

ATC 85146
DEED IN LIEU OF FORECLOSURE

KNOW ALL MEN BY THESE PRESENTS, that LeRoy B. Leathers and Lucinda Leathers, Husband and Wife, Grantors, do hereby grant, bargain, sell, and convey unto Harry L. Bonome and Dolores M. Bonome, Husband and Wife, Grantees, the following described real property situated in the County of Klamath and State of Oregon, to-wit:

A tract of land situated in the NW1/4 SW1/4 of Section 7, T38S, R9EWM, Klamath County, Oregon, being more particularly described as follows:

Beginning at the W1/4 corner of said Section 7; thence S89°49'E 799.00 feet to the westerly right of way line of Highway 97 (Dalles-California Hwy); thence S11°36'E, along said right of way line 506.29 feet; thence S78°24'W 99.36 feet to the true point of beginning of this description; thence continuing S78°24'W 286.05 feet; thence S07°55'20"E 272.69 feet; thence S85°03'50"W 92.90 feet; thence S00°06'00"E 37.00 feet; thence S69°30'10"E 475.00 feet (S69°29'E 474.8 feet by recorded Survey No. 2148, as recorded in the Office of the Klamath County Surveyor); thence N11°36'W 87.00 feet; thence N78°24'E 73.15 feet; thence N11°36'W 13.00 feet; thence N78°24'E 27.00 feet to the westerly right of way line of said Highway; thence N11°36'W, along said right of way line, 132.35 feet; thence S85°27'15"W 92.51 feet; thence N11°54'47"W 74.84 feet; thence N74°21'03"E 45.98 feet; thence N11°30'13"W 57.41 feet to the southerly edge of a concrete sidewalk; thence along the southerly and westerly edge of said sidewalk, S78°16'22"W 43.47 feet and N16°40'10"W 125.02 feet; thence N73°19'50"E 5.50 feet; thence N16°40'10"W 46.06 feet to the true point of beginning; containing 3.69 acres, more or less, with bearings based on said recorded Survey No. 2148, TOGETHER WITH AND SUBJECT TO, the easements, common walkway, and common driveways as shown on the attached Exhibit "A", also subject to all easements and rights of way of record or apparent.

together with all the tenements, hereditaments and appurtenances thereto belonging or in anyway appertaining and Grantors do further grant, bargain, convey and assign unto Grantees any and all right, title or interest they may have now or in the future to the BONOME

and AHMET Contract and the personal property leases of RCA, and all furniture, fixtures and equipment contained on said premises and as referred to in that certain Contract of Sale dated the 1st day of April, 1983 between Harry L. Bonome and Dolores M. Bonome as Sellers and LeRoy B. Leathers and Lucinda Leathers as Buyers.

This Deed is absolute in effect and conveys fee simple title of the premises and all property interests of Grantors above-described to the Grantees and does not operate as a mortgage, trust conveyance or security of any other nature or kind.

Grantors covenant that they are the purchasers of the premises and properties described above by Contract between the Grantors and Grantees dated April 1, 1983, a Memorandum of which Contract was recorded in the Klamath County Records on April 6, 1983 in Book M-83 at Page 5160 thereof and that said premises as described above are free of all encumbrances except those particularly set forth in said Contract of Sale dated April 1, 1983 as referred to herein. This Deed shall not affect or cause a merger of the fee ownership or any claims, liens or judgments incurred by the Grantors herein whether the same be of record or known or unknown to the Grantors or Grantees arising on or subsequent to April 1, 1983.

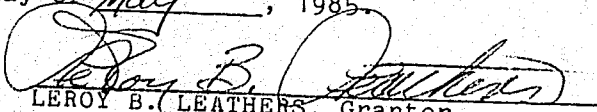
Grantors further covenant and acknowledge that the Contract of Sale between Grantors and Grantees herein referred to is in default and subject to immediate foreclosure by Grantees which action has been commenced by Grantees in the Circuit Court of the State of Oregon for the County of Multnomah bearing Clerk's No. 85-02-01168, and that Grantors are unable to pay the same and desire to avoid the necessity of litigation, and therefore, desirous of entering into this Deed in

Lieu of Foreclosure which is the actual consideration for this Deed.

By acceptance of this Deed, Grantees covenant and agree that they shall forever forbear from taking any further action whatsoever to collect against Grantors on the Contract of Sale referred to herein, and that said proceedings shall be hereafter dismissed with prejudice and without costs or attorney's fees against said Grantors including a release of Grantors of any claim for deficiency judgment or other sums claimed due from Grantors arising out of said Contract, such rights and remedies being hereby waived by Grantees. Grantors hereby deliver up possession of said premises and all properties, real or personal, to Grantees, and hereby waive, surrender, convey and relinquish any equity of redemption or statutory rights of redemption concerning the real or personal property and hereby release Grantees from any and all claims arising out of or being incidental to said Contract between Grantors and Grantees or by other law provided.

Grantors are not acting under any misapprehension as to the legal affect of this Deed, each having obtained independent legal counsel, nor any duress, undue influence or misrepresentation on the part of Grantees, their agents or attorney or any other persons.

IN WITNESS WHEREOF, the Grantors, above-named, have hereunto set their hands and seals this 12 day of May, 1985.

