

K-48105

ESTOPPEL DEED IN LIEU OF FORECLOSURE

Ruth Varney, grantor, hereby conveys and warrants to the First Church of Christ, Scientist, a body corporate of the commonwealth of Massachusetts, grantee, the following described real property situate in Klamath County, Oregon:

Beginning at the most Southerly corner of Lot 2 in Block 48 of Nichols Addition to the City of Klamath Falls, Oregon; thence Northeasterly along Main Street 32 feet; thence Northwesterly at right angles to Main Street 119.65 feet; thence Southwesterly parallel to Main Street 32 feet; thence Southeasterly at right angles to Main Street 119.65 feet to the place of beginning, being the Southwesterly 32 feet of Lot 2 in Block 48 of Nichols Addition to the City of Klamath Falls, Oregon.

EXCEPTING THEREFROM the Northwesterly 2 feet of the Southwesterly 32 feet of Lot 2 in Block 48 of Nichols Addition, deeded to the City of Klamath Falls, Oregon, in Volume 305 page 352, Deed records of Klamath County, Oregon.

1. First Church of Christ, Scientist, as vendor, and Gene Varney and Ruth Varney, as vendees, entered into a Contract of Sale dated June 3, 1993, for the sale and purchase of the above-described property. A memorandum of Contract of Sale was recorded June 3, 1993, in Volume M93 page 14555 Deed Records of Klamath County, Oregon. Said Contract of Sale is hereinafter referred to as the "security instrument".

2. The obligation secured by said security instrument is in default and the entire unpaid balance is now due and payable in full.

3. Grantee has made demand upon grantor to pay the unpaid balance of the obligation secured by said security instrument. Grantor is unable to pay said obligation and has requested that grantee accept an absolute deed of conveyance of the property in satisfaction of the obligation secured by said security instrument.

4. Viri G. Varney, aka Gene Varney, one of the contract vendees, died in the State of Oregon on December 13, 1994.

5. This deed in lieu of foreclosure shall not effect a merger of the fee ownership and the lien of the described security instrument with respect to the claims or interest in the described property held by third parties. Grantee's security interest shall retain such priority as it had over the liens, claims and interest of third parties, prior to grantee's acceptance and recording of this conveyance.

6. By acceptance of this deed, grantee covenants and agrees that it shall not seek, obtain or permit a judgment against grantor on the obligation secured by said security instrument, and grantee's right to such a judgment is hereby waived.

7. This deed is intended as an absolute conveyance of the title to the described property and a conveyance of all statutory rights of redemption and equity of redemption which grantor may have therein. This instrument is not intended as a mortgage, trust deed or security of any kind. Grantee shall be entitled to possession of the above described property upon grantee's acceptance of this deed.

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After recording return to:
Don Crane, Attorney
635 Main St.
Klamath Falls, OR 97601

Mail Tax Statements to:
First Church of Christ, Scientist
175 Huntington Ave.
Boston, MA 02115

8. This instrument shall benefit and be binding upon the parties, their heirs, successors and assigns. As used herein, the singular shall include the plural, and the plural the singular. The masculine shall include the feminine and neuter as the context requires.

9. Grantor is not acting under any misapprehension as to the legal effect of this deed. Grantor is not acting under and duress, undue influence or misrepresentation of grantee, its agent, attorney, or any other person.

10. The true and actual consideration for this conveyance is other than cash and consists of grantee's cancellation and satisfaction of the obligation secured by the described security instrument and the release and waiver by grantees of any right to recover a judgment or deficiency award against grantor.

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 AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

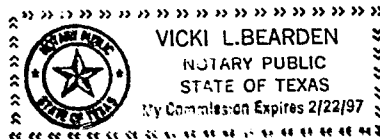
IN WITNESS WHEREOF, grantor has executed this instrument on this 20 day of October, 1995.

Ruth Varney
RUTH VARNEY

STATE OF TEXAS }
County of Tarrant } ss.

The foregoing instrument was acknowledged before me this 20 day of October, 1995, by Ruth Varney.

Wicki J. Bearden
NOTARY PUBLIC FOR OREGON
My commission expires: 02/27/97



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Company the 27 day of Oct. A.D., 19 95 at 10:40 o'clock A. M., and duly recorded in Vol. M95 of Deeds on Page 29333.

FEE \$35.00

Bernetha G. Letsch, County Clerk
By Annette Mueller