

K-40960
WARRANTY DEED

THE GRANTOR, FARM CREDIT BANK OF SPOKANE, successor by merger to The Federal Land Bank of Spokane, a corporation, for and in consideration of \$875,000.00 and other valuable consideration in hand paid, conveys and warrants to BIAGGI-VENABLE, an Oregon partnership, the following described real property, situate in the County of Klamath, State of Oregon, to-wit:

Township 37 South, Range 10 East of the Willamette Meridian:

Section 14: $W\frac{1}{2}SW\frac{1}{4}$
 Section 15: $NW\frac{1}{4}NW\frac{1}{4}, S\frac{1}{2}N\frac{1}{2}, NE\frac{1}{4}SE\frac{1}{4}$
 Section 23: $W\frac{1}{2}NE\frac{1}{4}, SE\frac{1}{4}NE\frac{1}{4}, E\frac{1}{4}SE\frac{1}{4}$
 Section 24: $SW\frac{1}{4}SW\frac{1}{4}$
 Section 25: $W\frac{1}{2}, W\frac{1}{2}SE\frac{1}{4}$
 Section 26: $E\frac{1}{4}E\frac{1}{4}$
 Section 35: $NE\frac{1}{4}NE\frac{1}{4}$
 Section 36: All

Township 37 South, Range 11 East of the Willamette Meridian:

Section 32: $W\frac{1}{2}SE\frac{1}{4}$

Township 38 South, Range 10 East of the Willamette Meridian:

Section 12: $NE\frac{1}{4}, E\frac{1}{4}NW\frac{1}{4}, NE\frac{1}{4}SE\frac{1}{4}$

Township 38 South, Range 11 East of the Willamette Meridian:

Section 6: Government Lots 4, 5, 6 and 7, $SE\frac{1}{4}NW\frac{1}{4}, E\frac{1}{4}SW\frac{1}{4}, SW\frac{1}{4}SE\frac{1}{4}$
 Section 7: Government Lots 1, 2, 3 and 4, $W\frac{1}{2}E\frac{1}{2}, SE\frac{1}{4}NE\frac{1}{4}, E\frac{1}{4}W\frac{1}{2}, E\frac{1}{4}SE\frac{1}{4}, NE\frac{1}{4}NE\frac{1}{4}$
 Section 8: $W\frac{1}{2}SW\frac{1}{4}$
 Section 17: $W\frac{1}{2}$
 Section 18: Government Lots 1 and 2, $NE\frac{1}{4}, E\frac{1}{4}NW\frac{1}{4}$
 Section 20: $SW\frac{1}{4}NE\frac{1}{4}, NW\frac{1}{4}, N\frac{1}{2}SW\frac{1}{4}, W\frac{1}{2}SE\frac{1}{4}, SE\frac{1}{4}SE\frac{1}{4}$
 Section 21: $S\frac{1}{2}SW\frac{1}{4}, SW\frac{1}{4}SE\frac{1}{4}$
 Section 27: $S\frac{1}{2}NE\frac{1}{4}, W\frac{1}{2}SW\frac{1}{4}, SE\frac{1}{4}SW\frac{1}{4}$, EXCEPTING THEREFROM that portion of the $SW\frac{1}{4}NE\frac{1}{4}$ and $SE\frac{1}{4}SW\frac{1}{4}$ conveyed to Oregon-California & Eastern Railway Co. by deed recorded November 4, 1927, in Book 79 at Page 56.
 Section 28: $N\frac{1}{2}, NE\frac{1}{4}SW\frac{1}{4}, SE\frac{1}{4}$
 Section 29: $NE\frac{1}{4}, SE\frac{1}{4}NW\frac{1}{4}, E\frac{1}{4}SW\frac{1}{4}$
 Section 32: $NE\frac{1}{4}NW\frac{1}{4}$

SUBJECT TO:

1. Terms and conditions of special assessment as farm use and the right of Klamath County, Oregon, to additional taxes in the event said use should be changed, which obligations Grantee assumes and agrees to pay and perform.
2. A portion of the property herein has been classified as reforestation and is subject to an annual forest fee, but upon the cutting of the timber thereon, the said lands will be subject to a yield tax under the provisions of said forest act.
3. Liens and assessments of Horsefly Irrigation District, and regulations, contracts, easements, water and irrigation rights in connection therewith.
4. Any unpaid charges or assessments of the Horsefly Irrigation District.
5. Rules, regulations and assessments of Pine Flat District Improvement Company, as disclosed by Land Owners Notice, recorded March 21, 1972, in Volume M-72, Page 3031, Deed Records of Klamath County, Oregon.
6. Rights of the public in and to any portion of the herein described property lying within the boundaries of public roads or highways.
7. Right of Way for pole line, including the terms and provisions thereof, given by Herman Schmor, a single man, to The California-Oregon Power Company, a California corporation, dated April 20, 1951, recorded May 29, 1951, in Volume 247, Page 438, Deed Records of Klamath County, Oregon. Affects $SE\frac{1}{4}NW\frac{1}{4}$ and $NW\frac{1}{4}NE\frac{1}{4}$ Sec. 18 Twp. 38 S. R. 11 E.W.M.
8. Right of Way for transmission line, including the terms and provisions thereof, given by L.M. Hankins, et al, to The California Oregon Power

