

P54720
Loan Number

ASSUMPTION AGREEMENT

Vol. M86 Page 6890

DATE: April 25, 1986

PARTIES: ARTHUR J. RUSSELL
JOAN E. RUSSELL

BUYER

ROBIN G. THOMAS

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
700 Summer Street, N.E.O.
Salem, Oregon 97310-1201

THE PARTIES STATE THAT:

1. Seller owes Lender the debt shown by:

(a) A note in the sum of \$ 50,000.00 dated May 27, 1981, 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 Real/Book M81 Page 9436 on May 28, 1981

An Assumption Agreement which was

(b) A note in the sum of \$ 7,970.00 dated January 10, 1983, 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 Real/Book M83 Page 447 on January 10, 1983

(c) A note in the sum of \$ 7,970.00 dated January 10, 1983, 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 and recorded on January 10, 1983 in Vol. M83 Page 448.

(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:

Lot 11, Block, 9, FIRST ADDITION TO CYPRESS VILLA, ACCORDING to the official plat thereof on file in the office of the County Clerk, 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 \$ 55,151.00 as of April 10, 1986

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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Legal correct EL

(tumble)

Payment amount correct EL

SECTION 4. INTEREST RATE AND PAYMENTS

(multiple)

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The interest rate is variable (Indicate whether variable or fixed) and will be 8.104 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 \$ 426.00 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 20, 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.

** This law has been suspended until July 1, 1987. Any transfer of a property between July 3, 1985, and July 1, 1987, will not be counted as a transfer under the 1983 "Due on Sale" law. However, transfers that occurred between July 20, 1983, and July 2, 1985, may become due on sale with the next transfer after July 1, 1987.

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

Arthur J. Russell

SELL

Ned B. Thomas

BUYER

Joan E. Russell

SELL

Robin G. Thomas

STATE OF OREGON

COUNTY OF

Klamath

SS

April 17, 1986

Personally appeared the above named Arthur J. Russell and Joan E. Russell and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me:

My Commission Expires:

3-22-88

STATE OF OREGON

COUNTY OF

SS

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

Before me:

My Commission Expires:

Notary Public For Oregon

Signed this 14th day of April, 19 86

DIRECTOR OF VETERANS' AFFAIRS - Lender

By:

Fred Blanchfield

FRED BLANCHFIELD, Manager Loan Servicing/ Loan Processing

STATE OF OREGON

COUNTY OF

Deschutes

SS

April 14, 1986

Personally appeared the above named Fred Blanchfield 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:

My Commission Expires:

1-1-90

Notary Public For Oregon

FOR COUNTY RECORDING INFORMATION ONLY

AFTER SIGNING/RECORDING, RETURN TO:

DEPARTMENT OF VETERANS AFFAIRS

1515 NEI Revere

Bend OR 97701

0880

State of Washington)

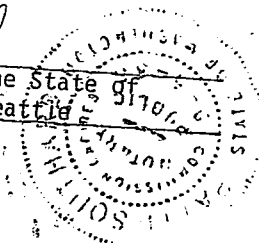
County of King) ss

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On this 17th day of April, 1986, before me personally appeared Vida M. Pickett to me known to be the Assistant Secretary of Merrill Lynch Relocation Management, Inc., which corporation executed the within and foregoing instrument as Attorney-in-fact for Ned B. Thomas and Robin G. Thomas and acknowledged the said instrument to be the free and voluntary act and deed of said corporation as Attorney-in-fact for Ned B. Thomas and Robin G. Thomas on oath stated that she was for the uses and purposes therein mentioned, and said corporation, and further on oath stated that the Power of Attorney authorizing the execution of this instrument has not been revoked, and that the said Ned B. Thomas and Robin G. Thomas is/are now living and is/are not incompetent.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

[Signature]
Notary Public in and for the State of
Washington, residing at Seattle



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____
of April A.D. 19 86 at 3:41 o'clock P M., and duly recorded in Vol. M86 day
of Mortgages on Page 6890

FEE \$13.00

Evelyn Biehn,
By _____ County Clerk