

2006-015756
Klamath County, Oregon



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Fee: \$41.00

Agreement to Sell Real Estate

Patrick Michael Pardy and Monica Rae Pardy
of 1379 SE 40th Ave Hillsboro, OR 97123
Seller, and Diana Lea Nelson
of 422 High St Klamath Falls, OR 97601
as Buyer,
hereby agree that the Seller shall sell and the Buyer shall buy the following described property UPON THE TERMS
AND CONDITIONS HEREINAFTER SET FORTH, within this contract.

1. Legal Description of real estate located in Klamath
County, State of Oregon
Klamath Falls Original Block 8 Lot 7 POR PROP ID - R475907
Map Tax Lot R-3809-032AC-08800-000

2. Purchase Price Forty Four Thousand
(\$ 44,000.00) Dollars

Method of Payment:

- (a) Deposit to be held in trust by Patrick Pardy \$ 20,000.00
(b) Approximate principal balance of first mortgage to which conveyance shall be
subject, if any. Mortgage holder: Patrick and Monica Pardy \$ 24,000.00
Interest None percent per annum.
(c) Other: None \$ 0
(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). \$ 44,000.00

3. Prorations: Taxes, insurance, interest, rents and other expenses and revenue of said property shall be prorated
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: Buyer assumes responsibility for all repairs, cleanup as
required, taxes and home insurance. Buyer accepts
property as-is and holds mortgage holders (sellers) no
responsibility for condition of property. Buyer pays all
taxes for 2006 - not prorated. If final payment is not made on
time, the seller & buyer can renegotiate and current rate interest will be
Seller warrants that there shall be no violations of building or zoning codes at the time of closing.
guaranteed to seller. Renegotiate for a payment schedule up to repossession is
possible.

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 execution
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 percent (3%) 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 percent (3%) 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 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 percent (3%) 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 percent (3%) 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 or her agent may inspect all appliances, air conditioning 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.

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 for this 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 along with a title commitment for an owners title policy and a current survey certified by a licensed surveyor dated no more than 6 months prior to closing, and copy of closing statement to the broker, at least 2 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 _____ day of _____, 2006, 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:** 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 every state. Additional information regarding radon and radon testing may be obtained from your county public health unit."

23. **Lead Paint:** "Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of known lead-based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive a federally approved pamphlet on lead poisoning prevention."

24. **Special Clauses:** Down payment of \$ 20,000.00 (Twenty Thousand Dollars), leaves a balance of \$ 24,000.00 (Twenty Four Thousand Dollars) due and payable in 5 (Five) years (April 01, 2011). Any payments made between now & April 01, 2011, will be deducted from the amount owed (\$24,000.00). If the final payment is not made on time, this deal can be renegotiated or house repossessed
Commission to Broker: The Seller hereby recognizes None (N/A) as the
Broker in this transaction, and agrees to pay as commission None percent
(None %) of the gross sales price, OR the sum of None
Dollars (\$ None) 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:

Witness _____ Date _____

Witness _____ Date _____

Seller Patrick M. Pardy Date July 31, 2006
Monica R. Pardy Date July 31, 2006

Buyer _____ Date _____

Patrick Pardy and Monica Pardy signed this document before me on July 31, 2006, in the State of Oregon, Washington County.

Trudey L Cheney
Notary Public

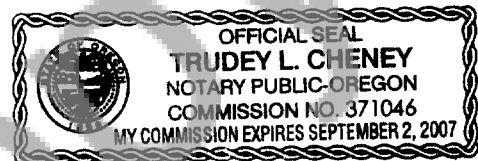


EXHIBIT "A"
LEGAL DESCRIPTION

A portion of Lot 7 in Block 8 in ORIGINAL TOWN OF LINKVILLE, now City of Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, having a frontage on High Street of approximately 37.55 feet according to the official plat of said Town, and further described as follows:

Beginning on the South side of High Street at a point thereon distant 22.40 feet Northeasterly from the corner common to Lots 6 and 7, Block 8; thence Northeasterly along High Street 37.55 feet; thence Southeasterly and at right angles to High Street 120 feet; thence Southwesterly and parallel with High Street 37.55 feet; thence Northwesterly and at right angles with High Street 120 feet to the point of beginning, the frontage according to the Supplemental Plat of said Original Town being approximately 38.42 feet; SAVING AND EXCEPTING therefrom 12 feet on the Southerly side of the above described property to be used as an alley.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 23rd day
of Aug A.D., 19 94 at 11:29 o'clock A. M., and duly recorded in Vol. M94
of Deeds on Page 26169
Evelyn Biehn County Clerk
By Pauline Muelender

FEE \$35.00