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2nd of Oregon 26340-1501

DEPARTMENT OF VETERANS' AFFAIRS

Vol M88 Page 8131

M60254

ASSUMPTION AGREEMENT

Loan Number

DATE: May 12, 1988

PARTIES: Thomas H. Gastaldi & Kathleen A. Gastaldi Husband and wife

BUYER

Richard P. Sumner & Marcia Sumner

SELLER

The State of Oregon By And Through The Director Of Veterans' Affairs

LENDER

And a change is requested, all tax statements are to be sent to: Department of Veterans' Affairs

(Tax Account No. 0582881 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 \$ 81,200 dated January 28, 19 77, 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 Book M. 77. Page 1645 on January 28, 19 77.

(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:

See Attached Exhibit A

SECTION 1. MISREPRESENTATION

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 \$ 71,635.31 as of January 22, 19 88.

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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SECTION 4. INTEREST RATE AND PAYMENTS

The interest rate is Fixed (Indicate whether variable or fixed) and will be 8.8 percent per annum. If this is a variable interest rate, 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 \$ 264 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.

** 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 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: Thomas H. Gastaldi SELLER: Richard P. Sumner
Kathleen A. Gastaldi Marcia Sumner
 STATE OF OREGON)
 COUNTY OF Klamath) ss

Personally appeared the above named Thomas H. Gastaldi & Kathleen A. Gastaldi and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me: Warlene Drucker My Commission Expires: 6/16/88 Notary Public For Oregon
 STATE OF OREGON)
 COUNTY OF Klamath) ss
 Personally appeared the above named Richard P. Sumner & Marcia Sumner and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me: Warlene Drucker My Commission Expires: 6/16/88 Notary Public For Oregon
 Signed this 24th day of May 1988

By: Curt R. Schnepf Account Services
 STATE OF OREGON)
 COUNTY OF Marion) ss
 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.

FOR COUNTY RECORDING INFORMATION ONLY
 DATE OF RECORDING: May 24, 1988
 COUNTY: Marion
 DEPARTMENT OF VETERANS' AFFAIRS

Before me: Laurie Chapter My Commission Expires: 1-28-91 Notary Public For Oregon

AFTER SIGNING/RECORDING, RETURN TO:
 DEPARTMENT OF VETERANS' AFFAIRS
 OREGON VETERANS' BUILDING
 700 Summer St. NE 97301
 Salem, Oregon 97310-1201

PARCEL 1:

A piece or parcel of land situate in the Southeast quarter of Section 24, Township 39 South, Range 9 E.W.M., more particularly described as follows: Beginning at the intersection of the centerline of the U.S.B.R. #A-7(K) Lateral as the same is presently located and constructed and the old existing fence generally accepted as the South line of Section 24 Township 39 South, Range 9 E.W.M., from which the iron monument marking the Southeast corner of said Section 24 bears North $89^{\circ}16'50''$ East 890.1 feet distant; thence South $89^{\circ}16'50''$ West along said fence line 20.0 feet to an iron pin reference monument; thence continuing South $89^{\circ}16'50''$ West along said fence line 1764.4 feet to an iron pin; thence North $0^{\circ}12'50''$ West along an old existing fence 1361.6 feet to an iron pipe; thence North $1^{\circ}27'50''$ East along said old existing fence 693.9 feet to an iron pin on the centerline of the U.S.B.R. #1-C-1-C Lateral as the same is presently located and constructed; thence along the centerline of the 1-C-1-C Lateral the following courses and distances: South $87^{\circ}27'$ East 266.6 feet and South $48^{\circ}34'20''$ East 1700.4 feet, more or less, to the intersection with the centerline of the A-7(K) Lateral as the same is presently located and constructed; thence along the centerline of the A-7(K) Lateral the following courses and distances: South $31^{\circ}32'10''$ West 116.6 feet, South $11^{\circ}31'$ West 205.3 feet, South $2^{\circ}18'$ West 299.1 feet, and South $49^{\circ}18'$ East 454.5 feet, more or less, to the point of beginning. SAVING AND EXCEPTING THEREFROM that portion conveyed to United States of America for laterals by deed Vol. 24, page 131, records of Klamath County, Oregon.

PARCEL 2:

An easement for roadway over and across the following: A parcel of land situate in the NW $\frac{1}{4}$ of Section 25, Township 39 South, Range 9 East of the Willamette Meridian, more particularly described as follows: Beginning at a point on the North line of Section 25, 774.9 feet East from the North quarter corner thereof, thence South $0^{\circ}27'$ East to a point on the North line of the County Road; thence North $89^{\circ}33'$ East along the North line of the County Road 60 feet to a point; thence North $0^{\circ}27'$ West to a point on the North line of said Section 25; thence West along the North line of Section 25, 60 feet, more or less, to the point of beginning.

