

2008-016477

Klamath County, Oregon



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12/15/2008 08:49:09 AM

Fee: \$26.00

After recording, return to:
ROBERT A. SMEJKAL, P.C.
PO Box 654
Eugene, OR 97440

Mail Tax Statements to:
LBLM INVESTMENTS, LLC
20335 Arrowhead Drive
Bend, OR 97701

DEED IN LIEU OF FORECLOSURE

TELLARON HOLDINGS, LLC, Grantor, conveys to LBLM INVESTMENTS, LLC, Grantee, that certain real property located in Klamath County, Oregon, and more particularly described as follows:

"Lots 1279, 1280, 1281, 1282, 1283 and 1284, Tract 1443, a replat of Lots 595-602, 604-605, FALCON DRIVE and RED TAIL DRIVE of Tract 1340, RUNNING Y RESORT PHASE 7, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon."

Grantor covenants that this Deed in Lieu of Foreclosure is absolute in effect and conveys fee simple title of the land described above to the Grantee, and does not operate as a mortgage, trust conveyance, or security device of any kind. This Deed in Lieu of Foreclosure does not effect a merger of the fee ownership and the Trust Deed described below. The fee and lien shall hereafter remain separate and distinct.

Grantor hereby waives, surrenders, conveys and relinquishes any equity of redemption and any statutory rights of redemption concerning the real property described above and the Trust Deed described below.

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

Grantee may retain all payments previously made on the Trust Deed with no duty to account therefor.

The true consideration for this conveyance is other than money.

By acceptance of this Deed in Lieu of Foreclosure, Grantee covenants and agrees that Grantee shall forever forebear from taking any action whatsoever to collect against Grantor in the performance of that certain Promissory Note dated August 2, 2006, executed by TELLARON ASSOCIATES, LLC, as Maker, and DONALD N. BAUHOFFER as Guarantor, in the principal amount of \$310,000.00, and that certain Trust Deed in which TELLARON HOLDINGS, LLC, is Grantor, WEST COAST ESCROW, is Trustee, and LBLM INVESTMENTS, LLC, is Beneficiary, dated August 2, 2006, recorded September 5, 2006, in the Microfilm Records of Klamath County, Oregon, at Volume 2006, Page 017829, other than by foreclosure of the foregoing Trust Deed, and that in any proceeding to foreclose the Trust Deed, Grantee shall not seek, obtain or permit any judgment, costs or expenses against Grantor, such rights and remedies being hereby waived. Notwithstanding the foregoing to the contrary, TELLARON ASSOCIATES, LLC, and DONALD N. BAUHOFFER agree to pay to LBLM the balance due for real property taxes for the years 2006 and 2007 in the amount of \$9,341.13.

In construing this Deed in Lieu of Foreclosure, and where the context so requires, the singular shall include the plural.

DATED this 3rd day of ^{December}~~November~~, 2008.

TELLARON HOLDINGS, LLC

By: _____

DONALD N. BAUHOFFER, Manager

STATE OF OREGON, County of Deschutes) ss.

Personally appeared before me on the 3rd day of ^{December}~~November~~, 2008, the above named DONALD N. BAUHOFFER as Manager of TELLARON HOLDINGS, LLC, and acknowledged the foregoing Deed in Lieu of Foreclosure to be his voluntary act and deed.



NOTARY PUBLIC FOR OREGON