

70845

DEPARTMENT OF VETERANS' AFFAIRS

Vol. M87 Page 1391

P23105
Loan Number

ASSUMPTION AGREEMENT

DATE: January 27, 1987

PARTIES: RICHARD B. HOUCK

SALLY A. HOUCK

BUYER

WALTER BRADLEY REED

GLORIA J. REED

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 \$ 43,900.00 dated October 12, 19 79, 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-79 Page 24099 on October 12, 19 79.

(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:

Lot 2, Block 2, COUNTRY GARDENS, 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 \$ 43,466.90 as of January 23, 19 87.

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 GD
(tumble) Payment amount correct GD

SECTION 4. INTEREST RATE AND PAYMENTS

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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 \$ 335.00 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 Richard B. Houck
Richard B. Houck

SELLER Walter Bradley Reed
Walter Bradley Reed

BUYER Sally A. Houck
Sally A. Houck

SELLER Gloria J. Reed
Gloria J. Reed

STATE OF OREGON)
COUNTY OF Klamath) ss

January 27, 19 87

Personally appeared the above named Richard B. Houck and Sally A. Houck, husband and wife and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me: Sandra Handsaker
My Commission Expires: 7-23-89 Notary Public For Oregon

STATE OF OREGON)
COUNTY OF Klamath) ss

January 27, 19 87

Personally appeared the above named Walter Bradley Reed and Gloria J. Reed, husband and wife and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me: Sandra Handsaker
My Commission Expires: 7-23-89 Notary Public For Oregon

Signed this 23rd day of January, 19 87.

DIRECTOR OF VETERANS' AFFAIRS - Lender

By: Gary Albin
GARY ALBIN, Acting Manager Loan Servicing/
Processing

STATE OF OREGON)
COUNTY OF Deschutes) ss

January 23, 19 87

Personally appeared the above named Gary Albin 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: [Signature]
My Commission Expires: 08-29-90 Notary Public For Oregon

STATE OF OREGON,
County of Klamath ss.

Filed for record at request of:

AFTER SIGNING/RECORDING, RETURN TO:

on this 28th day of Jan. A.D., 19 87
at 9:08 o'clock A M. and duly recorded
in Vol. M87 of Mtges. Page 1391

Evelyn Biehn, County Clerk
By [Signature] Deputy.

DEPARTMENT OF VETERANS AFFAIRS
155 NE Revere
Bend OR 97701

Fee, \$9.00