

State Of Oregon, County Of Klamath

M05-62611

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Of Pages 2 Fee: \$26.00

NO PART OF ANY STEVENS-NESS FORM MAY BE REPRODUCED IN ANY FORM OR E

OPTION FOR PURCHASE OF REAL ESTATE

EA: Math McVay
1415 Esplanade
Klamath Falls OR
97601

KNOW ALL BY THESE PRESENTS that Terry Talley
 hereinafter called Owner, in consideration of \$ 500.00 paid to Owner by Mathew K McVay
 hereinafter called Second Party, hereby bargains, gives and grants to Second Party a sole, exclu-
 sive, and irrevocable option to purchase the following-described real property: 320 McLean

Lot 5 Block 8 Klamath Lake
Addition according to the official plat
Thereof on file in the office of the County Clerk
of Klamath County Oregon.
Klamath Falls OR
97601

This option shall commence on 6/1/05 and expire at midnight on 6/1/08. The full purchase price of the property, if purchased hereunder by
 Second Party, shall be \$ 20,000.00. In order to exercise the option, Second Party shall notify Owner, by written notice mailed
 to Owner at 320 McLean Klamath Falls OR, 97601

before this option expires. Second Party may also exercise this option by causing notice to be delivered in person to Owner. The con-
 sideration paid for this option ☐ shall ☒ shall not (indicate which) be applied to the purchase price. Second Party's notice to Owner
 shall be accompanied by a further payment of \$ 500.00, which shall be applied toward the purchase price. Such payment
 shall be in the form of a cashier's check or certified check. Upon execution of a contract or deed pursuant to the exercise of this
 option, Second Party shall pay Owner the additional sum of \$ 500.00, which payment also shall be applied toward the
 purchase price. The balance of the purchase price, \$ 19,500.00, shall be paid at the times and in the following manner:

upon closing escrow.

The form of security agreement used to consummate this transaction shall be a Warranty Deed

If this option is exercised, the transaction contemplated thereby ☒ shall ☐ shall not (check exactly one) be closed in escrow.

IF THE PARTIES HAVE ELECTED TO CLOSE THIS SALE IN ESCROW, they hereby constitute and appoint Ameritelle

Kristy Reed

as their escrow agent. Within 10 days after the delivery of Second Party's notice of election to

2001



purchase. Owner shall deposit Owner's deed with the escrow agent, and Second Party shall deposit with the escrow agent all sums of money required by the above terms of sale to be paid by Second Party on the delivery of the deed, together with all written instruments, fully executed, whatsoever required of Second Party at that time. When the escrow deposits have been made, Owner and Second Party shall execute and deliver to escrow agent suitable and appropriate escrow instructions authorizing and directing the escrow agent to deliver Owner's deed to the order of Second Party and deliver to Owner the moneys and written instruments deposited by Second Party as soon as Owner has delivered to the escrow agent for the grantee named in the deed a policy of title insurance issued by a reputable title insurance company authorized to do business within the State of Oregon, insuring (in a sum equal to the total purchase price) Owner's marketable title in and to the property, free and clear of all encumbrances whatsoever, excepting only those stated below and the usual printed exceptions.

Should the option be exercised, and should either party fail to deposit the written instruments and the moneys required of them to be deposited pursuant to the foregoing terms and conditions, or should Owner fail to deliver to the escrow agent the title insurance policy within 15 days after the execution and delivery of the escrow instructions, each party may withdraw from escrow all moneys and written instruments previously deposited by them.

All adjustments between the parties relative to taxes, insurance premiums, interest, rents and other matters shall be made as of the date of delivery of deed out of escrow. The expenses of title insurance and preparation of the deed shall be borne by Owner. The fees and expenses of the escrow agent shall be borne equally by Owner and Second Party.

IF THE PARTIES HAVE ELECTED NOT TO CLOSE THIS SALE IN ESCROW, upon exercise by Second Party of the option established hereunder, Second Party shall pay the required consideration and deliver all necessary documents to Owner as hereinbefore specified within _____ days of Second Party's election to purchase. Owner shall furnish Second Party with title insurance issued by a reputable title insurance company authorized to do business within the State of Oregon, insuring (in a sum equal to the total purchase price) Owner's marketable title in and to the property, free and clear of all encumbrances whatsoever, except only those stated below and the usual printed exceptions. Second Party shall have _____ days after delivery of the title insurance in which to examine the same, and Owner shall have _____ days after written notice of defects is delivered to Owner to remedy the same. If Owner is unable to so perform, Owner shall thereafter immediately refund to Second Party all sums previously paid pursuant to this option. If Second Party does not, within the period allowed, elect to purchase the property, then this agreement shall, at the expiration of that period, become null and void, and Owner shall retain, to Owner's use and benefit, all money paid hereunder.

THE FOLLOWING TERMS APPLY WHETHER OR NOT THE PARTIES HAVE ELECTED TO CLOSE THIS SALE IN ESCROW:

Owner covenants and agrees to and with Second Party that Owner is the owner of the property and has a valid right to sell and convey the same, and to contract to do so.

Owner's deed shall be a good and sufficient warranty deed conveying the property to Second Party and Second party's heirs and assigns, free of all encumbrances, except zoning ordinances, building, use and other restrictions of record, and the following encumbrances:

will be determined by seller but will not exceed 3 years, from signing date. *Time of execution*

If the property includes housing constructed prior to 1978, see attached Seller's Disclosure of Information on Lead-Based Paint and or Lead-Based Paint Hazards (S-N Form No. 503).

This document creates an option and nothing more. It does not pass to or vest in Second Party any right, title or interest whatsoever in or to the property. In the event that Second Party does not elect to exercise Second Party's option within the time and in the manner stated, time being of the essence, this instrument shall become null and void and of no further force or effect.

This contract shall bind and inure to the benefit of, as the circumstances may require, not only the immediate parties but also their respective heirs, administrators, executors, successors in interest, and assigns.

It is understood that either party hereto may be more than one individual or a corporation. If the context and the circumstances so require, the singular includes the plural, and all grammatical changes shall be made so the provisions of this agreement shall apply equally to individuals and to corporations. If the owner 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.

DATED

6/14/05

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.

Terry Talley

Terry Talley

320 McLean

Klamath Falls OR 97601

(Owner's Address)

STATE OF OREGON, County of *Klamath* ss.

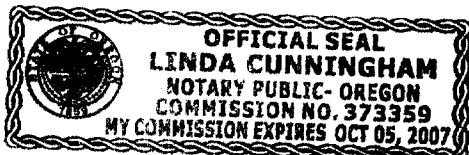
This instrument was acknowledged before me on *JUNE 14, 2005*
by *TERRY TALLEY*

This instrument was acknowledged before me on _____

by _____

as _____

of _____



Linda Cunningham

Notary Public for Oregon

My commission expires *10-5-2007*

IMPORTANT NOTICE: If the one who gives this option is a creditor and the one to whom it is given is a customer, as those words are defined in the Truth-in-Lending Act and Regulation Z, legal advice should be obtained as to whether Disclosures and other notices are required - and when. (For a Notice of Right to Cancel, see Stevens-Ness Form No. 1324.)