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2011-004569

Klamath County, Oregon



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Prepared By and After Recording Return To:  
Conix Inc.  
3915 E. Broadway, Suite 400  
Tucson, Arizona 85711

04/08/2011 03:16:58 PM

Fee: \$67.00

**SPECIAL WARRANTY DEED IN LIEU OF FORECLOSURE**

THIS INDENTURE, made the 8<sup>th</sup> day of April, in the year of two thousand and eleven (2011) by and between Andy L. Garatea and Sephora A. Garatea of the County of Klamath, and State of Oregon, as party or parties of the first part, hereinafter called Grantor, and Oak Capital REO, LLC a Delaware limited liability company as party or parties of the second part, hereinafter called Grantee (the words Grantor and Grantee to include their respective heirs, successors and assigns where the context requires or permits).

WITNESSETH: That Grantor for and in consideration of the sum of TEN DOLLARS AND NO/100 DOLLARS (\$10.00) AND OTHER GOOD AND VALUABLE CONSIDERATION, in hand paid in part before the sealing and delivery of these presents and Grantee's waiver of the right to collect against Grantor on any promissory note, the receipts whereof is hereby acknowledged, has granted, bargained, sold, aliened, conveyed and confirmed, and by these presents does grant, bargain, sell, alien, convey and confirm unto the said Grantee, the real property legally described on Exhibit A attached hereto and incorporated herein by reference (the "Property").

It is the intent and express desire of the parties hereto that all of the loan documents pertaining to the indebtedness secured by the Security Instrument executed June 15, 2005 by Andy L. Garatea and Sephora A. Garatea as Borrower(s), to First Franklin, a division of National City Bank of Indiana, as Lender, recorded June 20, 2005 Book M05 at Page 46141, in Klamath County, Oregon Records (the "First Lien") shall remain in full force and effect after the execution and delivery of this Special Warranty Deed in Lieu of Foreclosure, and that there shall be no merger of the fee interest obtained by Grantee hereby with or unto Grantee's prior security interest on the property under the First Lien. This Warranty Deed in Lieu of Foreclosure is executed and delivered by Grantor and is received by Grantee as an absolute conveyance of Grantor's equity of redemption and is not intended to be further security for the aforementioned indebtedness or any other indebtedness of Grantor to Grantee. Grantor hereby declares that this conveyance is freely and fairly made. Never the less, Grantee releases Grantor from any liability on any promissory note.

THIS CONVEYANCE is made subject to all zoning ordinances, easements and restrictions of record affecting said described property.

TO HAVE AND TO HOLD the said described property, with all and singular the rights, members and appurtenances thereof, to the same being, belonging, or in anywise appertaining, to the only proper use, benefit and behalf of the said Grantee forever in FEE SIMPLE.

AND THE SAID Grantor will warrant and forever defend the right and title to the said described property unto the said Grantee against the claims of all persons claiming by under or through them.

IN WITNESS WHEREOF, the Grantor(s) has signed and sealed this deed, the day and year above written.

Signed, sealed and delivered in the presence of:

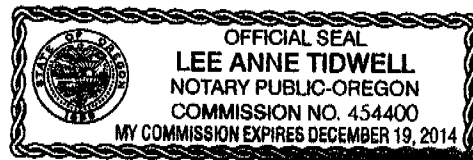
Andy L. Garatea  
Andy L. Garatea

Sephora A. Garatea  
Sephora A. Garatea

STATE OF Oregon       )  
                                  ) ss  
COUNTY OF            )

On April 8, 2011 before me, Lee Anne Tidwell a Notary Public in and for the State of Oregon, personally appeared Andy & Sephora Garatea personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and executed the same in my presence in his/her authorized capacity, as his/her free act and deed, and that by his/her signature on the instrument the person, or the entity upon behalf of which he/she acted, executed the instrument.

Lee Anne Tidwell  
Signature



(Space above for official notarial seal)

My Commission Expires: December 19, 2014

**EXHIBIT "A"**

Lot 7, Block 3 of Tract 1103, East Hills Estates, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, situate in the County of Klamath, State of Oregon.

