

**2024-004718**

**Klamath County, Oregon**

**06/12/2024 08:13:02 AM**

**Fee: \$132.00**

**After Recording Return To:**  
RUTH RUHL, P.C.  
Attn: Recording Department  
12700 Park Central Drive, Suite 850  
Dallas, Texas 75251

(Space Above This Line For Recording Data)

Loan No.: 138354469

VA Case No.: 484860550738-OR

Investor Loan No.: 231573553

MERS No.: 1000730-0138354469-7

MERS Phone: 1-888-679-6377

## **LOAN ASSUMPTION AGREEMENT**

THIS LOAN ASSUMPTION AGREEMENT ("Agreement"), made effective as of May 20th, 2024, between Armando J. Davila and Christin C. Davila ("Original Borrower") and Armando J. Davila, whose address is 2427 Harvard St, Klamath Falls, Oregon 97601 ("Assuming Borrower") and \*Freedom Mortgage Corporation ("Lender/Grantee") whose address is 951 Yamato Road, Suite 175, Boca Raton, Florida 33431 and Mortgage Electronic Registration Systems, Inc. ("MERS"), as designated nominee for Lender, beneficiary of the Security Instrument, its successors and assigns. This Agreement amends and supplements (1) the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") dated January 4th, 2022, granted or assigned to Mortgage Electronic Registration Systems, Inc. as designated nominee for Lender, beneficiary of the Security Instrument, its successors and assigns, P.O. Box 2026, Flint, Michigan 48501-2026 and recorded on January 12th, 2022, in Book/Liber N/A, Page N/A, Instrument No. 2022-000420, Official Records of Klamath County, Oregon, and (2) the Note, made in the amount of U.S. \$465,000.00 executed by Armando J. Davila and Christin C. Davila ("Maker") payable to the order of Freedom Mortgage Corporation in accordance with the terms set forth therein, bearing the same date as, and secured by, the Security Instrument, which covers the real and personal property described in said Security Instrument and defined therein as the "Property," located at 2427 Harvard St, Klamath Falls, Oregon 97601,

Loan No.: 138354469

the real property described being set forth as follows:  
SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Original Borrower and Assuming Borrower acknowledge that Lender is the holder and owner of the Note or is acting for the holder and owner of the Note and understands that Lender may transfer the Note, as amended by this Agreement, and that anyone who takes the Note by transfer and who is entitled to receive payments under the Note is called the "Lender" in this Agreement.

Assuming Borrower desires to assume the payment of the Note and the covenants, conditions and obligations of the Security Instrument. Lender who is or who represents the legal holder and owner of the Note and of the lien(s) securing the same has agreed at the request of the Original Borrower to allow the Assuming Borrower's assumption of the balance of the indebtedness evidenced by the Note as part of the consideration for the purchase of the property.

For and in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration paid by each of the parties to the other, the receipt and sufficiency of which are hereby acknowledged and confessed, and in consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Instrument):

1. **Acknowledgment and Assumption of Unpaid Principal Balance:** Original Borrower and Assuming Borrower acknowledge that as of May 1st, 2024, the amount payable under the Note and secured by the Security Instrument (the "Unpaid Principal Balance") is U.S. \$439,246.05. Assuming Borrower hereby expressly assumes the payment of the indebtedness evidenced by the above described Note and promises to pay jointly and severally to the order of the Lender the sum of U.S. \$439,246.05 (the "Principal Balance"), consisting of the unpaid principal balance less any reductions of principal made by Original Borrower. Assuming Borrower also agrees to perform and comply with all covenants, conditions and obligations of the Security Instrument, as amended herein.

Interest will be charged on the Principal Balance until the full amount of principal has been paid. Assuming Borrower will pay interest at a yearly rate of 2.375%. The Assuming Borrower promises to make initial monthly payments of principal and interest of U.S. \$1,807.24, beginning on June 1st, 2024, and continuing thereafter on the 1st day of each succeeding month until principal and interest are paid in full. If on February 1st, 2052 ("Maturity Date"), the Assuming Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, the Assuming Borrower will pay these amounts in full on the Maturity Date.

