

NONMERGER WARRANTY DEED IN LIEU OF FORECLOSURE

THIS DEED made this 24th day of OCTOBER, 1990, between James R. Smith, the Grantor(s), and Edward C. Dore, Jeanne M. Dore and Rose J. Young, the Grantees,

WITNESSETH, that the Grantor(s), for and in consideration of the covenants hereinafter contained and other good and valuable consideration, does by these presents grant and convey, unto the Grantees, and to their successors and assigns, forever, all grantor(s)'s interest in the real property described as follows:

(Lot 25 in Block 1 of Mountain Lakes Homesites, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon)

TO HAVE AND TO HOLD, all and singular, the said property, together with the appurtenances, unto the said Grantees, and to their successors and assigns forever. Grantor(s) covenants with Grantees that the former is now seized in fee simple in the property granted; that the latter shall enjoy the same without any lawful disturbance; that Grantor(s) will, on demand, execute and deliver to Grantees, at the expense of the latter, any further assurance of the same that may be reasonably required.

This deed is absolute in effect and conveys fee simple title in the property above described to the Grantee and does not operate as a rescission, mortgage, trust conveyance, or security of any kind.

This deed does not effect a merger of the fee ownership and the lien of the mortgage described herein. The fee and lien shall hereafter remain separate and distinct. It is not the intent of the parties to affect the subrogation rights of any third parties.

By acceptance of this deed, Grantees covenant and agree with Grantor(s) that Grantees shall not enforce any judgment against Grantor(s) on the indebtedness evidenced by the promissory note secured by that certain mortgage executed by Mortgage Records of Klamath County, Oregon, except by action to enforce the mortgage lien by judicial foreclosure and sale. This deed shall not operate to preclude Grantees from proceeding in any action to enforce the mortgage lien described in this deed, but shall be construed to preclude Grantees from obtaining any deficiency judgment against this Grantor(s). It shall not preclude securing a deficiency judgment against any other party.

The true and actual consideration paid for this transfer is Grantees' covenant to forbear from obtaining any deficiency judgment against Grantor(s) on the above referenced promissory note.

Grantor(s)'s right of possession of the property is surrendered and delivered to Grantees.

Grantor(s) declares this conveyance is freely and fairly made, and that there are no agreements, oral or written, other than this deed between Grantor(s) and Grantees with respect to said property.

Grantor(s) is/are not acting under any misapprehension as to the legal effect of this deed, nor under any duress, undue influence, or misrepresentation of Grantees, their agent, or attorney or any other person.

In construing the deed, pronouns shall be construed in accordance with appropriate gender, as either singular or plural, as the context requires.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS.

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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.

IN WITNESS WHEREOF, Grantor(s) has/have hereunto set Grantor(s)'s hand the day and year first above written.

James R. Smith
James R. Smith

STATE OF)
County of) ss.

On this 24th day of OCTOBER, 1990, before me the undersigned, a Notary Public for the state of OREGON, personally appeared James R. Smith, known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same as his/her/their free will and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL)

Notary Public for
My Commission Expires: 10/31/91

WHEN RECORDED MAIL TO:

STANLEY C. JONES
Attorney at Law
110 N. Sixth Street
Klamath Falls, OR 97601

MAIL TAX STATEMENTS TO:

Edward C. Dore
2315 Jamestown Lane
Oxnard, CA 93035

STATE OF OREGON)
County of Klamath) ss.

I certify that the within instrument was received for record on the 6th day of Nov., 1990, at 9:59 o'clock A.M., and recorded in book M90 on page 22242 or as filing fee number 22297. Record of Deeds of said County.

Witness my hand and seal of County affixed.
Evelyn Biehn

County Clerk _____ Title
BY: Devin Mulendare Deputy

Fee \$33.00