

mtc- 70690

State Of Oregon, County Of Klamath

M05-62538

08/23/2005 10:41:16 AM

Of Pages 1 Fee: \$21.00

RETURN TO: Brandsness, Brandsness, Rudd & Bunch, P.C. 411 Pine Street Klamath Falls, OR 97601	TAX STATEMENT TO Kerry S. Penn P. O. Box 100 Bella Vista, CA 96008
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DEED IN LIEU OF FORECLOSURE - NO MERGER

THIS INDENTURE between Brad D. Green and Diana L. Green, husband and wife, hereinafter called Grantors, and Kerry S. Penn hereinafter called Grantees:

The real property being conveyed is described as:

Lot 31 in Block 46 of TRACT 1184, OREGON SHORES UNIT 2, FIRST ADDITION, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Grantors covenant that:

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

Grantors are the owners of the premises free of all encumbrances except the trust deed executed to grantee, dated April 2, 2003, and recorded on April 11, 2003, at Volume M03, page 22876 of the official records of Klamath County, Oregon, and except: no other exceptions.

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

The consideration of this transfer is the waiver of the grantee's right to collect costs, disbursements and attorney's fees, as well as any deficiency balance due from the grantors only.

By acceptance of this deed, grantee covenants and agrees that he shall forever forbear taking any action whatsoever to collect against grantors on the promissory note given to secure the trust deed described above, other than by foreclosure of that trust deed, and that in any proceeding to foreclose the trust deed he shall not seek, obtain, or permit a deficiency judgment against grantors, or their heirs or assigns, such rights and remedies being waived.

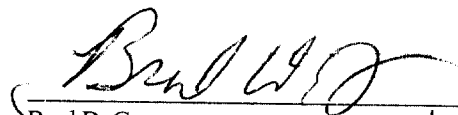
Grantors waive, surrender, convey, and relinquish any equity of redemption and statutory rights of redemption concerning the real property and trust deed described above.

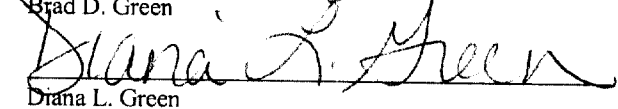
Grantors are not acting under any misapprehension as to the legal effect of this deed, nor under any duress, undue influence, or misrepresentation of grantee, grantee's agent or attorney, or any other person.

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.

IN WITNESS WHEREOF the Grantors above-named have executed this instrument.

DATED this 15 day of August, 2005.

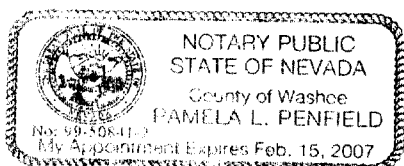


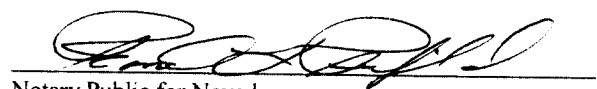
Brad D. Green


Diana L. Green

STATE OF NEVADA, County of Washoe) ss.

Personally appeared before me this 15th day of AUGUST, 2005, the above named Brad D. Green and Diana L. Green and acknowledged the foregoing instrument to be their voluntary act and deed.





Notary Public for Nevada
My Commission expires: 2-15-07

2/10 am