The Assuming Borrower will make such payments at Freedom Mortgage Corporation, 951 Yamato Road, Suite 175, Boca Raton, Florida 33431 or at such other place as Lender may require.

2. **Release of Liability:** Original Borrower does hereby transfer and convey to Assuming Borrower all of his/her right, title and interest with respect to any payment heretofore or hereafter received by Lender in connection with the above described Note and Security Instrument securing same. Lender releases Original Borrower from any and all liability, now existing or hereinafter incurred, on or under the Note and Security Instrument securing such debt.

The Note and Security Instrument were executed by Original Borrower and the loan which the Note and Security Instrument respectively secure is guaranteed by the Department of Veterans Affairs pursuant to the provisions of Title 38, U.S.C., Chapter 37. As part of the consideration for the conveyance of the real property and as part of the same transaction, Assuming Borrower assumes and agrees to pay the Indebtedness evidenced by that Note, as modified or extended before this date, and to be bound by and to perform all the covenants of the Security Instrument at the time and in the manner provided and also hereby assume the obligations under the terms of the instruments creating the loan. Pursuant to superseding federal law, and regardless of any state or local laws prohibiting or limiting deficiencies after foreclosure, Assuming Borrower also agrees to indemnify the Department of Veterans Affairs to the extent of any claim payment arising from the above loan.

**In consideration of the foregoing assumption of liabilities, the Original Borrower, pursuant to the provisions of Title 38, U.S.C., 1814, ("is/are) relieved of all further liability to the Department of Veterans Affairs on account of such loan. LOANS MADE PRIOR TO MARCH 1, 1988 REQUIRE THE DEPARTMENT OF VETERANS AFFAIRS APPROVAL BEFORE A RELEASE OF LIABILITY CAN BE GRANTED. LOANS MADE AFTER MARCH 1, 1988, REQUIRE THE HOLDER/SERVICER'S APPROVAL PRIOR TO TITLE TRANSFER.**

3. **Assumption of Original Terms:** The Assuming Borrower hereby agrees to assume all of the obligations of the Original Borrower under the terms of the instruments creating and securing the loan.

4. **Transfer of Escrow Funds to Borrower:** Original Borrower assigns and transfers to Assuming Borrower all funds on deposit for payment of taxes, homeowner association dues, insurance premiums and any applicable refunds. Assuming Borrower understands that it is Assuming Borrower's responsibility to obtain hazard insurance on the Property and that Original Borrower's policy may not inure to Assuming Borrower's benefit.

5. **Waiver of Due-on-Transfer Clause:** In consideration of the assumption of the Note and Security Instrument by Assuming Borrower, and the modification of the Note (if any), as described above, the Lender agrees to waive and relinquish its right under the Security Instrument to declare all sums secured by the Security Instrument immediately due and payable by reason of the sale and transfer by Original Borrower to Assuming Borrower, it being understood and agreed that this waiver and relinquishment applies only to said sale and not to any future sales or transfers. In addition, Original Borrower hereby agrees that if the prepayment of the Note requires a refund of a portion of the interest previously collected in order to comply with the applicable laws of this state, Original Borrower assigns and transfers to Assuming Borrower any and all right and interest in and to any such refund, and Lender is hereby authorized to pay or credit such refund to Assuming Borrower.

6. **Late Charges for Overdue Payments:** If a principal and interest payment is overdue, Assuming Borrower will pay a late charge to the Lender. The number of days before a principal and interest payment is overdue and the amount of the late charge are defined in the Note. Assuming Borrower will pay this late charge promptly but only once on each late payment. The late charge is not in lieu of any other remedy of Lender, including any default remedy, and will not be charged if such charge would constitute interest in excess of the maximum permitted by state law.

