



WARRANTY DEED

ASPEN TITLE ESCROW NO. 01042074

AFTER RECORDING RETURN TO:
Mr. and Mrs. Carson P. MerkleyP.O. Box 63
Bly, OR 97622UNTIL A CHANGE IS REQUESTED ALL TAX
STATEMENTS TO THE FOLLOWING ADDRESS:
SAME AS ABOVEPAUL FITZHUGH and BILLIE D. FITZHUGH, husband and wife,
hereinafter called GRANTOR(S), convey(s) to CARSON P. MERKLEY
and ELIZABETH M. MERKLEY, 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 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
\$84,250.00, as paid by an accommodator pursuant to an IRC 1031
Exchange.

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 12th day of August, 1994.

Paul Fitzhugh
PAUL FITZHUGH

Billie D. Fitzhugh
BILLIE D. FITZHUGH

STATE OF OREGON)
) ss.
County of Klamath)

The foregoing instrument was acknowledged before me this 12th
day of August, 1994, by PAUL FITZHUGH and BILLIE D. FITZHUGH.

Before me: Marlene T. Addington
Notary Public for Oregon
My Commission Expires: March 22, 1997

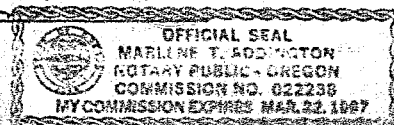


EXHIBIT "A"

25191

PARCEL 1:

The W 1/2 of the SE 1/4 of Section 10, and the N 1/2 of the NE 1/4 of Section 15, Township 39 South, Range 13 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 2:

The SE 1/4 of the NE 1/4 of Section 9; The S 1/2 of the NW 1/4 of Section 10, and the NE 1/4 of the SW 1/4 of Section 10, Township 39 South, Range 13 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

CODE 36 MAP 3913 TL 600

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co the 15th day
of Aug A.D., 1994 at 11:42 o'clock A.M., and duly recorded in Vol. M94
of Deeds on Page 25190.

Evelyn Biehn County Clerk

FEE \$35.00

By Pauline Millenator