

STATE OF OREGON, County of KLAMATH COUNTY ss.

This instrument was acknowledged before me on September 12, 1991,

by Mary Polsak, Shannon Penoli and Patricia D. Penoli

This instrument was acknowledged before me on _____, 1991,



Dorothy Buehler

Notary Public for Oregon

My commission expires 12-19-92

ORS 93.635 (1) All instruments contracting to convey fee title to any real property, at a time more than 12 months from the date that the instrument is executed and the parties are bound, shall be acknowledged, in the manner provided for acknowledgment of deeds, by the conveyer of the title to be conveyed. Such instruments, or a memorandum thereof, shall be recorded by the conveyor not later than 15 days after the instrument is executed and the parties are bound thereby.

ORS 93.990(3) Violation of ORS 93.635 is punishable, upon conviction, by a fine of not more than \$100.

(DESCRIPTION CONTINUED)

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County title Co. the 12th day of Sept. A.D., 1991 at 4:05 o'clock P.M., and duly recorded in Vol. M91 of Deeds on Page 18429.

FEE \$33.00

Evelyn Biehn County Clerk

By Dorothy Buehler