

Recordation Requested by:

200 MAR 29 AM 11: 36

Valerie T. Auerbach
Farleigh, Wada & Witt, P.C.
121 S.W. Morrison St., Suite 600
Portland, OR 97204

After Recording Return to:

Valerie T. Auerbach
Farleigh, Wada & Witt, P.C.
121 S.W. Morrison St., Suite 600
Portland, OR 97204

Send Tax Statements to:

Forest Products Federal Credit Union
PO Box 1179
Klamath Falls, OR 97601

MTC 50219
DEED IN LIEU OF FORECLOSURE
(Nonmerger)

Alexander E. Meyjes, "Grantor," conveys to Forest Products Federal Credit Union, "Grantee," the following real property ("Property"):

The Southerly 20 feet of Lot 18 and all of Lot 19 of VALLEY VIEW,
according to the official plat thereof on file in the office of the
County Clerk of Klamath County, Oregon,

together with all of Grantor's right, title, and interest in any land sale contract or lease agreement involving said Property. Grantor is the owner of the Property free and clear of all encumbrances except the Deed of Trust described below and a second trust deed recorded August 29, 1997, in M97, Page 28615, Records of Klamath County, Oregon, in favor of Larry R. Butler and Christine Butler, as beneficiaries.

Grantor executed and delivered to Grantee a Deed of Trust encumbering the Property, recorded August 29, 1997, in Volume M97, Page 28609, Records of Klamath County, Oregon, to secure payment of a Promissory Note in the sum of \$95,600. Said Note and Deed of Trust are in default and the Deed of Trust is subject to foreclosure. In consideration of Grantee's acceptance of this deed in lieu of foreclosure and waiver of the right to collect against Grantor on the Note, Grantee may retain all payments previously made on the Note, with no duty to account therefor.

31.00
m

This Deed is intended as a conveyance absolute in legal effect, as well as in form, of the title to said Property to Grantee and this Deed is not intended as security of any kind. Grantor waives, surrenders, and relinquishes any equity of redemption and statutory rights of redemption which Grantor may have in connection with the Property and the Deed of Trust.

Grantor warrants that during the time period that the Property was owned by Grantor, the Property was never used for the generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous substance, as those terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et. seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act ("SARA"), other applicable state or federal laws, or regulations adopted pursuant to any of the foregoing. Grantor agrees to indemnify and hold Grantee harmless against any and all claims and losses resulting from a breach of this warranty. This warranty shall survive any future disposition of the Property.

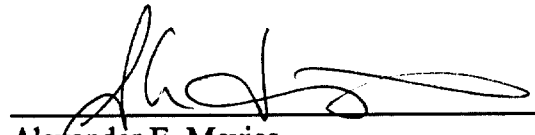
This Deed does not effect a merger of the fee ownership and the lien of the Deed of Trust in favor of Grantee as described above. The fee and the lien shall hereafter remain separate and distinct. Grantee, for the benefit of itself and its successors and assigns, reserves the right to foreclose the Deed of Trust at any time as to any party with any claim, interest, or lien on the Property, including against the parties holding the beneficial interest in the second trust deed lien described above.

Grantor has read and fully understands the above terms and is not acting under misapprehensions as to the effect of this Deed, nor under any duress, undue influence or misrepresentations of Grantee, its agents, attorneys or any other person.

Grantee does not expressly or impliedly agree to assume or pay any contract balances, debts, liens, charges or obligations which relate or attach to the property.

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 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 3 day of ^{in ARCIT} February, 2000.


Alexander E. Meyjes

STATE OF OREGON)
) ss.
County of Klamath)

On this 2nd day of March, 2000, before me, the undersigned Notary Public in and for said state, personally appeared Alexander E. Meyjes, known to me to be the person who executed the within Deed in Lieu of Foreclosure and acknowledged to me that he executed the same for the purposes therein stated.

Nathale M. Gitnes
Notary Public for Oregon

My Commission Expires: 12/16/13



State of Oregon, County of Klamath

Recorded 3/29/00, at 11:36 a.m.

In Vol. M00 Page 10244

Linda Smith,

County Clerk Fee \$ 31.00