

ESTOPPEL DEED

THIS INDENTURE between NICHOLAS D. SCALA AND CORALINE M. SCALA hereinafter called the "First Party," and MARILYN ELIZABETH FOX, ROBERTA L. SILBERNAGEL AND CURTIS A. FOX, hereinafter called the "Second Party;"

W I T N E S S E T H:

WHEREAS, the equitable title to the real property hereinafter described is in the First Party, subject to the lien of a Land Sale Contract, a Memorandum of which was recorded in the records of Klamath County, at book M-94 at page 20292, or as instrument number 83560, reference to said records hereby being made, and the indebtedness secured by said Land Sale Contract is now owned by the Second Party, on which said indebtedness there is now owing and unpaid the sum of \$46,874.79, together with interest on said sum at the rate of 9% per annum from February 22, 1995 until paid; the same being now in default and said indebtedness being now subject to immediate foreclosure, and whereas the First Party, being unable to pay the same, has requested the Second Party to accept an absolute deed of conveyance of said property in satisfaction of the indebtedness and the Second Party does now accede to said request.

NOW, THEREFORE, for the consideration hereinafter stated (which includes the cancellation of the indebtedness secured by said encumbrance and the surrender thereof to the First Party), the First Party does convey and warrant unto the Second Party, his heirs, successors, and assigns, all of the following described real property situated in Klamath County, State of Oregon, to-wit:

See Legal Description attached as Exhibit "A".

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING AND 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 AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

FIRST PARTY covenants with the Second Party, his heirs, successors and assigns, that the First Party owns an equitable interest in the property, free and clear of encumbrances except said Land Sale Contract and further except easements of record; that the First Party will warrant and forever defend the above granted premises, and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, other than the liens above expressly excepted; that this Deed is intended as a conveyance, absolute in legal effect as well as in form, of the title to said premises to the Second Party and all redemption rights which the First Party may have therein, and not as a mortgage, trust deed or security of any kind; that possession of said premises hereby is surrendered and delivered to said Second Party; that in executing this Deed the First Party is not acting under any misapprehension as to the effect thereof or under any duress, undue influence, or misrepresentation by the Second Party, or Second Party's representatives, agents or attorneys; that this deed is given 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.

GRANTOR NAME AND ADDRESS Nicholas D. Scala and Coraline M. Scala Fox
GRANTEE NAME AND ADDRESS Marilyn Elizabeth Fox, Roberta L. Silbernagel and Curtis A.
AFTER RECORDING RETURN TO Neal G. Buchanan, 601 Main, #215, Klamath Falls, OR 97601
SEND TAX STATEMENTS TO Marilyn E. Fox, Roberta L. Silbernagel and Curtis A. Fox
P. O. Box 371, Bonanza, OR 97623

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THE TRUE AND ACTUAL CONSIDERATION paid for this conveyance is \$1,005.00. However, the actual consideration consists of or includes other property or value given or promised which is part of the 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 10 day of MARCH, 1995.

Nicholas D. Scala

Coraline M. Scala

STATE OF IDAHO/County of ADA ss.

THE FOREGOING INSTRUMENT was acknowledged before me this 10th day of March, 1995, by Nicholas D. Scala and Coraline M. Scala.

Martha H. Brindley
NOTARY PUBLIC FOR IDAHO
My Commission expires:



EXHIBIT "A"

A portion of the NE1/4 NW1/4 of Section 34, Township 38 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the South line of the NE1/4 NW1/4 of Section 34, Township 38 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, which is North 89 degrees 41' West 663 feet from the Southeast corner of said NE1/4 NW 1/4, said point of beginning being the tract of land conveyed to M. T. Michael and Willette W. Michael by Deed recorded in Volume 259, page 150 of Klamath County, Oregon Deed Records; thence North 89 degrees 41' West along the South line of said NE1/4 NW1/4 a distance of 100 feet; thence North and parallel to the West line of said tract conveyed to said Michaels by Deed recorded in Volume 259 at page 150 to the center line of the Horsefly Irrigation District Ditch; thence Northeasterly along the centerline of said ditch to the Easterly line of said tract conveyed to Michaels by said deed above described; thence South along the said Easterly line of said tract conveyed to said Michaels by deed above described to the point of beginning, the tract herein conveyed being the Easterly 100 feet of said tract conveyed to said Michaels by deed above described.

Subject to the following

- a. Right of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
- b. The herein described premises are within land subject to the statutory powers, including the power of assessment, of Horsefly Irrigation District.
- c. An easement created by instrument, subject to the terms and provisions thereof,

Dated: October 26, 1939
 Recorded: November 22, 1939
 Volume: 125, Page 464, Deed Records of Klamath County, Oregon
 In Favor of: Pacific Telephone and Telegraph

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Neal Buchanan the 17th day
 of March A.D., 19 95 at 1:54 o'clock P M., and duly recorded in Vol. M95,
 of Deeds on Page 6028.

FEE \$40.00

Return: Buchanan
 601 Main #215
 Klamath Falls, Or 97601

By Bernetha G. Letsch, County Clerk
[Signature]