

Loan Number

DATE November 27, 1984

PARTIES: John Dougherty and Marilyn Dougherty, husband and wife

BUYER

Jack P. Baggelaar

SELLER

LENDER

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

Until a change is requested, all tax statements are to be sent to:
Department of Veterans Affairs
Attn: Tax Section
700 Summer Street, N.E.
Salem, Oregon 97310-1201

THE PARTIES STATE THAT:

1. Seller owes Lender the debt shown by:

(a) A note in the sum of \$ 35,000.00 dated September 1, 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 1076-13647 on September 1, 1976.

(b) A note in the sum of \$ 19, which note is secured by a Trust Deed of the same date and recorded in the office of the county recording officer of Klamath county, Oregon, in Volume/Reel/Book 1076-13647 on September 1, 1976.

(c) A note in the sum of \$ 19, which note is secured by a Security Agreement of the same date, dated 1976, on September 1, 1976.

(d) and further shown by 1976, on September 1, 1976.

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:

Lot 16, Block 11, Tract 1089 - SIXTH ADDITION TO SUNSET VILLAGE, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, EXCEPTING FROM the Northeastly 5 feet thereof.

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

SECTION 1. UNPAID BALANCE OF SECURED OBLIGATION
The unpaid balance on the loan being assumed is \$ 19,760.00 as of 12/10/84.

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.

SECTION 4. ENTIRE AGREEMENT
506-M (8-84)

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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, the rate will change the payment on this loan. The initial principal and interest payments on this loan are \$320.00 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 of 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 John D. Dougherty
John Dougherty

SELLER Jack P. Bagge
Jack P. Bagge

BUYER Marilyn Dougherty
Marilyn Dougherty

SELLER Jack P. Bagge
Jack P. Bagge

STATE OF OREGON

COUNTY OF Clatsop

December 17

19 81

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

Before me:

My Commission Expires:

11/16/87

Notary Public For Oregon

STATE OF OREGON

COUNTY OF Klamath

December 17

19 81

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

Before me:

My Commission Expires:

11/16/87

Notary Public For Oregon

Signed this 28th day of November 19 84

DIRECTOR OF VETERANS' AFFAIRS - Lender

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

STATE OF OREGON

COUNTY OF Marion

November 28

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:

Notary Public For Oregon

FOR COUNTY RECORDING INFORMATION ONLY

STATE OF OREGON, COUNTY OF KLAMATH; is

Filed for record

this 19th day of December A.D. 19 84 at 9:25 o'clock P.M.

duly recorded in Vol. 1884 of Notary pages on Page 21092

EVELYN BIEHN, County Clerk

Fee: \$9.00

By John A. Smith

AFTER SIGNING/RECORDING, RETURN TO:

DEPARTMENT OF VETERANS' AFFAIRS

OREGON VETERANS' BUILDING

700 Summer St. NE

Salem, Oregon 97310-1201