



Land Sale Contracts

What We'll Cover

- Conveying Title
- Ownership Interests
- Typical Terms and Conditions
- Benefits of Land Sale K

Conveying Title

- Warranty Deed
- Quitclaim
- Bargain & Sale Deed
- Land Sale K

Benefits

- No lender required
- Minimal qualifications for buyer
- Seller's rights secured

Pitfalls

- Less protection for buyer
- If Seller still has mortgage
- Interests of lien holders

Overview

- B makes down payment and receives possession
- Monthly payments plus interest
- Seller holds legal title, buyer holds equitable title
- Title conveyed when full purchase price paid

12. SECURITY AGREEMENT

12.1. Purchaser hereby grants Seller a security interest in any and all personal property included within the description of the Property, and all rents, proceeds (including insurance proceeds), profits, replacement income, and accounts relating to or located upon the Property. This instrument constitutes a security agreement within the meaning of the Uniform Commercial Code with respect to any personal property included within the description of the Property and all proceeds (including, without limitation, insurance and condemnation proceeds) therefrom and all replacements, accessions, and products thereof or thereto. On Seller's request, Purchaser will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary, or that Secured Party may reasonably request, in order to perfect and continue Seller's security interest in any and all Personal Property included within the description of the Property. Purchaser hereby authorizes Seller to file any financing statements with respect to any and all personal property included within the description of the Property as Seller deems necessary, at Purchaser's expense. Without further authorization from Purchaser, Seller may at any time file copies of this Contract as financing statements. Purchaser will reimburse Seller for all expenses incurred in perfecting or continuing this security interest. On default under the terms of this Contract, Purchaser will, within three days of receipt of written demand from Seller, assemble the personal property and make it available to Seller.

Parties

- Spouses (tenants by entirety)
- Trustees
- Corporations
- Successors in Interest

LAND SALE CONTRACT

This Land Sale Contract (“Contract”) is made as of _____, 2017, between Kyle S. Hoyt (“Seller”) and SIRP LLC, an Oregon limited liability company (“Purchaser”).

Seller owns the real property located in Multnomah County, Oregon, described in attached Exhibit 1, subject only to those encumbrances described in attached Exhibit 2 (the “Real Property”) and the personal property described in attached Exhibit 3 (the “Personal Property”) (together, the “Property”).

Business Name Search

Search		Printer Friendly		Business Entity Data		
Entity Nbr	<u>Entity Type</u>	<u>Entity Status</u>	<u>Jurisdiction</u>	Registry Date	Next Renewal Date	
5164-91	DLLC	ACT	OREGON	09-05-2017	09-05-2020	
Entity Name	SIRP LLC					
Legal Name						

Search		Printer Friendly		Associated Names		
Entity	PPB	PRINCIPAL PLACE OF BUSINESS				
1	1010 NW NATO PARKWAY M13					
2						

15. SUCCESSOR INTERESTS

- 15.1. This Contract is binding on and inures to the benefit of the parties, their successors, and assigns.
- 15.2. **Subleasing and Assignment.** Seller may lease or otherwise assign Seller's interest in the Real Property, so long as such lease or assignment does not relieve Purchaser from its obligations under this Contract.

Description of Property

- Requirements for Legal Description
- Subdivided/Partitioned
- Metes & Bounds

EXHIBIT 1

Legal Description

Legal: Section 28 2N 1W, T1 100 2.70 Acres,
Multnomah County, State of Oregon.

Commonly Known As: 14430 NW Gillihan Rd, Portland, OR 97231

Tax Assessor ID: R325275

Purchase Price

- "True and actual" consideration
- Interest rate
- Maturity date

1. PURCHASE PRICE AND PAYMENT

- 1.1. **Total Purchase Price.** Purchaser promises to pay Seller the total purchase price for the Property the sum of \$380,000.00, which is the true and actual consideration for the conveyance.
- 1.2. **Payment of Total Purchase Price.** The total purchase price will be paid as follows:
 - 1.2.1. **Down Payment.** On or before the Closing Date, as defined in section 3.1, Purchaser will pay the sum of \$45,000.00 in immediately available funds as a down payment on the purchase price.
 - 1.2.2. **Interest Rate and Scheduled Payment Dates.** Interest on the remaining balance of \$335,000.00 will accrue at the rate of 6% per annum from the Closing Date. The unpaid balance of the purchase price will be paid in monthly installments based on a 15 year amortization schedule, with a balloon payoff of the remaining balance at the end of 5 years from the date this Contract is executed. Monthly payments are due on the 5th of each month.
 - 1.2.3. **Maturity Date.** All unpaid principal and all accrued but unpaid interest must be paid in full within 5 years from the anniversary of the Closing Date.

