

1st 1587195

2011-002866

Klamath County, Oregon



00098101201100028660080089

After recording return to:

Christine A. Kosydar
Stoel Rives LLP
900 SW Fifth Avenue, Suite 2600
Portland, OR 97204

03/01/2011 02:20:55 PM

Fee: \$72.00

Until a Change is Requested,
All Tax Statements Shall Be Sent To:

CSPE002, LLC, a Utah limited liability company
c/o Cobalt Companies
320 South State Street
Center Office Tower
Orem, UT 84058

**DEED IN LIEU OF FORECLOSURE
WITHOUT MERGER**

Title to the real property hereinafter described is vested in Autumn Three LLC, an Oregon limited liability company, as to an undivided 1/2 interest, and Redbriar LLC, an Oregon limited liability company, as to an undivided 1/2 interest, as tenants in common, hereinafter called "Grantor." Grantor's interest in the real property is subject to the lien of a Deed of Trust, Assignment of Leases and Rents and Security Agreement (the "Trust Deed") dated August 3, 2007 and recorded on August 6, 2007 as Recording No. 2007-013831, records of Klamath County, Oregon. The current beneficiary of the Trust Deed is CSPE002, LLC, a Utah limited liability company, successor-in-interest to CIBC Inc., a Delaware corporation, hereinafter called the "Grantee." The beneficial interest in the Trust Deed was assigned by various instruments (the "Assignments"), the most recent of which was recorded on May 24, 2010, as Recording No. 2010-6278, records of Klamath County, Oregon. (The Trust Deed and the Assignments thereto shall be collectively referred to herein as the "Trust Deed"). The Trust Deed secures an indebtedness of Grantor to Grantee as evidenced by a Note dated August 3, 2007 in the face amount of \$2,690,000.00 (the "Note"). Grantor is in default of its obligations on the Note and Trust Deed. Pursuant to the terms of that Settlement Agreement (the "Agreement") between Grantor and Grantee of even date herewith, Grantor desires to give to Grantee this deed in lieu of foreclosure.

NOW, THEREFORE, in consideration of the provisions and covenants contained in this document and the Agreement between Grantor and Grantee, Grantor does hereby grant, bargain, sell, and convey to Grantee all of the real property legally described as follows (the "Property"):

Parcel 1 of LAND PARTITION 18-06, said land partition being a replat of Parcel 3 of LAND PARTITION 34-04, said land partition being situated in the Northwest Quarter of the Northwest Quarter of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

*TOGETHER WITH an easement for access and parking as created by Instrument
Recorded May 2, 2003, in Volume M03 Page 29119, Microfilm Records of
Klamath County, Oregon*

Grantor covenants that:

1. This Deed is absolute in legal effect and form, conveys fee simple title of the Property to Grantee, terminates Grantor's redemption rights to the Property, and does not operate as a mortgage, trust conveyance, or security of any kind;

2. Actual possession of the Property herein conveyed has been surrendered and delivered to Grantee. Grantor intends by this Deed to vest absolute and unconditional title to said Property in Grantee, and forever estop and bar Grantor, and all its successors in interest, from having or claiming any right, title, or interest of any nature whatsoever either in law or in equity, or in possession or in expectancy in and to the Property or any part hereof, including the right to redeem the Property which Grantor hereby waives by this conveyance. In this regard, and in reliance on the Deed and all other of Grantor's warranties and representations made herein and the aforementioned Agreement, Grantee shall be entitled to exercise and enjoy all the rights, responsibilities, powers and privileges of fee simple ownership of the Property, including, without limitation, maintaining and improving the Property as Grantee deems appropriate; selling the Property at such time and on such terms as Grantee deems appropriate; and otherwise acting with respect to the Property consistent with quiet enjoyment and ownership thereof by Grantee;

3. Grantor conveys and specially warrants that all interests assigned under this Deed are unmodified and transferred to Grantee free and clear of encumbrances, except for those liens and encumbrances set forth in Exhibit A attached hereto created or suffered by the Grantor;

4. This Deed does not effect a merger of the fee ownership of the Property and the lien of the Trust Deed described above. The fee title and the lien shall remain separate and distinct;

5. This Deed is not given as a preference over other creditors of Grantor and there is no person, partnership or corporation, other than Grantor, interested in the Property directly or indirectly, in any manner whatsoever, except as aforesaid;

6. This Deed is executed voluntarily by Grantor, and not pursuant to duress or threats of any kind. Furthermore, it is executed and delivered in mutual good faith between Grantor and Grantee, and is not given or intended to hinder, delay, or defraud any creditor, or to contravene any of the bankruptcy laws of the United States or other applicable laws;