7. **Renewal and Extension of Maturity:** This Agreement is a "written extension" as provided by the applicable laws of this state. It is the intention of the parties that all liens and security interests described in the Security Instrument are hereby renewed and extended until the indebtedness evidenced by the Note, as renewed, modified and extended hereby, has been fully paid. The parties acknowledge and agree that such extension, renewal, amendment, modification or rearrangement shall in no manner affect or impair the Note or the liens and security interests securing same, the purpose of this Agreement being simply to provide for the assumption of the indebtedness evidenced thereby, and to carry forward all liens and security interests securing the Note (including if applicable any and all vendor's liens securing the Note), which are expressly acknowledged by the Original Borrower and the Assuming Borrower to be valid and subsisting, and in full force and effect so as to fully secure the payment of the Note.

8. **Usury:** No provisions of this Agreement or the Note or any instrument evidencing or securing the Note, or otherwise relating to the indebtedness evidenced by the Note, shall require the payment or permit the demand, collection, application or receipt of interest in excess of the maximum permitted by applicable state or federal law. If any excess of interest in such respect is herein or in any such other instrument provided for, or shall be adjudicated to be so provided for herein or in any such instrument, the provisions of this paragraph shall govern, and neither Original Borrower, Assuming Borrower nor any endorser or guarantor of the Note nor their respective heirs, personal representatives, successors or assigns shall be obligated to pay the amount of such interest to the extent it is in excess of the amount permitted by applicable law. It is expressly stipulated and agreed to be the intent

of Original Borrower, Assuming Borrower and Lender to at all times comply with the usury and other laws relating to the Note and the Security Instrument and any subsequent revisions, repeals or judicial interpretations hereof, to the extent applicable thereto. In the event Lender ever receives, collects or applies as interest any such excess, including but not limited to any "late charges" collected, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance of the Note, and, if upon such application the principal balance of the Note is paid in full, any remaining excess shall be forthwith paid to Assuming Borrower and the provisions of the Note and the Security Instrument shall immediately be deemed reformed and the amounts thereafter collectible thereunder reduced, without the necessity of execution of any new document, so as to comply with the then applicable law, but so as to permit the recovery of the fullest amount otherwise called for thereunder. In determining whether or not the interest paid or payable under any specific contingency exceeds the maximum interest allowed to be charged by applicable law, Assuming Borrower and Lender shall, to the maximum extent permitted under applicable law, amortize, prorate, allocate and spread the total amount of interest throughout the entire term of the Note so that the amount or rate of interest charged for any and all periods of time during the term of the Note is to the greatest extent possible less than the maximum amount or rate of interest allowed to be charged by law during the relevant period of time.

9. **Loan Documentation:** As amended hereby, the provisions of the Note and Security Instrument shall continue in full force and effect, and the Original Borrower and Assuming Borrower acknowledge and reaffirm Original Borrower's and Assuming Borrower's liability to Lender thereunder. In the event of any inconsistency between this Agreement and the terms of the Note and Security Instrument, this Agreement shall govern. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and the Assuming Borrower and Lender will be bound by, and comply with, all of the terms and provisions thereof, as amended by this Agreement. Any default by Assuming Borrower in performance of its obligations herein contained shall constitute a default under the Note and Security Instrument, and shall allow Lender to exercise all of its remedies set forth in said Security Instrument.

10. **Hazardous Substances:** As used in this Paragraph 10, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this Paragraph 10, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection. Assuming Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Assuming Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property. Assuming Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Assuming Borrower has actual knowledge. If Assuming Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Assuming Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.



**11. MERS:**

**11.1** If the loan was originated **with** the MERS Rider Form 3158:

"MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is the Nominee for Lender and Lender's successors and assigns and is acting solely for Lender. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

**11.2** If the loan was originated **without** the MERS Rider Form 3158:

(a) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is the Nominee for Lender and Lender's successors and assigns and is acting solely for Lender. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS. MERS is appointed as the Nominee for Lender to exercise the rights, duties and obligations of Lender as Lender may from time to time direct, including but not limited to appointing a successor trustee, assigning, or releasing, in whole or in part the Security Instrument, foreclosing or directing Trustee to institute foreclosure of the Security Instrument, or taking such other actions as Lender may deem necessary or appropriate under the Security Instrument. The term "MERS" includes any successors and assigns of MERS. This appointment will inure to and bind MERS, its successors and assigns, as well as Lender, until MERS' Nominee interest is terminated.

