

FORM NO. 1042-2 CONTRACT—REAL ESTATE—Monthly Installments Payable to Vendors (Husband and Wife) with Right of Survivorship (Truth-in-Lending Series).

SN

K-45829

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THIS CONTRACT, Made this 28th day of September, 1993, between Michael B. Jager & Margaret H. Jager as trustees of the Jager family trust agreement dated 10-15-91 and Clark J. Kenyon, a married man, hereinafter called the seller, and T. C. Daeuble & Lucinda A. Russ as Joint Tenants with right of Survivorship, 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:

Lot 20 in Block 6 in Tract 1039.

for the sum of Five Thousand and no/oo Dollars (\$5,000.00) (hereinafter called the purchase price) on account of which Five Hundred and no/oo Dollars (\$500.00) is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller), and the remainder to be paid to the order of the seller at the times and in amounts as follows, to-wit: (\$4,500.00) in monthly payments of not less than Forty Eight and no/oo Dollars (\$48.00) each,

payable on the 1st day of each month hereafter beginning with the month of December, 1993, and continuing until said purchase price is fully paid.

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 an organization or (even if buyer is a natural person) is for business or commercial purposes other than agricultural purposes.

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 7 1/2 per cent per annum from November 1, 1993 until paid, interest to be paid monthly and being included in the minimum regular 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. It is agreed that the Sellers will not log this lot and it is agreed that the timber Rights will remain in the possession of the Sellers and that they will transfer to the buyers when this contract is fully paid.

The buyer shall be entitled to possession of said lands on November 1, 1993, 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 thereof; that he will keep said premises free from mechanics' and other liens and save the sellers harmless therefrom and reimburse sellers for all costs and attorney's fees incurred by them 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 \$ none in a company or companies satisfactory to the sellers, with loss payable to the sellers as their interest may appear and all policies of insurance to be delivered to the sellers 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 sellers 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 sellers for buyer's breach of contract.

The sellers agree that at their expense and within ten days from the date hereof, or when contract is one-half paid, they 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 sellers 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. Sellers also agree that when said purchase price is fully paid and upon request and upon surrender of this agreement, they 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 excepting, 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.

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 ten days of the time limited therefor, or fail to keep any agreement herein contained, then the sellers at their option shall have the following rights: (1) to declare this contract null and void, (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, and in any of such cases, all rights and interest created or then existing in favor of the buyer as against the sellers hereunder shall utterly cease and determine 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 sellers without any act of re-entry or any other act of said sellers 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 heretofore made on this contract are to be retained by and belong to said sellers as the agreed and reasonable rent of said premises up to the time of such default. And the said sellers, 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 sellers at any time to require performance by the buyer of any provision hereof shall in no way affect their right hereunder to enforce the same, nor shall any waiver by said sellers 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 \$5,000.00. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which):

In case suit or action is instituted to foreclose this contract or to enforce any of the provisions hereof, the buyer agrees to pay such sum as the court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit or action and if an appeal is taken from any judgment or decree of the 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 appeal.

In construing this contract, it is understood that the buyer may be more than one person; that if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine shall include 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; also, in the event of the demise of one of said sellers, that the word "sellers" shall mean only the survivor of them and the heirs and assigns of such survivor.

IN WITNESS WHEREOF, said parties have executed this instrument in duplicate; if either of the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal affixed hereto & TAKES: by its officers duly authorized thereunto by order of its board of directors.

SELLERS

BUYERS

Michael B. Jager, Tst.
Clark J. Kenyon

Margaret H. Jager, Tst.

T. C. Daeuble Jr.

Lucinda A. Russ

*Delete, by lining out, whichever phrase and whichever warranty (A) or (B) is not applicable. If warranty (A) is applicable, Stevens-Ness Form No. 1308 or similar MUST be used for disclosures under the Truth-in-Lending Act and Regulation Z 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 () if not applicable, should be deleted, see Oregon Revised Statutes, Section 93.030. (Notarial acknowledgment on reverse).

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co the 28th day of Oct A.D., 1993 at 9:43 o'clock A.M., and duly recorded in Vol. M93 of Deeds on Page 28342.

FEE \$30.00

Evelyn Biehn County Clerk

By Pauline M. Russell