

10396

## DEED IN LIEU OF FORECLOSURE

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MTC 22004

THIS INDENTURE between Zingg Building Trust, an Oregon Business Trust, hereinafter called Grantor, and the Small Business Administration, an agency of the United States Government, hereinafter called Grantee.

## RECITALS:

A. The real property hereinafter described is vested in fee simple in the Grantor, subject to a lien of a Trust Deed in the principal sum of \$300,000.00, dated August 25, 1985, wherein South Valley State Bank, an Oregon Banking Corporation is Beneficiary, recorded on August 30, 1985, in Volume M85, page 13917, Records of Klamath County, Oregon, which beneficial interest in the Trust Deed was assigned to Grantee herein by South Valley State Bank on August 4, 1989, recorded on September 26, 1989, in Volume M89, page 18110, Records of Klamath County, Oregon.

B. The obligation secured by the Trust Deed is now in default and the Grantor is unable to make payment upon the obligation.

C. The Grantor in order to avoid further costs and delay has requested Grantee to accept this Deed in Lieu of Foreclosure, without cancellation of the notes and indebtedness secured by the Trust Deed.

## WITNESSETH

Grantor does hereby grant, bargain, sell and convey to Grantee the following described property, to-wit:

Lot 1, Block 1 of TRACT 1239, RE-SUBDIVISION OF LOT 5, BLOCK 1, WASHBURN PARK TRACT 1080, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

The Grantor covenants that by this conveyance it is conveying all of its right, title and interest to said premises, including but not limited to any redemption rights. Grantor further covenants that it has been advised to seek its own legal and financial advice, and is not depending upon any legal or financial advice of the Grantee or its attorneys or agents, or South Valley State Bank or its attorneys or agents. That in executing this Deed the Grantor is not acting under any misapprehension as to the effect thereof or under any duress, undue influence or misrepresentation by the Grantee or South Valley State Bank or any of their representatives, agents or attorneys.

The true and actual consideration for this transfer is to avoid foreclosure.

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

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check with the appropriate City or County Planning Department to verify approved uses.

IN WITNESS WHEREOF, the Grantor above named has executed this instrument.

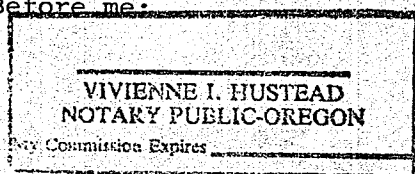
DATED this 29 day of December, 1989.

ZINGG BUILDING TRUST,  
an Oregon Business Trust

By: John G. Zingg  
John G. Zingg, trustee

State of Oregon       )  
                              ) ss  
County of Klamath    )

Personally appeared the above named John G. Zingg and acknowledged that he has the authority to execute the foregoing instrument and that it is his voluntary act.  
Before me:



Vivienne I. Hustead  
Notary Public for Oregon  
My commission expires: 4-11-93

After recording return to:

Small Business Administration  
222 SW Columbia Street #500  
Portland, OR 97201

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

Small Business Administration  
222 SW Columbia Street #500  
Portland, OR 97201

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 19th day  
of Jan. A.D. 19 90 at 4:43 o'clock P.M., and duly recorded in Vol. M90  
of Deeds on Page 1371

FEE \$33.00

Evelyn Biehn County Clerk

By Pauline Mullenbire