

53124

GIACOMINI, JONES & ASSOCIATES
ATTORNEYS AT LAW
635 MAIN STREET
KLAMATH FALLS, OREGON 97601

Vol. 1185 Page 14604

LASSEN PRODUCTION CREDIT ASSOCIATION
P.O. BOX 52
ALTURAS, CALIFORNIA 96101

K-38005

DEED IN LIEU OF FORECLOSURE

Deed in Lieu of Foreclosure made and executed by RALPH E. COPE and RUTH M. COPE, husband and wife (Grantor), to LASSEN PRODUCTION CREDIT ASSOCIATION, a corporation organized and existing under the Farm Credit Act of the Congress of the United States, as amended (Grantee);

W I T N E S S E T H:

WHEREAS, Grantor is indebted to Grantee under promissory notes dated April 20, 1982 in the face amount of \$296,982.00, and dated June 30, 1982, in the face amount of \$256,437.00 (Promissory Note) secured by mortgage dated on June 30, 1982, and recorded on June 30, 1982 (Mortgage), in vol. M-82, page 8270, Microfilm Records of Klamath County, Oregon; and

WHEREAS, Grantor is unable to pay the amount presently owing and unpaid under the Promissory Note and Mortgage; and

WHEREAS, the Mortgage is in default and subject to immediate foreclosure and Grantor has requested Grantee to accept an absolute deed of conveyance of The Property in lieu of foreclosure;

NOW, THEREFORE, in consideration of the Grantee's agreement to forbear taking any action whatsoever to collect against Grantor or Grantor's Guarantors on the Promissory Note, other than by foreclosure of the Mortgage, and in any proceeding to foreclose the Mortgage, to waive any deficiency judgment against Grantor, its successors or assigns, or Grantor's Guarantors, Grantor hereby grants, bargains, sells and conveys The Property to Grantee. Grantor covenants to Grantee, its successors and assigns that:

(a) Grantor is lawfully seized in fee simple of The Property free and clear of all liens and encumbrances, except the Mortgage to Grantee and the exceptions to title contained herein, and Grantor shall warrant and forever defend The Property against the lawful claims and demands of all persons claiming by, through or under it other than the lien and encumbrance excepted above and the following exceptions to title: liens of Klamath County, Oregon, for unpaid taxes under Account No. 3909-1400-100 Key No. 569192, for the fiscal years of 1982-83, 1983-84, 1984-85, and 1985-86 (not yet a lien) and Account No. 3909-14AA-3000 Key No. 569496, for the fiscal years of 1982-83, 1983-84, 1984-85, and 1985-86 (not yet in the lien); liens and assessments of Klamath Project and Klamath Irrigation District,

and regulations, contracts, easements, water and irrigation rights in connection therewith; and easements and rights of way of record and apparent thereon;

(b) This Deed is intended as a conveyance absolute in effect and conveys fee simple title to The Property to Grantee and all redemption rights which Grantor may have therein and does not operate as a mortgage, trust deed or security of any kind;

(c) This Deed does not effect a merger of the fee title and the lien of the Mortgage, and that the Mortgage shall remain separate and distinct from the fee title and constitute a valid and subsisting lien upon The Property to secure all sums payable under such Mortgage;

(d) Grantor has made this Deed with the knowledge that, notwithstanding Grantee's agreement to forbear taking any action to collect against Grantor on the Promissory Note and Grantee's waiver of any deficiency judgment against Grantor in a proceeding to foreclose the Mortgage, Grantor may be joined as a party defendant in a suit to foreclose the Mortgage and all other subordinate liens and encumbrances existing upon The Property;

(e) The true and actual consideration paid for this transfer is satisfaction of the above described indebtedness. In addition, the true and actual consideration includes Grantee's agreements contained herein;

(f) Grantee shall have no rights against Grantor should The Property be worth less than the indebtedness;

(g) Grantor is not acting under any misapprehension as to the effect hereof, nor under any duress, undue influence or misrepresentation by Grantee; and

(h) Possession of The Property is surrendered and delivered to Grantee.

Upon acceptance of this Deed by Grantee, and in consideration thereof, Grantee covenants and agrees that it shall forbear taking any action against Grantor, or Grantor's Guarantors, on the Promissory Note, other than by foreclosure of the Mortgage, and that in any proceedings to foreclose the Mortgage, Grantee shall look solely to The Property to satisfy its judgment and will not attempt to enforce against the Grantor, or Grantor's Guarantors of the indebtedness, any judgment it may recover in such proceedings.

In construing this Deed: (1) the promissory notes referred to in this Deed herein is called "Promissory Note"; (2) the mortgage described in this Deed herein is called "Mortgage"; (3) pronouns used in this Deed shall be construed in accordance with the appropriate gender or neuter, and as either singular or plural, as the context requires; (4) "The Property" referred to in this Deed is the following described real property situated in Klamath County, Oregon, together with the tenements, hereditaments, rights, easements, privileges, appurtenances thereunto belonging or in any wise appertaining, improvements thereon, the reversions, remainders, rents, issues and profits thereof, and all water rights and/or shares of stock or

shares of water in any ditch or irrigation company which, in any manner,
entitles Grantor to water, to-wit:

14606

The SE $\frac{1}{4}$ NE $\frac{1}{4}$ and that portion of the S $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ lying South of Ferndale,
all in Section 14, Township 39 South, Range 9 East of the Willamette
Meridian.

(THIS INSTRUMENT DOES NOT GUARANTEE THAT ANY PARTICULAR USE MAY BE MADE OF
THE PROPERTY DESCRIBED IN THIS INSTRUMENT. A BUYER SHOULD CHECK WITH THE
APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.)

IN WITNESS WHEREOF, Grantor has executed this Deed as of the dates set
opposite the signatures of Grantor.

DATE

Sept 4, 1985

Sept. 4, 1985

SIGNATURES

Ralph E. Cope
RALPH E. COPE (Grantor)

Ruth M. Cope
RUTH M. COPE (Grantor)

STATE OF OREGON, County of Jose. ss: Sept. 4, 1985.

Personally appeared before me the above named RALPH E. COPE and RUTH
M. COPE, husband and wife, and acknowledged the foregoing instrument to be
their voluntary act and deed.



D. E. Huff
NOTARY PUBLIC FOR OREGON
My Comm. Expires: My Commission Expires July 14, 1988

WHEN RECORDED MAIL TO:

Giacommi, Jones & Associates
635 Main Street
Klamath Falls, Oregon 97601

(Don't use this
space; reserved
for recording
label in coun-
ties where
used.)

STATE OF OREGON

County of Klamath ss.

I certify that the within instrument
was received for record on the 11th day
of September, 1985,
at 9:37 o'clock A.M. and recorded
in book M85 on page 14604 or as
filing fee number 53124, Rec-
ord of Deeds of said County.

Witness my hand and seal of County
affixed.

Evelyn Biehn,
Klamath County Clerk Title
By Pat Smith Deputy

Fee: \$13.00