Payments

- Prepayments
- Place of Payments
- Method of Payments

- 1.3. **Prepayments.** Purchaser may prepay all or any portion of the unpaid principal without penalty. All prepayments will be applied first to accrued but unpaid interest to date, then to amounts due Seller under this Contract other than principal or interest, then to the last installment of principal scheduled under this Contract, and will not excuse Purchaser from making the regular payments described in Exhibit 4 when due under this Contract until the remaining balance has been paid in full.

1.5. **Place of Payments.** All payments to Seller must be made to Seller at the following address:

1.5.1. [REDACTED] lumbia Ave., Scappoose, OR 97056.

1.6. **Electronic Payments.** Purchaser shall have the right to make payments electronically, which Purchaser may make at Purchaser's sole discretion. Seller shall provide Purchaser with information necessary to make payments electronically.

1.7. **When Payments Deemed Paid.** Payments shall be deemed paid by Purchaser on the date Seller receives payment from Purchaser, whether by hand delivery, via mail, or electronically.

Taxes & Liens

- Obligation to Pay
- Right to Contest
- Address Special Assessments

Department of the Treasury—Internal Revenue Service

Form 1040 U.S. Individual Income Tax Return
For the year Jan. 1–Dec. 31, 2005.

Your first name and initial
Roy

If a joint return, spouse's first name and initial
Heather

Label

L
A
B
E
L

Address (number and street name)

2. TAXES AND LIENS

- 2.1. **Obligation to Pay.** All ad valorem real property taxes and all governmental or other assessments levied against the Property during the term of this Contract will be prorated between Seller and Purchaser as of the Closing Date. Property tax payments by Seller and Purchaser shall be submitted and deposited with an agreed upon third-party who shall cause payment of all property and governmental taxes. Any annual payment change fees shall be paid exclusively by Purchaser.
- 2.2. **Tax Statements.** Purchaser will provide Seller with written evidence reasonably satisfactory to Seller that all taxes and assessments have been paid before delinquency. Purchaser will submit this evidence on the request of Seller, which request must be made no more frequently than once each 90 days.

Possession

- Existing Tenancies
- Date of Buyer Possession
- Risk of Loss

3. CLOSING

- 3.1. **Closing Date.** This transaction must be closed on October 2, 2017. As used in this Contract, the *Closing Date* means the date on which this Contract or a memorandum of this Contract is recorded. The closing will occur at First American Title Insurance Company, 5335 SW Meadows Rd., Suite 100, Lake Oswego, OR 97035.

4. **POSSESSION AND EXISTING TENANCIES**

- 4.1. **Possession.** Purchaser will be entitled to possession of the Property from and after 5PM on the Closing Date; however, Seller and Seller's agents may enter on the Property at reasonable times with prior notice to Purchaser for the purpose of inspecting the Property. In no event will Seller or Seller's agent interfere with the rights of any tenant of all or part of the Property.

Maintenance & Alterations

- Construction of New Improvements
- Maintenance of Existing Improvements

5. MAINTENANCE AND ALTERATIONS

- 5.1. **Maintenance.** Purchaser will keep all buildings, other improvements, and landscape now existing or that will be placed on the Property in good condition and repair as of the date that possession is delivered to Purchaser, and will not permit any waste or removal of the improvements, nor make any substantial improvements or alterations that reduce the value of the Property for security purposes without the prior written consent of Seller.

- 5.2. **Improvements.** Purchaser may alter or further improve all or any portion of the Property. All alterations and improvements constructed by or for Purchaser must be completed lien-free by reputable Oregon licensed contractors without defects in conformance and in conformance with standards in the industry and any applicable covenants, conditions, and restrictions encumbering the Property. No approval by Seller will be deemed a representation or warranty of Seller that the approved items or conduct are otherwise lawful, safe, or appropriate, or relieve Purchaser from strict compliance with all other provisions of this Contract and all applicable laws.

- 5.5. **Timber and Minerals.** Purchaser will not cut or remove any timber or forest products from the Property. Purchaser will not extract, process, mine, or otherwise exploit any oil, gas, mineral, or other valuable deposit on or under the Property.
- 5.6. **Hazardous Substances.** Purchaser will comply fully with all laws pertaining to the protection of human health and the environment, including but not limited to employee and community right-to-know laws and all laws regarding the use, generation, storage, transportation, treatment, disposal, or other handling of Hazardous Substances (as defined below). Purchaser will promptly advise

Insurance

- Property
- Liability
- Application of Insurance Proceeds

6. INSURANCE

- 6.1. **Liability Insurance.** During the term of this Contract, Purchaser will maintain commercial general liability insurance with limits of not less than \$1,000,000.00 in the general aggregate. It is the intent of the parties to this Contract that insurance held by Seller, if any, with respect to any such insured risks will be excess over the insurance required to be obtained by Purchaser by this Contract. The insurance required above must cover all risks arising directly or indirectly out of Purchaser's activities on or any condition of the Property, whether or not related to an occurrence caused or contributed to by Seller's negligence, and will provide contractual liability insurance applying to the indemnity obligations under section 7. Such policy will name Seller, as additional insured. Such policy must be written in such form, with such terms and **by** such insurance companies reasonably acceptable to Seller. Purchaser will deliver to Seller a copy of such policy and certificates of coverage from each insurer containing a stipulation that coverage will not be canceled without a minimum of 30 days' written notice to Seller.

