

82401

## DEPARTMENT OF VETERANS' AFFAIRS

ATC # M 29819

Vol. M86 Page 9564

M03360

Loan Number

## ASSUMPTION AGREEMENT

DATE: April 25, 1986

PARTIES: Robert E. Phillips

BUYER

Kenneth Z. Kendrick and Kelly A. Kendrick, 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  
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 \$ \_\_\_\_\_ dated \_\_\_\_\_, 19 \_\_\_\_\_, which note is secured by a mortgage of the same date, and recorded in the office of the county recording officer of \_\_\_\_\_ county, Oregon, in Volume/Reel/Book \_\_\_\_\_ on \_\_\_\_\_, 19 \_\_\_\_\_

(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 Assumption Agreement for \$18,715.94 recorded Vol. M83

Page 14338, August 25, 1983, Klamath County, Oregon.

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:

NW $\frac{1}{4}$  of the NW $\frac{1}{4}$  of the NW $\frac{1}{4}$  of Section 1, Township 37 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon. TOGETHER WITH the following described mobile home which is firmly affixed to the property:  
1972 Brookwood, ID #3594, Lic. No. X74139.

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 \$ 15,196.02 as of April 14, 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.

## SECTION 4. INTEREST RATE AND PAYMENTS

The interest rate is Variable (indicate whether variable or fixed) and will be 9.86 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 \$ 174 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, unremarried 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 Robert E. Phillips  
Robert E. Phillips

SELLER Kenneth Z. Kendrick  
Kenneth Z. Kendrick

BUYER \_\_\_\_\_

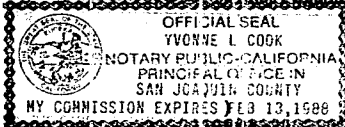
SELLER Kelly A. Kendrick  
Kelly A. Kendrick

STATE OF OREGON CALIFORNIA

COUNTY OF SAN JOAQUIN } ss MAY 2 19 86

Personally appeared the above named Kenneth Z. Kendrick & Kelly A. Kendrick and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

(C) YVONNE L. COOK



Before me: Yvonne L. Cook  
My Commission Expires: 2-13-88 Notary Public For Oregon California

STATE OF OREGON

COUNTY OF Klamath } June 2 19 86

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

Before me: Wmole Johnson  
My Commission Expires: 1-15-90 Notary Public For Oregon

Signed this 25th day of April, 1986.

DIRECTOR OF VETERANS' AFFAIRS - Lender

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

STATE OF OREGON

COUNTY OF Marion } ss April 25 19 86

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.

STATE OF OREGON,  
County of Klamath ss.

Before me: Evelyn M. Biehn  
My Commission Expires: 3/16/87 Notary Public For Oregon

Filed for record at request of:

on this 3rd day of June A.D., 19 86  
at 1:41 o'clock P M. and duly recorded  
in Vol. M86 of Mtgs. Page 9564  
Evelyn Biehn, County Clerk  
By Ann Sm. Lth Deputy.

Fee, \$9.00

AFTER SIGNING/RECORDING, RETURN TO:

DEPARTMENT OF VETERANS' AFFAIRS  
OREGON VETERANS' BUILDING  
700 Summer St. NE  
Salem, Oregon 97310-1201