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Vol. m93 Page 25612CONTRACT FOR DEED

AGREEMENT dated the 27<sup>th</sup> day of September, 1993, between ROLAND M. GRUNSTEAD, of 511 Rimrock Avenue, Billings, Montana 59102, hereinafter referred to as "Seller" and RUBY EDGAR, 523 Lincoln, Klamath Falls, Oregon 97601, hereinafter called "Buyer".

**FOR VALUABLE CONSIDERATION, IT IS AGREED:**

1. Seller hereby agrees to sell and convey to Buyer and Buyer agrees to purchase from Seller real property in Klamath County, Oregon, described as follows:

Lot 8, Block 35 of First Addition to the City of Klamath Falls, in the County of Klamath, State of Oregon.

2. Buyer agrees to pay Seller for the above described real property the sum of FORTY-THOUSAND FOUR HUNDRED SEVEN DOLLARS (\$40,407.00) in the following manner:

(a) The principal balance of \$40,407.00 together with interest thereon at the rate of six percent (6%) per annum in monthly payments in the amount of \$251.00 commencing on or before October 1, 1993 and a like sum on or before the first day of each succeeding month thereafter until the full payment of principal and interest thereon has been paid. Each of the payments shall be applied first to accrued interest on the entire outstanding principal at the rate of 6% per annum from the date of this Agreement and the balance to principal.

3. Buyer may make advance payments on principal at any time and in such amount as Buyer may elect, without penalty as to interest. Such prepayment shall be applied on the principal in inverse order of maturity, and shall not relieve Buyer from paying the next succeeding installment or installments of principal and interest due hereunder.

4. Buyer agrees to pay to Seller, to be held in escrow, in addition to any other payments secured hereby, on the monthly payment date, an amount estimated by Seller to be sufficient to pay as they become due, all taxes, assessments and other charges upon the property and all insurance premiums on policies of insurance required hereunder. Such amount shall be held by the Seller without interest and applied to the payment of such taxes, assessments, insurance premiums and other charges, provided that, in the event of any default hereunder, Seller, at Seller's option, may apply any

Return & Taxes: Roland M. Grunstead  
P.O. Box 30335  
Billings, Montana 59107

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amounts held pursuant to this paragraph to the indebtedness secured hereby. If the actual payment for any of the items enumerated above shall exceed the amounts held by Seller therefor, Buyer shall, without demand, forthwith pay to Seller the amount of such deficiency. The amount estimated at the start of this contract shall be \$120.00 per month. Upon notification by Seller to Buyer of a different amount, Buyer will pay the new amount commencing with the next monthly payment.

5. Upon execution of this Agreement, Seller will execute a Limited Warranty Deed conveying valid, marketable fee simple title to the above described real property to Buyer, free and clear of all liens, encumbrances created or suffered by Buyer, and except the following:

- (a) Reservations and exceptions in patents from the United States or the State of Oregon.
- (b) Existing easements and rights-of-way.
- (c) Building, use, environmental and zoning restrictions and regulations.
- (d) Taxes and assessments for 1992 and subsequent years.
- (e) Mineral and royalty reservations or conveyances of record.

6. Seller is not required to furnish any title evidence hereunder.

7. Seller agrees to deliver possession of the property to Buyer concurrently with the execution of this Agreement, and Buyer hereby accepts and acknowledges delivery of possession.

8. Buyer shall pay all taxes and assessments for 1993 and subsequent years. Buyer agrees to assume all unpaid and future special improvement district assessments and pay such assessments and taxes for 1993 and subsequent years before the date that the same become delinquent, provided that to the extent funds have been deposited with Seller for such purpose, Seller will apply the funds.

9. This Agreement shall not be assigned, in whole or in part, nor the premises sold, by contract or otherwise, nor encumbered, by Buyer, without the written consent of Seller. If Buyer consents, any assignee or transferee shall thereafter become subject to the terms of this paragraph, and any further assignment or transfer shall likewise require the written consent of Seller. Buyer and any assignee or transferee agree to reimburse Seller on demand for all costs and expenses, including reasonable attorney's fees, incurred by Seller in connection with any proposed assignment or transfer.

10. Should Buyer fail to pay taxes and assessments before the same become delinquent, Seller shall have the right to do so and Buyer shall be obligated to reimburse Seller on demand for the same, subject to the provisions of paragraph 4. In addition, Seller may elect to treat the failure of Buyer to make such payments as a default.

11. If any payment of principal or interest or both is not paid when due, then the delinquent amount shall thereafter bear interest at the rate of 10% per annum.

