

A120-10
R120-04**AGREEMENT TO SELL REAL ESTATE**

REC- 276 Cecil James & Mildred James, Trustees of the James Family Trust of
276 Peesbler Way, Medford OR 97501 as Seller, and

Chris G Solomon & Gloria J. Solomon of
1748 Kimberly Dr. Klamath Falls, OR 97603 as Buyer, hereby agree that

the Seller shall sell and the Buyer shall buy the following described property UPON THE TERMS AND CONDI-
 TIONS HEREINAFTER SET FORTH, which shall include the STANDARDS FOR REAL ESTATE TRANSAC-
 TIONS set forth within this contract.

1. LEGAL DESCRIPTION of real estate located in Lot 4 Block 12, Fourth Addition to
Winema Gardens, Klamath County, State of Oregon:

2. PURCHASE PRICE \$94,039.99 Dollars. Method of Payment: see attached note

(a) Deposit to be held in trust by _____ \$ 00

(b) Approximate principal balance of first mortgage to which conveyance shall be
 subject, if any, Mortgage holder: Cecil & Mildred James \$ 94,039.00 Trustees
 Interest 9 % per annum: Method of payment see attached note

(c) Other: _____ \$ 00

(d) Cash, certified or local cashier's check on closing and delivery of deed (or such
 greater or lesser amount as may be necessary to complete payment of purchase
 price after credits, adjustments and prorations). \$ 00

3. PRORATIONS: Taxes, insurance, interest, rents and other expenses and revenue of said property shall be pro-
 rated as of the date of closing.

4. RESTRICTIONS, EASEMENTS, LIMITATIONS: Buyer shall take title subject to: (a) Zoning, restrictions,
 prohibitions and requirements imposed by governmental authority, (b) Restrictions and matters appearing on the plat
 or common to the subdivision, (c) Public utility easements of record, provided said easements are located on the side
 or rear lines of the property, (d) Taxes for year of closing, assumed mortgages, and purchase money mortgages, if
 any, (e) Other: _____

_____. Seller warrants that there shall be no violations of build-
 ing or zoning codes at the time of closing.

5. DEFAULT BY BUYER: If Buyer fails to perform any of the covenants of this contract, all money paid pursuant
 to this contract by Buyer as aforesaid shall be retained by or for the account of the Seller as consideration for the exe-
 cution of this contract and as agreed liquidated damages and in full settlement of any claims for damages.

6. DEFAULT BY SELLER: If the Seller fails to perform any of the covenants of this contract, the aforesaid money
 paid by the Buyer, at the option of the Buyer, shall be returned to the Buyer on demand; or the Buyer shall have only
 the right of specific performance.

7. TERMITE INSPECTION: At least 15 days before closing, Buyer, at Buyer's expense, shall have the right to
 obtain a written report from a licensed exterminator stating that there is no evidence of live termite or other wood-
 boring insect infestation on said property nor substantial damage from prior infestation on said property. If there is
 such evidence, Seller shall pay up to three (3%) percent of the purchase price for the treatment required to remedy
 such infestation, including repairing and replacing portions of said improvements which have been damaged; but if
 the costs for such treatment or repairs exceed three (3%) percent of the purchase price, Buyer may elect to pay such
 excess. If Buyer elects not to pay, Seller may pay the excess or cancel the contract.

8. ROOF INSPECTION: At least 15 days before closing, Buyer, at Buyer's expense, shall have the right to obtain
 a written report from a licensed roofer stating that the roof is in a watertight condition. In the event repairs are
 required either to correct leaks or to replace damage to fascia or soffit, Seller shall pay up to three (3%) percent of the
 purchase price for said repairs which shall be performed by a licensed roofing contractor; but if the costs for such
 repairs exceed three (3%) percent of the purchase price, Buyer may elect to pay such excess. If Buyer elects not to
 pay, Seller may pay the excess or cancel the contract.

