

P66978

ASSUMPTION AGREEMENT

Loan Number

DATE: December 8, 1987

PARTIES: Cecil E. Layman and Barbara A. Layman, husband and wife

BUYER

Charley G. Mills and Janette M. Mills, husband and wife

SELLER

LENDER

Until a change is requested, all tax statements are to be sent to: Department of Veterans' Affairs
(Tax Account No. 0126740 R)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 _____(b) A note in the sum of \$ 35,000.00 dated October 17, 19 84, 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 M84

Re-recorded Vol. M85 Page 497, January 9, 1985, Klamath County, Oregon.

(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:

The NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 13, Township 23 South, Range
9 East of the Willamette Meridian, Klamath County, Oregon, EXCEPTING
THEREFROM that portion thereof conveyed by instrument recorded August
26, 1964 in Vol. 355, Page 531, Deed Records of Klamath County,
Oregon, being the South 165 feet thereof.

SECTION 3. INTERPRETATION

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 \$35,286.84 as of November 16, 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.

SECTION 4. INTEREST RATE AND PAYMENTS

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(tumble)

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SECTION 4. INTEREST RATE AND PAYMENTS

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The interest rate is Variable (Indicate whether variable or fixed) and will be 10.75 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 \$ 333 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 407.075 to 407.595 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

This law has been suspended until July 1, 1989. Any transfer of a property between July 3, 1985, and July 1, 1989, 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, 1989.

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: Cecil E. Layman SELLER: Charley G. Mills
Barbara A. Layman SELLER: Janette M. Mills

STATE OF OREGON

COUNTY OF DESCHUTES } ssDEC 15, 19 87

Personally appeared the above named CECIL E. LAYMAN & BARBARA A. LAYMAN and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me:

Gail A. Anderson
 My Commission Expires: 11-17-91
 Notary Public For Oregon

STATE OF OREGON

COUNTY OF Jackson } ssDecember 18, 19 87

Personally appeared the above named Charley G. Mills & Janette M. Mills and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me:

J. M. Sappington
 My Commission Expires: 9-4-88
 Notary Public For Oregon

Signed this 8th day of December, 19 87

By: Curt R. Schnepf
 Manager, Accounts Services
 DIRECTOR OF VETERANS' AFFAIRS - Lender

STATE OF OREGON

COUNTY OF Marion } ssDecember 8, 19 87

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, ss.

County of Klamath

Before me:

Evelyn M. Mooney
 My Commission Expires: 3/16/91
 Notary Public For Oregon

Filed for record at request of:

Mountain Title Company

on this 23rd day of Dec., A.D., 19 87
 at 11:53 o'clock A.M. and duly recorded
 in Vol. M87 of Mrges. Page 22829
Evelyn Biehn, County Clerk
 By PRM Smith
 Deputy.

Fee, \$10.00

AFTER SIGNING/RECORDING, RETURN TO:

DEPARTMENT OF VETERANS' AFFAIRS
 OREGON VETERANS BUILDING
 700 Summer St. NE 97330
 Salem, Oregon 97310-1201