

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

After recording, return to:

Kathy Mitchell  
Forest Products  
P.O. Box 1179  
Klamath Falls, OR 97601

James R. Uerlings  
Attorney at Law  
110 North Sixth Street  
Klamath Falls, OR 97601

### NON-MERGER DEED IN LIEU OF FORECLOSURE

#### RECITALS:

A. This Non-Merger Deed in Lieu of Foreclosure is made, executed and entered into as of the 11 day of March, 1996, between Treva B. Speer ("Grantor"), and Forest Products Federal Credit Union, a federally chartered credit union ("Grantee"). Capitalized words and terms used herein without other definition shall have the meanings given in the Settlement Agreement between Grantor and Grantee of even date herewith.

B. Grantor claims an interest in the Real Property legally described on Exhibit "A" which is attached hereto and incorporated herein by this reference, in the County of Klamath, State of Oregon, and hereafter referred to as the "Real Property."

C. To evidence an agreement between Grantor and Grantee regarding the Real Property, said parties executed and delivered a Sale Agreement and Receipt for Earnest Money (Agreement) dated October 28, 1986, in Klamath County which provides for the sale of the Real Property to Grantor as described on Exhibit "A".

D. Grantor agrees that the agreement and the other documents evidencing and securing the transaction (collectively the "Transaction Documents") are in default and subject to foreclosure. Grantor further agrees that all notice provisions have been complied with and all grace periods have either expired or have been waived by Grantor. Grantor acknowledges that Grantee has declared the transaction and all indebtedness under and secured by the agreement due and payable and that the present fair market value of the Real Property is less than the amount owing under the agreement ("Debt").

E. The parties desire to avoid Grantor's further involvement in foreclosure litigation and reduce the cost and expense of such litigation by providing for a conveyance of the Real Property to Grantee.

F. Contemporaneously with the execution of this deed, Grantor will execute any and all documents necessary to convey her interest in the mobile home located on said Real Property described as:

1978 Concord Mobile Home  
Plate Number: X148120  
Title Number: 8632395278  
Vehicle ID Number: 2980144509

AGREEMENT:

NOW THEREFORE, IN CONSIDERATION OF the foregoing Recitals and the recitals and the mutual covenants described herein, the parties agree as follows:

1. Grantor hereby conveys to Grantee, its successors and assigns, the Real Property, as described on Exhibit "A" together with all appurtenances thereunto belonging or in any way appertaining, whether now or hereafter acquired.
2. Grantor acknowledges and agrees that the conveyance of the Real Property to Grantee according to the terms of this Non-Merger Deed in Lieu of Foreclosure is an absolute and unconditional conveyance of all of her right, title, and interest in and to the Real Property, in fact, as well as form, and was not and is not now intended as a mortgage, trust, conveyance, deed of trust, or other security instrument of any kind, the consideration for such conveyance being exactly as recited herein; that Grantor has no further interests (including rights of redemption, equitable or statutory) or claims in and to the Real Property or to the proceeds and profits that may be derived thereof of any kind whatsoever; that possession of the Real Property hereby is surrendered and delivered to Grantee; that in executing this deed, Grantor is acting with the advice of counsel, and is not acting under any misapprehension as to the effect thereof or any duress, undue influence, or misrepresentation by Grantee or her representatives, agents, or attorneys; that this deed is not given as a preference over other creditors of Grantor; and that there is no person, partnership, or corporation other than Grantee interested in the Real Property directly or indirectly in any manner whatsoever except as aforesaid.
3. It is the express intent of the Grantee and Grantor that the interests of the Grantor in and to the Real Property conveyed herein shall not merge with the security and other interests of Grantee so as to forfeit or in any way prejudice the rights of Grantee with respect to the Real Property, but shall be and remain at all times separate and distinct interests, notwithstanding any union of said interests in the Grantee at any time by operation of this Deed in Lieu of Foreclosure; and that the lien or liens of the Grantee in and to the Real Property conveyed hereby created by the agreement and the other transaction documents shall be and remain at all times valid and continuous liens upon the Real Property.

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4. Grantor does hereby convey to Grantee all of her rights of redemption concerning the Real Property, in equity, by statute or otherwise.

5. The true consideration for this conveyance are the recitals and the mutual covenants set forth in this document.

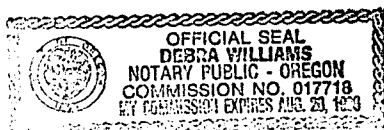
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

GRANTOR  
Treva B. Speer

Treva B. Speer

STATE OF OREGON           )  
  )ss.  
County of ~~Klamath~~ Douglas )

On this 11 day of March, 1996, personally appeared the above named Treva Speer, who being first duly sworn, acknowledged said instrument to be her voluntary act and deed.  
Before me:



Debra Williams  
Notary Public for Oregon  
My Commission Expires: 8-20-96

## EXHBIT "A"

A portion of Tract 22, GIENGER'S HOME TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, more particularly described as follows:

Beginning at a 3/4 inch iron pin marking the intersection of the Easterly right of way line of Hope Street and the Northerly right of way line of Hilyard Avenue; thence North 89°30' East along said Northerly right of way line, 173.50 feet to a 1/2 inch iron pin marking the true point of beginning of this description; thence continuing North 89°30' East 75.00 feet to a 1/2 inch iron pin on the Easterly line of that tract of land as described in Deed Volume M78 at page 1649, of the Klamath County Deed Records; thence North 00°30' West along said Easterly line, 156.60 feet to a 1/2 inch iron pin; thence South 89°30' West along the Northerly line of said Deed Volume M78, page 1649, 75.00 feet to a 1/2 inch iron pin; thence South 00°30' East 156.60 feet to the true point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Treva B Speer the 13th day  
of March A.D., 19 96 at 2:39 o'clock P M., and duly recorded in Vol. M96,  
of Deeds on Page 6776.

FEE \$45.00

By Bernetha G. Letsch, County Clerk  
Cheryl Russell