

WTC 1396-9946  
2010-002769

Klamath County, Oregon



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03/01/2010 03:16:48 PM

Fee: \$42.00

***Recordation Requested by:***

KENT SNYDER  
Attorney at Law  
6312 SW Capital Hwy. #195  
Portland, OR 97239

***After Recording Return to:***

KENT SNYDER  
Attorney at Law  
6312 SW Capital Hwy. #195  
Portland, OR 97239

***Send Tax Statements to:***

Tom Farruggia  
321 NW 53rd Street  
Redmond, OR 97756

**DEED IN LIEU OF FORECLOSURE  
(Nonmerger)**

JEFFREY REYNOLDS and KELLEY REYNOLDS ("Grantors"), convey to TMFIRA INVESTMENTS, LLC ("Grantee"), the following real property (the "Property"):

Lot 8, Block 19, FAIRFIEW ADDITION #2 to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon,

Commonly known as: 1313 Lookout Avenue, Klamath Falls, OR 97601,

together with all Grantor's right, title, and interest in any land sale contract or lease option agreement involving the Property. Grantor is the owner of the Property free and clear of all encumbrances except for county tax liens as follows:

Taxes for fiscal year 2007-2008, account 3809-029CA-17100-000  
Taxes for fiscal year 2008-2009, account 3809-029CA-17100-000 and  
Taxes for fiscal year 2009-2010, account 3809-029CA-17100-000

and city liens, if any, due and payable to the City of Klamath Falls.

Grantors executed and delivered to Grantee a Trust Deed, recorded on March 15, 2007, in Volume 2007, page 004450, Microfilm Records of Klamath County, Oregon, to secure payment of a Promissory Note in the sum of \$90,229.00. The Note and Trust Deed are in default and the Trust Deed is subject to foreclosure. In consideration of Grantee's acceptance of this Deed in Lieu of Foreclosure (this "Deed") and waiver of the right to collect against Grantors on Note, Grantee may retain all payments previously made on the Note, with no duty to account therefor.

This Deed is intended as a conveyance absolute in legal effect, as well as in form, of the title to

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the Property to Grantee and this Deed is not intended as security of any kind. Grantors waive, surrender, and relinquish any equity of redemption and statutory rights of redemption that Grantors may have in connection with the Property and the Deed of Trust described above.

Grantors warrant that during the time period that the Property was owned by Grantors, the Property was never used for the generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous substance, as those terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), as amended, 42 USC §9601 et seq., the Superfund Amendments and Reauthorization Act (SARA), other applicable state or federal laws, or regulations adopted pursuant to any of the foregoing. Grantor agrees to indemnify and hold Grantee harmless against any and all claims and losses resulting from a breach of this warranty.

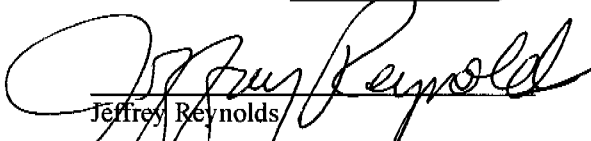
This Deed does not effect a merger of the fee ownership and the lien of the Deed of Trust described above. The fee and the lien shall hereafter remain separate and distinct. Grantee reserves its right to foreclose its Deed of Trust at any time as to any party with any claim, interest, or lien on the Property.


Grantors have read and fully understand the above terms and are not acting under misapprehensions regarding the effect of this Deed, nor are Grantors under any duress, undue influence, or misrepresentations of Grantee, Grantee's agents, lawyers, or any other person.

Grantee does not expressly or impliedly agree to assume or pay any contract balances, debts, liens, charges, or obligations that relate or attach to the property.

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 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.

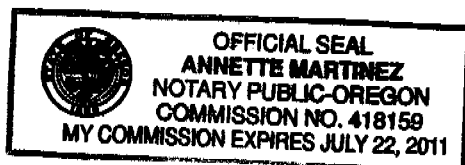
DATED: February 24, 2010.


  
\_\_\_\_\_  
Jeffrey Reynolds

  
\_\_\_\_\_  
Kelley Reynolds

STATE OF OREGON )  
                                  )  
County of Deschutes )

This instrument was acknowledged before me on Feb. 24, 2010, by Jeffrey and Kelley Reynolds.



  
\_\_\_\_\_  
Notary Public for Oregon  
My commission expires: 07/22/2011

AMERITITLE has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.