

NOT 85962

2011-001016

Klamath County, Oregon

RETURN TO: Andrew C. Brandsness 411 Pine Street Klamath Falls, OR 97601	TAX STATEMENT TO South Valley Bank & Trust P. O. Box 5210 Klamath Falls, OR 97601
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01/27/2011 11:35:37 AM

Fee: \$37.00

**DEED IN LIEU OF FORECLOSURE - NO MERGER**

THIS INDENTURE between ~~Michelle D. Plevel~~ Michelle D. Plevel Trustee of the Plevel/Shaffer Living Trust dated March 30, 2006, hereinafter called Grantor, and South Valley Bank & Trust, hereinafter called Grantee:

The real property being conveyed is described as Lot 1146, 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.

Grantor covenants that:

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

Grantor is an owner of a 1/2 interest as tenant in common of the premises free of all encumbrances except the trust deed executed to Grantee, dated May 25, 2005, and recorded on May 31, 2005, at Volume M05, Page 40151, of the official records of Klamath County, Oregon, and those exceptions listed in Exhibit "A" attached hereto. The trust deed is in default.

This deed does not effect a merger of the fee ownership and the lien of the trust deed described above. The fee and lien shall hereafter remain separate and distinct.

The transfer is consideration for an agreement entered between Grantor and Grantee, which Agreement is in writing and entered contemporaneously. That Agreement includes forbearance of foreclosure against Grantor and forbearance of an action on the debt as to loan number 830630548 against Grantor or a deficiency judgment against Grantor and the waiver of the Grantee's right to collect costs, disbursements and attorney's fees, as well as any deficiency balance due from the Grantor only.

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 given to secure the trust deed described above, other than by foreclosure of that trust deed, and that in any proceeding to foreclose the trust deed it shall not seek, obtain, or permit a deficiency judgment against Grantor, or her heirs or assigns, such rights and remedies being waived, except as set forth in the parties' agreement.

Grantor waives, surrenders, conveys, and relinquishes any equity of redemption and statutory rights of redemption concerning the real property and trust deed described above. Grantor surrenders possession of the real property to Grantee.

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 agent or attorney, or any other person.

**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 APPROVED USES, 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**

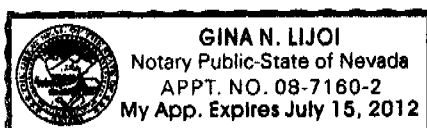
IN WITNESS WHEREOF the Grantor above-named has executed this instrument.

DATED this 15<sup>th</sup> day of February, 2010.

Michelle D. Plevel, Trustee of the Plevel/Shaffer Living Trust  
Dated March 30, 2006

STATE OF NEVADA, County of Washoe ) ss.

Personally appeared before me this 15 day of February, 2010, the above named Michelle D. Plevel and acknowledged the foregoing instrument to be her voluntary act and deed.



Notary Public for Nevada  
My Commission expires: July 15, 2012

37AM