

RICK L. McMAHAN, aka RICK McMAHAN, Grantor, for and in consideration of the covenants contained herein and the release from certain personal indebtedness arising from a contract of sale dated December 4, 1984, in the amount of \$5,000.00, of which \$5,462.00 is unpaid as of December 10, 1985, with interest thereon, hereby assigns, transfers, sets over, and conveys to JOHN C. MARKHAM, Grantee, all of Grantor's right, title, and interest in and to the following described real property situated in Klamath County, Oregon:

Lots 8 and 9, Block 14, INDUSTRIAL ADDITION, to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

TAX ACCOUNT #3809 033BD 00900 & 3809 033BD 00800  
Grantor covenants that:

This deed is an absolute conveyance in effect as well as in form and conveys fee simple title of the premises above described to the Grantee and does not operate as a mortgage, trust conveyance, or security of any kind, and is not now or ever intended as a mortgage, trust conveyance or security of any kind.

Grantor is the owner of the premises, free of all encumbrances, excepting only those encumbrances of record, subject to reservations and restrictions of record, easements and rights of way of record and those apparent on the land.

This deed does not effect a merger of the fee ownership and the lien of the contract described above. The fee and lien shall hereafter remain separate and distinct, and the Grantee shall not be prohibited from proceeding to foreclose the lien of the Contract described above to clear title.

By acceptance of this deed, Grantee covenants and agrees that it shall forever forbear taking any action whatsoever to collect against the Grantor on the Contract above described, other than by foreclosure of that contract and that in any proceeding to foreclose the Contract, it shall not seek, obtain, or permit a deficiency judgment against the Grantor, or the Grantor's successors or assigns, such rights and remedies being waived. Grantee expressly reserves its rights and remedies in all other proceedings and suits now filed or pending or to be filed, if any, either in equity or at law.

Grantor does hereby waive, surrender, convey, and relinquish any equity of redemption concerning the real property and contract described above.

The Grantor is not acting under any misapprehension as to the legal effect of this deed, nor under any duress, undue in-

5036

fluence, or misrepresentation of Grantee the Grantee's agents or attorneys, or any other person.

The Grantor agrees that Grantee shall retain all payments made on the contract by the Grantor. The Grantee does not assume any responsibility for any liabilities incurred by the Grantor or by any other person.

This Deed is made by the Grantor as a result of the Grantor's own request and as the Grantor's free and voluntary act.

The Grantor was represented by counsel, and it is the intention of the Grantor to convey, set over, transfer, and assign by said Deed and did convey, set over, transfer, and assign to the Grantee, all of the Grantor's right, title, and interest absolutely in and to the premises described in this Deed.

These recitals are made for the protection and benefit of the Grantee, the Grantee's successors nad assigns, and all of the parties hereafter dealing with or who may acquire an interest in the property described therein, and shall bind the respective successors, executors, administrators, and assigns of the undersigned.

It is understood that the Grantor and/or the Grantee may be more than one person and that if context so requires, the singular includes the plural, the masculine includes the feminine and the neuter, and generally all grammatical changes shall be made to make the provisions hereof apply equally to corporations and other entitles and to individuals.

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.

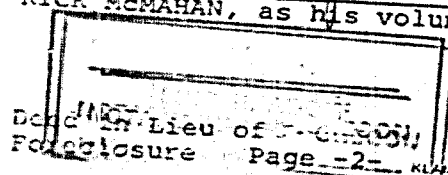
Dated this 5th day of April, 1988.

Return: Dick Fairclo  
280 Main Street  
City 97601

Rick L. McMahan  
Rick L. McMahan, aka  
Rick McMahan  
Taxes: John C. Markham  
P.O. Box 105  
Arch Cape, Oregon 97102

STATE OF OREGON ]  
County of Klamath ] ss.

The foregoing instrument was acknowledged before me this 5th day of April, 1988, by RICK L. McMAHAN, aka RICK McMAHAN, as his voluntary act and deed.



PROCTOR & FAIRCLO  
ATTORNEYS AT LAW  
280 MAIN STREET  
CLAMATH FALLS, OREGON 97601

Notary Public for Oregon  
My Commission expires: 8/3/90

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co.  
of April A.D. 19 88 at 4:12 o'clock P.M., and duly recorded in Vol. 7th day  
of Deeds on Page 5035 M88.

FEE \$15.00

Evelyn Stehn, County Clerk  
By Bernetha A. Ketch