(b) "Nominee" means one designated to act for another as its representative for a limited purpose.

(c) Lender, as the beneficiary under the Security Instrument, designates MERS as the Nominee for Lender. Any notice required by Applicable Law or this Security Instrument to be served on Lender must be served on MERS as the designated Nominee for Lender. Assuming Borrower understands and agrees that MERS, as the designated Nominee for Lender, has the right to exercise any or all interests granted by Assuming Borrower to Lender, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, assigning and releasing the Security Instrument, and substituting a successor trustee.

(d) Notices. Assuming Borrower acknowledges that any notice Assuming Borrower provides to Lender must also be provided to MERS as Nominee for Lender until MERS' Nominee interest is terminated. Any notice provided by Assuming Borrower in connection with the Security Instrument will not be deemed to have been given to MERS until actually received by MERS.

(e) Substitute Trustee. In accordance with Applicable Law, Lender or MERS may from time to time appoint a successor trustee to any Trustee appointed under the Security Instrument who has ceased to act. Without conveyance of the Property, the successor trustee will succeed to all the title, power and duties conferred upon Trustee in the Security Instrument and by Applicable Law.

**11.3** Lender acknowledges that until it directs MERS to assign MERS's Nominee interest in the Security Instrument, MERS remains the Nominee for Lender, with the authority to exercise the rights of the Lender.

**12. Partial Invalidity:** In the event any portion of the sums intended to be secured by this Agreement cannot be lawfully secured, payments in reduction of such sums shall be applied first to those portions not secured.

**13. Miscellaneous:** Assuming Borrower hereby agrees to pay all allowable costs and expenses incurred by Lender in connection with the execution and administration of this Agreement. Lender does not, by its execution of this Agreement, waive any right it may have against any person not a party hereto.

This Agreement may be executed in multiple counterparts, each of which shall constitute an original instrument, but all of which shall constitute one and the same Agreement.

Loan No.: 138354469

14. **No Oral Agreements:** The written Loan Agreements represent the final agreements between parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties.

There are no unwritten oral agreements between the parties.

Original Borrower:

05/29/2024  
Date

[Signature]  
Armando J. Davila

ORIGINAL BORROWER'S ADDRESS:  
2427 Harvard St  
Klamath Falls, Oregon 97601

**ORIGINAL BORROWER ACKNOWLEDGMENT**

State of Oregon §  
County of Klamath §

On this 29<sup>th</sup> day of May, 2024, before me,  
Danielle K. Brewer [name of notary], a Notary Public in and for said state,  
personally appeared Armando J. Davila [name of person acknowledged], known to me to be the person who  
executed the within instrument, and acknowledged to me that he/she/they executed the same for the purpose therein  
stated.

(Seal)



[Signature]  
Notary Signature

Danielle K. Brewer  
Type or Print Name of Notary

Notary Public, State of Oregon

My Commission Expires: 08/09/2028

Loan No.: 138354469

Original Borrower:

5/29/2024  
Date

Christin C. Davila  
Christin C. Davila

ORIGINAL BORROWER'S ADDRESS:  
2427 Harvard St  
Klamath Falls, Oregon 97601

### ORIGINAL BORROWER ACKNOWLEDGMENT

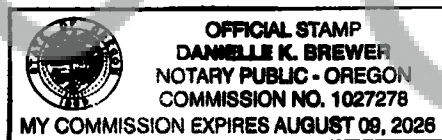
State of Oregon §  
County of Klamath §

On this 29th day of May, 2024, before me,  
Danielle K. Brewer [name of notary], a Notary Public in and for said state,  
personally appeared Christin C. Davila  
[name of person acknowledged], known to me to be the person who executed the within instrument, and  
acknowledged to me that he/she/they executed the same for the purpose therein stated.

