

2008-014378

Klamath County, Oregon



00055050200800143780030033

THIS SPACE FOR COUNTY USE ONLY:

10/21/2008 02:58:26 PM

Fee: \$31.00

151 1294458

AFTER RECORDING RETURN TO:

Donald J. Churnside
Gaydos, Churnside & Balthrop, PC
440 E. Broadway, Suite 300
Eugene, OR 97401

SEND ALL TAX STATEMENTS TO:

McKenzie Leasing and Finance, Inc.
PO Box 71186
Eugene, Oregon 97401

STATUTORY SPECIAL WARRANTY DEED IN LIEU OF FORECLOSURE

RMD Forestry Inc, Grantor, individually and on behalf of its successors and assigns, Grantor, for the consideration hereafter stated, hereby grants, bargains, sells, conveys and warrants unto McKenzie Leasing and Finance, Inc., Grantee, and Grantee's successors and assigns, all of that certain real property with the tenements, hereditaments, and appurtenances thereto belonging or in any way appertaining, and including any rights of redemption, and free of encumbrances except as specifically set forth herein, situated in Klamath County, Oregon, and more particularly described as follows:

Government Lots 5, 6, 7, 8 and 9 in Section 4, and the North half of the Northeast Quarter of Section 9, all in Township 32 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

The true consideration for this conveyance forbearance by Grantee and the terms and provisions of that certain agreement between the parties dated effective October 15, 2008.

This Deed is absolute in effect and conveys fee simple title of the premises above-described to 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 created by the Trust Deed dated March 14, 2007, and recorded in the Real Property Records of Klamath County, Oregon, on April 2, 2007, as Reception Number 2007-006086, and other liens in favor of Grantee against the real property the subject hereof. The fee interest and lien interest shall hereafter remain separate and distinct and until such time as Grantee elects.

Grantor represents, warrants and agrees that Grantor is not under any misapprehension as to the effect of this Deed nor under any duress, undue influence or misrepresentation by Grantee, Grantee's agents, attorneys, employees, directors, or any other person, and the property is free and clear of encumbrances save and except such encumbrances in favor of Grantee.

Grantor is indebted to Grantee by virtue of the terms of the loan agreement secured by the above-described Trust Deed in an amount not less than \$175,397.97, and for Grantee's additional attorneys' fees, costs, and disbursements incurred as a result of Grantor's default in accordance with the terms of the Note and Trust Deed. Grantee reserves the right to foreclose the Trust Deed as to interest holders other than Grantor or take such other action as Grantee deems appropriate to perfect its interest in the property the subject hereof.

Grantor acknowledges and agrees that Grantor is in default under the terms of the obligations to Grantee described hereinabove. Such obligations are subject to immediate foreclosure.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. 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 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

In construing this Deed and where the context so requires, the singular includes the plural and all grammatical changes shall be applied to make the provisions apply equally to all individuals, parties, and entities.

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Grantor acknowledges and agrees that this Deed was prepared by the attorneys for the Grantee, and Grantor agrees that this document will not be construed in accordance with any rules of interpretation or construction which in any manner favor Grantor including, without limitation, the rule that any ambiguity in this document will be construed against the drafter. In addition, Grantor acknowledges its right and ability to seek legal counsel to have this document and the procedure described within it reviewed and Grantor has either reviewed this document with its attorney or decided not to seek independent counsel.

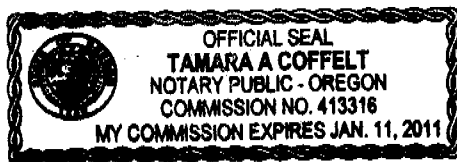
RMD FORESTRY INC

DATED: 10-15-08

By: [Signature]
Its: PRESIDENT

STATE OF OREGON)
)
County of Lane) ss.

Personally appeared before me the above named RMD Forestry, Inc. by Gary Dennis Turpin Jr. its President, Grantor on this 15th day of Oct., 2008, and acknowledged the foregoing instrument to be its voluntary act and deed.



Tamara A Coffelt
Notary Public for Oregon JAN 11 2011

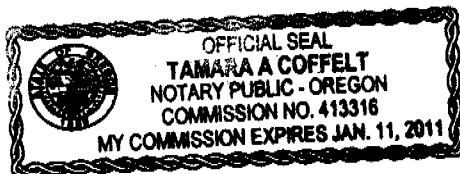
ACCEPTANCE:

The above Deed is hereby accepted by McKenzie Leasing and Finance, Inc.

McKenzie Leasing and Finance, Inc.

By: [Signature]
Its: General Manager

SWORN TO and SUBSCRIBED before me by to Det David Cary this 15th day of Oct, 2008.



Tamara A Coffelt
Notary Public for Oregon JAN 11 2011