



Department of Veterans Affairs

MTC-22455-D

D66868

Loan Number

ASSUMPTION AGREEMENT

DATE: October 24, 1989PARTIES: Willa Miller Espinoza
LeRoy D. Ross and Terry A. Ross

BUYER

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. 0514358)Willa Miller Espinoza
Name of Buyer4850 Shasta Way
Mailing AddressKlamath 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 \$ _____ 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 _____ on _____, 19 _____.

(b) A note in the sum of \$ 55,000.00 dated August 24, 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 Book M84 Page 14744 on August 24, 19 84.

(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:

Lot 31 of PLEASANT HOME TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

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 \$ 53,700.49 as of October 3, 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 this 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 \$ 516 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, unmarried 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 Willa Miller Estinoza Espinoza

BUYER _____

SELLER LeRoy M. Ross

SELLER Terry A. Ross

P66868

Loan Number

STATE OF OREGON NEVADA

COUNTY OF CLARK

Nov 7 1989

Personally appeared the above named Willa Miller Espinoza
and acknowledged the foregoing instrument to be his (their) voluntary act and deed.

Before me:

WILLA MILLER ESPINOZA

Notary Public For Oregon
Nevada

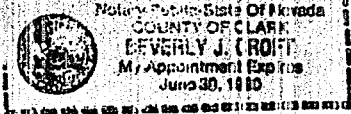
My Commission Expires:

STATE OF OREGON NEVADA

COUNTY OF CLARK

Nov 7 1989

Personally appeared the above named Willa Miller Espinoza
and acknowledged the foregoing instrument to be his (their) voluntary act and deed.



Before me:

My Commission Expires: 6/30/90

Notary Public For Oregon

NEVADA

Signed this 24th day of October 1989

DIRECTOR OF VETERANS' AFFAIRS - Lander

By:

Joyce D. Emerson

Accounts Services Leadworker

STATE OF OREGON

COUNTY OF Marion

SS.

October 24

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:

My Commission Expires:

05/22/93

Notary Public For Oregon

STATE OF OREGON,

County of Klamath

SS.

FORM NO. 23 — ACKNOWLEDGMENT
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

BE IT REMEMBERED, That on this 9th day of November, 1989,
before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within
named LeRoy D. Ross and Terry Ann Ross

known to me to be the identical individual..... described in and who executed the within instrument and
acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed
my official seal the day and year last above written.

Charles D. Stark

Notary Public for Oregon.
My Commission expires 6/16/92

STATE OF OREGON: COUNTY OF KLAMATH: SS.

Filed for record at request of Mountain Title Co. the 9th day
of Nov. A.D., 19 89 at 4:04 o'clock PM., and duly recorded in Vol. M89
of Mortgages on Page 21768

FEE \$18.00

Return: Dept. of Veterans Affairs
700 Summer St. NE, Salem, Or. 97310

Evelyn Biehn County Clerk

By

Dorise Mullenders