

THIS INDENTURE between James H. Schwartz

hereinafter called the first party,

and TRANSAMERICA FINANCIAL SERVICES, hereinafter called the second party;

WITNESSETH:

WHEREAS, the title to the real property hereinafter described is vested in fee simple in the first party, subject to the lien of a mortgage or trust deed recorded in the mortgage records of the county hereinafter named, in Book M-83, at Page 9171 thereof or as File/Reel No. _____, reference to said records hereby being made, and the notes and indebtedness secured by said mortgage or trust deed are now owned by the second party, on which notes and indebtedness there is now owing and unpaid the sum of \$ 19468.00, the same being now in default and said mortgage or trust deed now being subject to immediate foreclosure, and,

WHEREAS, the first party, being unable to pay the same, has requested the second party to accept an absolute deed of conveyance of said property in exchange for second party's agreement not to seek any deficiency judgment against first party on account of the above referenced note(s) and deed of trust or mortgage, or judgment on account of the note alone,

NOW THEREFORE, for the consideration hereinafter stated, the first party does hereby grant, bargain, sell and convey unto the second party, his heirs, successors and assigns, all of the following described real property situated in Klamath County, State of Oregon to wit:

SEE EXHIBIT "A" FOR LEGAL DESCRIPTION

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

TO HAVE AND TO HOLD the same unto said second party, his heirs, successors and assigns forever. And the first party, for himself and his heirs and legal representatives, does covenant to and with the second party, his heirs, successors and assigns, that the first party is lawfully seized in fee simple of said property, free and clear of encumbrances except said mortgage or trust deed and further except: None

that the first party will warrant and forever defend the above granted premises, and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, other than the liens above expressly excepted, that this deed is intended as a conveyance, absolute in effect as well as in form, of the title to said premises to the second party and all redemption rights which the first party may have therein, and not as a mortgage, trust deed or security of any kind; that possession of said premises hereby is surrendered and delivered to said second party; that in executing this deed the first party is not acting under any misapprehension as to the effect thereof or under any duress, undue influence, or misrepresentation by the second party, or second party's representatives, agents or attorneys, that this deed is not given as a preference over other creditors of the first party and that at this time there is no person, co-partnership, or corporation other than the second party, interested in said premises directly or indirectly, in any matter whatsoever except as aforesaid.

This deed does not effect a merger of the fee simple ownership and the lien of the mortgage described above. The fee and lien shall hereinafter remain separate and distinct.

By acceptance of this deed, which acceptance of this deed shall occur only upon signature below by an officer of second party and recordation of this deed at the direction of the second party, the second party covenants and agrees that he shall forever forbear taking any action whatsoever to collect against the first party on the promissory note given to secure the mortgage above described, other than by foreclosure of that mortgage, and that in any proceeding to foreclose the mortgage he shall not seek, obtain or permit a deficiency judgment against the first party, his heirs or assigns, such rights and remedies being hereby waived. Other than as set forth in this paragraph, however the debt evidenced by note(s) described herein is not satisfied or forgiven.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 19468.00. However, the actual consideration consists of or includes other property or value given or promised which is part of (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 hereof apply equally to corporations and to individuals.

Attachment -- EXHIBIT B

IN WITNESS WHEREOF, the first party above named has executed this instrument; if first party is a corporation, it has caused its corporate name to be signed hereto and its corporate seal affixed by its officers duly authorized thereunto by order of its Board of Directors.

DATED THIS 25 day of October 19 84

James H. Schwartz

STATE OF OREGON

County of

Hamath

DEED 13990723
(instrument to sell)

18391

BE IT REMEMBERED, That on this 25th day of October, 19 84,

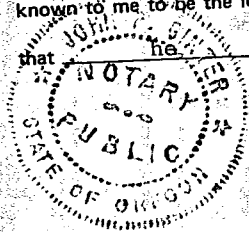
before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named

James H. Schwartz

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me

that he 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.



John L. Stiller
Notary Public for Oregon.

My Commission expires 7/17/88

STATE OF OREGON

County of

Hamath

ss.

On this 25th day of Oct, 19 84,

before me appeared _____ and _____ both to me personally known, who being

duly sworn, did say that he, the said _____

is the _____ President, and he, the said _____

is the _____ Secretary _____ of _____ the within named Corporation, and that the seal affixed to said instrument is the corporate seal of said Corporation, and that the

said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors, and _____

_____ and _____ acknowledge said instrument to be the free act and deed of said Corporation.

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

Notary Public for Oregon.

My Commission expires _____

ACCEPTED BY TRANSAMERICA FINANCIAL SERVICES

BY: _____

Title: _____

BY: _____

Title: _____ Date: _____

STATE OF CALIFORNIA,

County of

ss.

On this _____ day of _____, 19 _____,

before me appeared _____ and _____ both to me personally known, who being

duly sworn, did say that he, the said _____

is the _____ President, and he, the said _____

is the _____ Secretary _____ of _____ the within named Corporation, and that the seal affixed to said instrument is the corporate seal of said Corporation, and that the

said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors, and _____

_____ and _____ acknowledge said instrument to be the free act and deed of said Corporation.

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

Notary Public for California.

