

2008-014158

Klamath County, Oregon



00054779200800141580050055

10/15/2008 03:36:44 PM

Fee: \$41.00

MTL83228

After recording return to:
Hershner Hunter, LLP
Attn: Patrick W. Wade
P.O. Box 1475
Eugene OR 97440

UNTIL A CHANGE IS REQUESTED, TAX
STATEMENT SHOULD BE SENT TO:

Gene A. Bailey
105 Howard Avenue
Eugene, OR 97402

DEED IN LIEU OF FORECLOSURE

Robert I. Shultz and Delores A. Shultz, Grantors, convey and warrant to Gene A. Bailey, Grantee, the real property described on the attached Exhibit A, free of encumbrances except as set forth on the attached Exhibit A (hereinafter the Property).

Property Address: (no site address – see Exhibit A)

Grantor covenants that:

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

2. Grantor is the owner of the Property free of all encumbrances except as set forth on the attached Exhibit A.

3. Grantor hereby waives, surrenders, conveys and relinquishes any equity of redemption and any statutory rights of redemption concerning the Property and the trust deed set forth on the attached Exhibit A. Grantee may retain all payments previously made on the secured debt without any duty to provide an accounting.

4. 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, Grantee's agents or attorneys, or any other person.

5. This deed does not effect a merger of the fee simple ownership and the lien of the trust deed described on the attached Exhibit A. The fee and the lien of such trust deed shall hereafter remain separate and distinct.

6. 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 secured by the trust deed described on the attached Exhibit A, other than by foreclosure of such trust deed, and that in any proceeding to foreclose such trust deed, Grantee shall not seek, obtain or permit a deficiency judgment against Grantor, Grantor's heirs or assigns, such remedies and rights being hereby waived.

4/11/08

7. The true consideration for this conveyance is Grantee's covenants described in the foregoing paragraph with respect to collection of indebtedness secured by the trust deed described on the attached Exhibit A.

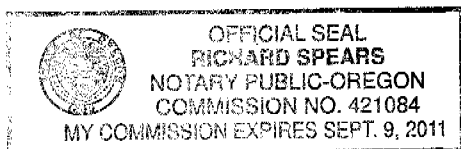
BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 197.352. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 197.352.

Dated this 9 day of October, 2008

Robert I. Shultz
Robert I. Shultz

STATE OF OREGON)
) ss.
COUNTY OF Deschutes

The foregoing instrument was acknowledged before me this 9 day of OCTOBER, 2008, by Robert I. Shultz.

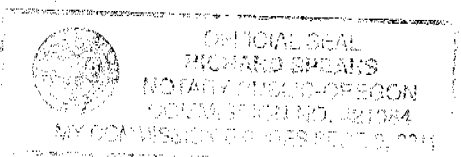


Richard Spears
Notary Public for Oregon
My commission expires: 09/09/2011

Delores A. Shultz
Delores A. Shultz

STATE OF OREGON)
) ss.
COUNTY OF Deschutes

The foregoing instrument was acknowledged before me this 9 day of October, 2008, by Delores A. Shultz



Richard Spears
Notary Public for Oregon
My commission expires: 09/09/2011

ISSUED BY:

AmeriTitle

300 Klamath Avenue

Klamath Falls OR 97601

LISA SUMMERS

HERSHNER, HUNTER, ANDREWS, NEILL AND SMITH LLP

180 EAST 11TH AVENUE

EUGENE, OR 97401

Your Reference: 32417.00001

Property Address

EXHIBIT 1

Order No.: 0083228

Title Examiner: ROSE CARLSON

Guarantee No.: 73086-76359160

Effective Date: August 14, 2008 at 8:00 A.M.