Save and Except

Parcel #2 - Approximately 3 acres beginning at the intersection of the centerline of the U.S.B.R. #A-7 (K) Lateral as the same is presently located and constructed and the old existing fence generally accepted as the South line of Section 24, Township 39 South, Range 9 East of the Willamette Meridian, from which the iron monument marking the Southeast corner of said Section 24 bears North $89^{\circ}16'50''$ East 890.1 feet distant; thence South $89^{\circ}16'50''$ West along said fence line 20.0 feet to an iron pin reference monument; thence continuing South $89^{\circ}16'50''$ West along said fence line 962.0 feet which is a point of beginning thence North $0^{\circ}12'50''$ West 150.0 feet thence South $89^{\circ}16'50''$ West 802.4 feet to the North-South centerline of Section 24 thence South $0^{\circ}12'50''$ East along an old existing fence 150.0 feet thence East along the South line of Section 24 802.4 feet to the point of beginning.

A piece or parcel of land situate in the Southeast quarter of Section 24, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Parcel #3 - Approximately 3 acres beginning at the intersection of the centerline of the U.S.B.R. #A-7 (K) Lateral as the same is presently located and constructed and the old existing fence generally accepted as the South line of Section 24, Township 39 South, Range 9 East of the Willamette Meridian, from which the iron monument marking the Southeast corner of said Section 24 bears North $89^{\circ}16'50''$ East 890.1 feet distant; thence South $89^{\circ}16'50''$ West along said fence line 20.0 feet to an iron pin reference monument; thence continuing South $89^{\circ}16'50''$ West along said fence line 962.0 feet thence North $0^{\circ}12'50''$ West 150.0 feet to point of beginning; thence North $0^{\circ}12'50''$ West 150.0 feet; thence South $89^{\circ}16'50''$ West 802.4 feet to the North-South centerline of Section 24; thence South $0^{\circ}12'50''$ East along an old existing fence 150.0 feet; thence North $89^{\circ}16'50''$ East 802.4 feet to point of beginning.

A piece or parcel of land situated in the southeast quarter of section 24, Township 33 South, Range 9 E.W.M., more particularly described as follows: Beginning at the intersection of the centerline of U.S.R. 12-700 (lateral as the same is presently located and old existing fence generally accepted as the

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STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 25th day of May A.D. 1988 at 1:01 o'clock P. M., and duly recorded in Vol. M88 of Mortgages on Page 8131

FEE \$20.00

Evelyn Biehn

County Clerk

By

Deemetha Rutch

The following courses and distances: South 87°27' East 366.6 feet and South 48°34'20" East 1700.4 feet, more or less, to the intersection with the centerline of the A-7(K) lateral as the same is presently located and connected; thence along the centerline of the A-7(K) lateral the following courses and distances: South 31°32'10" West 119.6 feet, South 11°31' West 202.3 feet, South 2°18' West 222.1 feet, and South 48°18' East 434.2 feet, more or less, to the point of beginning. SAVING AND EXCEPTING THEREFROM that portion conveyed to United States of America for interests by deed Vol. 14, page 131, records of Klamath County, Oregon.

PARTIAL 2

An easement for roadway over and across the following: A parcel of land situated in the NW 1/4 of Section 25, Township 33 South, Range 9 East of the Willamette Meridian, more particularly described as follows: Beginning at a point on the North line of Section 25, 77.9 feet East from the North quarter corner thereof, thence South 0°27' East to a point on the North line of the County Road 60 feet North 82°33' East along the North line of the County Road 60 feet to a point; thence North 0°27' West to a point on the North line of said Section 25; thence West along the North line of Section 25, 60 feet, more or less, to the point of beginning.

Parcel 63 - Approximately 3 acres beginning at the intersection of the centerline of the U.S.R. 12-700 (K) lateral as the same is presently located and connected and the old existing fence generally accepted as the South line of Section 24, Township 33 South, Range 9 East of the Willamette Meridian, from which the iron monument marking the corner of said Section 24 bears North 89° 16' 50" East 890.1 feet distant; thence South 89° 16' 50" West along said fence line 202.0 feet to an iron pin reference monument; thence continuing South 89° 16' 50" West along said fence line 962.0 feet which is a point of beginning thence North 0° 12' 50" West 120.0 feet thence South 89° 16' 50" West 802.4 feet to the North-South centerline of Section 24 thence South 0° 12' 50" East along an old existing fence 120.0 feet thence East along the South line of Section 24 802.4 feet to the point of beginning.

A piece or parcel of land situated in the southeast quarter of Section 24, Township 33 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Parcel 63 - Approximately 3 acres beginning at the intersection of the centerline of the U.S.R. 12-700 (K) lateral as the same is presently located and connected and the old existing fence generally accepted as the South line of Section 24, Township 33 South, Range 9 East of the Willamette Meridian, from which the iron monument marking the Southeast corner of said Section 24 bears North 89° 16' 50" East 890.1 feet distant; thence South 89° 16' 50" West along said fence line 202.0 feet to an iron pin reference monument; thence continuing South 89° 16' 50" West along said fence line 962.0 feet thence North 0° 12' 50" West 120.0 feet to point of beginning; thence North 0° 12' 50" West 120.0 feet; thence South 89° 16' 50" West 802.4 feet to the North-South centerline of Section 24; thence South 0° 12' 50" East along an old existing fence 120.0 feet; thence North 89° 16' 50" East 802.4 feet to point of beginning.