

After recording return to:  
GAYDOS, CHURNSIDE & WALRO, P.C.  
975 Oak Street, Suite 990  
Eugene, Oregon 97401

MTC-29574

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

PO Box 14  
CRESCENT LAKE, OR 97425

STATUTORY SPECIAL WARRANTY DEED AND ASSIGNMENT  
IN LIEU OF FORECLOSURE

Joseph G. Capron and Margaret A. Capron, husband and wife, (Grantor), convey and specially warrant to Fred M. Lloyd and Barbara Lloyd, husband and wife, (Grantee), the following described real property (the Real Property), free of encumbrances created or suffered by Grantor except as specifically set forth on Exhibit "A" incorporated herein:

A parcel of land lying in the E 1/2 NE 1/4 NE 1/4 of Section 1, Township 24 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the intersection of the Westerly right of way line of Highway #58 and the Southerly right of way line of Secondary Highway #429 (Crescent Lake Road), which lies South 25 degrees 53' West a distance of 493 feet and South 16 degrees 19' East a distance of 30 feet and South 74 degrees 00' West a distance of 40 feet from the Northeast corner of said Section 1, Township 24 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon; thence continuing South 16 degrees 19' East, along the Westerly right of way line of Highway #58, a distance of 170 feet to the true point of beginning of this description; thence South 74 degrees 00' West, parallel with the Southerly line of the Crescent Lake Road, a distance of 140 feet; thence South 16 degrees 19' East, parallel with the Westerly line of Highway #58, a distance of 175 feet; thence North 74 degrees 00' East a distance of 140 feet to the Westerly right of way line of Highway #58; thence North 16 degrees 19' West, along the Westerly right of way line of Highway #58, a distance of 175 feet, more or less, to the point of beginning, in Klamath County, Oregon.

The true consideration for this conveyance is \$139,000.00 and other consideration given or promised.

Furthermore, Grantor does assign, transfer and set over to Grantee that certain Agreement of Sale dated June 20, 1985, between Fred M. Lloyd and Barbara Lloyd, dba the Odell Sportsman Center, as Seller, and Joseph G. Capron and Margaret A. Capron, as Buyer ("the Agreement of Sale"), for the sale and purchase of the Real Property and personal property described therein.

Grantor also conveys and assigns all of Grantor's interest in all fixtures, equipment, furniture, supplies and other items of personal property located at the intersection of Highway 58 and Crescent Lake Road, commonly known as "Odell Sportsman Center", and also the 1981 Colum and plow.

This Deed is absolute in effect and conveys and assigns the entire interest of Grantor in the Real Property to Grantee and does not operate as a mortgage, trust conveyance, or security of any kind.

Grantor is indebted to Grantee by virtue of the terms of the Agreement of Sale in an amount not less than \$139,000.00, and for Grantee's additional attorney's fees, costs, and disbursements incurred as a result of Grantor's default in accordance with the

terms of the Agreement. Grantee, by acceptance of this Deed, covenants and agrees that they will forever forebear from taking any action whatsoever against Grantor pursuant to the Agreement of Sale, and pursuant to the other accounts in which Grantor is currently indebted to Grantee as of the date hereof, and agrees to not pursue any deficiency against Grantor. Grantee reserves the right to foreclose the Agreement of Sale as to interest holders other than Grantor, or take such other action as Grantee deems appropriate to perfect its interest in the Real Property.

Grantor acknowledges and agrees that Grantor is in default under the terms of the obligations to Grantee described hereinabove. Such obligations are subject to immediate foreclosure and Grantor and Grantee have agreed that Grantee will accept this absolute deed of conveyance and assignment in satisfaction of the indebtedness secured by the Agreement of Sale and the additional indebtedness.

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.

In construing this Deed and assignment and where the context so requires, the singular includes the plural and all grammatical changes shall be applied to make the provisions apply equally to all individuals, parties, and entities.

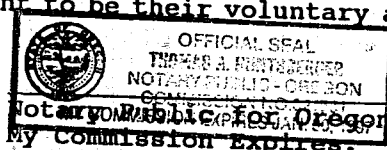
DATED March 29, 1993.

Joseph G. Capron  
Joseph G. Capron

Margaret A. Capron  
Margaret A. Capron

STATE OF OREGON       )  
                              ) ss.  
County of Lane       )

Before me on this 29 day of March, 1993, personally appeared the above named Joseph G. Capron and Margaret A. Capron and acknowledged the foregoing instrument to be their voluntary act and deed.



Thomas A. Hentzenberger 1/30/97.

**EXHIBIT "A"**

1. Taxes for the fiscal year 1991-1992, delinquent.  
 Account No: 2406-001AA-00600  
 Original Amount: \$2,086.89 plus interest  
 Key No: 144132  
 Code No: 205
2. Taxes for the fiscal year 1992-1993, a lien due and payable.  
 Account No: 2406-001AA-00600  
 Amount: \$1,781.89 plus interest  
 Key No: 144132  
 Code No: 205
3. Taxes for the fiscal year 1992-1993, a lien due and payable.  
 Account No: M-184590  
 Amount: \$27.78 plus interest  
 Key No: M29748  
 Code No: 205
4. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
5. Memorandum of Contract, subject to the terms and provisions thereof,  
 Dated: June 20, 1985  
 Recorded: June 26, 1985  
 Volume: M85, page 9764, Microfilm Records of Klamath County, Oregon  
 Amount: \$105,000.00  
 Vendor: Fred M. Lloyd and Barbara Lloyd, aka Barbara L. Lloyd, dba the Odell Sportsman Center  
 Vendee: Joseph G. Capron and Margaret A. Capron
6. Trust Deed, subject to the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advance as may be provided therein;  
 Dated: June 20, 1985  
 Recorded: June 27, 1985  
 Volume: M85, page 9879, Microfilm Records of Klamath County, Oregon  
 Amount: \$7,500.00  
 Grantor: Joseph G. Capron and Margaret A. Capron, as Tenants by the Entirety  
 Trustee: Eugene Escrow Service, Incorporated  
 Beneficiary: Oregon Business Properties

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 9th day  
 of April A.D. 19 93 at 11:47 o'clock A.M. and duly recorded in Vol. M93  
 of Deeds on Page 7377

FEE \$40.00

By Evelyn Biehn County ClerkBy Pauline S. Neumann**EXHIBIT "A"**