

ESTOPPEL DEED

STEVENS-NEER LAW FIRM, CO., PORTLAND, OR 97204

Vol. 1181 Page 7019

THIS INDENTURE between South Valley State Bank, an Oregon Banking Corporation hereinafter called the first party, and the State of Oregon by and through the Department of Veterans Affairs 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/reel/ volume No. * M80 at page 13264 thereof or as fee/file/instrument/microfilm/reception No. (state which), 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 \$ 118,807.90, the same being now in default and said mortgage or trust deed being now 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 satisfaction of the indebtedness secured by said mortgage and the second party does now accede to said request.

NOW, THEREFORE, for the consideration hereinafter stated (which includes the cancellation of the notes and indebtedness secured by said mortgage or trust deed and the surrender thereof marked "Paid in Full" to the first party), 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 situate in Klamath County, State of Oregon, to-wit:

PARCEL 1: A parcel of land situated in the SE 1/4 SE 1/4, in Lot 5 and in Lot 6 all being in Section 27, Township 40 South, Range 10 East of the Willamette Meridian and being more particularly described as follows:

Beginning at a point where the South line of said Section 27 intersects the Westerly right of way line of the Burlington Northern Railroad, from which the Southeast corner of said Section 27 bears S. 89°38'24" E., 1097.43 feet; thence N. 28°45'24" W., along said right of way line, 1029.75 feet; thence S. 61°14'36" W. 50.00 feet; thence N. 28°45'24" W. 655.60 feet, thence along the arc of a 5629.65 foot radius curve to the left (delta equals 01° 10'05"), 114.77 feet to the South line of a drainage easement; thence S. 57°42' W. along the South line of said drainage easement 275.64 feet, more or less, to a point on the mean high water line of the left bank of Lost River; thence Southeast along said mean high said South line, 751.73 feet, more or less to the point of beginning, containing 17.03 acres, more or less.

PARCEL 2: All that portion of Lot 8 of Section 34, Township 40 South, Range 10 East of the Willamette Meridian, lying East of Lost River & West of the Great Northern Railroad right of way.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

* Mortgage transferred to South Valley State Bank together with all of the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining;

(CONTINUED ON REVERSE SIDE)

SOUTH VALLEY STATE BANK

Box 5210

Klamath Falls, Oregon 97601

GRANTOR'S NAME AND ADDRESS

DEPARTMENT OF VETERANS' AFFAIRS

700 Summer Street, NE

Salem, Oregon 97310-1239

GRANTEE'S NAME AND ADDRESS

After recording return to:

DEPARTMENT OF VETERANS' AFFAIRS

3949 South 6th Street, Suite 102

Klamath Falls, Oregon 97603-4788

NAME, ADDRESS, ZIP

Until a change is requested all tax statements shall be sent to the following address.

DEPARTMENT OF VETERANS' AFFAIRS

700 Summer Street, NE

Salem, Oregon 97310-1239

NAME, ADDRESS, ZIP

STATE OF OREGON,

County of } ss.

I certify that the within instrument was received for record on the day of 19, at o'clock M., and recorded in book/reel/volume No. on page or as fee/file/instrument/microfilm/reception No. Record of Deeds of said county.

Witness my hand and seal of County affixed.

NAME

By Deputy

3080

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 incumbrances 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 legal 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 manner whatsoever, except as aforesaid.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ -0-
~~However, the actual consideration consists of or includes other property or value given or promised which is part of the consideration. (indicate which) @.~~

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.

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 FEBRUARY 11, 1987

SOUTH VALLEY STATE BANK

Allan L. Craigmiles
 By: Allan L. Craigmiles, President

(If the signer of the above is a corporation, use the form of acknowledgment opposite.)

STATE OF OREGON,

(ORS 194.570)

County of _____ ss.

The foregoing instrument was acknowledged before me this _____, 19____, by _____

STATE OF OREGON, County of KLAMATH) ss.

The foregoing instrument was acknowledged before me this FEBRUARY 11, 1987, by ALLAN L. CRAIGMILES, president, and by _____

secretary of

a OREGON BANKING corporation, on behalf of the corporation

Notary Public for Oregon

My commission expires: 3-14-87

(SEAL)

Notary Public for Oregon

My commission expires:

NOTE—The sentence between the symbols (1), if not applicable, should be deleted. See ORS 93.030.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Company the 24th day of April A.D., 1987 at 4:07 o'clock P.M., and duly recorded in Vol. M87 of Deeds on Page 7019

FEE \$14.00

Evelyn Biehn, County Clerk
 By *Ann Smith*