

mtc 97193

After recording return to:

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

2013-003257
Klamath County, Oregon
03/27/2013 02:00:13 PM
Fee: \$87.00

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

Harvest Capital Company
PO Box 579
690 NW First Avenue, Suite 101
Canby, OR 97013

**DEED IN LIEU OF FORECLOSURE
WITHOUT MERGER**

Title to the real property hereinafter described is vested in Juniper Ranch Estates, LLC, an Oregon limited liability company, hereinafter called "**Grantor**." Grantor's interest in the real property is subject to the following:

A. The lien of a Mortgage, Assignment of Rents and Security Agreement and Fixture Filing (the "**2005 Mortgage**") dated September 14, 2005, and recorded on September 21, 2005, in Volume M05, Page 64769, in the Microfilm Records of Klamath County, Oregon. The current beneficiary of the 2005 Mortgage is Harvest Capital Company, an Oregon corporation, hereinafter called the "**Grantee**." The 2005 Mortgage secures an indebtedness of Grantor to Grantee as evidenced by a Promissory Note dated September 14, 2005, in the face amount of \$2,700,000.00 (the "**2005 Note**").

B. The lien of a Mortgage, Assignment of Rents and Security Agreement and Fixture Filing (the "**Demeter Mortgage**") dated January 8, 2010, and recorded on January 11, 2010, in Volume 2010-000322, in the Microfilm Records of Klamath County, Oregon. The current beneficiary of the 2005 Mortgage is Grantee. The Demeter Mortgage secures an indebtedness of Grantor to Grantee as evidenced by two Promissory Notes dated January 8, 2010, in the face amount of \$515,000.00, and September 10, 2010 in the face amount of \$115,000.00 (collectively, the "**Demeter Note**").

Grantor is in default of its obligations on the 2005 Note, the 2005 Mortgage, the Demeter Note and the Demeter Mortgage. Pursuant to the terms of that Partial Satisfaction Agreement (the "**Agreement**") between Grantor and Grantee of even date herewith, Grantor desires to give to Grantee this Deed in Lieu of Foreclosure in partial satisfaction of the 2005 Loan and the Demeter Loan to that part of the mortgaged Property described below, which is limited to those parcels commonly known as the Lucky Y Ranch.

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,

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sell, and convey to Grantee all of the real property legally described in Exhibit 1 attached hereto and incorporated herein by this reference (the “**Property**”).

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 2 attached hereto created or suffered by Grantor;
4. This Deed does not effect a merger of the fee ownership of the Property and the lien of the 2005 Mortgage or the Demeter Mortgage 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 2005 Note, the Demeter Note, the 2005 Mortgage and the Demeter Mortgage.

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, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. 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, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009 AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

[SIGNATURE AND NOTARY ON FOLLOWING PAGE]

DATED this 26TH day of March, 2013.

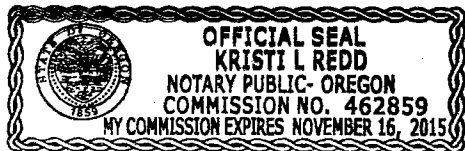
GRANTOR:

JUNIPER RANCH ESTATES LLC, an Oregon
limited liability company

By: [Signature]
Robert C. Mannheim, its Manager

STATE OF Oregon
COUNTY OF Klamath } ss.

This instrument was acknowledged before me on this 26th day of March, 2013, by
Robert C. Mannheim, the Manager of JUNIPER RANCH ESTATES LLC, an Oregon limited
liability company, on its behalf.



[Signature]
Notary Public for OREGON
My commission expires: 11/16/2015

EXHIBIT 1

Real Property Description

Real property in the County of Klamath, State of Oregon, described as follows:

PARCEL 1:

The East 120 feet of the NE 1/4 NW 1/4 of Section 13, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, EXCEPTING THEREFROM any portion lying within the right of way of the Bonanza-Malin Highway.

PARCEL 2:

Township 40 South, Range 11 East of the Willamette Meridian

Section 13: The W1/2, excepting therefrom the East 120 feet of the NE1/4 NW1/4; Also that portion of the SW1/4 NE1/4 and the W1/2 SE1/4 lying Westerly of new Poe Valley-Malin Highway

Section 14: NE1/4 NE1/4; S1/2 NE1/4; SE1/4; S1/2 SW1/4;

Section 23: N1/2 NE1/4; N1/2 NE1/4 NW1/4, excepting therefrom that portion of the SW1/4 NW1/4 NE1/4 lying Southerly of the fence as it exists along the roadway through Section 23, as described by instrument recorded August 6, 1992 in Volume M92 Page 17492, records of Klamath County, Oregon.

