

DEED IN LIEU OF FORECLOSURE

THIS INDENTURE between TITANIC INVESTMENTS, an Oregon partnership (hereinafter referred to as Grantor), and TIMOTHY E. FLOWERDAY (hereinafter referred to as Grantee);

WHEREAS, certain real property hereinafter described is subject to a certain Land Sales Contract executed by and between Grantor and Grantee, dated November 1, 1981, said real property being located in the County of Klamath, State of Oregon;

WHEREAS, there is now owing the sum of \$164,585.29 plus accrued interest and other costs, the same now being in default and said Land Sales Contract being now subject to foreclosure, and

WHEREAS, Grantor, being unable to pay, has requested Grantee to accept an Absolute Deed of Conveyance of said property in satisfaction of the indebtedness represented by said Land Sale Contract, and Grantee does now accede to said request;

NOW, THEREFORE, for the consideration hereinafter stated (which includes the cancellation of the Land Sale Contract), Grantor does hereby grant, bargain, sell, and convey unto the Grantee, his heirs, successors and assigns, all of the following described real property located in the County of Klamath, State of Oregon, to-wit: Lot 5 and the Northerly 14 feet of Lot 6, Block 1, Third Addition to Altamont Acres, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

together with all of the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining;

TO HAVE AND TO HOLD the same unto said Grantee, his heirs, successors and assigns forever.

The Grantor, for themselves, their heirs, and legal representatives, do covenant to and with Grantee, his heirs, successors and assigns, that the Grantor has equitable title to the above described real property pursuant to the above described Land Sales Contract; that this Deed is intended as a conveyance, absolute in legal effect as well as in form, of the title of said premises to the Grantee, and not as a mortgage, trust deed or security instrument of any kind; that possession of said premises is hereby surrendered and delivered to said Grantee;

that this Deed shall not have the effect of a mutual rescission, and that any payments previously made hereunder shall be the sole property of Grantee or Grantee's obligors; that in executing this Deed, the Grantor is not acting under any misapprehension as to the effect thereof or under any duress, undue influence, or misrepresentation by the Grantee, or the Grantee's representatives, agents or attorneys.

The true and actual consideration paid for this transfer consists of or includes other property or value given or promised which is the whole consideration.

In construing this instrument, it is understood and agreed that the first party as well as the second party may be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural; that the singular pronoun means and includes the plural, the masculine, the feminine and the neuter and that, generally, all grammatical changes shall be made, assumed and implied to make the provisions hereby apply equally to corporations and individuals.

IN WITNESS WHEREOF, the first party above named has executed this instrument on this, the 15 day of February, 1983.

*William N. Kent*  
For Titanic Investments

*Michael N. Stone*  
For Titanic Investments

STATE OF OREGON )  
County of Lane ) ss.

Personally appeared before me the above named Michael N. Stone and William N. Kent and acknowledged the foregoing instrument to be their voluntary and authorized act and deed. Dated this 15 day of February, 1983.

*[Signature]*  
Notary Public for Oregon  
My Commission Expires: 12/1/84

DEED IN LIEU OF FORECLOSURE - 2

RETURN TO: Lane Escrow & Title Company, Attn: Debbie  
P.O. Box 129  
Springfield, OR 97477

STATE OF OREGON; COUNTY OF KLAMATH; ss  
I hereby certify that the within instrument was received and filed for record on the 9th day of March A.D., 1983 at 10:23 o'clock A M and duly recorded in Vol 83, of DEEDS on page 3537

FEE \$ 8.00

EVELYN BIEHN COUNTY CLERK  
by *Berntha J. Letcher* Deputy