9. OTHER INSPECTIONS: At least 15 days before closing, Buyer or his agent may inspect all appliances, air con-
 ditioning and heating systems, electrical systems, plumbing, machinery, sprinklers and pool system included in the
 sale. Seller shall pay for repairs necessary to place such items in working order at the time of closing. Within 48
 hours before closing, Buyer shall be entitled, upon reasonable notice to Seller, to inspect the premises to determine
 that said items are in working order. All items of personal property included in the sale shall be transferred by Bill
 of Sale with warranty of title.



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 lar transaction. Consult a lawyer if you doubt the form's fitness for your purpose and use. E-Z Legal Forms and the retailer make no
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 Rev. 4/98

10. LEASES: Seller, not less than 15 days before closing, shall furnish to Buyer copies of all written leases and estoppel letters from each tenant specifying the nature and duration of the tenant's occupancy, rental rates and advanced rent and security deposits paid by tenant. If Seller is unable to obtain such letters from tenants, Seller shall furnish the same information to Buyer within said time period in the form of a seller's affidavit, and Buyer may contact tenants thereafter to confirm such information. At closing, seller shall deliver and assign all original leases to Buyer.

11. MECHANICS LIENS: Seller shall furnish to Buyer an affidavit that there have been no improvements to the subject property for 90 days immediately preceding the date of closing, and no financing statements, claims of lien or potential lienors known to Seller. If the property has been improved within that time, Seller shall deliver releases or waivers of all mechanics liens as executed by general contractors, subcontractors, suppliers and materialmen, in addition to the seller's lien affidavit, setting forth the names of all general contractors, subcontractors, suppliers and materialmen and reciting that all bills for work to the subject property which could serve as basis for mechanics liens have been paid or will be paid at closing time.

12. PLACE OF CLOSING: Closing shall be held at the office of the Seller's attorney or as otherwise agreed upon

13. TIME IS OF THE ESSENCE: Time is of the essence of this Sale and Purchase Agreement.

14. DOCUMENTS FOR CLOSING: Seller's attorney shall prepare deed, note, mortgage, Seller's affidavit, any corrective instruments required for perfecting the title, and closing statement and submit copies of same to Buyer's attorney, and copy of closing statement to the broker, at least two days prior to scheduled closing date.

15. EXPENSES: State documentary stamps required on the instrument of conveyance and the cost of recording any corrective instruments shall be paid by the Seller. Documentary stamps to be affixed to the note secured by the purchase money mortgage, intangible tax on the mortgage, and the cost of recording the deed and purchasing money mortgage shall be paid by the Buyer.

16. INSURANCE: If insurance is to be prorated, the Seller shall on or before the closing date, furnish to Buyer all insurance policies or copies thereof.

17. RISK OF LOSS: If the improvements are damaged by fire or casualty before delivery of the deed and can be restored to substantially the same condition as now within a period of 60 days thereafter, Seller shall so restore the improvements and the closing date and date of delivery of possession hereinbefore provided shall be extended accordingly. If Seller fails to do so, the Buyer shall have the option of (1) taking the property as is, together with insurance proceeds, if any, or (2) cancelling the contract, and all deposits shall be forthwith returned to the Buyer and all parties shall be released of any and all obligations and liability.

18. MAINTENANCE: Between the date of the contract and the date of closing, the property, including lawn, shrubbery and pool, if any, shall be maintained by the Seller in the condition as it existed as of the date of the contract, ordinary wear and tear excepted.

19. CLOSING DATE: This contract shall be closed and the deed and possession shall be delivered on or before the 1st day of February, 1999 (year), unless extended by other provisions of this contract.

20. TYPEWRITTEN OR HANDWRITTEN PROVISIONS: Typewritten or handwritten provisions inserted in this form shall control all printed provisions in conflict therewith.

21. OTHER AGREEMENTS: No agreements or representations, unless incorporated in this contract, shall be binding upon any of the parties.

22. RADON GAS DISCLOSURE. As required by law, (Landlord) (Seller) makes the following disclosure: "Radon Gas" is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in _____ Additional information regarding radon and radon testing may be obtained from your county public health unit.

23. LEAD PAINT DISCLOSURE. "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real estate is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspection in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase."

24. SPECIAL CLAUSES: Buyer agrees to ^{Accept} ~~accept~~ house in as is condition.

Sale of property to be on contract of sale. Deed of trust to be transferred to buyer when contract is paid in full.

