

99 JAN 10 AM 52

GRANTEE'S ADDRESS/AFTER
RECORDING RETURN TO:
HUTCHINSON, ANDERSON, COX,
COONS & DUPRIEST, P.C.
777 High St. Suite 200
Eugene, OR 97401

UNTIL A CHANGE IS REQUESTED,
SEND ALL TAX STATEMENTS TO
THE FOLLOWING ADDRESS:

Pacific Continental Bank
111 West 5th Street
P.O. Box 10727
Eugene, OR 97440

ASPER 04048425
DEED IN LIEU OF FORECLOSURE

Shirbeck, Inc., Grantor, hereby conveys and specially warrants to Pacific Continental Bank, Grantee, the following described real property free of encumbrances created or suffered by the Grantor except as specifically set forth herein. The real property is situated in the County of Klamath, State of Oregon, and more particularly described on Exhibit A which is attached hereto and incorporated herein by this reference as though fully set forth.

The true and actual consideration for this conveyance is the satisfaction of a contract obligation.

Grantor hereby covenants that this deed is absolute in effect and conveys a fee simple title to the property above described and does not operate as a mortgage, trust conveyance or security of any kind. Grantor further covenants that Grantor is the owner of the premises and has good right to transfer the same.

The acceptance by Grantee of this deed effects the satisfaction of the trust deed executed by Grantor dated October 23, 1995, recorded October 27, 1995 in Book M-95, Page 29407, Recorder's Number 8282 of the Official Records of Klamath County, Oregon wherein Pacific Continental Bank is the Grantee; and

Effects the satisfaction of the Modification of said Trust Deed which is dated October 1, 1996, recorded December 9, 1996 in Book M-96, Page 38378, Recorder's Number 29672 of the Official Records of Klamath County, Oregon; and

Effects the satisfaction of the Modification of Deed of Trust dated October 1, 1997, recorded January 5, 1998 in Book M-98, Page 164, Recorder's Number 51114 of the Official Records of Klamath County, Oregon.

This deed however does not effect a payment of the promissory note which is secured in part by the trust deed set forth above. Said promissory note shall remain in full force and effect and remain the continuing obligation of the borrower set forth therein.

Grantor does hereby waive, surrender, convey and relinquish any equity of redemption or statutory right of redemption concerning the real property and the trust deed described above.

1630

Grantor is not acting under any misapprehension as to the legal effect of this deed nor acting under any duress, undue influence or misrepresentation of Grantee, Grantee's agents or attorneys or of any other person.

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

DATED this 24 day of December, 1998

Shirbeck, Inc.

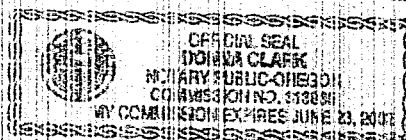
[Signature]
by Cecil R. Alberts, President

STATE OF OREGON)

) ss

County of Lane)

On this 24 day of December, 1998, personally appeared the above-named Cecil R. Alberts who being duly sworn (or affirmed) did say that he is the President of Shirbeck, Inc. and he acknowledged this instrument on behalf of the Corporation.



[Signature]
Notary Public For Oregon

My Commission Expires: 6/23/01

A portion of the SW 1/4 of Section 17, Township 24 South, Range 7 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

All of that portion of the SW 1/4 of Section 17, Township 24 South, Range 7 East of the Willamette Meridian, in the County of Klamath, State of Oregon, situated on the Southwesterly side of the Southwesterly line of Highway right of way of Oregon State Highway 58. EXCEPT a rectangular portion commencing at a point where the North-South center line of said Section 17 intersects the Southwesterly line of the highway right of way of Oregon State Highway 58; thence along said Southwesterly line of said right of way in a generally Northwesterly direction a distance of 150 feet to a point which is the true point of beginning; thence at right angles to said highway right of way and in a generally Southwesterly direction 250 feet to a point; thence at right angles to said last course and in a generally Northwesterly direction a distance of 175 feet to a point; thence at right angles to said last course and in a generally Northeasterly direction a distance of 250 feet, more or less, to the said Southwesterly right of way line of said Oregon State Highway 58; thence along said Southwesterly line of said right of way in a generally Southeasterly direction a distance of 175 feet, more or less, to the point of beginning.

CODE 51 & 205 MAP 2407-17 TO TL 900
CODE 205 & 51 MAP 2407-17 TO TL 900

STATE OF OREGON: COUNTY OF KLAMATH

Filed for record at request of Aspen Title & Escrow the 19th day
of January A.D. 1990 at 10:58 o'clock A. M. and duly recorded in Vol 399
of Deeds at Page 629

FILE \$40.00

Linda Smith, County Clerk

by Heather Rose