

P12664
Loan NumberM7-21166P
ASSUMPTION AGREEMENTDATE: May 2, 1989PARTIES: Joseph L. Barnes, Jr. and Shirley A. Barnes, husband and wife

BUYER

Philip O. Leidholdt and Inez Leidholdt, husband and wife

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:

(Tax Account No. 0587957R, 0587939R,
0587966R.)Joseph L. Barnes, Jr.
Name of Buyer10560 Hwy 39

Mailing Address

Klamath Falls, OR 97601

City State Zip

THE PARTIES STATE THAT:

1. Seller owes Lender the debt shown by:

(a) A note in the sum of \$ 92,500.00 dated May 24, 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 M79 Page 11921 on May 24, 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:

See Exhibit "A" attached.

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 \$ 91,735.58 as of April 19, 19 89.

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

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 \$ 846 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 Joseph L. Barnes Jr.
Joseph L. Barnes, Jr.

SELLER Philip O. Leidholdt
Philip O. Leidholdt

BUYER Shirley A. Barnes
Shirley A. Barnes

SELLER Inez Leidholdt
Inez Leidholdt

STATE OF OREGON)
COUNTY OF Klamath) ss

5-5, 19 89

Personally appeared the above named Philip O. Leidholdt & Inez Leidholdt
and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me: Camelaysprence
My Commission Expires: 8-16-92
Notary Public For Oregon

STATE OF OREGON)
COUNTY OF Klamath) ss

5-8, 19 89

Personally appeared the above named Joseph L. Barnes Jr & Shirley A. Barnes
and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me: Camelaysprence
My Commission Expires: 8-16-92
Notary Public For Oregon

Signed this 2nd day of May, 19 89

DIRECTOR OF VETERANS' AFFAIRS - Lender

By: Joyce D. Emerson
Joyce D. Emerson
Accts. Services Leadworker

STATE OF OREGON)
COUNTY OF Marion) ss

May 2, 19 89

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.

Before me: Kathryn I. Shive
My Commission Expires: 11/1/91
Notary Public For Oregon

FOR COUNTY RECORDING INFORMATION ONLY

AFTER SIGNING/RECORDING, RETURN TO:

DEPARTMENT OF VETERANS' AFFAIRS
OREGON VETERANS BUILDING
700 SW 10th St. NE
Salem, Oregon 97310-1201

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Assumption Agreement

EXHIBIT "A"

A parcel of land situated in the SE $\frac{1}{4}$ of Section 36, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

A tract of land situated in the SE $\frac{1}{4}$ of Section 36, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows: Beginning at a point on the West boundary of the Klamath Falls - Merrill Highway, said point being North 0° 14' East a distance of 904.92 feet and North 89° 57' West a distance of 30.0 feet from the Southeast corner of said Section 36; thence North 89° 57' West a distance of 1475.5 feet; thence North 0° 14' East a distance of 590 feet; thence South 89° 57' East a distance of 1475.5 feet to the West boundary of the Klamath Falls - Merrill Highway; thence South 0° 14' West, 590 feet, more or less, to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 11th day
of May A.D., 19 89 at 4:10 o'clock P.M., and duly recorded in Vol. M89,
of Mortgages on Page 8116.

FEE \$18.00

Evelyn Biehn, County Clerk

By Darlene M. Mendenhall