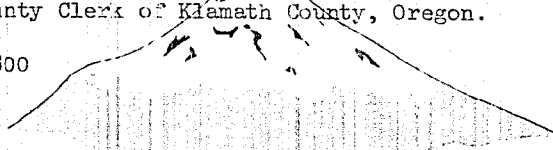


KNOW ALL MEN BY THESE PRESENTS, That JAMES RANDALL JANZEN

hereinafter called the grantor, for the consideration hereinafter stated, to grantor paid by TERRY W. PAUGH, hereinafter called the 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 State of Oregon, described as follows, to-wit:

Lot 3 in Block 17 of TRACT 1176-being a Re-Subdivision of Block 17, BUENA VISTA ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Account No. 3809-19DC-2800



MOUNTAIN TITLE COMPANY

"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."

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 except those of record and apparent to the land as of the date of this instrument

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 \$ 46,500.00.

However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which). (The sentence between the symbols (H), if not applicable, should be deleted. See ORS 93.030.)

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 20th day of July, 1988; if a corporate grantor, it has caused its name to be signed and seal affixed by its officers, duly authorized thereto by order of its board of directors.

(If executed by a corporation, affix corporate seal)

James Randall Janzen

STATE OF OREGON

County of Baker

7/20, 1988

STATE OF OREGON, County of ss.

Personally appeared, 19, and

who, being duly sworn, each for himself and not one for the other, did say that the former is the president and that the latter is the secretary of

a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

Before me:

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires:

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 12/02/88

James R. Janzen
2600 Indiana
Baker, OR 97814
GRANTOR'S NAME AND ADDRESS

Terry W. Paugh
2600 Berkeley St.
Klamath Falls, OR 97601
GRANTEE'S NAME AND ADDRESS

After recording return to:

Klamath 1st Federal St.
540 Main St
Klamath Falls, OR 97601
NAME, ADDRESS, ZIP

Until a change is requested all tax statements shall be sent to the following address.

None as above

NAME, ADDRESS, ZIP

STATE OF OREGON, ss.

County of Klamath

I certify that the within instrument was received for record on the 29th day of July, 1988, at 3:42 o'clock P.M., and recorded in book M88 on page 12192 or as file/reel number 89848, Record of Deeds of said county.

Witness my hand and seal of County affixed.

Evelyn Biehn County Clerk
Recording Officer
By Pauline Mueller Deputy

Fee: \$8.00