

MTC 1396-50031

AFTER RECORDING, RETURN TO:
John L. Shama
P.O. Box 180
Walterville, OR 97489

SEND TAX STATEMENTS TO:
John L. Shama
P.O. Box 180
Walterville, OR 97489

TRUE AND ACTUAL CONSIDERATION: The true and actual consideration paid for this conveyance is other than cash and consists of the release of Grantor from any liability for further payment under the trust deed

DEED IN LIEU OF FORECLOSURE
(NONMERGER-Trust Deed)

Cathy King, Grantor, conveys and warrants to South Valley Bank and Trust, an Oregon Banking Corporation, Custodian for John L. Shama Rollover IRA, Grantee, it successors and assigns the following described real property situation in Lane County, Oregon, to-wit:

See Attached Exhibit "A"

together with all improvements, fixtures hereditaments and appurtenances belonging or in any way appertaining thereto(Property).

This deed is absolute in effect and conveys fee simple title of the Property to the Grantee and does not operate as a mortgage, trust conveyance or security of any kind.

This deed does not effect a merger of the fee ownership and the lien of the trust deed. The fee and lien shall remain separate and distinct.

Grantor is the owner of the property free of all encumbrances except the trust deed executed to Grantee, dated March 30, 1998, and recorded on March 31, 1998, Volume M98, page 10415, Microfilm Records of Klamath County, Oregon; beneficial easements, reservations and restrictions of record.

The trust deed is in default and subject to immediate foreclosure. By acceptance of this deed, Grantee agrees that Grantee shall not take any action to collect against Grantor on the remaining obligations due on the trust deed executed to Grantee dated March 30, 1998, other than by foreclosure of that trust deed and in any such proceeding, Grantee shall not seek, obtain or permit a deficiency judgment against Grantor or Grantor's successors or assigns. In consideration of said agreement by Grantee and the benefit received by Grantor of being able to remain in possession of the property until relinquished at the time of this conveyance, Grantee may retain all payments previously made on the trust deed with no duty to account therefor.

2/6/98

Grantor waives, surrenders, conveys and relinquishes and equity of redemption and statutory rights of redemption concerning the property and the trust deed. Grantor is not acting under any misapprehension as to the legal effect of this deed, nor under any duress, undue influence or misrepresentation by Grantee or Grantee's agent or attorney or any other person.

Grantee shall be deemed to have accepted this deed only when Grantee records this deed.

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.

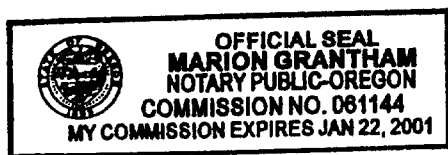
Dated this 5 of January, ²⁰⁰⁰~~199~~

Cathy King

STATE OF OREGON)

County of ~~Lane~~ ^{Clatsop} ss.

This instrument was acknowledged before me this 5 day of January, ~~199~~²⁰⁰⁰ by Cathy King.



Marion Grantham
Notary Public of Oregon

My Commission Expires: 1/22/01

AMERITITLE, has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

EXHIBIT "A"
LEGAL DESCRIPTION

Beginning at the most Northerly corner of Lot 6, Block 12, ELDORADO ADDITION TO THE CITY OF KLAMATH FALLS, OREGON, which point of beginning is on the Southwesterly line of Eldorado Boulevard; thence North 49 degrees 51 1/2' West along the Southwesterly line of said Eldorado Boulevard a distance of 85 feet, more or less to the centerline of Birch Street said Eldorado Addition; thence South 40 degrees 08' West along said center line, a distance of 87.34 feet; thence South 24 degrees 49 1/2' East 33.34 feet, more or less, to the most Northeasterly corner of Lot 8, of said Block 12; thence Southeasterly along the Easterly line of said Lot 8, a distance of 55.46 feet to the most Westerly corner of said Lot 6; thence North 40 degrees 08' East along the Northwesternly line of said Lot 6, a distance of 110 feet to the point of beginning, formerly Lot 7, Block 25 of the vacated portion of Eldorado Heights and a vacated portion of Birch Street of said Eldorado Heights, in the County of Klamath, State of Oregon.

EXCEPTING THEREFROM that portion lying within the boundaries of Birch Street.

611**LETTER AND CERTIFICATE OF ACQUISITION**

PARTIES: Washington Mutual Bank, a Washington State Chartered
Stock Savings Bank

AND: South Valley Bank & Trust
An Oregon Banking Corporation

RECITALS

- A. Washington Mutual Bank has conducted a trust business in the state of Oregon under the name and style of Western Bank.
- B. On April 2, 1999, Washington Mutual Bank sold and conveyed to South Valley Bank & Trust its trust business including but not limited to physical assets, employee contracts and trust accounts by the means of a Succession and Asset Purchase Agreement.
- C. Washington Mutual Bank specifically conveyed the John L. Shama Rollover IRA to South Valley Bank & Trust.

LETTER OF ACQUISITION

KNOW, that on April 2, 1999, Washington Mutual Bank, in its fiduciary capacity, conveyed and assigned the above-mentioned trust account and the assets held therein to South Valley Bank & Trust in its fiduciary capacity and designated South Valley Bank & Trust as trustee, agent, custodian, attorney-in-fact, or other fiduciary capacity to maintain and manage the assets of the above-entitled trust pursuant to the governing documents and the laws of the state of Oregon.

IN WITNESS WHEREOF, I have executed this Letter of Acquisition the 6 day of May 1999.

Washington Mutual Bank

By: 

Larry Bosworth

CERTIFICATE OF ACQUISITION

State of Oregon, County of Klamath
Recorded 1/6/00, at 3:35 p.m.

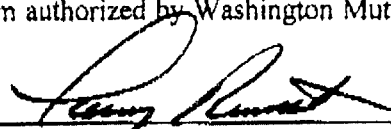
In Vol. M00 Page 608

Linda Smith,

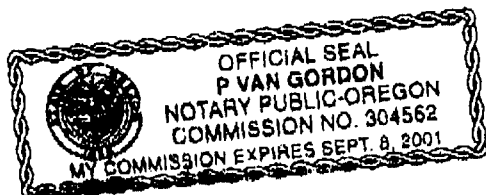
County Clerk Fee \$ 36.00

STATE OF OREGON)
) ss.
COUNTY OF JACKSON)

I, Larry Bosworth, hereby certify that the foregoing Letter of Acquisition is documentary evidence of the transfer of the above-mentioned trust account and its assets to South Valley Bank & Trust by Washington Mutual Bank pursuant to the Succession and Asset Purchase Agreement and that I am authorized by Washington Mutual Bank to issue this Letter and Certificate of Acquisition.


Larry Bosworth

SUBSCRIBED AND SWORN to before me this 6th day of May, 1999.




Notary Public for Oregon

My Commission Expires: 9-8-2001