

WHEREAS

DEPARTMENT OF VETERANS' AFFAIRS

Gary Lloyd Smalling and Susan Jean Smalling, husband and wife
for the sum ofholds a loan secured by property executed by _____ Dollars (\$ 42,500.00----Forty-Two Thousand Five Hundred and no/100-----
and an unrecorded Promissory note dated 6/24/80 in the amount of \$7,382.00.evidenced by Note and Mortgage, Trust Deed, Security Agreement, or Assumption Agreement dated 2/10/78 and recorded Volume/Reel M78 Page 2554Mortgage Records for Klamath County, Oregon the following described premises included therein, to-wit:(attach legal description)
The Westerly 100 feet of Lot 13 in Block 8 of HILLSIDE ADDITION to the City of Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

WHEREAS, said Borrowers are selling said property and Borrowers and Purchasers desire that Purchasers be permitted to assume and agree to pay said indebtedness and perform all the obligations under said Loan Contract, and said Department of Veterans' Affairs is willing to consent to said transfer of title and assumption of said indebtedness.

THEREFORE, in consideration of the mutual covenants and agreements herein contained IT IS HEREBY AGREED AS FOLLOWS

1. The Department of Veterans' Affairs does hereby consent to the sale and conveyance of said premises by the aforesaid Borrowers to said Purchasers
2. The Purchasers do hereby assume and agree to pay said indebtedness evidenced by said note and security instrument, and to perform all of the obligations provided, it being agreed

and understood that as of _____ said indebtedness is Forty-Eight Thousand Two Hundred Ninety-Two and30/100--- Dollars (\$ 48,292.30---) and that the interest rate is Fixed and shall be 11.0 % per annum, however, the

Director, during the term of the loan, may periodically adjust the interest rate if variable, to be paid by the transferee, and that monthly payments shall be made beginning the

1st day of May, 1983, in the sum of: \$ 540.00 which will increase, if this is a variable interest rate loan and if the Director periodically adjusts the variable interest rate, if there is an increase in property tax, or if there is an increase in the insurance premium, if applicable

Principal and interest

\$ 474.00

Tax (est. 1/2 of annual).

\$ 66.00

Insurance:

\$ 540.00

TOTAL MONTHLY PAYMENT.

3. The Borrowers understand that their present liability under said loan shall be terminated by this Agreement and by the assumption by the Purchasers of said loan. It is expressly understood that this agreement is for the mutual benefit of Borrowers and Purchasers to consummate said sale of said property. This loan may be reamortized annually to assure amortization in accordance with the final due date on the security instrument, ORS 407.070(4), 407.030, 407.020.

This assumption by said Purchasers is joint and several and shall bind them, their heirs, personal representatives, successors, and assigns

PURCHASERS

Jackie R. Thomas
Kathleen Thomas

STATE OF OREGON

COUNTY OF Klamath } ss.On this 20TH day of April19 83 personally appeared the above namedJackie R. Thomas & Kathleen Thomas
and acknowledge the foregoing instrument to be his (their) voluntary act and deed.Before me: Susan C. Patzke

Notary Public for OREGON

My commission expires: 11-2-86

BORROWER

James R. Lorie
Marie J. Lorie

STATE OF OREGON

COUNTY OF Klamath } ss.On this 20TH day of April19 83 personally appeared the above namedJames R. Lorie & Marie J. Lorie
and acknowledge the foregoing instrument to be his (their) voluntary act and deedBefore me: Susan C. Patzke

Notary Public for OREGON

My commission expires: 11-2-86

DEPARTMENT OF VETERANS' AFFAIRS

BY: C MacNeill

STATE OF OREGON

COUNTY OF Marion } ss.On this 5th day of April19 83 personally appeared the above namedCathy MacNeill

and acknowledge the foregoing instrument to be his (their) voluntary act and deed.

Before me: Evelyn M. Mooney

Notary Public for OREGON

My commission expires: _____

I certify that the within was received and duly recorded by me in _____

Klamath County Records, Book of Mortgages, No 483Page 6091 on the 20th day of April, 1983Evelyn Bichn County Clerkby Joe Lewis DeputyFiled April 20, 1983 at o'clock 3:42 P.M.County Clerk, Evelyn BichnBy Joe Lewis Deputy

After recording DEPARTMENT OF VETERANS' AFFAIRS

Fee \$4.00
1225 FERRY STREET S.E.
SALEM, OREGON 97310