

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, That DAVID L. KENNON and CECIL J. KENNON, not as tenants in common but with the rights of survivorship, hereinafter called the Grantor for the consideration hereinafter stated to Grantor paid by DAVID L. KENNON and LUCINDA R. KENNON, husband and wife, as tenants by the entirety, an undivided one-half interest; CECIL J. KENNON and CLARICE J. KENNON, husband and wife, as tenants by the entirety, an undivided one-half interest, as Grantee, does hereby grant, bargain, sell and convey unto the said Grantee and Grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, situated in the County of Klamath and the State of Oregon, described as follows, to-wit:

Lot 7 in Block 1 of FIRST ADDITION TO ALTAMONT ACRES, according to the official plat thereof, on file in the office of the County Clerk of Klamath County, Oregon.

SUBJECT TO:

1. Reservations, restrictions, rights-of-way and easements of record and those apparent on the land;
2. Licenses and assessments of Klamath Project and Klamath Irrigation District, and regulations contracts, easements, water and irrigation rights in connection therewith;
3. Rules, regulations, and assessments of South Suburban Sanitary District.

To have and to hold the same unto the said Grantee and Grantee's heirs, successors and assigns forever.

And said Grantor hereby covenants to and with said Grantee and Grantee's heirs, successors and assigns, that Grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances and that Grantor will warrant and forever defend the said premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, except those claiming under the above-described encumbrances.

The true and actual consideration paid for this transfer, stated in terms of dollars, is NONE.

In construing this deed and where the context so requires, the singular includes the plural and all grammatical changes shall be implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, the Grantor has executed this instrument this 12 day of October, 1974,

STATE OF OREGON)
County of Klamath) ss.

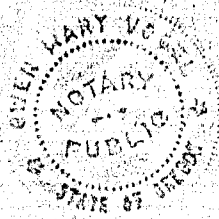
October 1, 1974,

Personally appeared the above-named DAVID L. KENNON and CECIL J. KENNON and acknowledged the foregoing instrument to be their

WARRANTY DEED

13093

voluntary act and deed.



BEFORE ME:

Mary Vogel
NOTARY PUBLIC FOR OREGON
My Commission expires: 3-8-78

Mr. David L. Kennon &
Mr. Cecil J. Kennon
3812 Madison, Klamath
Falls, Oregon 97601
(Grantor's Name & Address)

Mr. David L. Kennon and
Mrs. Lucinda R. Kennon,
husband and wife, and
Mr. Cecil J. Kennon and Mrs.
Clarice J. Kennon, husband and
wife,
3812 Madison, Klamath Falls,
Oregon 97601
(Grantee's Name & Address)

AFTER RECORDING RETURN TO:

Mr. and Mrs. Cecil J. Kennon
3812 Madison, Klamath Falls,
Oregon 97601

UNTIL A CHANGE IS REQUESTED BY THE
STATEMENTS SHALL BE SENT TO
THE FOLLOWING ADDRESS:

Mr. and Mrs. David L. Kennon
and Mr. and Mrs. Cecil J. Kennon
3812 Madison, Klamath Falls,
Oregon 97601

STATE OF OREGON,
County of Klamath
Filed for Record on _____

on this 4th day of OCTOBER A.D. 1974
at _____, Oregon.

Recorded in Vol. 47 of DEEDS
Page 13092

Witness my hand and seal of office this _____ day of _____, 1974.

By *[Signature]* Notary Public

WARRANTY DEED
Page 2

13097

April 15, 1972
PLUMB WATER-WELL
(Contract Continued)

Page 2 of 3

ments payable on the first day of each month beginning June 1, 1972, and continuing until the principle amount of said Note together with interest thereon shall have been paid in full, said Note to be secured by the continuity of water supply from the System into the supply-lines of the respective Buyers, and further secured by the proprietary interests of the respective Buyers in the System.

