

1st 203/568

After recording return to:
Trudy Arneson
RCO Legal, P.S.
13555 SE 36th St., Suite 300
Bellevue, WA 98006

2013-008717
Klamath County, Oregon
08/01/2013 10:49:36 AM
Fee: \$52.00

Mail Tax Statements to:
Federal National Mortgage Association
International Plaza II
14221 Dallas Parkway, Suite 1000
Dallas, TX 75254

7042.80694/Penicook, David

**WARRANTY DEED
(Deed in Lieu)**

Grantor, David John Penicook, conveys and specially warrants to Federal National Mortgage Association, Grantee, the following described real property free of encumbrances created or suffered by the Grantor except as specifically set forth herein:

LOT 41 AND 42, BLOCK 7, ST. FRANCIS PARK, ACCORDING TO
THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE
COUNTY CLERK OF KLAMATH COUNTY, OREGON

Tax Parcel No. R519102

This property is free of liens and encumbrances, EXCEPT: subject to easements, conditions, reservations, covenants, agreements, restrictions, rights of way and declarations of record, if any.

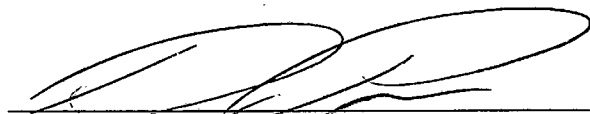
The Grantee by accepting and recording this Deed does not intend a merger of its interest under that certain Deed of Trust dated July 12, 2005, recorded on July 18, 2005, under File No. Volume M05, Page 55042, records of Klamath County with the fee title herein conveyed to take place, and it is the intention of the parties that the property above-described shall remain subject to the lien of said Deed of Trust, which lien shall remain a first lien upon the property.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSONS 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.

The true consideration for this conveyance is \$0.00 and other property or value was either part or the whole consideration.

CONTINUED ON FOLLOWING PAGE

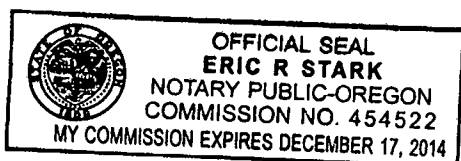
52-F



David John Penicook

STATE OF Oregon)
COUNTY OF Jackson) ss.:

I certify that I know or have satisfactory evidence that David John Penicook is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it as the free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this 25 day of April, 2013.




Printed Name: Eric R Stark
Notary Public in and for the State of Oregon
residing at Medford, Jackson County
My commission expires: 12/17/14

WARRANTY DEED

David John Penicook, Grantor
to
Federal National Mortgage Association, Grantee

After recording return to:
Trudy Arneson
RCO Legal, PS
13555 SE 36th St., Suite 300
Bellevue, WA 98006

7042.80694/Penicook, David

ESTOPPEL AFFIDAVIT

David John Penicook, (the "Affiant") being first duly sworn, deposes and states:

That the Affiant is the individual who made, executed, and delivered that certain Warranty Deed (Deed in Lieu) to Federal National Mortgage Association, conveying the following described property ("Property") in Klamath County, Oregon.

LOT 41 AND 42, BLOCK 7, ST. FRANCIS PARK, ACCORDING TO
THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE
COUNTY CLERK OF KLAMATH COUNTY, OREGON

Tax Parcel No. R519102

Commonly known as 2528 Hope Street, Klamath Falls, Oregon 97603

That the aforesaid Warranty Deed is intended to be and is an absolute conveyance of the title to the Property to the Grantee named therein, and was not and is now not intended as a mortgage, trust conveyance, or security of any kind; that it was the intention of Affiant as Grantor of the Warranty Deed to convey, and by the Warranty Deed the Affiant did convey, to the Grantee therein all right, title, and interest absolutely in and to the Property; and that possession of the Property has been surrendered to the Grantee;

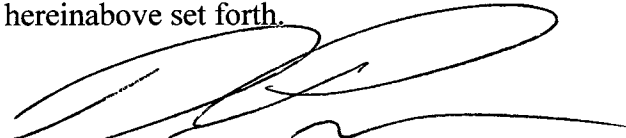
That in the execution and delivery of the Warranty Deed, Affiant as Grantor was not acting under any misapprehension as to the effect thereof, and acted freely and voluntarily and was not acting under coercion or duress;

That the Warranty Deed shall not cause a merger of the Affiant's interest under the Warranty Deed with the Beneficiary's interest under the Deed of Trust encumbering the Property and granted by Affiant herein, to First American Title as Trustee, and to Mortgage Electronic Registration Systems, Inc., acting solely as a nominee for Gateway Business, FSB as Beneficiary, dated July 12, 2005, and recorded on July 18, 2005, under File No. Volume M05, Page 55042, in the Official Records of Klamath County, State of Oregon (the "Deed of Trust") described herein, or the related documents. The interest transferred by the Warranty Deed is intended to be a separate interest from the beneficial interest or lender's interest under the Deed of Trust.

The Warranty Deed was not, and is not given as a preference against any other creditors of the Affiant herein; there is no other person or persons, firms or corporations, other than the Affiants therein named interested, either directly or indirectly in said Property; that Grantor is solvent and has no other creditors whose rights would be prejudiced by such conveyance and that Grantor is not obligated upon any bond or other deed of trust whereby any lien has been created or exists against the Property described in said Warranty Deed.

Consideration for the Warranty Deed is payment to Affiant of the sum of \$0.00 by Grantee, and a covenant not to sue to enforce the promissory note dated July 12, 2005, in the amount of \$115,000.00, or to foreclose the Deed of Trust encumbering the Property; that at the time of making the Warranty Deed, Affiant believed and now believes that this consideration represents

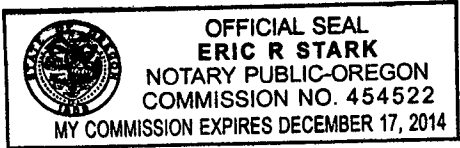
This affidavit is made for the protection and benefit of the Grantee of said Warranty Deed and First American Title Company, which is about to insure the title to the Property in reliance thereon, and any other title company that may hereafter insure the title to the Property; That Affiant will testify, declare, depose, or certify before any competent tribunal, officer, or person, in any case now pending or that may hereafter be instituted, to the truth of the particular facts hereinabove set forth.

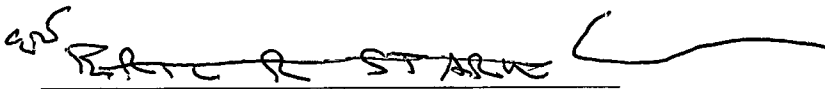

David John Penicook

STATE OF Oregon)
COUNTY OF Jackson) ss.:

I certify that I know or have satisfactory evidence that David John Penicook is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it as the free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this 25 day of April, 2013.




Printed Name: Eric R Stark
Notary Public in and for the State of Oregon
residing at Medford, Jackson County
My commission expires: 12/17/14

THIS INSTRUMENT WILL 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.

ESTOPPEL AFFIDAVIT

David John Penicook, Grantor
to
Federal National Mortgage Association, Grantee