

NJC 86352

2010-002260

Klamath County, Oregon



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**Non-Merger Deed in Lieu of Foreclosure**

**Grantors:**

Richard M. Hines and Katie I. Hines  
6012 Coopers Hawk Road  
Klamath Falls, OR 97601

**Grantee:**

South Valley Bank & Trust  
803 Main Street, Ste 403  
Klamath Falls, OR 97601

**After recording, return to:**

James R. Uerlings  
Boivin, Uerlings & Dilaconi, P.C.  
803 Main Street, Ste 201  
Klamath Falls, OR 97601

**Send property tax statements to:**

South Valley Bank & Trust  
Attn: John Lake  
803 Main Street, Ste 403  
Klamath Falls, OR 97601

02/12/2010 11:21:15 AM

Fee: \$42.00

**Recitals**

A. This Non-Merger Deed in Lieu of Foreclosure is made, executed and entered into as of the 1<sup>st</sup> day of February, 2010 between Richard M. Hines and Katie I. Hines ("Grantors"), and South Valley Bank & Trust, an Oregon banking corporation ("Grantee"). Capitalized words and terms used herein without other definition shall have the meanings given in the Settlement Agreement between Grantors and Grantee of even date herewith.

B. Grantors own fee simple title to the real property ("Real Property") legally described as follows:

Lot 1142, Running Y Resort, Phase 13, Tract 1429, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

C. To evidence and secure a loan ("Loan") made by Grantee to Richard M. Hines and Katie I. Hines (the "Hines"), executed and delivered a Trust Deed dated May 26, 2005, and recorded on May 27, 2005, at Volume M05, page 39266 in the records of Klamath County, Oregon ("Trust Deed"), which secures a Note signed by the Hines' dated May 26, 2005, in the principal amount of \$149,850.00 ("Note").

D. Grantors agree that the Trust Deed and the other documents evidencing and securing the Loan (collectively, the "Loan Documents") are in default and are currently in foreclosure in Klamath County, as evidenced by the Notice of Default and Election to Sell dated October 26, 2009 and recorded on October 26, 2009 in the real property records of Klamath County, Oregon, at Volume 2009, page 013827. Grantors further agree that all notice provisions have been complied with and all grace periods have either expired or have been waived by Grantors. Grantors acknowledge that Grantee has declared the Note and all indebtedness under and secured by the Loan Documents due and payable and that the present fair market value of the Real Property is less than the amount owing under the Note.

E. Pursuant to the Settlement Agreement between Grantee and Grantors dated February 1<sup>st</sup>, 2010 (the "Settlement Agreement"), the parties desire to avoid Grantors' further involvement in the foreclosure process and reduce the cost and expense of such foreclosure by providing for a conveyance of the Real Property to Grantee.

**Agreement**

NOW, THEREFORE, in consideration of the foregoing Recitals and the recitals and mutual covenants described herein and in the Settlement Agreement, the parties agree as follows:

1. Grantors hereby convey to Grantee, its successors and assigns, the Real Property, together with all appurtenances thereunto belonging or in any way appertaining, whether now or hereafter acquired.

42amt

