

200 APR 25 AM 10: 56

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After recording, return to:

Paul S. Cosgrove
Lindsay, Hart, Neil & Weigler, LLP
Suite 3400
1300 SW Fifth Avenue
Portland, OR 97201-5696

Please send property tax statements to:

Associates Financial Services Company, Inc.
1111 Northpoint Drive
Building 4, Suite 100
Coppell, TX 75019-3831

BARGAIN AND SALE DEED

IN LIEU OF FORECLOSURE

KNOW ALL MEN BY THESE PRESENTS, that Teresita M. Otero hereinafter called Grantor, for the consideration hereinafter stated, does hereby grant, bargain, sell and convey unto Associates Financial Services Company of Oregon, Inc., hereinafter called Grantee, and unto Grantee's successor and assigns all of that certain real property with the tenements, hereditaments and appurtenances thereto belonging or in any way appertaining, situated in the County of Klamath, State of Oregon, described as follows:

*Lot 33, FIRST ADDITION TO MADISON PARK, in the County of Klamath,
State of Oregon.*

To have and to hold the same unto the said Grantee and Grantee's successors and assigns forever.

This deed is absolute in effect and conveys fee simple title of the premises above described 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 described below. The fee and lien shall hereafter remain separate and distinct.

The actual consideration consists of other property or value given or promised, which is the whole consideration (further described below).

By acceptance of this deed, Grantee covenants and agrees that it shall forever forbear taking any action whatsoever to collect against Grantor on the promissory note which is secured by the trust deed described below, other than by foreclosure of that trust deed, and that in any proceeding to foreclose that trust deed it shall not seek or obtain a deficiency judgment against Grantor, her heirs or assigns, such rights and remedies being hereby waived.

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

Grantor is not acting under any misapprehension as to the legal effect of this deed, nor under any duress, undue influence or misrepresentation of Grantee, its agent, attorney or any other person.

The true and actual consideration for this transfer consists of Grantee's waiver of its rights, if any, to a deficiency judgment and Grantee's agreement not to name, except as necessary to clear title, the Grantor as a party to a foreclosure action as stated above with respect to that certain trust deed or mortgage entered into July 31, 1996, between Grantor and Grantee, and recorded in Book M-96, page 23851, as Recorder's Fee No. 22645, of the official records of Klamath County, State of Oregon on the 5th day of August, 1996. Said trust deed or mortgage was given to secure a note between Grantor and Grantee in the amount of \$97,274.15. Grantor states that the consideration for this deed, described above, is reasonably equivalent in value to the Grantor's interest in the property described above.

In construing this deed and where the context so requires, the singular includes the plural and all grammatical changes shall be implied to make the provisions hereof apply equally to corporations and to individuals.

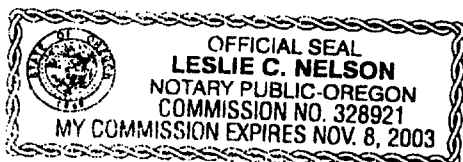
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

Acceptance of this deed by Grantee is conditioned upon Grantee's determination that the title to the real property is not encumbered by any liens, encumbrances or interests of any parties, excepting Grantor, which are subject and inferior to the lien of the trust deed described above, as of the date this deed is presented for recording in the official records of the county in which the above described real property is located.

IN WITNESS WHEREOF, the Grantor has executed this instrument this 18 day of March, 2000.
April T.M.O. Jun
Teresita M. Otero
 Teresita M. Otero

STATE OF OREGON)
) ss.
 County of Klamath)

Personally appeared the above named Teresita M. Otero, and acknowledged the foregoing instrument to be her voluntary act and deed.



Leslie C. Nelson
 NOTARY PUBLIC FOR OREGON

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State of Oregon, County of Klamath
 Recorded 04/25/00, at 10:56 a.m.
 In Vol. M00 Page 14176
 Linda Smith,
 County Clerk Fee\$ 26⁰⁰