



WARRANTY DEED

Aspen Title No. #01041436
 AFTER RECORDING RETURN TO:
 Mr. and Mrs. Gerald R. Cannon
 611 PINE GROVE ROAD
 KLAMATH FALLS, OR. 97603

UNTIL A CHANGE IS REQUESTED ALL TAX
 STATEMENTS TO THE FOLLOWING ADDRESS:
 SAME AS ABOVE

MICHAEL LANCE HARRIS, hereinafter called GRANTOR(S), convey(s)
 to GERALD R. CANNON and GLORIA A. CANNON, husband and wife,
 hereinafter called GRANTEE(S), all that real property situated
 in the County of Klamath, State of Oregon, described as:

SEE LEGAL DESCRIPTION MARKED EXHIBIT "A" ATTACHED HERETO AND BY
 THIS REFERENCE MADE A PART HEREOF AS THOUGH FULLY SET FORTH
 HEREIN.

"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 AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST
 FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.390."

and covenant(s) that grantor is the owner of the above described
 property free of all encumbrances except covenants, conditions,
 restrictions, reservations, rights, rights of way and easements
 of record, if any, and apparent upon the land AND Grantees
 herein as part of the purchase price and consideration for this
 deed, assume and agree to pay the indebtedness evidenced by that
 certain Deed of Trust made by Michael Lance Harris to Basin and
 Land and Home Mortgage, Inc., an Oregon corporation, which Deed of
 Trust is recorded in the office of the Klamath County Clerk, in
 Book M-90, at page 7117. And for the same consideration,
 Grantees hereby assume the obligation of Michael Lance Harris
 under the terms of the instruments creating the loan to
 indemnify the Department of Veterans Affairs to the extent of
 the claim payment arising from the guaranty or insurance of the
 indebtedness above mentioned. This liability to the Department
 of Veterans Affairs is under the authority of Chapter 37, Title
 38 of the United States Code, and supersedes any State or local
 law barring or limiting deficiencies following foreclosure of
 real property,

and will warrant and defend the same against all persons who may
 lawfully claim the same, except as shown above.

The true and actual consideration for this transfer is
 \$72,380.00.

In construing this deed and where the context so requires, the
 singular includes the plural.

IN WITNESS WHEREOF, the grantor has executed this instrument
 this 6TH day of MAY 1994.

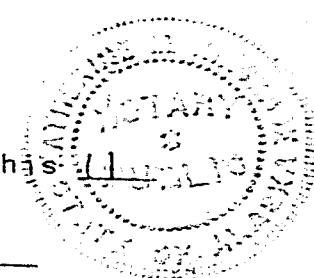
X MLH
 MICHAEL LANCE HARRIS

5-11-94

STATE OF ALASKA)
 County of F.Y.S.B.) ss.

The foregoing instrument was acknowledged before me this 11
 day of May, 1994, by MICHAEL LANCE HARRIS.

Before me: Katherine M. Hengle 3-19-96
 Notary Public for ALASKA



Continued on next page

Lot 52, LAMRON HOMESITES, in the County of Klamath, State of Oregon, and the following described tract:

A 15 foot strip of land situated in the SW 1/4 SW 1/4 SE 1/4, Section 11, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Beginning at the Southeast corner of Lot 52, LAMRON HOMES SUBDIVISION; thence South 0 degrees 07' East a distance of 15 feet to the South line of Section 11; thence North 89 degrees 56' West along the South line of Section 11 a distance of 85 feet; thence North 0 degrees 07' West a distance of 15 feet to the Southwest corner of Lot 52; thence South 89 degrees 56' East along the South line of Lot 52, 85 feet to the point of beginning.

CODE 41 MAP 3909-11DC TL 9400

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co
 of May A.D., 19 94 at 3:50 o'clock P.M., and duly recorded in Vol. 19th day
 of Deeds on Page 15885
 Evelyn Biehn County Clerk
 By Debra M. Henderson

FEE \$35.00