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**AGENDA COVER MEMORANDUM**

**Memorandum Date: October 8, 2008**

**Agenda Date: October 22, 2008**

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**TO:** Board of County Commissioners

**DEPARTMENT:** Management Services

**PRESENTED BY:** Jeff Turk, Property Management Officer 2

**SUBJECT:** IN THE MATTER OF AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE A SIX MONTH EXTENSION OF A LAND SALE CONTRACT WITH THERESIA TANGKILISAN FOR COUNTY OWNED REAL PROPERTY IDENTIFIED AS MAP NO. 19-12-02-31-04600.

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1. **PROPOSED MOTION:** TO AUTHORIZE THE COUNTY ADMINISTRATOR TO EXECUTE A SIX MONTH EXTENSION OF A LAND SALE CONTRACT WITH THERESIA TANGKILISAN FOR COUNTY OWNED REAL PROPERTY IDENTIFIED AS MAP NO. 19-12-02-31-04600.

2. **AGENDA ITEM SUMMARY:**

A final balloon payment of \$6,125 was due on October 20, 2008 on a land sale contract with Ms. Tangkilisan for the purchase of County owned property in the Glenada area near Florence. She has requested a six month extension of the time a final balloon payment is due.

3. **BACKGROUND/IMPLICATIONS OF ACTION:**

A. **Board Action and Other History**

The subject parcel is 2 acres and unimproved. It was acquired through tax foreclosure. Ms. Tangkilisan purchased the property at a Sheriff's auction in September, 2006. The purchase amount was \$15,000. Ms. Tangkilisan chose to purchase the property pursuant to a land sale contract.

The terms of the contract provided for a 25% down payment with the balance payable in monthly installments amortized over a 10 year term (monthly payments are \$215). The contract also required that the entire contract balance be paid within 24 months of its execution (contract was fully executed on October 19, 2006).

Ms. Tangkilisan has been timely and is current with monthly payments. Monthly payments would continue under the extension.

**B. Policy Issues**

ORS 275.190 provides for selling County property on an installment contract pursuant to terms set by the Board with a minimum of a 10% down payment and term not to exceed 20 years.

**C. Board Goals**

A sale of the property was consistent with the Board's goals of returning surplus property to private ownership and the tax roll.

**Financial and/or Resource Considerations**

The monthly payments from the contract are revenue for the Property Management program.

**E. Analysis**

Extending the payoff date of the contract for 6 months will not be a hardship for the Property Management program. The new payoff date in March would still have all the revenue received be in the current fiscal year.

Ms. Tangkilisan has made all monthly payments in a timely manner to date. Assuming the continued remittance of monthly payments, a final payoff of approximately \$4,000 would be due in March, 2009.

**F. Alternatives/Options**

1. Extend the payoff date for the contract.
2. Do not extend the pay off date and require the contract to be paid in full now.

**TIMING/IMPLEMENTATION**

The contract required payment in full on October 19, 2008.

**V. RECOMMENDATION**

It is recommended that the 6 month contract extension be approved.

**VI. FOLLOW-UP**

Upon approval of the extension by the Board a contract extension will be processed for signature by the County Administrator.

**VII. ATTACHMENTS**

Board Order  
Contract Extension  
Original Contract  
Plat Map

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO.

IN THE MATTER OF AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE A SIX MONTH EXTENSION OF A LAND SALE CONTRACT WITH THERESIA TANGKILISAN FOR COUNTY OWNED REAL PROPERTY IDENTIFIED AS MAP NO. 19-12-02-31-04600

WHEREAS pursuant to Order No. 06-10-4-6 the Board authorized entering into a land sale contract with Theresia Tangkilisan for the purchase of County owned real property purchased at a Sheriff's sale on September 11, 2006 with said property identified as Assessor's map No. 19-12-02-31-04600 and

WHEREAS said contract was fully executed on October 19, 2006 with the terms of said contract requiring the entire contract balance be paid in full within 24 months of its execution and

Whereas said contract was duly recorded in the Deed Records of the County under Reception No. 2006-076938 and

WHEREAS Ms. Tangkilisan has requested a 6 month extension to the original payoff date and the Board is agreeable to said extension

IT IS HEREBY ORDERED that the County Administrator is authorized to execute a contract extension with Theresia Tangkilisan substantially similar to Attached Exhibit "A".