COMMISSION TO BROKER: The Seller hereby recognizes _____ as the Broker in this transaction, and agrees to pay as commission _____

_____ % of the gross sales price, the sum of _____ Dollars (\$ _____) or one-half of the deposit in case same is forfeited by the Buyer through failure to perform, as compensation for services rendered, provided same does not exceed the full amount of the commission.

WITNESSED BY
Georgia J. Hollinger
Witness Georgia J. Hollinger Date 1-21-99
Georgia J. Hollinger
Witness Georgia J. Hollinger Date 1-21-99

Chris S. Slaw 1-21-99
Brian Johnson 1-21-99
Buyer Chris S. Slaw Date 1-21-99
Michael James Jr. 1-21-99
Seller Michael James Jr. Date 1-21-99

Promissory NoteAmount \$ 94,039.00Date January 19, 19991. I, Chris Solomon and Gloria Solomon (Maker's name)1748 Kimberly Drive Klamath Falls, Oregon 97603 (Maker's address),

for valuable and sufficient consideration received, promise to pay to the order of

Cecil James and Mildred James, Trustees of the James Family Trust (Payee's name)276 Peebler Way Medford, Oregon 97501 (Payee's address)the sum of Ninety Four Thousand Thirty Nine Dollars (\$ 94,039.00) along with interest from the date of this Note onthe unpaid principal at an annual rate of nine percent (9 %).

2. (a) Principal and interest due under this note shall be payable as follows: Buyer agrees to make payments in the amount of \$705.30 interest only for the period of 2 years starting March 1, 1999 and continuing until March 1, 2001. On March 1, 2001 the principal amount of \$94,039.00 will become all due and payable. Buyer agrees to pay seller full amount of loan if property is sold or refinanced prior to the due date of the loan. Seller agrees to renegotiate terms of loan in the event buyer is unable to sell the home or in the event financing is unobtainable to the buyer. Buyer agrees to maintain insurance in the amount of \$95,000.00 for fire and damage for the duration of the contract. Buyer also agrees to keep property taxes current.

(b) Payments due under this Note shall be made at the following address or as Payee or assigns may reasonably designate:

Cecil James & Mildred James, Trustees of the James Family Trust
276 Peebler Way Medford, Oregon 97501

3. Default in the payment of any amount when due as provided in this Note, or the voluntary or involuntary filing of a petition for bankruptcy of Maker, shall at the discretion of the Payee or assigns, cause the entire unpaid balance hereof to become immediately due and payable. If collection efforts have to be made to enforce payment of any amount due under this note,

Maker shall pay all reasonable costs and attorney fees incurred in such collection. This note shall at the option of any holder hereof be immediately due and payable upon the failure to make any payment due hereunder within 60 days of its due date. In the event this note shall be in default, and placed with an attorney for collection, then the undersigned agree to pay all reasonable attorney fees and costs of collection. Payments not made within ten (10) days of due date shall be subject to a late charge of 3% of said payment.

4. Maker may prepay the principal balance and interest due under this note at any time in whole or in part without incurring any penalties.

5. Maker gives the following property as collateral security for the payment of this note, and shall execute any necessary documents to perfect said security interest:

A parcel of property located in Lot 4, Block 12, FOURTH ADDITION TO WINEMA GARDENS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Location of said property being 1744 Kimberly Drive, Klamath Falls, Oregon, 97603.

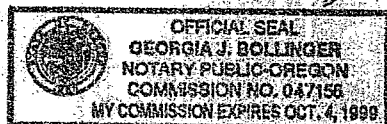
6. This note shall be governed by the laws of the State of Oregon.

Maker, intending to be legally bound, has signed this Promissory Note on this 21st day of January, 1999.

Chris E. Roman
Stacia Solomon
 Maker's signature

Subscribed and sworn to before me on this 21st day of January, 1999.

Georgia J. Bollinger
 Notary



STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the 27th day
 of April A.D., 1999 at 3:13 o'clock P. M., and duly recorded in Vol. M99
 of _____ Deeds on Page 15492

FEE

\$50.00

by

Linda Smith, County Clerk

Linda Smith