

2009-000225

Klamath County, Oregon



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01/08/2009 03:55:56 PM

Fee: \$46.00

**RECORDING COVER SHEET**

THIS COVER SHEET HAS BEEN PREPARED BY THE PERSON PRESENTING THE ATTACHED INSTRUMENT FOR RECORDING. ANY ERRORS IN THIS COVER SHEET DO NOT AFFECT THE TRANSACTION(S) CONTAINED IN THE INSTRUMENT ITSELF.

NTL 83957-15

**After Recording Return To:**

AmeriTitle  
300 Klamath Ave.  
Klamath Falls, OR 97601  
Attn: Collection Dept.

**1. Name(s) of the Transaction(s):**

LEASE AND OPTION AGREEMENT

**2. Direct Party (Grantor):**

RANDY JONES AND ANGELA JONES

**3. Indirect Party (Grantee):**

ED OUEILHE AND DEBORAH OUEILHE

**4. True and Actual Consideration Paid:**

**5. Legal Description:**

MANUFACTURED HOME, PLATE #X151914, MAKE: CONCO, LOCATED AT: 37628  
PARKVIEW DR , CHILOQUIN, OR 97624

51 Amt

EOB

NO PART OF ANY STEVENS-NESS FORM MAY BE REPRODUCED IN ANY FORM OR BY ANY ELECTRONIC OR MECHANICAL MEANS.



THIS AGREEMENT, Made and entered into on December 3, 2008  
 by and between Ed & Deborah Ouellette  
 hereinafter called first party (whether singular or plural), and Randy and Angela Jones  
 hereinafter called second party:

WITNESSETH: In consideration of the covenants herein contained to be kept and performed by second party, first party does hereby lease to second party the following described premises situated in the City of Chiloquin  
 County of Klamath, Oregon, to-wit: TAX lot # R-3507 006CA-01200-000.

Buyers have paid Rent from 4-18-08 thru 12-31-08 in the following manner: Received \$2,800 CASH on 12-3-08  
Funded Amerititle to be applied toward rent & closing costs & fees of Lease option #727.09  
Rent thru 12/31/08 = \$3502.80  
\$2,800.00  
727.09  
\$3527.09 - difference to be applied to Buyers costs.

known as 37628 Parkview Chiloquin, OR 97624 for a term beginning April 18, 2008, and ending at midnight on December 15, 2012, at and for a rental of \$ 417.00 per month during the lease term, payable in advance to the order of the first party at the following address Amerititle 300 Klamath Ave, Klamath Falls, OR 97601

as follows:  
\$417.00 a month due on the 1st of each month, late on the 5th with a \$25 late fee, to be sent with it. Buyer responsible to maintain fire insurance on premises & send proof to seller, seller to be listed as Beneficiary on policy. Buyer also to pay property taxes and keep current. Buyers have paid a non-refundable deposit of \$6,000 towards purchase price of \$67,500 lowering balance to \$61,500, if option to purchase is exercised by December 15, 2012, with no prepayment penalty. This transaction will be recorded at Amerititle in Klamath Falls, OR. Buyer to pay escrow setup fee & monthly charge for payment account.

The parties agree to the following terms and conditions:

(a) Second party expressly agrees to pay rents at the times and place aforesaid; to use the premises for personal use