My Commission expires _____

EXHIBIT A

All those portions of Lots 1, 2 and 3, Block 7, THE TERRACES ADDITION TO THE CITY OF KLAMATH FALLS, and that portion of vacated Shasta View Street adjoining Lot 3, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a point on the Northeasterly right of way Laguna Street, said point being on the Westerly line of vacated Shasta View Street and also being North $21^{\circ} 14'$ West 74.00 feet from the Southwest corner of Lot 1, Block 8, THE TERRACES; thence along the Northeasterly line of Laguna Street, North $21^{\circ} 14'$ West 118.90 feet; thence Northeasterly along the arc of a 19.0 foot radius curve having a long chord which bears North $41^{\circ} 39 \frac{3}{4}'$ East 33.83 feet, a distance of 41.72 feet; thence Southeasterly along the arc of a curve which has a radius of 115.84 feet and a long chord which bears South $54^{\circ} 20 \frac{1}{4}'$ East 83.42 feet, a distance of 85.34 feet; thence South $33^{\circ} 14'$ East 43.42 feet to the most Northeasterly corner of that parcel described in Deed Volume M-75 at page 16322, Klamath County Deed Records; thence South $54^{\circ} 13' 49''$ West, along the Northwesterly line of said parcel described in M-75 at page 16322, 87.50 feet to the point of beginning.

EXHIBIT B

"This deed is an absolute conveyance, the grantor having sold the land to the grantee for a fair and adequate consideration, the consideration, in addition to that above recited, being full satisfaction of all obligations secured by the trust deed executed by James H. Schwartz to Transamerica Title Company as Trustee recorded in Book M23, page 9171, Official Records of Klamath County, State of Oregon.

Grantor declares that this conveyance is freely and fairly made, and that there are no agreements, oral or written, other than this deed between grantor and grantee with respect to the land."

James H. Schwartz
James H. Schwartz



10/25/84
Notary Public
John A. Dwyer
Comm exp 7/17/88

ESTOPPEL AFFIDAVIT

18394

State of Oregon } ss.
 County of Klamath

James H. Schwartz, being first duly sworn,
 each for himself and herself, depose and say:

That they are the identical parties who made, executed, and delivered that certain deed to Transamerica Financial Services dated June 10, 1983, conveying the following described property:

See attached description - EXHIBIT "A"

That affiants now are, and at all times herein mentioned were, husband and wife:

That the aforesaid deed is intended to be and is an absolute conveyance of the title to the premises to the grantee named therein, and was not and is not now intended as a mortgage, trust conveyance, or security of any kind; that it was the intention of affiants as grantors in the deed to convey, and by the deed these affiants did convey, to the grantee therein all their right, title, and interest absolutely in and to the premises; that possession of the premises has been surrendered to the grantee;

That in the execution and delivery of the deed, affiants were not acting under any misapprehension as to the effect thereof, and acted freely and voluntarily and were not acting under coercion or duress;

That the consideration for the deed was and is payment to affiants of the sum of \$ 17882.80 by grantee, and the full cancellation of all debts, obligations, costs, and charges secured by that certain deed of trust heretofore existing on the property executed by James H. Schwartz, as trustee, for Transamerica Financial Services, 707 Main St., Klamath Falls, OR 97601, as beneficiary, dated June 6, 1983, and recorded in Book M83, Page 9171, Official Records of Klamath County, State of Oregon and the reconveyance of the property

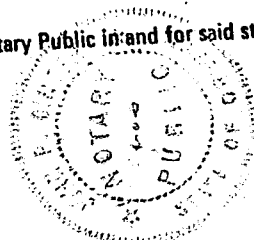
under the deed of trust; that at the time of making the deed affiants believed and now believe that the aforesaid consideration therefor represents the fair value of the property so deeded;

This affidavit is made for the protection and benefit of the grantee in the deed, his successors and assigns, and all other parties hereafter dealing with or who may acquire an interest in the property herein described, and particularly for the benefit of Aspen Title Company, which is about to insure the title to the property in reliance thereon, and any other title company that may hereafter insure the title to the property;

That affiants, and each of them, will testify, declare, depose, or certify before any competent tribunal, officer, or person, in any case now pending or that may hereafter be instituted, to the truth of the particular facts hereinabove set forth.

Subscribed and sworn to before me this 25 day of October, 1984.

John B. Dwyer, Notary Public in and for said state



James H. Schwartz

EXHIBIT A

All those portions of Lots 1, 2 and 3, Block 7, THE TERRACES ADDITION TO THE CITY OF KLAMATH FALLS, and that portion of vacated Shasta View Street adjoining Lot 3, in the County of Klamath, State of Oregon, more particularly described as follows:

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RETURN TO:
TA FINANCIAL
BOX 1269
KFO 97601

STATE OF OREGON,)
County of Klamath)
Filed for record at request of

on this 26th day of October A.D. 19 84
at 10:37 clock A M, and duly
recorded in Vol. M84 of Deeds
Page 18390

EVELYN BIEHN, County Clerk
By Pam Smith Deputy
Fee 24.00 Index: \$1.00