

## DEPARTMENT OF VETERANS' AFFAIRS

P17226

Loan Number

MTC-19784K

## ASSUMPTION AGREEMENT

Vol. M &amp; S Page 8637

DATE: May 13, 1987

PARTIES: LA REG Ernesto Rayas and Jennifer Rayas, husband and wife

BUYER  
Harold L. Gouge and Carol E. Gouge, husband and wife

COPIES OF

STATE OF OREGON

SELLER

LENDER

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

Until a change is requested, all tax statements are to be sent to:

(Tax Account No. 001-0112041 R)

002-0064227 M

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 \$ 34,500.00 dated July 27, 1979, 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 M79 page 17895.

(b) A note in the sum of \$ dated July 27, 1979, 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 1979.

(c) A note in the sum of \$ dated 1979, 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 1 of Block 1 TRACT 1181, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

TOGETHER WITH THE FOLLOWING DESCRIBED MOBILE HOME WHICH IS FIRMLY AFFIXED TO THE PROPERTY:

Year/1978, Marlette, Serial Number/024256C0-R 80873 A&amp;B

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 \$ 27,456.04 as of March 25, 1988

## 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 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 \$346.00 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 407.075 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

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.

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 Ernesto Rayas SELLER Harold I. Gouge  
BUYER Jennifer Rayas SELLER Carol E. Gouge  
STATE OF OREGON } ss June 3, 19 88  
COUNTY OF Klamath

Personally appeared the above named ERNESTO RAYAS and JENNIFER RAYAS and acknowledged the foregoing instrument to be his (their) voluntary act and deed.  
Before me: Kristi L. Redd Notary Public For Oregon  
My Commission Expires: 11/16/91

STATE OF OREGON } ss May 23, 19 88  
COUNTY OF Grant

Personally appeared the above named HAROLD I. GOUGE and CAROL E. GOUGE and acknowledged the foregoing instrument to be his (their) voluntary act and deed.  
Before me: Norman J. Hoppert Notary Public For Oregon  
My Commission Expires: 1/1/88

Signed this 13th day of May, 19 88  
By: Joyce D. Emerson  
Accounts Services, Leadworker

STATE OF OREGON } ss May 13, 19 88  
COUNTY OF Marion  
Personally appeared the above named Joyce D. Emerson 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. Lynda S. Chestham Notary Public For Oregon  
County of Klamath  
My Commission Expires: October 9, 1990

Filed for record at request of:  
on this 6th day of June A.D., 19 88  
at 12:20 o'clock P. M. and duly recorded  
in Vol. M88 of Mtg Page 8697  
By Marj Moran Deputy.  
Fee, \$13.00  
DEPARTMENT OF VETERANS' AFFAIRS  
OREGON VETERANS BUILDING  
700 Summer St. NE  
Salem, Oregon 97310-1201