- Company, a California corporation, dated April 23, 1951, recorded May 29, 1951, in Volume 247, Page 444, Deed Records of Klamath County, Oregon. Affects NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 12 Twp. 38 S.R. 10 E.W.M.; NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 18 Twp. 38 S.R. 11 $\frac{1}{2}$ E.W.M.; SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 7 Twp. 38 S.R. 11 $\frac{1}{2}$ E.W.M.
9. Right of Way for transmission line, including the terms and provisions thereof, given by L.M. Hankins, et al, to The California Oregon Power Company, a California corporation, dated September 15, 1952, recorded October 17, 1952, in Volume 257, Page 265, Deed Records of Klamath County, Oregon. Affects SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 7 and W $\frac{1}{2}$ NE $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 18, Twp. 38 S.R. 11 $\frac{1}{2}$ E.W.M.
 10. Right of Way for transmission line, including the terms and provisions thereof, given by Henry Schmor and Lizzie M. Schmor, husband and wife, to The California Oregon Power Company, a California corporation, dated January 6, 1953, recorded January 9, 1953, in Volume 258, Page 496, Deed Records of Klamath County, Oregon. Affects SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 7 Twp. 38 S.R. 11 $\frac{1}{2}$ E.W.M.
 11. Right of Way for transmission line, including the terms and provisions thereof, given by L.M. Hankins, et al, to The California Oregon Power Company, a California corporation, dated January 31, 1953, recorded February 11, 1953, in Volume 259, Page 195, Deed Records of Klamath County, Oregon. Affects E $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 6, E $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$; NW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 7 Twp. 38 S.R. 11 $\frac{1}{2}$ E.W.M.
 12. Right of Way for transmission line, including the terms and provisions thereof, given by L.M. Hankins, et al, to The California Oregon Power Company, a California corporation, dated April 18, 1953, recorded April 23, 1953, in Volume 260, Page 269, Deed Records of Klamath County, Oregon. Affects NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 7 Twp. 38 S.R. 11 $\frac{1}{2}$ E.W.M.
 13. Reservations and restrictions in patent to Lloyd L. Hankins and Lawrence M. Hankins, dated July 9, 1954, recorded July 19, 1954, in Volume 268, Page 135, Deed Records of Klamath County, Oregon. Besides the usual patent reservations, said patent contains the following language: "Excepting and reserving also to the United States, pursuant to provisions of the Act of August 1, 1946 (60 Stat., 755) all uranium, thorium or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, together with the right of the United States through its authorized agents or representatives at any time to enter upon the land and prospect for, mine, and remove the same". Affects NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 17 Twp. 38 S.R. 11 $\frac{1}{2}$ E.W.M.
 14. Road Easement, including the terms and provisions thereof, given by Hankins Farms, Incorporated, an Oregon corporation, to The United States of America, dated January 31, 1961, recorded April 6, 1961, in Volume 328, Page 406, Deed Records of Klamath County, Oregon.
 15. Right of Way Easement, including the terms and provisions thereof, from Nevin Cattle Co., a California corporation, to Pacific Power & Light Company, a corporation, dated September 25, 1970, recorded October 1, 1970, in Volume M-70, Page 8764, Deed Records of Klamath County, Oregon.
 16. Right of Way Easement, including the terms and provisions thereof, given by Nevin Cattle Co., to Pine Flat District Improvement Company, dated January 25, 1973, recorded January 26, 1973, in Volume M-73, Page 971, Deed Records of Klamath County, Oregon.
 17. Lease and Agreement, including the terms and provisions thereof, by and between Thomas M. Venable and Patricia A. Venable, husband and wife; and Charles W. Biaggi and Peggy J. Biaggi, husband and wife, Lessor, and Creslenn Oil Company, a corporation, as Lessee, dated January 7, 1975, recorded May 2, 1975, in Volume M-75, Page 4728, Deed Records of Klamath County, Oregon.
By Assignment dated April 3, 1979, recorded April 5, 1979, in Volume M-79, Page 7486, Deed Records of Klamath County, Oregon, said lease was assigned to Creston H. Alexander, an individual, and Mercantile National Bank at Dallas, Trustee of the Glenn E. Alexander Trust.
By Assignment dated August 22, 1988, recorded August 23, 1988, in Volume M-88, Page 13582, Deed Records of Klamath County, Oregon, said lease was assigned to Federal Land Bank of Spokane.
 18. Creation of a Private Road given by Charles W. Biaggi and Peggy J. Biaggi, husband and wife, and Thomas M. Venable and Patricia A.

