

K-40054
NONMERGER WARRANTY DEEDCRAIG L. LONGFCB Loan Nos. 5425 302 01, 5425 303 01
and 5425 305 01

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

Return to: Farm Credit Services-Klamath
Falls
900 Klamath Avenue
P.O. Box 148
Klamath Falls, OR 97601

THIS DEED, made this 7 day of September, 1989, between Craig L. Long and Linda L. Long, husband and wife, an estate in fee simple as tenants by the entirety, the Grantors, and FARM CREDIT BANK OF SPOKANE, a corporation chartered under the laws of the United States, successor by merger to The Federal Land Bank of Spokane, a corporation formerly chartered under the laws of the United States, whose mailing address is West 601 First Avenue, TAF-C5, Spokane, Washington 99220, the Grantee,

WITNESSETH, that for and in consideration of the covenants herein-after contained, a credit to the loan referenced herein and other good and valuable consideration, the Grantors do by these presents grant, convey and warrant forever unto the Grantee, and to its successors and assigns, all the property described on Exhibit "A" attached hereto and incorporated herein.

ALL SITUATE IN County of Klamath, State of Oregon, subject to rights of way and easements for roads, utilities and irrigation ditches as same exist or appear of record, a portion of the unpaid real property taxes, and mortgage to Grantee dated November 2, 1967 and recorded November 9, 1967, mortgage dated September 21, 1977 and recorded September 23, 1977, mortgage dated December 29, 1981 and recorded January 5, 1982.

TOGETHER WITH all water and water rights of every kind and description and however evidenced, used upon or appurtenant to said property, which in any manner entitle Grantors to water, including but not limited to water rights under Permit No. 36629 issued by the Oregon Department of Water Resources and water rights under Certificate No. 27463 issued by the Oregon Department of Water Resources.

TOGETHER WITH 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.

TO HAVE AND TO HOLD, all and singular, the said property, together with the appurtenances, unto the said Grantee, and to its successors and assigns forever. Grantors covenant with Grantee that the former is now seized in fee simple of the property granted; that the latter shall enjoy the same without any lawful disturbance; that the same is free from all encumbrances (except those set forth above); that Grantors and all persons acquiring any interest in the same through or for them will, on demand, execute and deliver to Grantee at Grantee's expense, any further assurance of the same that may be reasonably required; and that Grantors will warrant to Grantee all of the said property against every

'89 SEP 29 PM 2 45

person lawfully claiming the same, except those claiming under the above exceptions.

This deed is absolute in effect and conveys fee simple title of the property above described to the Grantee and does not operate as a rescission or as a mortgage, trust conveyance, or security agreement of any kind.

Grantee's acceptance of this conveyance is conditioned upon there being no liens against the property, except for those set forth above.

This deed does not effect a merger of the fee ownership and the lien of the mortgage described herein. The fee and lien shall hereafter remain separate and distinct. It is not the intent of the parties to affect the subrogation rights of any third parties.

The true and actual consideration for this conveyance includes, but is not limited to, a credit of \$228,678 to the loans referenced above, payment by Grantee of a portion of real estate taxes owing against the property, and costs and expenses, including title insurance premiums associated with this conveyance.

Grantors specifically acknowledge that this deed is not in satisfaction of the total indebtedness, as set forth in the Plan confirmed in the Grantors' Chapter 12 bankruptcy case No. 687-08962-R12, secured by the above-described mortgages dated November 2, 1967, September 21, 1977, and December 29, 1981, and is not a release of the lien against the real property located in Klamath County, Oregon. At its option, Grantee may execute and file a partial release from the mortgages as to the property being conveyed by this deed. Said partial release shall not affect the validity or priority of the mortgages covering any property except that described herein.

This deed shall not operate to preclude Grantee from proceeding in any action to enforce the mortgages.

Grantors do hereby waive, surrender, convey, and relinquish any equity of redemption and statutory rights of redemption concerning the property and mortgages described above.

Grantors hereby surrender and deliver possession of the property to Grantee.