IT IS FURTHER ORDERED, that this Order shall be entered into the records of the Board of Commissioners of the County.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Faye Stewart, Chair, Board of County Commissioners

APPROVED AS TO FORM

Date 10-13-08 lane county



OFFICE OF LEGAL COUNSEL

IN THE MATTER OF AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE A SIX MONTH EXTENSION OF A LAND SALE CONTRACT WITH THERESIA TANGKILISAN FOR COUNTY OWNED REAL PROPERTY IDENTIFIED AS MAP NO. 19-12-02-31-04600

**EXHIBIT "A"**

**CONTRACT EXTENSION**

WHEREAS Lane County, a political subdivision of the State of Oregon, and Theresia Tangkilisan entered into a land sale contract for the purchase of Lane County owned property identified as Assessor's map no. 19-12-02-31-04600.

WHEREAS said contract was fully executed on October 19, 2006 and is recorded in the deed records of Lane County under recorder's reception no. 2006-076938.

WHEREAS Section 2[c] of said contract required that the entire contract balance and all accrued interest be paid in full within 24 months of full execution of the agreement.

WHEREAS the parties are agreeable to extend the period in which said contract balance and accrued interest must be paid in full.

IT IS HEREBY AGREED that the period noted in Section 2[c] requiring the entire contract balance plus all accrued but unpaid interest be paid in full within 24 months of full execution of said land sale contract shall be extended to 30 months.

All other terms and conditions, including the remittance of monthly payments of \$215.58, shall remain in full force and effect.

**Signature Page – Contract Extension – Lane County/Tangkilisan**

**DATED:**

**PURCHASER:**

\_\_\_\_\_

\_\_\_\_\_

Signature, Theresia Tangkilisan

STATE OF OREGON )  
                                      ) ss  
County of Lane         )

On \_\_\_\_\_, 20 \_\_, personally appeared Theresia Tangkilisan and acknowledged the foregoing instrument to be her voluntary act. Before me:

\_\_\_\_\_  
Notary Public for Oregon

My Commission Expires: \_\_\_\_\_

**LANE COUNTY:**

**DATED:**

\_\_\_\_\_  
Jeff Spartz, County Administrator

**Pursuant to Order No.** \_\_\_\_\_

STATE OF OREGON )  
                                      ) ss  
County of Lane         )

On \_\_\_\_\_, 20 \_\_, personally appeared the above-named Jeff Spartz, Administrator for Lane County, and acknowledged the foregoing instrument to be his voluntary act. Before me:

\_\_\_\_\_  
Notary Public for Oregon

My Commission Expires: \_\_\_\_\_

LAND SALE CONTRACT

THIS AGREEMENT, is made by and between LANE COUNTY, a political subdivision of the State of Oregon, hereinafter called COUNTY, and Theresia Tangkilisan, hereinafter called PURCHASER.

WITNESSETH:

In consideration of the terms and conditions hereinafter stated, the parties agree as follows:

1. The COUNTY agrees to sell to PURCHASER and PURCHASER agrees to purchase from COUNTY that certain tract of land, identified as Assessor's map #19-12-02-31-04600 and more particularly described as follows:

Lots 1- 6, inclusive, Block 30 AMENDED PLAT EL CARMEL ADDITION TO GLENADA, as platted and recorded in Volume 7, Page 14, Lane County Oregon Plat Records, Lane County Oregon. ALSO; Beginning at the Northwest corner of Block 29 of said Amended Plat thence; South along the West line of said Block 29 to the Southeast corner of Lot 8, Block 30 of said Amended Plat thence; East on a line parallel with the North line of said Block 29 to the East line of said Block 29 thence; North along said East line of Block 29 to the Northeast corner of said Block 29 thence; West along the North line of said Block 29 to the Northwest corner of said Block 29 and the place of beginning, all in Lane County Oregon.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 197.352. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. 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, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 197.352

2. PURCHASE PRICE AND TERMS: The purchase price of the property which PURCHASER agrees to pay shall be the sum of FIFTEEN THOUSAND DOLLARS (\$15,000.00) payable as follows:

- a. The sum of THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$3,750.00) paid upon execution of this document, receipt of which is hereby acknowledged.
b. DOLLARS(\$11,250.00) shall be payable in monthly installments of TWO HUNDRED FIFTEEN DOLLARS and FIFTY-EIGHT CENTS (\$215.58). Said monthly installments are based on an amortization period of SEVENTY TWO (72) months with interest at the rate of 11.25% per annum. The first monthly payment of \$215.58 shall be due within thirty (30) days of full execution of this agreement. Subsequent payments of \$215.58 shall be due monthly thereafter. Payments shall first be applied to interest accrued to the date of payment, then to amounts past due COUNTY under this agreement other than principal or interest, and then to the principal amount owing.