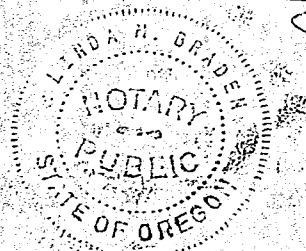

LEROY B. LEATHERS, Grantor


LUCINDA LEATHERS, Grantor

STATE OF OREGON)
) ss.
County of Klamath)

9395

Personally appeared the within named LEROY B. LEATHERS and LUCINDA LEATHERS, Husband and Wife, who being first duly sworn, did say that they are the individuals who did execute the foregoing instrument as their free and voluntary act and deed this 22 day of may, 1985.



BEFORE ME:

Linda M. Braden
Notary Public for Oregon
My Commission expires: 2-10-89

AFTER RECORDING RETURN TO:

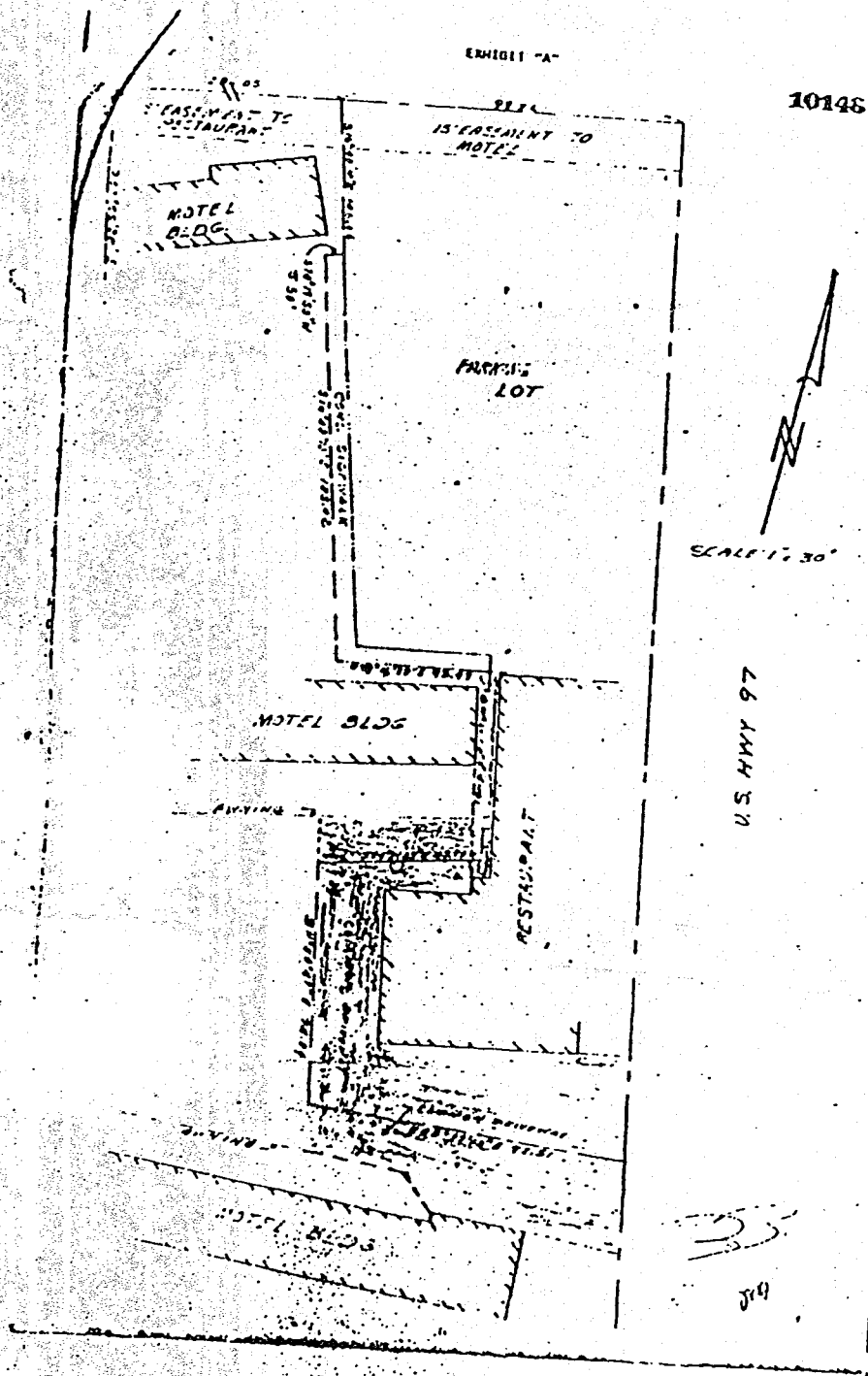
Harry L. Bonome
12656 S.E. Stark Street
Portland, OR 97233

Until a change is requested all
tax statements shall be sent to:

Harry L. Bonome
12656 S.E. Stark Street
Portland, OR 97233

This instrument is being recorded as an accommodation only, and has not been examined as to validity, sufficiency or effect it may have upon the herein described property. This courtesy recording has been requested of **ASPEN TITLE & ESCROW, INC.**

9395A



STATE OF OREGON: COUNTY OF KLAMATH: ss

I hereby certify that the within instrument was received and filed for

record on the 20th day of June A.D., 19 85 at 3:35 o'clock P M,

and duly recorded in Vol 1185, of Deeds on page 9392.

Fee: \$ 21.00

EVELYN BIEHN, COUNTY CLERK

by: Pam Smith, Deputy