Grantors declare that this conveyance is freely and fairly made, and Grantors are not acting under any misapprehension as to the legal effect of this deed, nor under any duress, undue influence, or misrepresentation of Grantee, its agent, or attorney, or any other person.

Pursuant to Chapter 12, the Grantors herein are debtors in Case No. 687-08962-R12, United States Bankruptcy Court for the District of Oregon. Grantors herein were authorized and directed to convey out of the bankruptcy estate, to Grantee, the property described on Exhibit "A" attached hereto and incorporated herein, and to execute this deed pursuant to approval of the bankruptcy court.

Grantors agree to execute any other documents, as well as any other conveyance documents of the real property, at the request of the Grantee.

IN WITNESS WHEREOF, the Grantors have hereunto set their hands the day and year first above written.

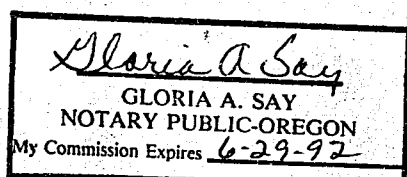
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE

Craig L. Long
 Craig L. Long
Linda L. Long
 Linda L. Long

STATE OF OREGON)
 County of Klamath) : ss.

On this 7 day of Sept, 1989, before me, the undersigned, a Notary Public for the State of Oregon, personally appeared Craig L. Long, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same as his free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

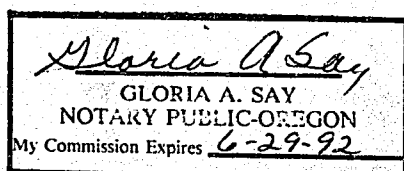


Notary Public for the State of Oregon
 Residing at _____
 My commission expires _____

STATE OF OREGON)
 County of Klamath) : ss.

On this 7 day of Sept, 1989, before me, the undersigned, a Notary Public for the State of Oregon, personally appeared Linda L. Long, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same as her free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Notary Public for the State of Oregon
 Residing at _____
 My commission expires 6-29-92

81-6-2547

EXHIBIT A

DESCRIPTION

The following described real property situate in Klamath County, Oregon:
 Township 34 South, Range 7 East of the Willamette Meridian:

PARCEL 1:

Section 22: That portion of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ and E $\frac{1}{2}$ E $\frac{1}{2}$ SE $\frac{1}{4}$ lying East of Southern Pacific Railroad.

Section 23: W $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ E $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ N $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ NW $\frac{1}{4}$

Section 26: NW $\frac{1}{4}$ NW $\frac{1}{4}$ lying East of the Southern Pacific Railroad.

PARCEL 2:

Beginning at a 5/8 inch iron pin with a Tru-Line Surveying plastic cap on the Westerly right of way line of the Southern Pacific Railroad, said point being N. 27°43'15" E. 143.73 feet from the Southwest corner of said Section 23; thence Southerly, along said Westerly right of way line, 3450 feet, more or less, to the Northerly right of way line of Pine Cone Drive; thence Westerly along said Northerly right of way line, 875 feet, more or less, to the Williamson River; thence Northerly, along said river, 3100 feet, more or less, to a point that bears S. 80°50'22" W. from the point of beginning; thence N. 80°50'22" E. to a 5/8 inch iron pin with a Tru-Line Surveying plastic cap on the River bank; thence continuing N. 80°50'22" E., along an existing fence line and its extension, 1861.66 feet to the point of beginning, containing 104 acres, more or less, and with bearings based on recorded survey No. 963.

Township 32 South, Range 8 East of the Willamette Meridian:

Section 36: S $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$

Township 33 South, Range 8 East of the Willamette Meridian:

Section 1: Lots 1, 2, 3, and 5, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ E $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$

Section 12: NE $\frac{1}{4}$

EXCEPTING THEREFROM the S $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, and Government Lot 4 ALL in Section 1, Township 33 South, Range 8 East of the Willamette Meridian.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co. the 28th day of Sept. A.D. 19 89 at 2:45 o'clock P. M., and duly recorded in Vol. M89 of Deeds on Page 18297

FEE \$23.00

Evelyn Biehn County Clerk

By Danise Mullendore

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