Liability: \$30,000.00

Fee: \$220.00

A. The Assured is:

GENE BAILEY

B. The encumbrance to be enforced is:

1. Trust Deed, subject to the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advance as may be provided therein;

Dated: October 30, 2006

Recorded: November 9, 2006

Volume: 2006, page 022497, Microfilm Records of Klamath County, Oregon

Amount: \$30,000.00

Grantor: Robert I. Shultz and Delores A. Shultz, as tenants by the entirety

Trustee: AmeriTitle, an Oregon corporation

Beneficiary: Gene Bailey

C. The estate or interest in the land which is covered by this Guarantee is:

A Fee

D. Title to the estate or interest in the land is vested, as of the effective date, in:

ROBERT L. SHULTZ AND DELORES A. SHULTZ,
AS TENANTS BY THE ENTIRETY

E. The land referred to in this Guarantee is described as follows:

Lot 24 in Block 65 of KLAMATH FALLS FOREST ESTATES HIGHWAY 66, UNIT PLAT NO. 3, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

F. As of the effective date, the land covered by this Guarantee is subject to the following Exceptions:

1. Taxes for the fiscal year 2008-2009, a lien due and payable.
Account No: 3811-003C0-00800-000 Key No: 459300
Amount: \$73.43 Code No: 036
2. Taxes for the fiscal year 2008-2009, a lien not yet due and payable.
Account No: 3811-003C0-00800-000 Key No: 459300
3. The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of Klamath Lake Timber Fire Patrol.
4. The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of Klamath Lake Grazing Fire Patrol.
5. The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of Klamath Falls Forest Estates Special Road District.
6. Reservations of all the oil, gas and minerals as set forth in Deed from Ada Parsons Sparretorn to John E. Cox and Charles E. Cox, dated June 8, 1936 and recorded June 11, 1936 in book 106 at page 459, Deed Records of Klamath County, Oregon.
7. Reservations as contained in plat dedication, to wit:

"Subject to a 16 foot easement centered on the back and side lines of all lots for future public utilities, a 40 foot building setback on all lots adjacent to Highway 66 and to all easements and reservations of record."

8. Covenants, conditions and restrictions, but omitting covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, subject to the terms and provisions thereof,
Recorded: June 24, 1965
Volume: 362, page 400, Deed Records of Klamath County, Oregon
9. Trust Deed, subject to the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advance as may be provided therein;
Dated: October 30, 2006
Recorded: November 9, 2006
Volume: 2006, page 022497, Microfilm Records of Klamath County, Oregon
Amount: \$30,000.00
Grantor: Robert I. Shultz and Delores A. Shultz, as tenants by the entirety
Trustee: AmeriTitle, an Oregon corporation
Beneficiary: Gene Bailey
10. This report is issued subject to the examination of Bankruptcy No. 08-32195-RLD13, in the U.S. District Court for the District of Oregon, being the bankruptcy of Robert Irvin Shultz, Jr. and Delores Anne Shultz, and any additional exceptions or deletions deemed necessary thereby. Said proceeding has been ordered and a supplemental will follow upon completion of said examination.

(We were made aware of this pending bankruptcy in our account servicing department.)
11. Proof should be furnished that the grantors of the foreclosed Trust Deed disclosed by Trustee's Deed recorded November 9, 2006 in volume 2006, page 022497 as well as the occupants if not the grantors, received ACTUAL notice of the risk of loss of their property as required by Chapter 19, Oregon Laws 2008.
12. Subject to compliance with Chapter 19, Oregon Laws 2008 and the provisions thereof.
13. Any bankruptcy proceeding that is not disclosed by the acts that would afford notice as to said land, pursuant to Title 11 U.S.C. 549 (C) of the Bankruptcy Reform Act of 1978, as amended.
14. That no inquiry, search, or examination has been made of the federal courts for pending bankruptcy proceedings.

NOTE: Any map or sketch enclosed as an attachment herewith is furnished for information purposes only to assist in property location with reference to streets and other parcels. No representation is made as to accuracy and the company assumes no liability for any loss occurring by reason of reliance thereon.