

83883 07-06-94P03:34 RCVD

CONTRACT—REAL ESTATE

Vol. 194 Page 20986

THIS CONTRACT, Made this 6TH day of July, 1994, between

VIRGIL L. JOHNSON

and

THOMAS L. ARMSTRONG

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:

LOT 12 IN BLOCK 6 OF PLEASANT VIEW TRACTS, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE RECORDS OF KIAMATH COUNTY, OREGON 41-3909-2BC-100

for the sum of SEVENTEEN THOUSAND Dollars (\$17,000.00) hereinafter called the purchase price, on account of which THREE THOUSAND Dollars (\$3,000.00) 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: \$2.50.00 PER MONTH COMMENCING ON 10 AUGUST 1994, AND EACH MONTH THEREAFTER FOR A TOTAL OF 66 MONTHS WITH A FINAL PAYMENT OF \$2.26.18

All of the purchase price may be paid at any time; all of the deferred payments shall bear interest at the rate of 6.5% per cent per annum from 1 AUG 1994 until paid; interest to be paid and in addition to be included in the minimum regular payments above required. Taxes on the premises for the current tax year shall be prorated between the parties hereto as of 1 AUG 1994.

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 for a business or commercial purpose.

The buyer shall be entitled to possession of the lands on 1 August 1994, 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 the 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 the property, as well as all water rents, public charges and municipal liens which hereafter lawfully may be imposed upon the 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 the premises against loss or damage by fire (including lightning) in an amount not less than \$15,000.00 in a company or companies satisfactory to the seller, specifically naming the seller as an additional insured, 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 has exhibited unto the buyer a title insurance policy insuring marketable title in and to the premises in the seller; seller's title has been examined by the buyer and is accepted and approved by buyer.

Contemporaneously herewith, the seller has executed a good and sufficient deed (the form of which hereby is approved by the buyer) conveying the above described real estate in fee simple unto the buyer, buyer's heirs and assigns, free and clear of encumbrances as of the date hereof, excepting the easements, building and other restrictions now of record, if any, and SUBJ. TO THE CONDITION STATED ON WARRANTY DEED 3512.2, RECORDED VOL. 307, PAGE 357 and has placed the deed, together with an executed copy of this contract and the title insurance policy mentioned above, in escrow with

ASPEN TITLE CO. escrow agent, with instructions to deliver the deed, together with the fire and title insurance policies, to the order of the buyer, buyer's heirs and assigns, upon the payment of the purchase price and full compliance by the buyer with the terms of this agreement. The buyer agrees to pay the balance of the purchase price and the respective installments thereof, promptly at the times provided therefore, to the said escrow agent for the use and benefit of the seller. The escrow fee of the escrow agent shall be paid by the seller and buyer in equal shares; the collection charges of the agent shall be paid by the seller.

(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 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-Hess Form No. 1319 or equivalent.

VIRGIL L. JOHNSON
6750 S. 6TH ST.
KIAMATH FALLS, OR 97603
Grantor's Name and Address
THOMAS L. ARMSTRONG
1934 GARY ST.
KIAMATH FALLS, OR 97603
Grantee's Name and Address
After recording return to (Name, Address, Zip):
ASPEN TITLE CO.
If not requested otherwise send all tax statements to (Name, Address, Zip):
THOMAS L. ARMSTRONG
1934 GARY ST.
KIAMATH FALLS, OR 97603

STATE OF OREGON,
County of } ss.
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 and/or as fee/title/instrument/microfilm/reception No. Record of Deeds of said County.
Witness my hand and seal of County affixed.
NAME TITLE
By Deputy

SPACE RESERVED FOR RECORDER'S USE

- (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 the purchase price with the interest thereon at once due and payable; and/or
- (3) To foreclose this contract by a suit in equity.

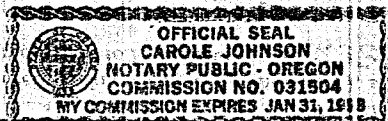
The buyer further agrees that failure by the seller at any time to require performance by the buyer of any provision hereof shall in no way affect seller's right hereunder to enforce the same, nor shall any waiver by the seller of any breach of any provision hereof be held to be a waiver of any succeeding breach of any such provision, or as a waiver of the provision itself.

IN WITNESS WHEREOF, the 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, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNED 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.

NOTE—The sentence between the symbols ①, if not applicable, should be deleted. See OES 93.030.

STATE OF OREGON, County of Klamath ss.
 This instrument was acknowledged before me on July 6, 1994
 by VIRGIL L. JOHNSON AND THOMAS L. ARMSTRONG
 This instrument was acknowledged before me on _____, 19____
 by _____
 as _____
 of _____



Charles Johnson
Notary Public for Oregon
My commission expires January 31, 1998

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 conveyor 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.

STATE OF OREGON: COUNTY OF KLAMATH:

Filed for record at request of Aspen Title Co the 6th day
of July A.D. 1994 at 3:34 o'clock P. M., and duly recorded in Vol. 994
of Deeds on Page 20986

FFR \$35.00

Evelyn Biehn, County Clerk
By Caroline M. Biehn

By Quintone M. Williams