- Venable, husband and wife, dated January 3, 1984, recorded January 4, 1984, in Volume M-84, Page 81, and recorded January 4, 1984, in Volume M-84, Page 83, Deed Records of Klamath County, Oregon.
19. Lease and Agreement, including the terms and provisions thereof, by and between The Federal Land Bank of Spokane; and Thomas M. Venable and Patricia A. Venable, husband and wife; and Charles W. Biaggi and Peggy J. Biaggi, husband and wife, dated March 4, 1988, recorded March 31, 1988, in Volume M-88, Page 4634, Deed Records of Klamath County, Oregon; which Lease and Agreement shall terminate upon recordation of this Deed.

TOGETHER WITH:

- A. All water and water rights of every kind and description and however evidenced, used upon or appurtenant to said property, which in any manner entitles Grantors to water.
- B. Any and all tenements, hereditaments, easements, rights, privileges and appurtenances thereunto belonging or used in connection therewith, and the reversions, remainders, rents, issues and profits thereof.
- C. The following described fixtures:
 Star Craft Mobile Home, Model 1967, Serial No. 60CK3TU591; and
 Howard Manor Mobile Home, Model 1977, Serial No. OS0567UX; and
 The main corral, pump house and horse barn located at the primary farm site; and
 Barn/shop; and
 Barn and scales; storage buildings, 1,000-ton storage pole hay barn, located at the "New Well" (Schmore) site; and
 Hay barn located at the "Thomas Well"; and
 A 100 HP electric G.E. Motor, 1770 RPM, Serial #BMJ204143 with a Turbine Verta Line Pump, 96' TDH, 3000 GPM, Serial #V76-70602, and a 50 HP Booster electric Century Motor, 1750 RPM, Serial #326TCZ, with a centrifugal Berkeley Pump, Serial #7673776; a 100 HP electric U.S. Motor, 1800 RPM, Serial #879630 with a Turbine Peerless Pump, 96' TDH, 3000 GPM, no serial number, and a 50 HP Booster electric U.S. Motor, 1800 RPM, Serial #1013946, with a Peerless centrifugal pump, no serial number; a 100 HP electric U.S. Motor, 1800 RPM, Serial #85461 with a Johnston Turbine pump, 98' TDH, 3300 GPM, no serial number and a 30 HP Booster electric Century Motor, 3500 RPM, Serial #24927, with a More-Rave centrifugal pump, Serial #1475 and a 40 HP Booster electric U.S. Motor, 1760 RPM, no serial number, with a Peerless centrifugal pump, Serial #364526; a 75 HP electric U.S. Motor, 1800 RPM, Serial #895574, with a Peerless Turbine pump, 100' TDH, 1620 GPM, no serial number, and a 50 HP Booster electric G.E. Motor, 1800 RPM, Serial #LAJ 1124416 with a Cornell centrifugal pump, Serial #10893, and a 30 HP Booster electric G.E. Motor, 1800 RPM, Serial #5K1364GF1 with a Rainflo centrifugal pump, Serial #11101 and a 10 HP electric U.S. Motor, 1800 RPM, Serial #3833119 with a Verta Line centrifugal pump, Serial #D18047.

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.

DATED this 18th day of November, 1988.

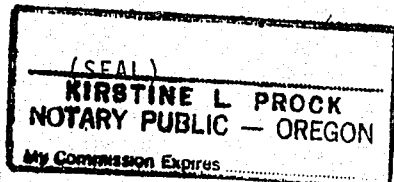
FARM CREDIT BANK OF SPOKANE, successor
 by merger to The Federal Land Bank
 of Spokane

By: Tom Schultheis
 Tom Schultheis, Sr. Credit Off.

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STATE OF OREGON }
 County of Klamath } ss:

Before me, this 18th day of November, 1988, personally appeared TOM SCHULTHEIS, known to me to be the Senior Credit Officer of the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and that it executed the same, and on oath stated that he was authorized to execute said instrument.



Kirstine L. Prock
 NOTARY PUBLIC FOR OREGON
 My Commission Expires: 12/16/88

WHEN RECORDED MAIL TO:

Charles W. Biaggi
 HC. 33 Box 22
 Dairy, Oregon 97625

MAIL TAX STATEMENTS TO:

BIAGGI-VENABLE, ~~an Oregon~~
~~corporation~~
 HC 33 Box 22
 Dairy, Oregon 97625

STATE OF OREGON }
 County of Klamath } ss:

I certify that the within instrument was received for record on the 21st day of Nov., 1988, at 2:43 o'clock P.M., and recorded in Book M88 on Page 19740 or as filing fee number 94124.

Record of Deeds of said County.
 Witness my hand and seal of County affixed.

Evelyn Biehn

County Clerk Title

BY: Pauline Mullens Deputy

Fee \$23.00