After Recording, Return to/Taxes to: Theresia Tangkilisan 4307 Cassana Way, Ste. 1104 Oceanside, CA 92057

Approved for Recording [Signature]

Division of Chief Deputy Clerk Lane County Deeds and Records 2006-076938



00854817200600769380050054 10/24/2006 10:04:33 AM RPR-CONT Cnt=1 Stn=6 CASHIER 07 \$25.00 \$11.00 \$10.00

\$46.00

- c. The entire contract balance plus all accrued but unpaid interest thereon shall be paid in full within 24 months of full execution of this agreement.
- d. A late payment fee of 5% of the delinquent payment amount will be charged on accounts more than fifteen days late.
- e. PURCHASER may at any time pay off without penalty the entire balance of the purchase price remaining due, together with interest due thereon at the above specified rate to the date of payment.
- f. At such time as PURCHASER has complied with all the terms of this contract, the COUNTY shall convey its interest only by a Quitclaim Deed.
- g. Unless otherwise directed by COUNTY, payments shall be sent to: Lane County, Property Management Division. 125 East Eighth Avenue, Eugene, OR 97401

3. **TAXES AND LIENS:** PURCHASER agrees to pay all taxes and liens hereafter levied upon the property and all public or private liens which may hereafter be imposed upon the property as the same become due and before they become delinquent. In the event PURCHASER defaults in the payment of any taxes or liens, the COUNTY may, but shall not be obligated to, pay said taxes or liens on behalf of PURCHASER, all of which sums so added to the principal balance shall bear interest at the rate of 12% compounded annually from the date of payment by the COUNTY.

4. **INSURANCE:** PURCHASER shall keep in force at all times a policy of fire insurance, with standard extended coverage endorsements, on a replacement cost basis covering all improvements on the property in an amount sufficient to avoid application of any coinsurance clause and with loss payable to COUNTY under a standard mortgagee's clause and PURCHASER as their respective interests may appear. Said insurance policy shall also include liability coverage of not less than \$500,000 per occurrence.

5. **INDEMNIFICATION:** PURCHASER shall defend and hold COUNTY, its Commissioners, officers, employees and agents harmless from all claims, losses, damages or liability of any kind arising out of or in any way connected with PURCHASER'S use or possession of the property.

6. **POSSESSION:** PURCHASER shall have the possession of, and the income from the premises so long as he/she is not in default in the performance of his/her agreement with COUNTY, but shall forfeit his/her rights under such agreement and to all payments made pursuant thereto if he/she fails to pay such purchase price or any part thereof, principal or interest, or to pay, before delinquency, the taxes thereafter levied against the premises, or commits or suffers any strip or waste of or on such premises, or violates any other reasonable provision of such agreement which the County Commissioners may see fit to require. The PURCHASER shall have the privilege of prepayment without penalty.

7. **ASSIGNMENT:** PURCHASER agrees that he/she may not assign this contract or his/her rights hereunder without the written consent of the COUNTY.

8. **DEFAULT:** In the event PURCHASER fails to make the payments provided for herein, or any of them, punctually and under strict terms and at the times above specified, or commits or suffers any strip or waste of or on such premises, or the other terms or conditions of this contract, time of payment and strict performance being declared to be the essence of this contract, then the COUNTY at its option, shall have the right:

- a. To cancel this contract in accordance with ORS 275.220 or other applicable laws.



- b. To foreclose this contract by suit, in equity, or any other right existing by law.

In either of such cases all of the right and interest herein created or then existing in favor of **PURCHASER** derived under this contract **PURCHASER** shall utterly cease and determine, and the right to possession of the real property above described and all rights acquired by the **PURCHASER** shall revert to and revest in **COUNTY** without an act of reentry or any other act of **COUNTY** to be performed, and without any right of **PURCHASER** of return, reclamation or compensation for moneys paid on account of the purchase of said property, as absolutely, fully and perfectly as if this contract and such payments had never been made; and, in the event of such default, all payments heretofore made on this contract are to be retained by and belong to **COUNTY** as the agreed and reasonable rent of said premises to the time of such default.

**COUNTY**, in the event of such default, shall have the right to immediately, or at any time thereafter, enter upon the real property aforesaid without any process of law and take immediate possession thereof, together with all improvements and appurtenances thereon or thereto belonging.

9. **ATTORNEY'S FEES:** In the event suit or action is instituted to enforce any of the provisions hereof, **PURCHASER** agrees to pay such sum as the trial court may adjudge reasonable for **COUNTY'S** attorney fees in said suit or action, and if an appeal is taken from any judgment or decree of the trial court, **PURCHASER** further agrees to pay such sum as the appellate court may adjudge reasonable as **COUNTY'S** attorney fees on appeal, together with all costs allowed by law.

