

DEED IN LIEU OF FORECLOSURE

Title to the real property hereinafter described is vested in fee simple in BEVERLY GLASS and LEO BURGETT each as to an undivided one-half (½) interest as tenants in common, hereinafter called Grantor, subject to a Notice of Claim of Lien (ORS 87.445) filed against Grantor's real property in favor of THOMAS W. CRAWFORD, the lien claimant; that said Notice of Claim of Lien was filed by THOMAS W. CRAWFORD on the 23rd day of May, 1994, in Klamath County Records, Volume M-94, Page 16075, as Klamath County Recorder Fee No. 81423; which Lien Claim Interest is filed pursuant to ORS 87.445 for attorney fees incurred by Grantor for services rendered Grantor by THOMAS W. CRAWFORD, Attorney at Law. Payment of said attorney fees which is due and payable in the amount of TWENTY SEVEN THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$27,400.00). Grantor is in default of the payment of said sum. The Lien Claimant's interest was assigned by THOMAS W. CRAWFORD to KENNETH J. DRESSER (hereinafter referred to as Grantee) by that Assignment of Lien Claimant's Interest in Notice of Claim of Lien (ORS 87.445) and the same was recorded in Klamath County Records on the 29th day of June, 1994, in Volume M-94, Page 20193, Klamath County Recorder's Fee No. 83503.

Grantor desires to avoid foreclosure proceedings and to give an absolute deed of conveyance of said property in order to satisfy the indebtedness evidenced by the Notice of Lien Claim (ORS 87.445). Grantee agrees to accept the conveyance upon the terms and conditions herein, provided the deed runs from Grantor to Grantee, KENNETH J. DRESSER (the successor in interest to THOMAS W. CRAWFORD) and the present holder of the above described Lien Claimant's Interest in the Notice of Claim of Lien.

Upon acceptance of this deed by Grantee, and in consideration thereof, Grantee covenants and agrees that it shall forbear taking any further legal action against Grantor on the Claim of Lien (ORS 87.445), other than by foreclosure of the Claim of Lien (ORS 87.445) and that any proceeding to foreclose the Claim of Lien (ORS 87.445), Grantees shall look solely to the real property to satisfy its Lien Claim and shall not attempt to enforce against the Grantor any judgment it may recover in such proceeding.

NOW, THEREFORE, Grantor does hereby, assign, grant, bargain, sell and convey to GRANTEE all of GRANTOR'S rights, title and interest in and to the following described real property;

That real property commonly known as 961 Lakeshore Drive, Klamath Falls, Oregon, and more particularly described in Exhibit "1" attached hereto and by this reference incorporated herein.

This deed is absolute in legal effect and form, conveys fee simple title to the parcels above described to Grantee, terminates Grantor's redemption rights to the real property, and does not operate as a mortgage, trust conveyance, or security of any kind.

Grantor is the owner of the premises and fee simple, free and clear of all encumbrance except said except those specifically listed in Exhibit "1" and real property taxes.

This deed does not effect a merger of the fee ownership of the real property and the lien of Grantee, described above. The fee, title and the lien shall remain separate and distinct.

In executing this deed, the Grantor is not acting under any misapprehension as to the effect thereof, nor any duress, undue influence, or misrepresentation by the Grantee, its agents, or attorneys.

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.

The true and actual consideration for this transfer, stated in terms of dollars is zero. The consideration consists of Grantees agreement to look solely to the real property to satisfy its Claim of Lien (ORS 87.445) in any further foreclosure proceedings against the Grantor.

DATED this 25th day of October, 1994.

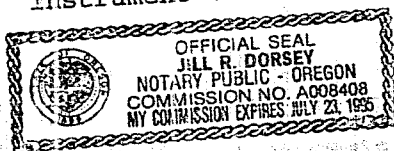
GRANTOR:

Beverly Glass
BEVERLY GLASS

Leo Burgett
LEO BURGETT

STATE OF OREGON)
County of Douglas) ss.

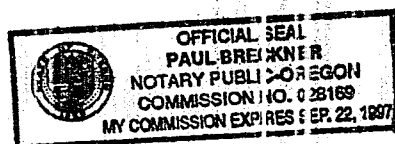
On this 25th day of October, 1994, personally appeared before me the above named BEVERLY GLASS and acknowledged the foregoing instrument to be her voluntary act and deed.



Jill R. Dorsey
Notary Public for Oregon
My Commission Expires: 7/23/95

STATE OF OREGON)
County of Klamath) ss.

On this 18th day of October, 1994, personally appeared before me the above named LEO BURGETT and acknowledged the foregoing instrument to be his voluntary act and deed.



Paul Breckner
Notary Public for Oregon
My Commission Expires: _____

This document does not constitute conveyance, absolute and legal effect, as well as in form, of the Grantor's Interest in said premises to said Grantee, its successors and assigns, until said document is executed by the Grantee and recorded in the official Deed Records of Klamath County, Oregon.

IN TESTIMONY WHEREOF, said Grantee has caused his named to be signed hereto on this 26th day of October, 1994.

Kenneth J. Dresser
KENNETH J. DRESSER, OSB #85188

STATE OF OREGON)
County of Douglas) ss.
)

On this 20th day of October, 1994, personally appeared before me the above named **KENNETH J. DRESSER** and acknowledged the foregoing instrument to be his voluntary act and deed.



Jill R. Dorsey
Notary Public for Oregon
My Commission Expires: 7/23/95

After Recording Return To:
Kenneth J. Dresser
P.O. Box 1608
Roseburg, OR 97470

33692

EXHIBIT "1"

Parcel No. 1

Lake Shore Gardens, Lot 16 & vacant road.
I.D. No. R425203 R-3808-025DE-02000-000 Real Property

Parcel No. 2

Lake Shore Gardens, Lot 16B
I.D. No. R425187 R-3808-025DE-01900-000 Real Property

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Kenneth J. Dresser the 31st day
of Oct A.D., 19 94 at 1:30 o'clock P M., and duly recorded in Vol. M94
of Deeds on Page 33689

FEE \$45.00

Evelyn Biehn

County Clerk

By

Orville Mullenbore