

## TRUSTEE'S DEED

KNOW ALL MEN BY THESE PRESENTS that the Bankruptcy Estate of Ore-Cal General Wholesale, Inc., Bankruptcy Case No. 686-07932-R7, now pending in the United States Bankruptcy Court for the District of Oregon, by and through its duly appointed and acting Trustee, MICHAEL A. GRASSMUECK, INC., herein called "GRANTOR", acting in its capacity as Trustee and not individually, by virtue of the power and authority given a bankruptcy trustee under the laws of the United States of America, for the consideration hereinafter stated, does hereby grant, bargain, sell, convey and release to Thomas A. Ayres, herein called "GRANTEE", and unto Grantee's successors and assigns, all of the interest vested in the Debtor(s) arising under that certain Agreement of Sale, dated March 1, 1979, wherein L.A. Swetland, M.D., P.C., Pension and Profit Sharing Trust, R.H. Otteman, M.D., P.C., Pension and Profit Sharing Trust, Ore-Cal General Wholesale, Inc., Jack C. Prock and Diane Bryan, formerly Diane Prock, appear as sellers, and Thomas A. Ayres, as appears as buyer, or in the subject property described herein, at the time of the filing of the above referenced bankruptcy case, and which passed to the Bankruptcy Estate by operation of law and became subject to administration of the Trustee, together with all tenements, hereditaments, appurtenances thereunto belonging, or in any way appertaining, situated in the County of Klamath, State of Oregon, described as follows, to-wit:

(SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE INCORPORATED HEREIN)  
SUBJECT TO AND EXCEPTING:

All liens, encumbrances, easements, or any other interest of record, of any type or nature.

The Trustee's power and authority to dispose of such property of the Bankruptcy Estate originates in 11 U.S.C. Section 363, and this transfer is made following notice to "interested persons" and an opportunity for hearing pursuant to such law.

The consideration for this transfer is the compromise and settlement of disputed claims arising out of any adversary proceeding, Michael A. Grassmueck, Inc., et al v. Thomas Ayres, Adversary Proceeding No. 690-6149-R, pending in the United States Bankruptcy Court for the District of Oregon, under which settlement the Grantee paid to the Grantor \$25,000 in cash, together with other consideration.

Grantor makes this conveyance and release without any warranties express or implied. This conveyance and release is intended to transfer all of the Bankruptcy Estate's interest, if any, in the Agreement of Sale and/or subject property described herein, to the Grantee, in its existing condition, AS IS, without any warranties express or implied. Grantee's recording of this Deed indicates Grantee's acceptance of this conveyance and release upon that basis.

Grantor covenants that this Deed is to be absolute in effect as pertains to the Bankruptcy Estate and conveys whatever right, title and interest the Bankruptcy Estate may have in the Agreement of Sale and in the described property. This conveyance and release is not intended to operate as a mortgage, trust deed or security of any kind.

as a preference over other creditors of the First Party and that at this time there is no person, co-partnership or corporation, other than the Second Party, interested in said premises directly or indirectly, in any manner whatsoever, except as aforesaid.

THE TRUE AND ACTUAL CONSIDERATION paid for this conveyance is \$ -0-. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration, being in lieu of foreclosure.

IN CONSTRUING THIS INSTRUMENT, it is understood and agreed that the First Party as well as the Second Party may be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural; that the singular pronoun means and includes the plural, the masculine, the feminine and the neuter and that, generally, all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and individuals.

IN WITNESS WHEREOF, the First Party above named has executed this instrument; if First Party is a corporation, it has caused its corporate name to be signed hereto and its corporate seal affixed by its officers duly authorized thereunto by order of its Board of Directors.

DATED this 5<sup>th</sup> day of Nov, 1991.

Jerry G. Apt  
JERRY G. APT

STATE OF OREGON/County of Klamath) ss.

THE FOREGOING INSTRUMENT was acknowledged before me this 5<sup>th</sup> day of November, 1991, by Jerry G. Apt.

Sharon J. Finley  
NOTARY PUBLIC FOR OREGON  
My Commission Expires 11-5-94

GRANTORS NAME AND ADDRESS:

Jerry G. Apt  
2036 Lavey Street  
Klamath Falls, OR 97601

GRANTEES NAME AND ADDRESS:

Irving H. Hart, III  
Deborah N. Hart  
2052 Lavey Street  
Klamath Falls, OR 97601

AFTER RECORDING, RETURN TO:

Neal G. Buchanan  
601 Main Street, Suite 215  
Klamath Falls, OR 97601

Until Change is Requested, Tax Statements Should be Sent to:

Irving H. Hart, III  
Deborah N. Hart  
2052 Lavey Street  
Klamath Falls, OR 97601

STATE OF Oregon)  
County of Klamath) ss.

I certify that the within instrument was received for record on the 8th day of Nov., 1991, at 4:15 o'clock P.M., and recorded in Book M91 on Page 23565 or as File Reel Number 37182, Record of Deeds of said County.

WITNESS my hand and seal of County affixed.

Evelyn Biehn, County Clerk

Recording Officer

By: Pauline Mueller  
Deputy

Fee \$33.00