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DEPARTMENT OF VETERANS' AFFAIRS

MTC-12895-1

Vol. M76 Page 642

M48975  
Loan Number

ASSUMPTION AGREEMENT

DATE: December 22, 1983

PARTIES: Kenneth A. Free Jr. & Edna M. Free husband and wife

BUYER

Vernon John Stevens and Gloria J. Stevens, husband and wife

SELLER

The State of Oregon By And Through The Director Of Veterans' Affairs

LENDER

Until a change is requested, all tax statements are to be sent to: Department of Veterans' Affairs  
Attn: Tax Section  
1225 Ferry Street SE.  
Salem, Oregon 97310

THE PARTIES STATE THAT:

1. Seller owes Lender the debt shown by:

(a) A note in the sum of \$ 35,000 dated August 19, 1976, which note is secured by a mortgage of the same date, and recorded in the office of the county recording officer of Klamath county, Oregon, in Volume/Reel/Book Book M76 Page 12899 on August 19, 1976

(b) A note in the sum of \$ dated , 19 , which note is secured by a Trust Deed of the same date and recorded in the office of the county recording officer of county, Oregon, in Volume/Reel/Book on , 19

(c) A note in the sum of \$ dated , 19 , which note is secured by a Security Agreement of the same date.

(d) and further shown by

In this agreement the items mentioned in (a), (b), (c), and (d) will be called "security document" from here on.

2. Seller has sold and conveyed (or is about to sell and convey) to Buyer, all, or a portion, of the property described in the security document. Both Seller and Buyer have asked Lender to release Seller from further liability under or on account of the security document. The property being sold by Seller and bought by Buyer is specifically described as follows:

That portion of Lots 19 and 20 in Block 8 of ALTAMONT ACRES, according to the official plat thereof recorded in records of Klamath County, Oregon, more particularly described as follows:

Commencing at the Northwest corner of Lot 20; thence East along the North line of said Lot 20, a distance of 101 feet; thence South on a line parallel to and 101 feet distant from the West line of said Lots 20 and 19 to the South line of said Lot 19; thence West on the South line of said Lot 19 a distance of 101 feet to the West line of said Lot 19; thence North on the West line of said Lots 19 and 20 a distance of 215.6 feet, more or less, to the point of beginning, said tract of land being the Westerly 101 feet of said Lot 19 and 20 in Block 8 of ALTAMONT ACRES.

SECTION 2. RELEASE FROM LIABILITY

Seller is hereby released from further liability under or on account of the security document.

SECTION 3. ASSUMPTION OF LIABILITY

Except as specifically changed by this Agreement, Buyer agrees to pay the debt shown by the security document. Buyer agrees to perform all of the obligations provided in the security document that were to be performed by Seller when the security document was executed. Buyer agrees to perform those obligations at the time, in the manner, and in all respects as are provided in the security document. Buyer agrees to be bound by all of the terms of such security document.

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FOR THE REASONS SET FORTH ABOVE, AND IN CONSIDERATION OF THE MUTUAL AGREEMENTS OF THE PARTIES, SELLER, LENDER, AND BUYER AGREE AS FOLLOWS:

SECTION 1. UNPAID BALANCE OF SECURED OBLIGATION

The unpaid balance on the loan being assumed is \$ 32,901.87 as of 1/6 1984

SECTION 2. RELEASE FROM LIABILITY

Seller is hereby released from further liability under or on account of the security document.

SECTION 3. ASSUMPTION OF LIABILITY

Except as specifically changed by this Agreement, Buyer agrees to pay the debt shown by the security document. Buyer agrees to perform all of the obligations provided in the security document that were to be performed by Seller when the security document was executed. Buyer agrees to perform those obligations at the time, in the manner, and in all respects as are provided in the security document. Buyer agrees to be bound by all of the terms of such security document.

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SECTION 4. INTEREST RATE AND PAYMENTS

The interest rate is Variable (indicate whether variable or fixed) and will be 11.5 percent per annum. If this is a variable interest rate loan, the Lender can periodically change the interest rate by Administrative Rule. Changes in the interest rate will change the payment on the loan. The initial principal and interest payments on the loan are \$ 340 to be paid monthly. (The payment will change if interest rate is variable and the interest rate changes.)

The payments on the loan being assumed by this agreement may be periodically adjusted by Lender to an amount that will cause the loan to be paid in full on the due date of the last payment.

SECTION 5. DUE ON SALE

Buyer agrees that the balance of this loan is immediately due and payable in full, if after July 1, 1983, there is a second sale or other transfer of all or part of the property securing this loan. However, transfer or sale to the original borrower, the surviving spouse, unmarried former spouse, surviving child or stepchild of the original borrower, or to a veteran eligible for a loan under ORS 407.010 to 407.210 and Article XI-A of the Oregon Constitution does not count as a sale or transfer for purposes of the provisions of this paragraph.

SECTION 6. INTERPRETATION

In this agreement, the singular number includes the plural and the plural number includes the singular. If this agreement is executed by more than one person, firm, or corporation as Buyer, the obligations of each such person, firm, or corporation shall be joint and several.

SECTION 7. LIMITATIONS

To the full extent permitted by law, Buyer waives the right to plead any statute of limitations as a defense to any obligations and demands secured by or mentioned in the security document.

BUYER

Kenneth A. Free Jr.

BUYER

Edna M. Free

STATE OF OREGON WASHINGTON

COUNTY OF PIERCE

SELLER

Vernon John Stevens

SELLER

Gloria J. Stevens

1-9 1984

VERNON JOHN STEVENS and GLORIA J. STEVENS

Personally appeared the above named VERNON JOHN STEVENS and GLORIA J. STEVENS and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me:

Janet K. Winkler  
Notary Public For Oregon  
My Commission Expires: 5-20-86

STATE OF OREGON

COUNTY OF

Personally appeared the above named and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me:

Notary Public For Oregon  
My Commission Expires:

Signed this

day of

DIRECTOR OF VETERANS' AFFAIRS - Lender

By: Curt R. Schnepf  
Manager, Accounts Services

STATE OF OREGON

COUNTY OF Marion

December 22

Personally appeared the above named Curt R. Schnepf and, being duly sworn, did say that he (she) is authorized to sign the foregoing instrument on behalf of the Director of Veterans' Affairs, and that his (her) signature was his (her) voluntary act and deed.

Before me:

Jawie Vachter  
Notary Public For Oregon  
My Commission Expires: 12-20-86

AFTER RECORDING RETURN TO:

DEPARTMENT OF VETERANS' AFFAIRS  
1225 FERRY STREET S.E.  
SALEM, OREGON 97310

STATE OF OREGON: COUNTY OF Klamath: ss

I hereby certify that the within instrument was received and filed for record on the 12th day of Jan A.D., 1984 at 4:07 o'clock P.M. and duly recorded in Vol 484 of Mortgages on page 642.

EVELYN BLEHE COUNTY CLERK  
by [Signature] Deputy

Fee \$12.00