Section 24: N1/2 NW1/4; that portion of the NW1/4 NE1/4 and North 180 feet of SW1/4 NE1/4 lying West of the West line of Harpold County Road No. 1097.

PARCEL 3

A Parcel of land situate in the SW1/4 of Section 12, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows: Beginning at the Southwest corner of said Section 12; thence North along the Section line a distance of 26 feet to an existing fence line; thence following said fence line in an Easterly direction approximately 1012 feet to its intersection with the Southerly line of Section 12; thence Westerly along said Section line to the point of beginning.

PARCEL 4:

A Parcel of land situate in Section 23, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

That portion of the SE1/4 NE1/4 NW1/4 of said section which lies Northerly of the fence as it exists along the roadway.

EXHIBIT 2

Permitted Liens and Encumbrances

1. Covenants, Conditions, Restrictions and Reservations as contained in the Patent, subject to the terms and provisions thereof;
Recorded: April 6, 1917
Volume: 46, page 593, Deed Records of Klamath County, Oregon
2. Covenants, Conditions, Restrictions and Reservations as contained in the Deed, subject to the terms and provisions thereof;
Recorded: April 15, 1922
Volume: 58, page 472, Deed Records of Klamath County, Oregon
3. Covenants, Conditions, Restrictions and Reservations as contained in the Deed, subject to the terms and provisions thereof;
Recorded: July 27, 1936
Volume: 106, page 636, Deed Records of Klamath County, Oregon
4. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: August 1, 1942
Volume: 149, page 58, Deed Records of Klamath County, Oregon
In favor of: Pacific Telephone and Telegraph Company
5. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: August 1, 1942
Volume: 149, page 73, Deed Records of Klamath County, Oregon
In favor of: Pacific Telephone and Telegraph Company
For: Public utilities
6. Assignment and Assumption of Right of Way, subject to the terms and provisions thereof,
Recorded: November 17, 1995
Volume: M95, page 31559, Microfilm Records of Klamath County, Oregon
For: Public utilities
7. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: August 1, 1942
Volume: 149, page 74, Deed Records of Klamath County, Oregon
In favor of: Pacific Telephone and Telegraph Company
For: Public utilities
8. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: August 1, 1942
Volume: 149, page 77, Deed Records of Klamath County, Oregon
In favor of: Pacific Telephone and Telegraph Company
For: Public utilities
9. Assignment and Assumption of Right of Way, subject to the terms and provisions thereof,
Recorded: November 17, 1995
Volume: M95, page 31559, Microfilm Records of Klamath County, Oregon

10. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: August 1, 1942
Volume: 149, page 79, Deed Records of Klamath County, Oregon
In favor of: Pacific Telephone and Telegraph Company
For: Public utilities
11. Assignment and Assumption of Right of Way, subject to the terms and provisions thereof,
Recorded: November 17, 1995
Volume: M95, page 31559, Microfilm Records of Klamath County, Oregon
12. An easement created by instrument, subject to the terms and provisions thereof;
Recorded: May 28, 1946
Volume: 189, page 407, Deed Records of Klamath County, Oregon
In favor of: The California Oregon Power Company
For: Public utilities
13. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: March 12, 1948
Volume: 218, page 95, Deed Records of Klamath County, Oregon
For: Irrigation ditches, canals and drainage
14. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: June 5, 1952
Volume: 255, page 101, Deed Records of Klamath County, Oregon
In favor of: The California Oregon Power Company
For: Public utilities
15. Reservations as contained in the Warranty Deed, subject to the terms and provisions thereof;
Recorded: September 14, 1953
Volume: 263, page 65, Deed Records of Klamath County, Oregon
16. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: April 15, 1958
Volume: 12, page 510, Miscellaneous Records of Klamath County, Oregon
In favor of: Columbia Utilities Company
For: Public utilities
17. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: April 15, 1958
Volume: 298, page 628, Deed Records of Klamath County, Oregon
In favor of: Columbia Utilities Company
For: Public utilities
18. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: April 15, 1958
Volume: 298, page 629, Deed Records of Klamath County, Oregon
In favor of: Columbia Utilities Company
For: Public utilities

19. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: April 3, 1964
Volume: 352, page 149, Deed Records of Klamath County, Oregon
In favor of: United States of America
For: Irrigation ditch
20. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: February 5, 1965
Volume: 359, page 207, Deed Records of Klamath County, Oregon
For: Easement adjacent to ditch
21. Reservations contained in the Agreement of Sale, subject to the terms and provisions thereof;
Recorded: December 16, 1969
Volume: M69, page 10439, Microfilm Records of Klamath County, Oregon
22. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: March 3, 1970
Volume: M70, page 1730, Microfilm Records of Klamath County, Oregon
In favor of: Gordon B. Bowman and Florence Bowman
For: Drainage ditch
23. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: January 7, 1975
Volume: M75, page 296, Microfilm Records of Klamath County, Oregon
In favor of: Gordon Bowman & Son, Inc.
For: Drainage ditch
24. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: July 29, 1977
Volume: M77, page 13558, Microfilm Records of Klamath County, Oregon
In favor of: Pacific Power & Light Company
For: Public utilities
25. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: January 9, 1986
Volume: M86, page 509, Microfilm Records of Klamath County, Oregon
In favor of: MCI Telecommunications Corporation
For: Access Road
26. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: January 9, 1986
Volume: M86, page 1095, Microfilm Records of Klamath County, Oregon
In favor of: MCI Telecommunications Corporation
For: Public utilities
27. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: October 6, 1986
Volume: M86, page 18181, Microfilm Records of Klamath County, Oregon
In favor of: Pacific Power & Light Company
For: Public utilities

28. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: October 6, 1986
Volume: M86, page 18193, Microfilm Records of Klamath County, Oregon
In favor of: Pacific Power & Light Company
For: Public utilities
29. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: February 2, 1989
Volume: M89, page 3237, Microfilm Records of Klamath County, Oregon
In favor of: I.F. Rogers, et ux
For: Clearing and maintaining ditch
30. Right for Road Use Agreement, by and between Carl Rajnus, George Rajnus, Donald Rajnus, Virginian Rajnus and Pacificorp, subject to the terms and provisions thereof,
Recorded: August 12, 1992
Volume: M92, page 17944, Microfilm Records of Klamath County, Oregon
31. State of Oregon Well Information Form, subject to the terms and provisions thereof; Recorded: July 31, 2001
Volume: M01, page 38124, Microfilm Records of Klamath County, Oregon
Well ID No.: L19962
32. State of Oregon Well Information Form, subject to the terms and provisions thereof; Recorded: May 29, 2002
Volume: M02, page 31424, Microfilm Records of Klamath County, Oregon
Well ID No.: L16905
33. State of Oregon Well Information Form, subject to the terms and provisions thereof; Recorded: November 1, 2004
Volume: M04, page 74694, Microfilm Records of Klamath County, Oregon
Well ID No.: L74052
34. Mortgage, Assignment of Rents and Security Agreement and Fixture Filing, subject to the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advance as may be provided therein;
Dated: September 14, 2005
Recorded: September 21, 2005
Volume: M05, page 64769, Microfilm Records of Klamath County, Oregon
Amount: \$2,700,000.00
Mortgagor: Martin C. Yacoobian, Jr.; Martin C. Yacoobian, Jr., Trustee of the MCY III Trust dated July 11, 1996; Martin C. Yacoobian, Jr., Trustee of the Martin Charles Yacoobian, III Trust dated March 20, 1996; Yacoobian Ranch, LLC, an Oregon limited liability company
Mortgagee: Harvest Capital Company
- Consent to Transfer, Assumption and Release Agreement, subject to the terms and provisions thereof;
Dated: March 28, 2012
Recorded: April 11, 2012
Volume: 2012-003811, Microfilm Records of Klamath County, Oregon

35. Memorandum of an Easement, by and between Yacoobian Ranch, LLC and Verizon Wireless LLC d/b/a Verizon Wireless, subject to the terms and provisions thereof,
Recorded: November 1, 2006
Volume: 2006-021884, Microfilm Records of Klamath County, Oregon
36. Mortgage, Assignment of Rents and Security Agreement and Fixture Filing, subject to the terms and provisions thereof, given to secure an indebtedness with interest thereon and such future advance as may be provided therein;
Dated: January 8, 2010
Recorded: January 11, 2010
Volume: 2010-000322, Microfilm Records of Klamath County, Oregon
Amount: \$515,000.00
Mortgagor: Martin C. Yacoobian, Jr. (individually), Martin C. Yacoobian, Jr., as Trustee of the MCY III Trust U/T/A dated July 11, 1996, Martin C. Yacoobian, Jr., as Trustee of the Martin Charles Yacoobian, III Trust U/T/A dated March 2, 1996, Martin C. Yacoobian, Jr., as Trustee of the Yacoobian Family Trust U/T/A dated July 21, 2005, as amended, and Yacoobian Ranch, LLC, an Oregon limited liability company
Mortgagee: Demeter AG., LLC, an Oregon limited liability company
- Consent to Transfer, Assumption and Release Agreement, subject to the terms and provisions thereof;
Dated: March 28, 2012
Recorded: April 11, 2012
Volume: 2012-003813, Microfilm Records of Klamath County, Oregon