7. This Deed is not given as security for the payment of monies or indebtedness, or as security of any kind or nature; and there is no other agreement other than the Agreement and related written agreements referred to herein, understanding or writing between the parties herein, or any other person, relative to the Property. No promises, representations, warranties or inducements have been made to Grantor to induce Grantor to sign this Deed. Grantor covenants with and warrants to Grantee and the successors and assigns of Grantee, that Grantor has not done

or suffered anything to be done to encumber the Property in any other manner except as set forth herein, and that Grantor will defend Grantee and the successors and assigns of Grantee against any unlawful claims and demands to the contrary by all persons claiming by, through, or under Grantor;

8. Grantee does not assume any responsibility for any liabilities incurred by Grantor or by any other person or entity relating to the Property; and

9. Grantor and Grantee agree that Grantee shall retain all payments made on the Note and Trust Deed.

The true and actual consideration for this transfer stated in terms of dollars is none, but consists of other consideration as set forth in the Agreement of even date herewith between Grantor and Grantee.

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, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. 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, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009.

[SIGNATURE AND NOTARY ON NEXT PAGE]

DATED this 18th day of February 2011.

GRANTOR:

AUTUMN THREE LLC, an Oregon limited liability company

By: [Signature]

Its: member

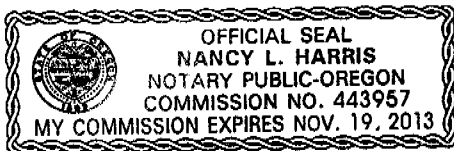
REDBRIAR LLC, an Oregon limited liability company

By: [Signature]

Its: member

STATE OF OREGON)
COUNTY OF Jackson) ss.

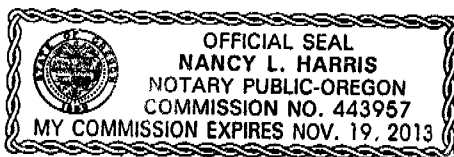
This instrument was acknowledged before me on this 18th day of February, 2011, by John Baker, the member of AUTUMN THREE LLC, an Oregon limited liability company, on its behalf.



Nancy L. Harris
Notary Public for Oregon

STATE OF OREGON)
COUNTY OF Jackson) ss.

This instrument was acknowledged before me on this 18th day of February, 2011, by John Baker, the member of REDBRIAR LLC, an Oregon limited liability company, on its behalf.



Nancy L. Harris
Notary Public for Oregon

1. Matters not disclosed by an examination of the public record.
2. Taxes for the year 2009-2010
Tax Amount \$ 17,824.48
Unpaid Balance: \$ 17,824.48, plus interest and penalties, if any
Code No.: 064
Map & Tax Lot No.: R-3909-010BB-00208
Property ID No.: R892946

Taxes for the year 2008-2009
Unpaid Balance: \$ 16,893.93, plus interest

Taxes for the year 2007-2008
Unpaid Balance: \$ 13,109.41, plus interest
3. Liens and assessments of Klamath Project and Klamath Irrigation District, and regulations, contracts, easements, water and irrigation rights in connection therewith.
4. Any unpaid charges or assessments of the Klamath Irrigation District.
5. Rules, regulations and assessments of South Suburban Sanitary District.
6. The rights of the public in and to that portion of the premises herein described lying within the limits of streets, roads and highways.
7. Easement on the recorded plat/partition as follows: 30 foot access easement per Land Partition 46-02
8. An easement reserved in a deed, including the terms and provisions thereof;
Recorded: September 15, 1948 in Book 225 Page 91, Deed Records of Klamath County, Oregon
From: Western Cities Company
To: H.M. Mallory, et al
For: ditches, canals and pipe line over, under or across for purposes of diverting and delivering water for irrigation and domestic use to adjoining property
9. Easement, including terms and provisions contained therein:
Recording Information: May 02, 2003 in Volume M03 Page 29119, Records of Klamath County, Oregon
In Favor of: Parcels 1 & 2 of Land Partition 46-02
For: Access and Parking Easement Agreement

