

## DEED IN LIEU OF FORECLOSURE

LEONARD HARTY and CHERIE HARTY, husband and wife, Grantor, for and in consideration of the covenants contained herein and the release from certain personal indebtedness arising from a trust deed dated June 26, 1984, in the amount of \$15,500.00, recorded at Vol. M84, page 13039, Microfilm Records of Klamath County, Oregon, of which \$11,914.60 in principal is unpaid as of December 15, 1988, with interest thereon, hereby assigns, transfers, sets over, and conveys to JOHN S. KRONENBERGER, Grantee, all the Grantor's right, title, and interest in and to the following described real property situated in Klamath County, Oregon:

SEE ATTACHED EXHIBIT 'A'.

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.

This deed does not affect a merger of the fee ownership and the lien of the trust deed 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 trust deed described above to clear title.

By acceptance of this deed, Grantee covenants and agrees that they shall forever forbear taking any action whatsoever to collection against the Grantor on the trust deed above described, other than by foreclosure of that trust deed and that in any proceeding to foreclose the Trust deed, 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.

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

The Grantor is not acting under any misapprehension as to the legal effect of this deed, nor under any duress, undue influence, 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 trust deed by the Grantor. The Grantee does not assume any responsibility for any liabilities incurred by Grantor or by any other person.

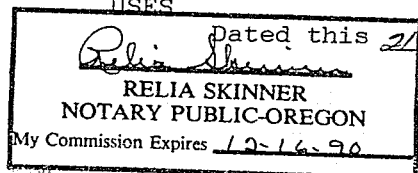
This Deed is made by the Grantor as a result of the Grantor's own request and as the Grantor's free and voluntary act.

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 and 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 entities 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.



STATE OF OREGON )

) ss.

County of Klamath )

On this 21st day of December, 1988, personally appeared the above-named LEONARD HARTY and CHERIE HARTY, husband and wife, who acknowledged the above instrument to be their voluntary act and deed.

Relia Skinner  
Notary Public for Oregon  
My Commission expires:

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Rel: PROCTOR & FANTELO  
ATTORNEYS AT LAW  
280 MAIN STREET  
KLAMATH FALLS, OREGON 97601

EXHIBIT "A"  
LEGAL DESCRIPTION

The E1/2 of the following described property:

The S1/2 NE1/4 of Section 15, Township 34 South, Range 7 East of the Willamette Meridian, in the County of Klamath, State of Oregon, lying South of Woodland Park, EXCEPTING THEREFROM the following described parcels of land:

That portion contained in Contract of Sale recorded December 11, 1975 in Book M75 at page 15639, Microfilm Records of Klamath County, Oregon, and that portion contained in Contract of Sale recorded July 19, 1976 in Book M76 at page 10913, Microfilm Records of Klamath County, Oregon, ALSO EXCEPTING THEREFROM that portion of the following described property lying in the S1/2 NE1/4 of Section 15, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon;

Beginning at the Northwest corner of the W1/2 SW1/4 NW1/4 of said Section 14, this corner being the true point of beginning of this description; thence East along the North line of said W1/2 SW1/4 NW1/4 of Section 14 to the Northeast corner of said W1/2 SW1/4 NW1/4 of Section 14; thence South along the East line of said W1/2 SW1/4 NW1/4 of Section 14 a distance of 1158 feet to a point; thence North 60 degrees West 541 feet to a point; thence West 429 feet to a point; thence North 887 feet more or less, to the South line of Woodland Park Subdivision; thence East along said South line of Woodland Park to the true point of beginning.

ALSO EXCEPTING THEREFROM the East 208.71 feet of the South 626.13 feet.

Tax Account No.: 3407 01500 00300

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Proctor & Fairclo the 23rd day  
of Feb. A.D., 19 89 at 11:19 o'clock A. M., and duly recorded in Vol. M89,  
of Deeds on Page 3292.

Evelyn Biehn County Clerk

By Audene Mulvaney

FEE \$18.00