

DEED IN LIEU OF FORECLOSURE

This agreement, made and entered into this ____ day of November, 1989, by and between Sheryl L. Rojo, formerly Sheryl L. Hunter, hereinafter referred to as "Debtor", and Piney Woods Land and Development Company, an Oregon corporation, hereinafter referred to as "Creditor";

WITNESSETH:

WHEREAS, the title to the real property hereinafter described is vested in Sheryl L. Rojo, a widow, subject to the lien of a Trust Deed recorded in the Official Records of Klamath County, Oregon, as Document No. 13019 in Volume No. M82, Page 8036 on June 24, 1982; and

WHEREAS, the notes and indebtedness secured by said instrument are now held by Creditor, concerning which there is now owing and unpaid the sum of \$8,667.39, plus interest at the rate of twelve percent (12%) per annum from August 15, 1984; Debtor now being in default and said instrument being now subject to immediate foreclosure; and

WHEREAS, Sheryl L. Hunter and Frank F. Rojo, Jr. were married on December 27, 1985, and subsequently on March 1, 1986, Frank F. Rojo, Jr. became deceased; and

WHEREAS, Sheryl L. Rojo, formerly Sheryl L. Hunter, makes this deed individually and as the surviving widow of Frank F. Rojo, Jr.; and

WHEREAS, Debtor is unable to pay same and has requested that Creditor accept this absolute deed of conveyance of said property in full satisfaction of the indebtedness secured by said instrument;

NOW THEREFORE, in consideration of Creditor's cancellation of the notes and indebtedness secured by said instrument, Debtor does hereby grant, bargain, sell, and convey unto Creditor all of the real property situated in Klamath County, State of Oregon described as:

Lot 23 in Block 2, of Second Addition to Keno Hillside Acres, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

DEED IN LIEU OF FORECLOSURE
Page -1-

89 NOV 21 AM 11 31

Debtor does hereby covenant to and with Creditor that Debtor is in title to the subject real property and title is free and clear of all encumbrances excepting the subject instrument and encumbrances of record.

Debtor does warrant and agrees to forever defend Creditor against the lawful claims and demands of all persons except as above-mentioned. It is agreed that this deed is intended as a conveyance, absolute in legal effect, and that it includes all redemption rights which Debtor may have in the subject real property. This deed is not a mortgage, trust deed, or security of any sort.

It is further agreed that possession of the subject real property is hereby surrendered and delivered unto Creditor and that Debtor is not acting under any misapprehension as to the effect of this agreement or under any duress, undue influence, or misrepresentation of any person. Neither is this deed given as a preference over any other creditors of Debtor and Debtor warrants that no person, partnership, or corporation holds any interest in the subject real property except as is mentioned herein.

This conveyance shall not constitute a merger, respecting the above instrument, nor adversely affect Creditor's priority with respect to junior lienholders, known or unknown, with reference to the subject real property.

This Deed was prepared on behalf of Creditor.

IN WITNESS WHEREOF, Debtor hereby executes this Deed on the date above-mentioned.

Sheryl L. Rojo
SHERYL L. ROJO, formerly Sheryl L.
Hunter, individually and as the
surviving widow of Frank F. Rojo, Jr.

STATE OF OREGON)

COUNTY OF Klamath) §

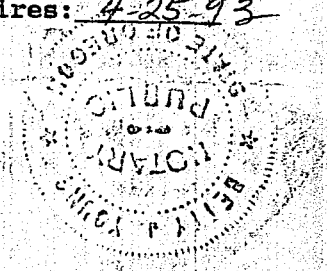
Personally appeared the above-named Sheryl L. Rojo
and acknowledged the foregoing instrument to be a voluntary
act. Before me:

Debbie J. Young
Notary Public for Oregon

My Commission Expires: 4-25-93

Mail Tax Statements to:

Piney Woods Land and Development Company
c/o Sidney E. Ainsworth
515 East Main Street
Ashland, Oregon 97520



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Ainsworth, Davis, Gilstrap & Harris the 21st day
of Nov. A.D., 19 89 at 11:31 o'clock AM., and duly recorded in Vol. M89,
of Deeds on Page 22512.

FEE \$18.00

Evelyn Biehn, County Clerk

By Pauline Mullendore

DEED IN LIEU OF FORECLOSURE
Page -3-

Rev: LAW OFFICES OF
AINSWORTH, DAVIS, GILSTRAP & HARRIS, P.C.
515 EAST MAIN STREET
ASHLAND, OREGON 97520
(503) 482-3111 FAX (503) 488-4455