10. **CONDEMNATION:** In the event of appropriation of said real property or any portion thereof by any public or private corporation under the laws of eminent domain, the sum or sums of money received by **PURCHASER** in payment of said appropriation shall be forthwith paid by **PURCHASER** on the purchase price of said property as an additional payment over and above the regular annual payments, and other payments due as herein expressed; provided, however, that in no event shall said payments be more than the full purchase price stated herein.

11. **WAIVER:** Failure by **COUNTY** at any time to require the performance by the **PURCHASER** of any of the provisions hereof shall in no way affect **COUNTY'S** right hereunder to enforce the same, nor shall any waiver by **COUNTY** of any breach be held to be a waiver of any succeeding breach or a waiver of this Non-Waiver Clause.

12. **SUCCESSOR INTEREST:** The covenants, conditions and terms of this Agreement shall extend to and be binding upon and inure to the benefit of the heirs, administrators, executors, and assigns of the parties hereto; provided, however, that nothing contained in this paragraph shall alter the restrictions hereinabove contained relating to assignments.

13. **TITLE POLICY:** **COUNTY** makes no warranties or guarantees, expressed or implied, as to the condition of title of the property subject to this agreement. Title insurance, if any, shall be purchased at **Purchaser's** election and at **Purchaser's** expense.

14. **DEVELOPMENT:** All actions and costs necessary to develop the property being sold under this agreement (the property) shall be borne by **PURCHASER**. **COUNTY** makes no warranties, expressed or implied, as to the ability to develop the property under current land use law. **COUNTY**, in **COUNTY'S** capacity as owner of the property, shall cooperate with **PURCHASER** in **PURCHASER'S** attempts to obtain necessary permits for development of the property. Any actions by **PURCHASER**, such as permit applications, further subdivision of the property or replatting of the property, which requires the consent of **COUNTY** due to **COUNTY'S** ownership of the property shall not be unreasonably withheld. Such consent shall be given in writing by the Administrator of Lane County or his/her designee.

15. **TIMBER:** Merchantable timber, being all trees susceptible of profitable utilization at the time of cutting, may constitute a significant portion of the value of the real property. If during the term of this agreement, the **PURCHASER** wishes to remove any merchantable timber, **PURCHASER** shall promptly notify **COUNTY** of such wishes. **PURSHASER** shall provide **COUNTY** with a timber harvesting plan noting trees to be harvested together with a timber cruise noting volume of the timber in board feet, species, current market value and the stump value of the timber being harvested. Said timber cruise shall be done by a certified timber cruiser. **PURCHASER** shall fully comply with the Oregon Forest Practices Act, related administrative rules and any other rules and regulations concerning the removal or sale of timber imposed by any Local, State or Federal agencies.

**PURCHASER** shall not harvest any timber the value of which exceeds the principle amount of this agreement that has been paid off by **PURCHASER** and in no case shall the value harvested exceed one-half the initial contract price. For example, if the initial contract balance is \$100,000 and has subsequently been reduced to \$75,000, then Buyer may remove \$25,000 worth of timber from the property. In no case shall the total value of harvested timber exceed \$50,000. No timber shall be removed from the property without prior written consent of Seller which shall not be unreasonably withheld.

15. **HEADINGS:** The headings herein contained are for reference only and are not to be construed as part of this Agreement.

Land Sale Contract - Signature Page

IN WITNESS PURCHASER WHEREOF, the parties have executed this Agreement on the day and year written below.

DATED:

10/2/2006

PURCHASER:



Signature, Theresia Tangkilisan

SOCIAL SECURITY OR TAX I.D. #



California  
STATE OF OREGON )

) ss  
County of Lane

San Diego

On October 2, 2006

Tangkilisan, personally appeared Theresia, and acknowledged the foregoing instrument to be their voluntary act. Before me:



Suzanne Parli Meyer  
Notary Public for ~~Oregon~~ California  
My Commission Expires: June 30, 2008

LANE COUNTY:

Faye Stewart

October 19, 2006  
DATED:

*for* Bill Dwyer, Chair  
Lane County Board of Commissioners

Pursuant to Order No. 06-10-4-6

STATE OF OREGON )  
                          ) ss  
County of Lane )

On OCT 19, 2006, personally appeared the above-named Bill Dwyer, Chair of the County Commissioners for Lane County, and acknowledged the foregoing instrument to be his voluntary act. Before me:

FAYE STEWART FOR

Melissa A. Zimmer  
Notary Public for Oregon  
My Commission Expires: June 8, 2010



