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DEPARTMENT OF VETERANS' AFFAIRS

Vol. 1184 Page 1903

M91812
Loan Number

TA # M-38-27155-6
ASSUMPTION AGREEMENT

DATE: January 24, 1984

PARTIES: James Michael Holloway and Netta Jo Holloway

BUYER

Howard C. Benson and Patricia A. Benson, 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 \$ 42,500.00 dated June 29, 1978, 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 M 78 Page 14064 on June 29, 1978.

(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:

The Southerly 20 feet of Lot 1 and all of Lot 2, EXCEPT the Southeasterly 10 feet thereof in Block 3 of Sunset Village, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

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 \$ 39,688.80 as of February 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.

1904

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 \$ 400 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 James Michael Holloway
James Michael Holloway

SELLER Howard C. Benson
Howard C. Benson

BUYER Netta Jo Holloway
Netta Jo Holloway

SELLER Patricia A. Benson
Patricia A. Benson

STATE OF OREGON

COUNTY OF Klamath } ss

2-6, 19 84

Personally appeared the above named James Michael Holloway & Netta Jo Holloway and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me:

Marlene J. Addington
Notary Public For Oregon
My Commission Expires: 3-22-85

STATE OF OREGON

COUNTY OF Malheur } ss

Feb. 3, 19 84

Personally appeared the above named Howard C. Benson & Patricia A. Benson and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me:

Edith L. Lumbert
Notary Public For Oregon
My Commission Expires: 5/8/87

Signed this 24th day of January, 19 84.

DIRECTOR OF VETERANS' AFFAIRS - Lender

By: Curt R. Schnepf
Curt R. Schnepf
Manager, Accounts Services

STATE OF OREGON

COUNTY OF Marion } ss

January 24, 19 84

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:

Evelyn M. Maoney
Notary Public For Oregon
My Commission Expires: 3/16/87

AFTER RECORDING RETURN TO: RA

STATE OF OREGON: COUNTY OF KLAMATH:ss

I hereby certify that the within instrument was received and filed for record on the 7th day of February A.D., 1984 at 10:24 o'clock A.M. and duly recorded in Vol 1884, of Mortgages on page 1003.

EVELYN BLENN, COUNTY CLERK

Fee \$ 8.00

by Pat Smith Deputy