

65633

DEPARTMENT OF VETERANS' AFFAIRS

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P38639
Loan NumberATC 30139
ASSUMPTION AGREEMENT

DATE: _____

PARTIES: JERRY N. FRALEYJUDY M. FRALEY

BUYER

Personal Representative(s) of the ESTATE OF JOHN P. GALLAGHER

SELLER

The State of Oregon By And Through The Director Of Veterans' AffairsSELLER
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 \$ 52,000.00 dated May 12, 19 80, 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 M80

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on May 13, 19 80

(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/Real/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:

Lot 14, Block 8, Tract No. 1079, SIXTH ADDITION TO SUNSET VILLAGE, in the County of Klamath, State of 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 \$ 48,481.12 as of August 21, 19 86

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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506-M (7-85)

Legal correct ☒
(tumble) Payment amount correct ☒

SECTION 4. INTEREST RATE AND PAYMENTS

The interest rate is variable (indicate whether variable or fixed) and will be 7.7 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 \$ 371.00 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 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 Jerry N. Fraley SELLER John P. Gallagher
BUYER Judy M. Fraley SELLER John P. Gallagher
STATE OF OREGON
COUNTY OF Klamath ss
August 29, 19 86

Personally appeared the above named Jerry N. Fraley and Judy M. Fraley and Patrick L. Gallagher and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

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

STATE OF ~~OREGON~~ NORTH CAROLINA

COUNTY OF Wake ss

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

Before me: Jessie P. Pickett
My Commission Expires: Nov. 22, 1987 Notary Public For Oregon

Signed this 22nd day of August, 19 86

DIRECTOR OF VETERANS' AFFAIRS - Lender
By: Fred Blanchfield
FRED BLANCHFIELD
Manager Loan Servicing/Processing

STATE OF OREGON

COUNTY OF Deschutes ss

August 22, 19 86

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: Gary Cebin
My Commission Expires: 1-1-90 Notary Public For Oregon

STATE OF OREGON,
County of Klamath ss.

Filed for record at request of:

on this 5th day of Sept. A.D., 19 86
at 2:49 o'clock P. M. and duly recorded
in Vol. M86 of Mtges. Page 16042

Evelyn Biehn, County Clerk

By Deputy

Fee, \$9.00

Deputy.

AFTER SIGNING/RECORDING, RETURN TO:

DEPARTMENT OF VETERANS AFFAIRS
155 NE Revere
Bend OR 97701