

OREGON

7176



Department of Veterans' Affairs

Vol. m89 Page 20850

P34080

Loan Number

ASPEN 34008
ASSUMPTION AGREEMENT

DATE: October 2, 1989PARTIES: Richard B. Rambo and Susan Rambo, husband and wife

BUYER

Thomas Felix Gilleland III and Irene M. Gilleland, 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. 0580099 R)0520062 RRichard B. Rambo

Name of Buyer

5211 Tingley Lane

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 \$ 29,500.87 dated July 21, 19 83, which note is secured by a mortgage of the samedate, and recorded in the office of the county recording officer of Klamath county, Oregon, in Volume/Reel/BookVol. M83 Page 11577on July 21, 19 83

(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 an Assumption Agreement for \$10,157.87 recordedJuly 21, 1983, Vol. M83 Page 11575

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"

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 \$ 23,319.34 as of September 5, 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 \$ 306 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

Except for a sale or transfer to the original borrower, the surviving spouse, unremarried former spouse, surviving child or stepchild of the original borrower, or to a veteran eligible for a loan under this chapter and Article XI-A of the Oregon Constitution, only one sale or transfer of the property referred to in ORS 407.275 (2) is permitted after July 20, 1983. In the event of a second sale or transfer of the property, or any part thereof, the entire unpaid balance of the loan for the property may become immediately due and payable at the discretion of the Director as prescribed by rule.

SECTION 6. TAX AND INSURANCE RESERVES

Subject to any limitations set by applicable law, at the Lender's discretion, or by Oregon Revised Statute, the Buyer shall maintain—with Lender—reserves for payment of taxes, assessments, and insurance if applicable. Such reserves shall be created by Buyer's advance payment or monthly payments of a sum estimated by Lender to be sufficient to produce, at least 15 days before due, amounts at least equal to the taxes and assessments to be paid. The amount of such monthly payment would be approximately 1/12 of the annual property taxes. Buyer shall pay on demand any additional amount which may be deemed necessary for the payment of such taxes, assessments, and insurance premiums. If, 15 days before payment is due, the reserve funds are insufficient, Buyer shall, upon demand, pay any deficiency to Lender. The reserve funds shall be held by Lender as a general deposit from Buyer and shall constitute a non-interest bearing debt from Lender to Buyer, which Lender may satisfy by payment of the taxes and assessments and insurance premiums required to be paid by Buyer as they become due. Lender does not hold the reserve funds in trust for Buyer, and Lender is not the agent of Buyer for payment of the taxes, assessments, and insurance premiums required to be paid by Buyer.

SECTION 7. LATE PAYMENT

If the Lender has not received the full amount of any payment by the end of 30 calendar days after the date it is due, he may impose a late charge to the Buyer. The amount of the charge will be not more than 5 percent of the overdue payment of principal and interest. The late charge may be charged only once on any late payment.

SECTION 8. AMORTIZATION

The Lender may increase payments of principal and other payment terms of the loan when the balance of the loan will not amortize within the terms of the security document.

SECTION 9. 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 the person, firm, or corporation as Buyer, the obligations of each such person, firm, or corporation shall be joint and several.

SECTION 10. 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. Failure to exercise any of these rights shall not constitute a waiver.

BUYER

Richard B. Rambo
Richard B. Rambo

BUYER

Susan Rambo
Susan Rambo

SELLER

Thomas Felix Gilleland III
Thomas Felix Gilleland III

SELLER

Irene M. Gilleland
Irene M. Gilleland

20852

STATE OF OREGON)
COUNTY OF Klamath) ss October 27, 19 89

Personally appeared the above named Thomas F. Gilleland III and Irene M. Gilleland
and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me: [Signature]My Commission Expires: March 4, 1992

Notary Public For Oregon

STATE OF OREGON)
COUNTY OF Klamath) ss October 30, 19 89

Personally appeared the above named Richard B. Ranbo and Susan Ranbo
and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me: [Signature]My Commission Expires: March 4, 1992

Notary Public For Oregon

Signed this 2nd day of October, 19 89

DIRECTOR OF VETERANS' AFFAIRS - Lender

By: [Signature]

Joyce D. Emerson

Accounts Services Leadworker

STATE OF OREGON)
COUNTY OF Marion) ss October 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: [Signature]My Commission Expires: 05/22/93

Notary Public For Oregon

FOR COUNTY RECORDING INFORMATION ONLY

AFTER SIGNING/RECORDING, RETURN TO:

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

P34080

Loan Number

Page 3 of 3

508-M (7-89)

P34080

Assumption Agreement

EXHIBIT "A"

PARCEL 1:

A tract of land situate in the SW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 16, Township 39 South, Range 9 East of the Willamette Meridian, more particularly described as follows:

Beginning at an iron pin situated on the Southeasterly right of way line of the Old Midland Road, said point being located South a distance of 1795.5 feet and South 29° 11' East a distance of 191.67 feet from the Northwest corner of said Section 16; thence South 59° 12' East a distance of 163.58 feet to an iron pin; thence South 30° 00' West a distance of 56.54 feet to an iron pin located on the Northeasterly right of way line of the U.S.B.R. A-3-1 (F-16) canal; thence North 74° 15' West along the Northeasterly right of way line of said canal a distance of 149.0 feet to an iron pin located on the Southeasterly right of way line of the Old Midland Road; thence Northeasterly along the Southeasterly right of way line of said road on the arc of a curve to the right a distance of 97.45 feet, more or less, to the point of beginning.

PARCEL 2:

Beginning at an iron pin on the Southeasterly right-of-way of the Old Midland Road, said point being South 77° 15' East a distance of 162.00 feet and South 49° 45' East a distance of 170.0 feet from an iron pipe which is South a distance of 1795.5 feet from the iron pin marking the Northwest corner of Section 16, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; said point of beginning being the Northeast corner of that tract of land described in document recorded December 29, 1972, in Volume M72, page 15128, Klamath County Microfilm Records; thence South 2° 55' East a distance of 166.90 feet, more or less, to an iron pin on the Northerly right-of-way of the U.S.B.R. A.S.I. (F-16) canal; thence Southwesterly along the Northerly right-of-way of said canal to a point 149.0 feet from the Southeasterly right-of-way line of the Old Midland Road, said point also being the Southeast corner of that tract of land described in document recorded July 15, 1976, in Volume M76, page 10797, Klamath County Microfilm Records; thence North 30° 00' East a distance of 176.60 feet to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co. the 31st day
of Oct. 1989 at 11:16 o'clock A.M., and duly recorded in Vol. M89
of Mortgages on Page 20850
By Evelyn Biehn County Clerk
Pauline Muckendore

FEE \$23.00