A scenic view of a sunset over the ocean. The sky is filled with large, dark clouds, some of which are illuminated from below by the setting sun, creating a dramatic play of light and shadow. The sun is visible on the horizon, casting a golden glow. In the foreground, two wooden lounge chairs are positioned on a grassy area, facing the ocean. The overall atmosphere is peaceful and serene.

Indemnification

7. INDEMNIFICATION

- 7.1. **Purchaser's Indemnification of Seller.** Purchaser will forever indemnify, reimburse, and hold Seller harmless and, at Seller's election, defend Seller for, from, and against any and all claims, costs, expenses (including attorney fees), losses, damages, fines, charges, actions, or other liabilities of any description arising out of or in any way connected with (1) Purchaser's possession or use of the Property, (2) Purchaser's conduct with respect to the Property, (3) any condition of the Property or third-party claims related to the Property to the extent that the same arises from or after the Closing Date and is not caused or contributed to by Seller, or (4) Purchaser's breach of any warranty or representation made by Purchaser in this Contract. In the event of any litigation or proceeding brought against Seller and arising out of or in any way connected with any of the above events or claims, against which Purchaser agrees to defend Seller, Purchaser will, on notice from Seller, vigorously resist and defend such actions or proceedings in consultation with Seller through legal counsel reasonably satisfactory to Seller.

Representations & Warranties

A statue of Lady Justice, the personification of the goddess of justice, is shown from the waist up. She is wearing a blindfold and holding a pair of scales of justice in her right hand. The background is a clear blue sky.

- Title
- Pending Litigation
- Hazardous Materials
- Compliance with codes and statutes

- 8.2. **Covenants of Title.** Seller is the owner of good and marketable title to the Property free of all liens and encumbrances except those referred to in Exhibit 2 and will defend such title from the lawful claims of persons claiming superior title.
- 8.3. **Authority.** Seller has obtained all requisite authorizations for the execution and delivery by Seller of this Contract and the performance of the transactions contemplated by this Contract, and the execution and delivery of this Contract are made pursuant to such authorizations.
- 8.4. **Hazardous Substances.** To Seller's actual knowledge, no Hazardous Substance has been disposed of, spilled, leaked, or otherwise released on, under, or from the Property or has otherwise come to be located on or under the Property. The term *Hazardous Substance* means any hazardous, toxic, radioactive, or infectious substance, material, or waste as defined, listed, or regulated under any law pertaining to the protection of human health or the environment, and includes without limitation petroleum oil and its fractions.

- 8.7. **Disclosure.** Seller has fully disclosed in writing to Purchaser all material information in Seller's possession or that Seller owns or controls that relates to the Property.
- 8.8. **Litigation.** There are no pending claims or litigation or threats of claims or litigation or other matters of which Seller is aware or by the exercise of reasonable diligence of which Seller should be aware that could adversely affect Purchaser's title, use, or enjoyment of the Property.
- 8.9. **Nonforeign Status.** Seller warrants that Seller is not a foreign person as defined in IRC section 1445(f)(3) and that Seller is not a "transferor" subject to withholding under ORS 314.258 and OAR 150-314.258 (together, "ORFIRPTA") and that each such warranty will be true as of closing. Seller will deliver to Purchaser and the escrow agent at closing a Certificate of Nonforeign Status, in form complying with the requirements of IRC section 1445 and related regulations, setting forth Seller's address and United States taxpayer identification number and certifying that Seller is not a foreign person as defined in IRC section 1445(f)(3) ("FIRPTA Certificate"), and a certificate and other documentary evidence complying with ORFIRPTA, reasonably acceptable to Purchaser and the escrow agent (and any "authorized agent" involved in the transaction) and sufficient to assure Purchaser and the escrow agent (and any such authorized agent) that no withholding is required under ORFIRPTA.

22. CONDITION OF PROPERTY

- 22.1. Purchaser accepts the land, buildings and improvements (if any), and all other aspects of the Property in their present condition, AS IS, WHERE IS, including latent defects, without any representations or warranties from Seller or any agent or representative of Seller, expressed or implied, except for such warranties that may arise by law under the Deed and except as otherwise specifically set forth in this Contract. Purchaser agrees that Purchaser has ascertained, from sources other than Seller or any agent or representative of Seller, the condition of the Property, its suitability for Purchaser's purposes, and the applicable zoning, building, housing, and other regulatory ordinances and laws affecting the Property. Purchaser accepts the Property with full awareness of these ordinances and laws as they may affect the present use or any intended future use of the Property. Except for such warranties that may arise by law under the Deed and except as otherwise specifically stated in this Contract, Seller has made no representations with respect to such condition or suitability of the Property or such laws or ordinances.

