

WHEN RECORDED MAIL:
 P.O. Box 11070
 Reno, NV. 89510
 #43324 NCA

ASSUMPTION AGREEMENT
OF AN ADJUSTABLE RATE NOTE

AGREEMENT, made this 21st day of March, 19 88, between Rhonda E. Ogg, formerly Rhonda Jordan hereinafter called the "Transferor"; John R. Ferguson and Janalyn Ferguson

hereinafter called the "Transferee"; and FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF NEVADA, a corporation created and existing under and by virtue of the laws of the United States of America, having its principal place of business in the City of Reno, County of Washoe, State of Nevada, hereinafter called the "Association";

W I T N E S S E T H:

WHEREAS, the Transferor did on May 9, 1984, execute and deliver unto the Association a Note in the sum of fifty eight thousand nine hundred Dollars (U.S. \$ 58,900.00) for the payment of said principal sum together with interest thereon at the rate and upon the terms as more fully set forth in said Note; and

WHEREAS, the Transferor did also execute, acknowledge and deliver a Deed of Trust of even date therewith which Deed of Trust was recorded in Book 584, at page 971, under Document Number 100696, Official Records of Douglas County, Nevada, and which Deed of Trust covered the premises described as follows:
 Lot 14, Block 1 of Re-Subdivision of portions of Artemisia Subdivision, filed in the office of the County Recorder of Douglas County, Nevada, on April 23, 1962, as Document No. 19909, of official records.
 A.P.N. 21-201-13

This documents is being recorded in counterpart with document recorded concurrently herewith

WHEREAS, the Association is the holder of said Note and Deed of Trust; and there is now due and owing the sum of fifty seven thousand seven hundred and twelve and sixty four one hundredth Dollars (U.S. \$ 57,712.64), with interest thereon at the rate of nine and eight hundredths percent (9.800 %) per annum from April 1, 19 88, said indebtedness being payable by consecutive monthly payments of five hundred eleven and seven one hundredths Dollars (\$ 511.07) on the first day of each month, and the entire indebtedness due and payable on June 1, 2014; said Promissory Note is an Adjustable Interest Rate Note and the interest rate and monthly payments may change during the loan term. A copy of said Note is attached hereto marked Exhibit "A";

WHEREAS, the Transferor has conveyed the premises described above to the Transferee;

WHEREAS, the Association has consented to the assumption by Transferee of the obligation; provided, that Transferor shall be released from the obligation to pay the principal sum of said Note and Deed of Trust and interest thereon;

NOW: THEREFORE, in consideration of the foregoing promises and other good and valuable consideration, the receipt of which is hereby acknowledged, and in consideration of the mutual promises of the Parties hereto, the Parties hereto do hereby mutually covenant and agree as follows:

1. The Transferee does hereby assume and agree to pay the principal sum of the indebtedness evidenced by the Note and secured by said Deed of Trust, reduced as of N/A, 19 , to the principal sum of \$ N/A together with interest at the rate or rates set forth in accordance with the terms of said Note and Deed of Trust.
2. The Association does by this Assumption Agreement relieve and release the Transferor of and from any liability or obligation to make the payments provided for pursuant to the terms of the said Note and Deed of Trust referred to above.

There are no offsets or defenses to the said Note and Deed of Trust or to the amount of the debt as hereinbefore set forth.

Except as modified by this Agreement, all the provisions of said Note and Deed of Trust are and shall remain in full force and effect and are and shall be performed by the Transferee

INITIAL & DATE

ADJUSTABLE RATE NOTE

(1 Year Index—Payment Cap)

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENTS EVERY YEAR AFTER THE FIRST THREE YEARS. IF MY INTEREST RATE INCREASES, MY MONTHLY PAYMENTS WILL BE HIGHER. IF MY INTEREST RATE DECREASES, MY MONTHLY PAYMENTS WILL BE LOWER.

1260637

RENO NEVADA
(City) (State)

7 MAY 1984

2638 KAYNE AVENUE MINDEN NEVADA 89423
(Property Address)

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 58,900.00 (this amount is called "principal"), plus interest, to the order of the Lender. The Lender is ... TMC FINANCIAL, LTD.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of principal has been paid. I will pay interest at a yearly rate of 11.80% The interest rate I will pay will change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making payments every month.

I will make my monthly payments on the first day of each month beginning on 1 JULY 1984 I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. My monthly payments will be applied to interest before principal. If, on 1 JUNE 2014 I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "maturity date."

I will make my monthly payments at 445 SO. VIRGINIA STREET, RENO, NEVADA 89501 or at a different place if required by the Note Holder.

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. \$ 596.80 This amount may change.

(C) Monthly Payment Changes

Changes in my monthly payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this note.

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of JUNE 1987 and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the monthly weighted average cost of savings, borrowings, and Federal Home Loan Bank advances to Eleventh District Members of the Federal Home Loan Bank of San Francisco. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

175482

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding $1 \frac{1}{8} \frac{818}{1000}$ percentage points ($.12818$) to the Current Index. This amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal balance of my loan I am expected to owe on the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation is called the "Full Payment Amount," and it will be the new amount of my monthly payment.

(D) Maximum Interest Rate Changes

Anything herein to the contrary notwithstanding, during the term of the loan and after the initial **THREE** years of the loan term, the interest rate will be adjusted each and every year thereafter on the Change Date in accordance with the Current Index of the Interest Rate Index which is the monthly weighted average cost of savings, borrowings, and Federal Home Loan Bank advances to Eleventh District Members of the Federal Home Loan Bank of San Francisco, provided, however, the maximum increase or decrease in the interest rate on each Change Date will not exceed **TWO** percent ($.02$) above or below the rate charged in the previous year and, in addition, during the term of the loan the interest rate will not increase or decrease more than **FOUR** percent ($.04$) above or below the initial interest rate of the loan.

(E) Required Full Payment Amount

Beginning with the first monthly payment after the last Change Date, I will pay the Full Payment Amount as my monthly payment.

(F) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(G) Notice of Changes

The Note Holder will mail or deliver to me a notice of any changes in the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

5. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as "prepayment." When I make a prepayment, I will tell the Note Holder in writing that I am doing so.

I may make a full prepayment or a partial prepayment without paying any prepayment charge. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. My partial prepayment may reduce the amount of my monthly payments after the first Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

6. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (ii) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

7. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any of my monthly payments by the end of **15** calendar days after the date is due, I will pay a late charge to the Note Holder. The amount of the charge will be **5.00** % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on any late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed or delivered to me.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorney's fees.

8. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by mailing it by first class mail or by delivering it to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety, or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety, or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

10. WAIVERS

I and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

11. THIS NOTE SECURED BY A SECURITY INSTRUMENT

In addition to the protection given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") with an Adjustable Rate Rider, dated the same day as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument and Rider describe how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note.

Notwithstanding a sale, transfer, or assumption of this Note, Borrower will continue to be obligated under the Note and this Security Instrument unless Lender has released Borrower in writing.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

____ (Seal)
Borrower

____ (Seal)
Borrower

____ (Seal)
Borrower

____ (Seal)
Original Only

REQUESTED BY
WESTERN TITLE COMPANY, INC.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'88 APR -1 P3:39

SUZANNE BEAUBREAU
RECORDER

\$ 9.00 PAID *[Signature]* DEPUTY **175482**

BOOK **488** PAGE **115**