(Seal)

Danielle K. Brewer  
Notary Signature

Danielle K. Brewer  
Type or Print Name of Notary



Notary Public, State of Oregon

My Commission Expires: 08/09/2026

Loan No.: 138354469

Assuming Borrower:

05/29/2024  
Date

[Signature]  
Armando J Davila

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

ASSUMING BORROWER'S ADDRESS:  
2427 Harvard St  
Klamath Falls, Oregon 97601

### ASSUMING BORROWER ACKNOWLEDGMENT

State of Oregon §  
County of Klamath §

On this 29<sup>th</sup> day of May, 2024, before me,  
Danielle K. Brewer [name of notary], a Notary Public in and for said state,  
personally appeared Armando J Davila

[name of person acknowledged], known to me to be the person who executed the within instrument, and  
acknowledged to me that he/she/they executed the same for the purpose therein stated.

(Seal)



[Signature]  
Notary Signature

Danielle K. Brewer  
Type or Print Name of Notary

Notary Public. State of Oregon

My Commission Expires: 08/09/2026



Loan No.: 138354469

6.3. 2024

-Date

Freedom Mortgage Corporation

-Lender

By: Kristin Gallbreath  
Printed/Typed Name: Kristin Gallbreath  
Its: Supervisor

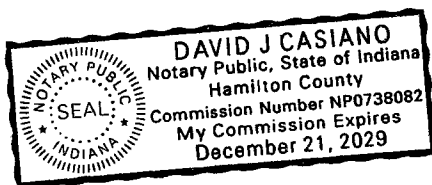
### LENDER ACKNOWLEDGMENT

State of Indiana §  
County of Hamilton §

On this 3 day of June, 2024, before me,  
David J. Casiano [name of notary], a Notary Public in and for said state,  
personally appeared Kristin Gallbreath, Supervisor of  
Freedom Mortgage Corporation

, Lender,  
personally known to me to be the person who executed the within instrument on behalf of said entity, and  
acknowledged to me that he/she/they executed the same for the purpose therein stated.

(Seal)



David J. Casiano

Notary Signature

David J. Casiano  
Type or Print Name of Notary

Notary Public, State of Indiana

My Commission Expires: 12/21/2029

Loan No.: 138354469

6-3-2024  
-Date

Mortgage Electronic Registration Systems, Inc.  
as nominee for Lender, its successors and -MERS  
assigns

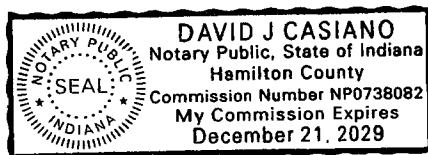
By Kristin Galbraith  
Printed/Typed Name: Kristin Galbraith  
Its: Assistant Secretary

### MERS ACKNOWLEDGMENT

State of Indiana §  
County of Hamilton §

On this 3 day of June, 2024, before me,  
David J. Casiano [name of notary], a Notary Public in and for said state,  
personally appeared Kristin Galbraith, Asst. Secretary of  
Mortgage Electronic Registration Systems, Inc., as nominee for Lender, its successors and assigns, personally  
known to me to be the person who executed the within instrument on behalf of said entity, and acknowledged to me  
that he/she/they executed the same for the purpose therein stated.

(Seal)



David J. Casiano  
Notary Signature  
David J. Casiano  
Type or Print Name of Notary

Notary Public, State of Indiana

My Commission Expires: 12/21/2029

**EXHIBIT "A"**

**LOTS 6, 7, 8, 9, 10, 11, 12 AND 13 IN BLOCK 31, SUPPLEMENTARY PLAT OF BUENA VISTA  
ADDITION TO THE CITY OF KLAMATH FALLS, IN THE COUNTY OF KLAMATH, STATE OF  
OREGON.**

**A.P.N. 438645**

Unofficial  
Copy