A row of historic white buildings with red shutters and wooden barrels in front. The buildings have gabled roofs with stone chimneys. The foreground is a gravel courtyard with wooden benches and barrels. The sky is clear blue.

Title Policy & Encumbrances

9. **TITLE INSURANCE (PURCHASER'S POLICY)**

- 9.1. Seller will cause to be furnished to Purchaser at Seller's expense a purchaser's title insurance policy within 10 days after the Closing Date, insuring Purchaser against loss or damage sustained by Purchaser by reason of the unmarketability

of Seller's title, or liens or encumbrances affecting the Property, excepting matters contained in the usual printed exceptions in such title insurance policies, those created or suffered by Purchaser, and those referred to on Exhibit 2.

Default

- Events
- Remedies
- Forfeiture
- Seller retains money paid

13. DEFAULT

13.1. **Events of Default.** Time is of the essence of this Contract. A default will occur under any of the following circumstances:

- 13.1.1. Purchaser's failure to make any payment within 15 days after written notice from Seller that such payment is due.
- 13.1.2. Purchaser's failure to perform any other obligations contained in this Contract within 30 days after notice from Seller specifying the nature of the default or, if the default cannot be cured within 30 days, failure within such time to commence and pursue curative action with reasonable diligence.
- 13.1.3. Purchaser's dissolution, termination of existence, insolvency on a balance-sheet basis, or business failure; Purchaser's commencement of a voluntary case under the federal bankruptcy laws or under other federal or state law relating to insolvency or debtor's relief; the entry of a decree or order for relief against Purchaser in an involuntary case under the federal bankruptcy laws or under any other applicable federal or state law relating to insolvency or debtor's relief; the appointment or the consent by Purchaser to the appointment of a receiver, trustee, or custodian of Purchaser or of any of Purchaser's property; Purchaser's assignment for the benefit of creditors or Purchaser's failure generally to pay its debts as they become due.
- 13.1.4. Purchaser's making or suffering a fraudulent transfer or conveyance under applicable federal or state law; Purchaser's concealment of any of its property from creditors; Purchaser's making or suffering a preference within the meaning of the federal bankruptcy law; or the imposition of a lien through legal proceedings or distraint on any of the property of Purchaser.

13.2. **Remedies on Default.** In the event of a default, Seller may take any one or more of the following steps:

13.2.1. Seller may declare the entire balance of the purchase price and interest immediately due and payable.

13.2.2. Seller may foreclose this Contract by suit in equity.

19. COSTS AND ATTORNEY FEES

- 19.1. **No Suit or Action Filed.** If either party to this Contract seeks legal counsel because of a default in the payment or performance of any of its terms, the defaulting party must pay, immediately on demand, the other party's reasonable attorney fees, collection costs, costs of either a litigation or a foreclosure report (whichever is appropriate), even though no suit or action

24. STATUTORY DISCLAIMERS

- 24.1. The following disclaimer is made pursuant to ORS 93.040(2): 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, ORS 195.301 AND ORS 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009 AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD

IN WITNESS WHEREOF, the parties have caused this Contract to be executed in duplicate as of the day and year first above written.

Seller:

Purchaser:

Kyle S. Hoyt

SIRP, LLC

STATE OF OREGON)
) ss
County of _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by Kyle S. Hoyt.

Notary Public for Oregon
My Commission Expires:

STATE OF OREGON)
) ss
County of _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by Victoria ~~Tadewaldt~~ on behalf of SIRP LLC, as its authorized representative.

Notary Public for Oregon
My Commission Expires:

EXHIBIT 3

Personal Property

1. Large metal storage container.

EXHIBIT 4

Monthly & Annual Payment Schedule

Pmt #	Payment	Principal	Interest	Balance
1	2,826.92	1,151.92	1,675.00	333,848.08
2	2,826.92	1,157.68	1,669.24	332,690.40
3	2,826.92	1,163.47	1,663.45	331,526.93
4	2,826.92	1,169.29	1,657.63	330,357.64
5	2,826.92	1,175.13	1,651.79	329,182.51
6	2,826.92	1,181.01	1,645.91	328,001.50
7	2,826.92	1,186.91	1,640.01	326,814.59
8	2,826.92	1,192.85	1,634.07	325,621.74
9	2,826.92	1,198.81	1,628.11	324,422.93
10	2,826.92	1,204.81	1,622.11	323,218.12
11	2,826.92	1,210.83	1,616.09	322,007.29



Kevin Harker
503-922-1939
harkerlepore.com