AS Primary Residence

and no other purpose without first party's consent; to make no unlawful or offensive use of the premises; not to suffer or permit any waste or strip thereof; not to make any alterations or improvements upon the premises or assign this lease or sublet the premises or any part thereof, or permit any other person to occupy the same without first obtaining first party's written consent; to comply with all laws, ordinances and regulations of any public authority with respect to the use of the premises; to promptly pay for all heat, light, water, power and other services or utilities used on the premises; to keep the premises, including all exposed plumbing, heating equipment and apparatus at all times in good repair and to pay for all repairs on the premises during the term of this lease, except those which first party hereinafter specifically agrees to make; to keep the roofs of all buildings on and the sidewalks surrounding the premises free of snow, ice, rubbish and debris during the term hereof; not to commit, permit or create any nuisance on the premises; to promptly replace all glass which may be broken, cracked or damaged in the windows and doors of the premises with glass of as good or better quality than that now in use; to permit entry to any portion of the premises leased hereby to those persons, at such times, for such purposes and upon the giving of such notices as set forth in ORS 90.322, as it may be amended from time to time; to keep the premises free of all mechanic's liens, and upon the expiration of the lease term, or any termination hereof, to quit and deliver up the premises and all future additions to the same, broom-clean, to first party, peaceably, quietly and in as good order and condition, reasonable use and wear thereof, damage by fire and elements alone excepted, as the same are now in. During the term of this lease, first party agrees to maintain the exterior walls, gutters, downspouts, unexposed plumbing and foundations of the building on the premises and the sidewalks thereabout in good order and repair, provided that all sums expended by first party for such purposes shall be reported to second party in writing within thirty days after each expenditure is made.

(b) In the event of the destruction of any building on the premises from any cause, either party may terminate this lease after ten days' written notice to the other, effective as of the date of the destruction; provided, however, that if the damage to the building is more than 10% per cent of its sound value, first party may or may not elect to restore the building. Written notice of first party's election shall be given to second party within fifteen days after the occurrence of damage. If such notice is not so given, first party conclusively shall be deemed to have elected to not restore the building, and second party forthwith may terminate this lease as of the date of damage. If the damage to the building does not amount to the extent last indicated, or if first party elects to restore the building as aforesaid, then first party shall repair the building with all convenient speed, and during the repairs there shall be such an abatement of rent as the nature of the damage and its interference with the occupancy of the leased premises shall warrant.

(c) The parties hereby agree that this instrument is not a land sale contract; that time is of the essence of this lease; and that if rents shall be in arrears for ten days, or if second party shall neglect or fail to do or perform any of the covenants herein contained, then first party may, after giving proper written notice (if any required), at any time while the default continues, terminate this agreement and/or take possession of the premises in the manner provided by law. In connection with such repossession, unless prohibited by law, first party may expel second party and remove second party's belongings and effects at the expense of second party without being deemed guilty in any manner of trespass, and without prejudice to any other remedies available to first party which might be used to recover unpaid rent or for breach of covenant.

(d) All repairs, additions, improvements and alterations in and to the premises made by second party shall be and become the property of first party as soon as made. Any holding over by second party after the expiration of this lease shall be deemed a tenancy at sufferance, terminable in the manner provided by law by either party hereto.

(OVER)



(e) OPTION TO SECOND PARTY - At any time while this lease is in full force and effect, except as hereinafter provided, and second party is not in default in the performance hereof, first party, for value received, hereby gives and grants unto second party the sole, exclusive and irrevocable right and option to purchase the above described premises subject to and upon the terms and conditions set forth in the form of purchase agreement\* hereto attached, at and for a price to be ascertained as follows: The basic price for the premises shall be the sum of \$67,500.00, to and from which shall be made the following additions and deductions, to-wit: To the basic price shall be added (1) the aggregate of the sums expended by first party and reported in writing by first party to second party between the date of this lease and the exercise of this option, for the maintenance of the exterior walls, gutters, downspouts, unexposed plumbing and the foundations of all buildings on the premises and the sidewalks thereabout; (2) the aggregate of all fire insurance premiums, all taxes and city, county and district liens on the premises paid by first party between the date hereof and the exercise of this option; (3) a sum equal to prorated (as of the date hereof) taxes, paid by first party during the fiscal tax year in which this option is given and covering a period extending to the date of the exercise of this option, plus any unearned insurance premiums, together with (4) a sum equal to interest on the basic purchase price at the rate of 8 7/8 per cent per annum from the date hereof to the exercise of this option. There shall be deducted from the basic price: (1) the total rents paid by second party to first party under the lease, and (2) if, between the date of this lease and the exercise of this option, any building on the premises has been destroyed or damaged, there shall also be deducted all sums received or receivable by first party from any insurance carried by first party on the premises and not previously expended by first party for repair or restoration.

