

Return to:
Klamath First Federal
Main Street
Klamath Falls, Or 97601

K-48564
CONTRACT OF SALE

THIS AGREEMENT, the effective date of which is the 23 day of October, 1995, by and between WILLIAM A. DIVINE and LAURA M. DIVINE, husband and wife, hereinafter called Sellers, and MARKKU A. SARIO and JACQUELINE B. SARIO, husband and wife, hereinafter called "Purchasers",

WITNESSETH:

That in consideration of the stipulations herein contained and the payments to be made as hereinafter specified, and the covenants exchanged between the parties, Sellers hereby agree to sell and Purchasers hereby agree to purchase the following-described real property situated in Klamath County, State of Oregon, more particularly described as follows:

Lot 4 in Block 25 of Hillside Addition to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon,

SUBJECT TO reservations and restrictions of record, easements and rights of way of record and those apparent on the land.

TERMS:

a. Price and Payments: It is understood that the total purchase price for the subject real property is \$43,500, of which \$3,000 has been paid at closing hereof, with the balance to be paid according to 1. b. below.

b. Payments With Lump Sums and No Prepayment: The balance of \$40,500 shall accrue interest at the rate of 9% per annum from October 23, 1995 and shall be paid by Purchasers to Sellers as follows:

i. Monthly payments of not less than \$320.00 and not more than \$370.00 without first getting approval of Sellers according to iv. below, to be paid on the 10th day of each month beginning the month of November, 1995 and continuing until the entire amount, both principal and interest has been paid in full; and

ii. An additional payment in the amount of \$2,500 payable on or before May 30, 1996; and

iii. An additional payment in the amount of \$2,500 payable on or before May 30, 1997; and

iv. The entire balance, both principal and interest, shall be paid on or before October 10, 2015; and

v. Prior October 10, 2007, Purchasers may not, without first obtaining the written consent of Sellers, pay any amounts in addition to those specified in subparagraphs i. through iv. (Purchasers may not prepay for a period of twelve years, and thereafter may prepay without consent of Sellers);

in the event of any such prepayment, such prepayment shall not excuse any future regularly scheduled payments.

Purchasers acknowledge that they have made an independent investigation and inspection of the real property herein described and that they enter into this contract without relying upon any statement or representation or covenant not specifically embodied in this Contract, and are purchasing the property herein described in its present condition.

Purchasers agree to keep the premises insured to its full insurable value with an insurance company suitable to Sellers and listing Sellers as additional insured parties.

Purchasers agree to pay all taxes hereafter levied and all public and municipal liens and assessments thereafter lawfully imposed upon said premises promptly and before the same or any part thereof become past due and delinquent. And in the event such taxes and assessments should become delinquent, Sellers may, at their option, pay the same and such amounts so paid shall become a part of the principal and bearing interest at the same rate as said principal sum.

Sellers agree to obtain title insurance covering the above-described property in the amount of \$43,500, subject to the exceptions in the Preliminary Title Report by Klamath County Title Company and provide the same to Purchasers within 10 days of the date hereof, which title policy shall insure Purchasers against loss or damage sustained by reason of any defect in the title of Sellers, and showing marketable title in Sellers.

Sellers agree to execute a good and sufficient Warranty Deed conveying the above-described premises in fee simple to the Purchasers, their heirs and assigns, subject to encumbrances set forth above.

The Warranty Deed herebefore mentioned, together with a copy of the within contract, shall be deposited in escrow with KLAMATH FIRST FEDERAL SAVINGS AND LOAN, Main Street, Klamath Falls, Oregon, as escrowee, and all payments hereafter made on said contract of principal and/or interest shall be made through said Escrowee. The parties agree to sign collection escrow instructions of standard form.

Upon full compliance with the terms of this Contract by Purchasers, and payment of said purchase price in full, together with interest due thereon, said Escrowee is authorized to deliver said Warranty Deed to the Purchasers or either of them.

Purchasers shall neither commit nor permit waste of said premises. Sellers reserve the right to go on said property at any time during the term of this Contract for the purpose of inspecting and protecting the same.

Time is material and of the essence hereof, and failure of Purchasers to make the payments aforesaid punctually and upon the strict terms and at the times above specified, or within 30 days thereof, or failure to keep any of the other terms or conditions of this Agreement, time of payment and strict performance being declared to be of the essence of this agreement, then the Sellers 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 interest thereon at once due and payable.
3. To foreclose this Contract by suit in equity; and

in any of such cases all the right and interest hereby created or then existing in favor of Purchasers under this agreement shall cease and the premises shall revert and revest in the Sellers.

It is understood that these remedies are not exclusive and Sellers may, in the event of such failure of Purchasers to keep any of the terms of this agreement, pursue any remedies available under the laws of the State of Oregon.

It is understood and agreed by the parties hereto that Purchasers shall not sell, assign, or in any way transfer their interest in the subject property during the term of this contract without first obtaining the written consent of Sellers. In the event of such sale, assignment, or transfer without such written consent, the entire amount, both principal and interest, shall become immediately due and payable.

If suit or action is instituted to enforce any of the provisions of this Contract, the party prevailing therein shall be entitled to recover from the other such sum as the Court may adjudge reasonable as attorney's fees therein, including any appeal thereof. It is understood this agreement has been prepared by Richard Fairclo, as attorney for Sellers. Purchasers acknowledge that they have been advised to obtain, and have had opportunity to consult with, separate counsel. The provisions of this agreement shall not be construed for or against any party by reason of such representation.

The parties further agree that failure by Sellers at any time to require performance by the Purchasers of any provision hereof shall in no way affect

Sellers rights hereunder to enforce such performance nor shall any waiver by Sellers or any breach of any provision hereof by held to be a waiver of any succeeding breach or as a waiver of the provision itself.

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, personal representatives, successors in interest and assigns as well.

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 AND WHICH LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. 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 STRUCTURES.

IN WITNESS WHEREOF, The Parties have executed this agreement the day and year first above written.

SELLERS:

William A. Divine
WILLIAM A. DIVINE
Laura M. Divine
LAURA M. DIVINE

PURCHASERS:

Markku A. Sario
MARKKU A. SARIO
Jacqueline B. Sario
JACQUELINE B. SARIO

State of OREGON, County of Klamath)ss.
The foregoing instrument was acknowledged before me
this 23rd day of October 19 95
at WILLIAM A. DIVINE AND LAURA M. DIVINE
by MARKKU A. SARIO AND JACQUELINE B. SARIO

Sue Nova
Notary Public for Oregon
My commission expires: June 8, 1999

STATE OF OREGON,
County of Klamath ss.

Filed for record at request of:

Klamath County Title Company
on this 24th day of October A.D., 19 95
at 10:32 o'clock A M. and duly recorded
in Vol. M95 of Deeds Page 28929
Bernetha G. Letsch County Clerk
By Annette Mueller
Deputy.

Fee, \$45.00

After recording return to:
KLAMATH FIRST FEDERAL SAVINGS & LOAN
MAIN STREET
KLAMATH FALLS, OREGON

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RICHARD FAIRC
ATTORNEY AT L.
280 MAIN STREET
KLAMATH FALLS, OREGON