

RECORDING REQUESTED BY:
Equity Preservation, Inc.

WHEN RECORDED RETURN TO:
Equity Preservation, Inc.
1631 North First Street, Suite 200
San Jose, CA 95112

File No: 1-4109LF/sr
Escrow No: 24009-D

MTC 24009 DT

ASSUMPTION AND RELEASE AGREEMENT

This Agreement is made by and between Equity Preservation, Inc., a California Corporation ("EPI"), Giovanni Mangione and Linda Mangione, ("Assuming Party") and Richard J. Sustachek, Beverly Sustachek ("Lender").

1. As part of the consideration for the acquisition of that certain real property in the City of Bonanza, County of Klamath, State of Oregon, described in Exhibit A attached hereto and made a part hereof, and described in that certain deed of trust dated

July 24, 1990, executed by Equity Preservation, Inc., a California Corporation, as Trustor, in which Richard J. Sustachek, Beverly Sustachek are named as Beneficiary, and Mountain Title Company of Klamath County as Trustee, and

recorded on 8th day of AUGUST, as Instrument No. 18602 in the Official Records of Klamath County, Oregon, ("Deed of Trust") securing a promissory note in the original principal amount of

THIRTY THOUSAND AND NO/100***** Dollars (\$ 30,000.00) dated July 23, 1990, ("Promissory Note"). The Assuming Party and each of them jointly and severally hereby immediately assume and agree to pay the Promissory Note secured by said Deed of Trust, and to be bound by and perform all of the terms, conditions, obligations and covenants of said Promissory Note, Deed of Trust and any other security instruments which secure the Promissory Note. The Assuming Party further acknowledges that nothing in this Agreement shall affect the priority of the lien of the Deed of Trust over other liens and encumbrances against the real property described therein. The Assuming Party also agrees that the Deed of Trust shall secure all other sums that the Assuming Party may borrow in the future from Lender when such sums are evidenced by another note or notes stating that they are so secured.

2. Lender hereby releases EPI from any and all liability on or under the Promissory Note and Deed of Trust. The Assuming Party does hereby hold harmless and indemnify EPI, its officers, directors, shareholders, partners, employees, agents and attorneys from any and all costs, (including but not limited to reasonable attorney's fees incurred by EPI), liability, expenses, claims or demands arising from or under the Promissory Note and/or Deed of Trust or any other instrument securing the Promissory Note.

3. The unpaid balance of the Promissory Note is \$ 30,000.00.

4. Lender hereby consents to the transfer of the real property described in the Deed of Trust and waives any right it may have to accelerate the unpaid balance of the Promissory Note by reason of such transfer; but such consent shall not be deemed to be a waiver of any right to require such consent to future transactions.

5. All questions with respect to the construction of this Agreement and the rights and liabilities of the parties hereto, shall be governed by the laws of the State of Oregon. In the event of any action or proceeding to enforce any term or provision of this Agreement, or for breach thereof, or to declare the rights of the parties with respect thereto, the prevailing party, as determined by a tribunal with proper jurisdiction shall be entitled to recover, in addition to all relief awarded to said party, its costs and expenses including, but not limited to, reasonable attorney's fees incurred in connection with such action or proceeding, and in any appeal from or retrial of the same, and in the collection or enforcement of any award therein.

90 AUG 9 AM 9 04

6. This Agreement shall inure to the benefit of and shall be binding upon, the assigns, successors in interest, personal representatives, estates, heirs and legatees of each of the parties hereto.

Executed on July 27, 1990, at Klamath Falls.

Assuming Party:

Giovanni Mangione
Giovanni Mangione

Linda Mangione
Linda Mangione

EPI:

Equity Preservation, Inc.
A California Corporation

By

Lynna Forristall, Assistant Secretary

Lender:

Richard J. Sustachek
Richard J. Sustachek

Beverly Sustachek
Beverly Sustachek

STATE OF OREGON
COUNTY OF Klamath

} ss.

On this 31 day of July, in the year 1990, before me,
Darlene J. Tucker, a Notary Public, State of Oregon, duly
commissioned and sworn, personally appeared
Giovanni Mangione & Linda Mangione
personally known to me (or proved to me on the basis of satisfactory
evidence) to be the person(s) whose name(s) are subscribed to
this instrument, and acknowledged that they executed it.
IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal
in the County of Klamath
on the date set forth above in this
certificate.

Darlene J. Tucker
Notary Public, State of Oregon

My Commission expires 6-16-92

STATE OF ~~OREGON~~ California
COUNTY OF Lake

} ss.

On this 27 day of July, in the year 1990, before me,
Nancy E. Gibson, a Notary Public, State of Oregon, duly
commissioned and sworn, personally appeared
Richard J. Sustachek & Beverly Sustachek
personally known to me (or proved to me on the basis of satisfactory
evidence) to be the person(s) whose name(s) are subscribed to
this instrument, and acknowledged that they executed it.
IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal
in the State of California County of
Lake
on the date set forth above in this
certificate.

Nancy E. Gibson
Notary Public, State of ~~Oregon~~ California

My Commission expires October 24, 1993



STATE OF CALIFORNIA
COUNTY OF Santa Clara) ss.

On August 3, 1990, before me, the undersigned, a
Notary Public in and for said County and State personally appeared

Gynn Forristall
proved to me on the basis of satisfactory evidence to be the person(s) who
executed the within instrument as Assistant ~~President~~, and
Assistant Secretary of the Corporation therein named, and
acknowledged to me that such Corporation executed the within instrument
pursuant to its By-laws or a Resolution of its Board of Directors.

L. E. Gallucci
Notary Public, State of California

My Commission expires February 16, 1994



OFFICIAL SEAL
L. E. GALLUCCI
NOTARY PUBLIC - CALIFORNIA
SANTA CLARA COUNTY

My Commission Expires Feb. 16, 1994

15856

Exhibit "A"

The NE1/4 SW1/4 SW1/4 of Section 8, Township 38 South, Range 11 East
of the Willamette Meridian, Klamath County, Oregon.

Tax Accounty No.: 3811-00800-01200

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 8th day
of Aug. A.D., 1990 at 9:04 o'clock A M., and duly recorded in Vol. M90,
of Mortgages on Page 15853.

Evelyn Biehn, County Clerk
By Pauline Muelender

FEE \$23.00