Article V. (Operation). The costs of operation of the System shall consist of taxes, insurance, pumping power, legal assessments and other lawful expenses. Said costs of operation shall be borne and paid by each and every contracting party hereto, at the rate of Sixty-Five Cents (\$0.65) per month per person residing at the respective properties of said parties, plus the additional cost of irrigation during the months of June, July and August of each year, at the flat rate of Ten Dollars (\$10.00) per month per contracting party of the System, all the foregoing payments to be made to the Seller herein, on or before the first day of each month. Default in any of the foregoing payments for a period of three months or more shall constitute sufficient grounds for discontinuation of water-supply to the defaulting party pending clearance of said default. Non-contracting parties requesting water-supply from the System shall be asked to contribute to the aforesaid operation costs, and to sign a deposition waiving all rights of continuous water-supply, as may be granted by law. Said contribution shall be reckoned on the basis of Four Dollars (\$4.00) operation expense for each one thousand gallons of water pumped, and said contribution shall be payable to the Seller herein at the point and time of pumping, and such proceeds shall be prorated to all contracting parties of the System in the ratio of their respective proprietary interests therein, as rebate for operating expenses chargeable to said contracting parties.

Article VI. (Maintenance). The necessity for repairs, replacements and other expenses incident to maintenance of the System, shall be subject to the judgment and majority vote of all the proprietary interests therein, and the said costs thereof shall be paid to the Seller herein by all the contracting parties hereto in the ratio of their respective proprietary interests in the System, within thirty days after the completion of each and every phase of maintenance project or upon demand of the respective creditors involved. Default in payment of the above said maintenance expenses after said thirty days shall be sufficient grounds for discontinuation of water supply to the defaulters pending clearance of default; plus interest at the rate of seven and one-half percent (7.5%) per annum on the unpaid balances. In the event that the estimated costs of any proposed maintenance project should exceed the combined proprietary interests in the System, then the proposed maintenance project may be abandoned subject to the majority vote of the contracting parties hereto.

Article VII. Improvements or additions to the System shall in no event be undertaken except with the written unanimous approval over the acknowledged signatures of all contracting parties thereto. In which latter case, the cost of the proposed improvements shall be prorated, assessed and collected in advance in the ratio of the existing proprietary interests in the System. Surpluses or deficiencies after the actual final costs of improvements have been determined, shall be similarly rebated or assessed as the case may be.

Article VIII. In the event that the overall demand for water-supply should at any time exceed the supply at the source of the System, then all the water lines of the System shall be partly closed and controlled for reasonable periods of time in order to provide for emergencies or urgent need.

Article IX. Each and every contracting party to the System shall have equal right of access, at reasonable times, to the records of accounting and to the control devices of said System.

Article X. Each and every contracting party to the System hereby waives any and all rights conferred by law which would hold another of said parties, or the System itself, liable in any way for failure of water-supply at the aforesaid water-well, failure of operating power, or other failure beyond reasonable human control, and/or personal injuries sustained on the premises of another such contracting party of the System.

W. J. H. E. F.

13098

April 19, 1972
PLUMB WATER-WELL
(Contract Continued)

Page 3 of 3

Article XI. In the event of dispute relative to the terms and conditions of this contract, final decision and action shall be referred to the judgment of a local attorney to be chosen by lottery, and the reasonable fee therefor shall be equally shared by the disputants.

FINES

[Handwritten signature]
[Handwritten signature]
Henry B. Hymn Sr.

May 10, 1972
State of Oregon
Klamath County
E. B. Dean, County Clerk
Map Commission expires 12/13/1974
W. E. Flynn
Route 1, Box 498, Klamath Falls
Bannock, Ore.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of *[Handwritten name]*

this *7th* day of *October*, A. D., 19*72*, at *10:19* o'clock *A.* M., and duly recorded in

Vol. *M. 74*, of *Deeds*, on Page *13098*

Fee \$ 6.00

WM. D. MILNE, County Clerk

By *[Handwritten signature]* Deputy