(1) The net sum so ascertained shall be the option price of the premises.

(2) Time is of the essence hereof. This option shall be null and void and of no force and effect unless exercised by second party on or before

January 10th, 2009.

at 5:00 P.M. by notifying first party, in writing, of second party's intent to exercise this option. The notice shall be sent to first party's address stated below. Immediately thereafter, the parties hereto, following the formula stated above, shall determine the amount of the purchase price and shall execute and deliver an agreement of sale and purchase in the form attached hereto. Contemporaneously with the delivery of the agreement of sale and purchase, second party shall make the first or down payment stated in the agreement.

(3) Within ten days from the date of the purchase agreement, first party agrees to deliver to second party a policy of title insurance insuring in the amount of the selling price marketable title to the above described premises in first party, subject to building restrictions, zoning ordinances, if any, and any liens or encumbrances against the premises to be assumed by second party in the sale. First party may have a reasonable time to correct any defects of title which may appear.

(4) Should second party fail to exercise this option, the foregoing lease shall continue until terminated pursuant to its terms.

(f) First party is the owner of the premises, and same, Ed & Deborah Ouelhe  
is the manager thereof duly authorized to accept service of process and receive and receipt for notices and demands at the following address: 2420  
LOMA VISTA RIALTO, CA 92377

(g) This lease and option shall bind and inure to the benefit of, as the circumstances may require, not only the parties hereto, but also their respective heirs, executors and administrators, the successors and assigns of first party, and, so far as the terms hereof permit assignment, the successors and assigns of second party as well.

(h) In construing this lease and option agreement, it is understood that any party may be more than one person or a corporation and that, therefore, if the context so requires, the singular includes the plural and all grammatical changes shall be made so that this instrument shall apply equally to corporations and to individuals.

(i) In the event any suit or action is brought to collect any rent due hereunder, to enforce any provision of this lease or to repossess the premises, the losing party agrees to pay such sums as the trial court may adjudge reasonable as attorney fees, plus statutory costs and disbursements, allowed the prevailing party in such suit or action and upon any appeal therefrom.

IN WITNESS WHEREOF, the parties have executed this agreement in duplicate on the day and year first written above.

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 THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. 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 THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

\* Ed & Deborah L. Ouelhe  
2420 LOMA VISTA  
First Party

Rialto, CA 92377

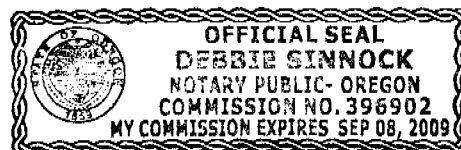
First Party's Address

Randy Jones  
Second Party

State of Oregon  
County of Klamath

This instrument was acknowledged before me on 1-2-09,  
By RANDY J. JONES & ANGELA JONES

Debbie Sinnock  
(Notary Public for Oregon)  
My commission expires 9-8-09



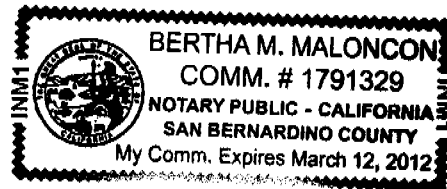
CALIFORNIA ALL PURPOSE ACKNOWLEDGMENT

State of California )  
County of *SAN BERNARDINO* )ss.  
)

On *JANUARY 7, 2009* before me, *BERTHA M. MALONCON*, Notary Public, personally appeared *ED OUELHE AND DEBORAH OUELHE*, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signature *Bertha M. Maloncon* (Seal)



## EXHIBIT "A"

Lot 21 in Block 5 of TRACT 1053, Oregon Shores, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.