

WTC 93281

2012-003525

Klamath County, Oregon



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04/04/2012 03:11:25 PM

Fee: \$77.00

*Recordation Requested by:*

**HOMESTREET BANK**

Attn: Linda Johnston/Loan Servicing  
601 Union Street, Suite 2000  
Seattle, WA 98101

*After Recording Return to:*

**HOMESTREET BANK**

Attn: Linda Johnston/Loan Servicing  
601 Union Street, Suite 2000  
Seattle, WA 98101

*Send Tax Statements to:*

Oregon Housing Community  
Services and Development  
Attn: Gay Jorgensen  
725 Summer St Ste B  
Salem OR 97301 1266

Loan No. 310698

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

This DEED IN LIEU OF FORECLOSURE (the "*Deed in Lieu*") dated FEB 28 2012, is made by and among JUSTIN J GLAZE, AS AN UNMARRIED MAN, ("*Grantor*") 32055 SPANIEL LANE, BONANZA, OR 97623, and Oregon Housing and Community Services Department, State of Oregon ("*Grantee*") 725 Summer St Ste B, Salem OR 97301.

1. **Grant.** For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby irrevocably and unconditionally conveys and warrants to Grantee, the real property located in KLAMATH COUNTY, Oregon and legally described on EXHIBIT A, attached hereto, together with all improvements erected on, attached to, located on, or used in connection with the real

*Deed in Lieu (Oregon)*

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property, and all easements, appurtenances, and fixtures attached to the real property (the "**Property**").

**1. Deed in Lieu.** This Deed in Lieu is an absolute conveyance, assignment, and transfer of Grantor's entire interest in the Property and is executed and delivered by Grantor in connection with the Deed of Trust dated September 26<sup>th</sup> 2005, and recorded on September 27<sup>th</sup> 2005 in the Official Records of Klamath County, Oregon, under Recording No. M05-65210(the "**Trust Deed**").

**2. Warranties.** In executing this Deed in Lieu, Grantor warrants and covenants, and Grantee agrees in accepting this Deed in Lieu, as follows:

**2.1** Grantor is the owner of the Property free and clear of all encumbrances except for encumbrances of record as of the date of this Deed in Lieu.

**2.2** The consideration for execution of this Deed in Lieu for the Property consists of Grantor's covenant not to make demand or commence any action against Grantee for collection of the indebtedness under the loan secured by the Deed of Trust (the "**Loan**"), as more fully described in Section 7 below. Nothing herein is intended or shall be construed to release Grantor from any obligations to Grantee, or to preclude or otherwise prejudice Grantee's right to proceed with a foreclosure action against the Property.

**2.3** The consideration for the execution of this Deed in Lieu is equal to or greater than the fair market value of the Property and includes the fair and reasonable value of Grantor's interest in the Property.

**2.4** This Deed in Lieu is executed freely and 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, is not made in preference to Grantee over other creditors, 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 any other applicable laws.

**2.5** This Deed in Lieu is not given as security for the payment of money or indebtedness, or as security of any kind or nature. There is no agreement or understanding, oral or written, between Grantor and Grantee, or any other person, relative to a conveyance of the Property back to Grantor, or to a sale or conveyance to anyone else for the benefit of Grantor, or to any division of any proceeds realized from the Property by sale or otherwise. Grantor waives, surrenders, and relinquishes any equity of redemption or statutory rights of redemption that Grantor may have in connection with the Property and the Trust Deed.

**3.6** Actual possession of the Property shall be surrendered and delivered to Grantee. Grantor intends by this Deed in Lieu to vest the absolute and unconditional title to the Property in Grantee, and forever estop and bar Grantor, and all of Grantor's successors in interest, from having or claiming any right, title or interest of any nature whatsoever, either in law or equity, or in possession or in expectancy, in and to the Property or any part thereof. In this regard, and in reliance upon this Deed in Lieu and all of Grantor's warranties and representations made herein, Grantee shall be entitled to exercise and enjoy all of the rights, responsibilities, powers and privileges associated with 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, paying taxes and assessments levied against the Property, and otherwise acting with respect to the Property consistent with the quiet enjoyment and ownership thereof by Grantee.