12. Should any default of Buyer remain uncured for more than 30 days after written notice thereof to Buyer, then Seller may, at Seller's option, without notice, declare the entire outstanding balance with accrued interest thereon, immediately due and payable, and upon non-payment thereof within 15 days after further notice by Seller, Seller may, in addition to or as an alternative to any other remedy available to Seller, terminate this Agreement without further notice. In the event of such termination, Buyer agrees on demand:

- (a) To surrender possession of the property and any improvements thereon, immediately and peaceably; and
- (b) To execute such instruments as Seller may require to evidence record termination of this Agreement and of the interest of Buyer in such property and improvements; and
- (c) Seller shall be entitled to retain all payments made hereunder as liquidated damages for the breach of this Agreement and as rent for the use of the property.

13. Should either party incur any costs or expenses, including reasonable attorney's fees, in enforcing any of the provisions of this Agreement, then the other or unsuccessful party shall reimburse the prevailing party on demand.

14. Any notice to be given hereunder shall be in writing and shall be served upon a party personally, or served by registered or certified mail, return receipt requested, directed to the party to be served at the address of the party set forth on the first page of this Agreement. Notice served by mail shall be deemed complete when deposited in the United States mail. A party wishing to change his or her designated address shall do so by notice in writing to the other party.

15. Buyer shall not commit or suffer any waste, damage or injury to the property, improvements located thereon, and will keep and maintain the property and improvements in as good condition and repair as at the time of execution of this Agreement, reasonable wear and tear excepted.

16. Seller hereby reserves the right of ingress and egress for the purpose of inspecting the premises.

17. Buyer has made an independent investigation of the described property and has entered into this Agreement placing full reliance upon such independent investigation. Buyer understands and agrees that there are no representations or warranties other than those herein expressed on the part of Seller, expressly excluding any warranty of habitability or fitness for purpose, express or implied.

18. If any additions, improvements, alterations or repairs are made upon the described property, Buyer agrees to promptly pay for the same, and not to permit any liens to be filed against the property, except those which are in good faith contested by Buyer. Any items of personalty or fixed to the realty buyer on behalf of the Buyer, the items of personalty shall become fixtures and shall remain a part of the premises upon termination of this Agreement by default or otherwise. Buyer shall not suffer any attachments or executions to be levied against the property.

19. THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS, WHICH IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE. 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 AND EXISTENCE OF FIRE PROTECTION FOR THE STRUCTURES.

20. Waiver by Seller of any default or breach by Buyer of any of the covenants, terms or conditions of this Agreement shall not bar Seller from Seller's right to enforce such covenants, terms or conditions or to pursue Seller's rights arising out of any subsequent default or breach thereafter.

21. Time shall be of the essence of this Agreement.

22. This Agreement shall be binding upon and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the parties.

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IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

Ruby Edgar  
RUBY EDGAR

Roland M. Grunstead  
ROLAND M. GRUNSTEAD

UNTIL A CHANGE IS REQUESTED, ALL TAX STATEMENTS SHALL BE SENT TO THE FOLLOWING ADDRESS:

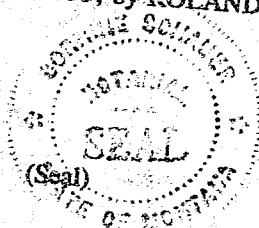
523 Lincoln  
Klamath Falls, Oregon 97601

STATE OF MONTANA )

County of Yellowstone )

: ss.

This instrument was acknowledged before me on Sept. 27, 1993  
1993, by ROLAND M. GRUNSTEAD.



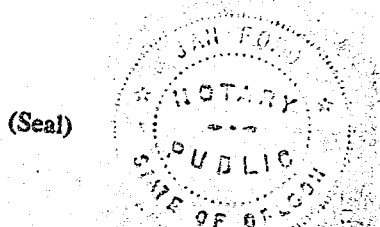
Carolyn Schumacher  
Notary Public for the State of Montana  
Residing at Billings, Montana  
My commission expires 8-10-96

STATE OF OREGON )

County of Klamath )

: ss.

This instrument was acknowledged before me on October 1  
1993, by RUBY EDGAR.



Don Wlad  
Notary Public for the State of Oregon  
Residing at Klamath Falls, Oregon  
My commission expires March 8, 1994

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STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of \_\_\_\_\_  
of \_\_\_\_\_ Oct. \_\_\_\_\_ A.D., 19 93 at 3:58 o'clock P.M., and duly recorded in Vol. M93 day  
of \_\_\_\_\_ Deeds on Page 25612

FEE \$50.00

Evelyn Biehn

By

County Clerk

Caroline M. Henderson