10. Covenants, conditions, restrictions and/or easements; but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, family status, or national origin to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes:
Recording Information: October 22, 2004 in Volume M04 Page 72241, Deed Records of Klamath County, Oregon
11. Covenants, conditions, restrictions and/or easements; but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, family status, or national origin to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes:
Recording Information: November 30, 2004 in Volume M04 Page 82225, Deed Records of Klamath County, Oregon
12. Easement, including terms and provisions contained therein:
Recording Information: October 06, 2005 in Volume M05 Page 65917, Records of Klamath County, Oregon
By and Between: Randall D. Simonson on behalf of Washburn Trust JV an Oregon Partnership and the City of Klamath Falls, Oregon
For: no building easement
13. Easement, including terms and provisions contained therein:
Recording Information: November 14, 2005 in Volume M05 Page 68948, Records of Klamath County, Oregon
In Favor of: Pamela McDonald Erbes, an Individual and Randall D. Simonson on behalf of "Washburn JV" an Oregon partnership
For: ingress and egress to and from the real property necessary for the installation and maintenance of a water line over, across and through said property
14. Covenants, conditions, restrictions and/or easements; but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, family status, or national origin to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes:
Recording Information: September 21, 2006 in Volume 2006 Page 018962, Records of Klamath County, Oregon.
15. Tenants in Common Agreement including the terms and provisions thereof:
Recorded: August 06, 2007 in Volume 2007 Page 013830, Records of Klamath County, Oregon
Executed by: Washburn Retail Center
16. Deed of Trust and the terms and conditions thereof.
Grantor/Trustor: Washburn II, LLC, an Oregon limited liability company, and Autumn Three LLC, an Oregon limited liability company, jointly and severally, as tenants in common
Grantee/Beneficiary: CIBC Inc., a Delaware corporation
Trustee: Amerititle
Amount: \$2,690,000.00
Recorded: August 06, 2007
Recording Information: Volume 2007 Page 013831, Records of Klamath County, Oregon

The beneficial interest under said Deed of Trust has been assigned to Wells Fargo Bank, N.A., as trustee of the registered holders of J.P. Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC20, Commercial Mortgage Pass-Through Certificates, Series 2007-CIBC20, by Assignment recorded April 16, 2008 in Volume 2008 Page 005537, Records of Klamath County, Oregon .

17. Assignment of leases and/or rents and the terms and conditions thereof:
Assignor: Washburn II, LLC and Autumn Three LLC
Assignee: CIBC, Inc.
Recorded: August 06, 2007
Recording Information: Volume 2007 Page 013832, Records of Klamath County, Oregon

An Assignment of Assignment of Leases and Rents has been assigned to Wells Fargo Bank, N.A., as trustee of the registered holders of J.P. Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC20, Commercial Mortgage Pass-Through Certificates, Series 2007-CIBC20, by document recorded April 16, 2008 in Volume 2008 Page 005536, Records of Klamath County, Oregon .

The beneficial interest under said Deed of Trust has been assigned to ACM Silverleaf Funding LLC, a Delaware limited liability company, by Assignment recorded May 14, 2010 in Volume 2010 Page 005963, Records of Klamath County, Oregon .

The beneficial interest under said Deed of Trust has been assigned to Silverleaf Financial LLC, a Utah limited liability company, by Assignment recorded May 14, 2010 in Volume 2010 Page 005964, Records of Klamath County, Oregon .

The beneficial interest under said Deed of Trust has been assigned to Cobalt Workout Partners, LLC, a Utah limited liability company, by Assignment recorded May 14, 2010 in Volume 2010 Page 005965, Records of Klamath County, Oregon .

The beneficial interest under said Deed of Trust has been assigned to CSPE002, LLC, a Utah limited liability company, by Assignment recorded May 24, 2010, as 2010-6278, records of Klamath County, Oregon .

18. Financing Statement, indicating a Security Agreement
Debtor: Autumn Three LLC
Secured Party: CIBC Inc.
Recorded: August 06, 2007
Recording Information: Volume 2007 Page 013833, Records of Klamath County, Oregon

Assignment of Secured Party's interest under said Financing Statement to Wells Fargo Bank, N.A., as trustee for the registered holders of J.P. Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC20, Commercial Mortgage Pass-Through Certificates, Series 2007-CIBC20 was recorded April 16, 2008 in Volume 2008 Page 005534, Records of Klamath County, Oregon.

19. Financing Statement, indicating a Security Agreement
Debtor: Washburn II, LLC
Secured Party: CIBC Inc.
Recorded: August 06, 2007
Recording Information: Volume 2007 Page 013834, Records of Klamath County, Oregon

Assignment of Secured Party's Interest under said Financing Statement to Wells Fargo Bank, N.A., as trustee for the registered holders of J.P. Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC20, Commercial Mortgage Pass-Through Certificates, Series 2007-CIBC20 was recorded April 16, 2008 in Volume 2008 Page 005535, Records of Klamath County, Oregon.

20. Taxes for the year 2010-2011

Tax Amount	\$	18,203.15
Unpaid Balance:	\$	18,203.15, plus Interest and penalties, if any
Code No.:		064
Map & Tax Lot No.:		R-3909-01088-00208
Property ID No.:		R892946