**3.7** Grantor represents and warrants that during the period that the Property was owned by Grantor, 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, as amended, 42 U.S.C. §9601 et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act ("SARA"), other applicable federal, state or local laws, or regulations adopted pursuant to any of the foregoing. Grantor agrees to indemnify and hold Grantee harmless from and against any and all claims, losses, and liabilities resulting from a breach of this representation and warranty. This duty of indemnification survives recording of this Deed in Lieu and subsequent transfers of the Property.

**3.8** Grantor further warrants and represents: (a) that Grantor has full power and authority to execute and deliver this Deed in Lieu, (b) Grantor is not acting under the influence or misrepresentations of Grantee, Grantee's agents or lawyers, or any other person, (c) the consideration given to Grantor by Grantee for this conveyance equals or exceeds the value of the right, title, and interest of Grantor in and to the Property, (d) Grantor has been advised by Grantee to seek independent legal counsel and has had the opportunity to consult with legal counsel of Grantor's choosing, (e) there are no agreements, oral or written, other than those reflected in this Deed in Lieu, between Grantor and Grantee with respect to the ownership or possession of the Property, and (f) Grantor fully understands the terms and effect of this Deed in Lieu.

**4. Nonmerger.** It is the express intent of Grantor and Grantee that this Deed in Lieu shall not operate to extinguish, satisfy the indebtedness secured by, or in any way affect the Trust Deed or the security agreements incorporated therein and the Trust Deed shall not be merged into the fee title conveyed herein or otherwise released by the recording hereof. The Trust Deed shall remain a lien on the Property. Although Grantee agrees not to take any action to seek or obtain a personal judgment against

Grantor for Grantor's obligations secured by the Trust Deed, Grantee retains the right to proceed with foreclosure actions under the Trust Deed and any related security agreements against the Property at any time to clear title to the Property of any existing or future encumbrances subordinate to the Trust Deed.

**5. No Assumption by Grantee.** Grantee does not expressly or impliedly agree to assume or pay any contract balances, debts, liens, charges, obligations, or liabilities that relate or attach to the Property or any other liability of Grantor.

**6. Grantor's Release.** Grantor hereby unconditionally and irrevocably releases and discharges Grantee, and all of Grantee's affiliates, agents, assigns, attorneys, consultants, directors, employees, insurers, officers, principals, subsidiaries, and successors from any and all claims, demands, damages, suits, rights, or causes of action of every kind (together "**Claims**") and nature that may exist, or have existed, from the beginning of time through the date hereof, whether known or unknown, contingent or matured, foreseen or unforeseen, asserted or unasserted, including without limitation all claims for compensatory, consequential, general, incidental, punitive, and special damages, attorney fees, and equitable relief, including but not limited to Claims arising out of or in any way relating to (a) Grantee's business relationship with the Grantor, (b) the Loan, (c) this Deed in Lieu, and (d) any negotiations, dealings, or transactions between the Grantor and Grantee arising out or in any way relating to any of the foregoing.

**7. Grantee's Release.** Grantee covenants and agrees that it will not, at any time, make demand or commence any lawsuit or action, whether in law or in equity, against Grantor for collection of the indebtedness owed under the Loan, except that Grantee retains the right to (a) commence a foreclosure action under the Trust Deed as provided in Section 4 above, (b) protect its interest in the Property with respect to any bankruptcy proceeding, and (c) sue Grantor for any breach of the environmental representations and warranties set forth in Section 3.7 above. In consideration of Grantee's acceptance of this Deed in Lieu and release of Grantee's right to collect indebtedness owed under the Loan, Grantee may retain all payments previously made on the Loan, with no duty to account therefor.