Tax parcel R505153

**ESTOPPEL AFFIDAVIT**

THIS AFFIDAVIT, made this 8<sup>th</sup> day of April, 2011, by Andy L. Garatea and Sephora A. Garatea, hereinafter referred to as Grantors.

**WITNESSETH:**

That on June 15, 2005 did execute a certain Promissory Note in the principal sum of \$207,900.00 and secured by a Deed of Trust dated June 15, 2005, recorded June 20, 2005 in Book M05 Page 46141, in the office of the Recorder of Klamath County, State of Oregon, encumbering the real estate more particularly described as follows:

**SEE ATTACHED EXHIBIT A**

and commonly known as: 6737 Cottage Avenue, Klamath Falls, OR

Grantors have defaulted in the payments due on the Note and are unable to meet the obligations of the Note and Deed of Trust according to their terms.

Grantors is the party who made, executed and delivered that certain Deed to Oak Capital REO LLC on the 8<sup>th</sup> day of April, 2011, conveying the above-described Real Estate. Grantors hereby acknowledge, agree and certify that the aforesaid Deed was an absolute conveyance of the Grantors right, title and interest in and to the Real Estate, together belonging and appertaining, and with release of, all power and homestead rights in and to the Real Estate, and also conveying, transferring and assigning the Grantors right of possession, rentals and equity of redemption in and to the premises. The value of the Real Estate is not in excess of the amount of the indebtedness outstanding and in consideration of the premises hereof and in consideration of such conveyance, the Grantors has received a full and complete release of personal liability under the Note

together with the cancellation of record by Grantee. The Grantors will move and vacate the Real Estate described above immediately upon notice that the Deed has been accepted by the Grantee and will leave the Real Estate broom cleaned and in conveyance condition.

The Deed is given voluntarily by the Grantors to the Grantee, in good faith on the part of the Grantors and Grantee, without fraud, misrepresentation, duress, or undue influence whatsoever, or any misunderstanding on the part of the Grantors and Grantee, and Grantee was not given a preference against any other creditors of Grantors. The Deed of conveyance shall not restrict the rights of the Grantee to foreclose its Deed of Trust, but the conveyance by the Deed shall be and hereby is intended and understood to be an absolute conveyance and an unconditional sale, with full extinguishment of Grantors equity of redemption, and with full release of all Grantors right, title and interest of every character in and to the Real Estate.

Grantors hereby assign to Grantee the hazard insurance policy now in effect on the Real Estate and further assign to Grantee the right to receive payment of any claim payable under the terms of said policy, including any premium refund now or hereafter payable.

This Affidavit has been made for the protection and benefit of the aforesaid Grantee in said Deed, its successors and assigns, and all other parties hereafter dealing with or who may acquire an interest in the Real Estate described therein, and shall bind the respective heirs, executors, administrators, and assigns of the undersigned.

This conveyance is subject to final approval by Oak Capital REO, LLC for the

issuance of clear title to the Real Estate.

I AFFIRM UNDER THE PENALTIES FOR PERJURY THAT THE ABOVE  
STATEMENTS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Andy Garatea  
Andy L. Garatea

Sephora Garatea  
Sephora A. Garatea

STATE OF Oregon )  
COUNTY OF Washou ) ss:

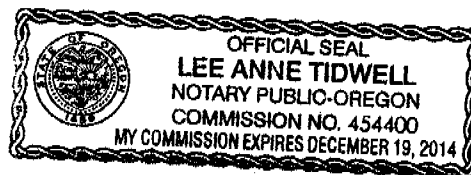
Before me, the undersigned, a Notary Public in and for said County and State, this  
8 day of April, 2011, personally appeared Andy & Sephora Garatea, Grantors in the  
above conveyance, and acknowledged the execution of the same to be their voluntary act  
and deed, for the uses and purposes herein mentioned.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my  
official seal.

My Commission Expires:

December 19, 2014

LeeAnne Tidwell  
Notary Public



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