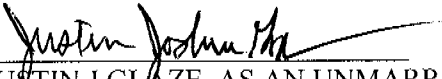
**8. Counterparts.** This Deed in Lieu may be executed in counterparts, all of which shall be considered together as a single instrument. Separate signature pages may be attached to this Deed in Lieu for recording purposes.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

**GRANTOR HAS HAD THE OPPORTUNITY TO CONSULT WITH AN ATTORNEY OF GRANTOR'S CHOOSING PRIOR TO SIGNING THIS DEED IN LIEU. GRANTOR IS SIGNING THIS DEED IN LIEU FREELY AND VOLUNTARILY, AND NOT UNDER COERCION OR DURESS.**

DATED as of the day and year first above written.

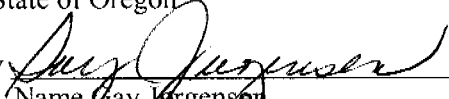
**GRANTOR:**

  
JUSTIN J GLAZE, AS AN UNMARRIED  
MAN

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**GRANTEE:**

OREGON HOUSING AND,  
COMMUNITY SERVICES  
DEPARTMENT  
a State of Oregon

By   
Name Gay Jorgensen  
Its Loan Servicing Specialist

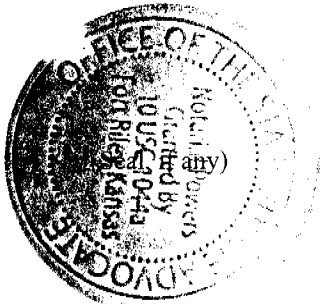
STATE OF <sup>Kansas</sup> OREGON

COUNTY OF Geary

SS.

I certify that I know or have satisfactory evidence that JUSTIN J GLAZE is the person who appeared before me, and said person acknowledged that he/she signed this instrument and acknowledged it to be his her free and voluntary act for the uses and purposes mentioned in the instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 28 day of Feb, 2012.



STATE OF OREGON )

) ss.

County of Marion )

On this 8<sup>th</sup> day of March, 2012, before me, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared Gay Tugensen, to me known to be the Loan Servicing Specialist, respectively, of Oregon Housing and Community Services Department that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Craig E. Tillotson  
Printed Name: Craig E. Tillotson  
Notary Public in and for the State of Oregon,  
My Commission expires: 4/11/13

**EXHIBIT A**

**LEGAL DESCRIPTION OF THE PROPERTY**

LOT 13, BLOCK 72, KLAMATH FALLS FOREST ESTATES HIGHWAY 66 UNIT,  
PLAT NO. 3, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE  
OFFICE OF THE CLERK OF KLAMATH COUNTY, OREGON

## SURRENDER POSSESSION STATEMENT

We/I, JUSTIN J GLAZE, willingly surrender possession of the property located at 32055 SPANIEL LANE, BONANZA, OR 97623 to Oregon Housing Community Services Department, 725 Summer St Ste B, Salem OR 97301-1266 by way of a Deed-in-Lieu of Foreclosure.

Date: FEB 28 2012

BY:   
JUSTIN J GLAZE

BY: \_\_\_\_\_

# DEED-IN-LIEU AGREEMENT

Loan No: 310698

OHCS No. 0520210

Property address: 2055 SPANIEL LANE, BONANZA, OR 97623

In completing a deed-in-lieu of foreclosure with Oregon Housing & Community Services Department, We/I agree to the following conditions:

- I/We understand that I/we may be responsible for possible tax consequences as a result of agreeing to a deed-in-lieu of foreclosure.
- I/We understand that I/we will not be pursued for a deficiency judgment.
- I/We agree to pay and provide evidence that utilities, assessments and homeowners dues, if applicable, will be paid in full on or before the date that the property is conveyed to OHCS.
- I/We will deliver or mail the keys to HomeStreet Bank as soon as I/We vacate the property or the tenants have vacated the property, if applicable.

Date: FEB 28 2012

Borrower: Justin Joshua Hesse

Borrower: \_\_\_\_\_

Please describe the general condition of the property and list any repairs or damage, if applicable.

N/A

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