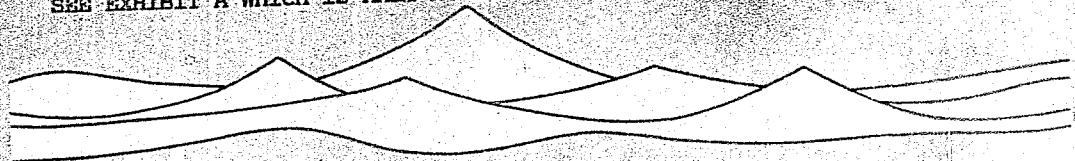


WARRANTY DEED MTC 33461-62

KNOW ALL MEN BY THESE PRESENTS, That

LILA M. MACFARLANE hereinafter called the grantor, for the consideration hereinafter stated, to grantor paid by NELSON T. PALMER & DONNA L. H. PALMER, husband and wife the grantee, does hereby grant, bargain, sell and convey unto the said grantee and grantee's heirs, successors and assigns, the 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: SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE



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 and to determine any limits on lawsuits against farming or forest practices as defined in ORS 30.930."

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 and the above granted premises, free from all encumbrances except those of record and those apparent upon the land, if any, as the date of this deed 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 \$ 95,000.00

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 15th day of August 1994; 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.

Lila M Macfarlane LILA M. MACFARLANE

STATE OF OREGON, County of Klamath ) ss. 8/15, 1994

Personally appeared the above named LILA M. MACFARLANE

and acknowledged the foregoing instrument to be her voluntary act and deed.

Before me: Pamela Spencer Notary Public for Oregon My commission expires: 8/16/96

STATE OF OREGON, County of ) ss. The foregoing instrument was acknowledged before me this 19, by president, and by secretary of a corporation, on behalf of the corporation. Notary Public for Oregon My commission expires: (SEAL)

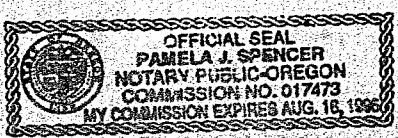


Table with 2 columns: Name and Address, and Grantor/Grantee Name and Address. Includes LILA M. MACFARLANE and NELSON T. PALMER & DONNA L. H. PALMER.

STATE OF OREGON, County of I certify that the within instrument was received for record on the day of 19 at o'clock M., and recorded in book on page or as file/reel number Record of Deeds of said county. Witness my hand and seal of County affixed. Recording Officer Deputy

LEGAL DESCRIPTION

33461-KR

The North 364.84 feet of Government Lot 7 of Section 4, Township 35 South, Range 7, East of the Willamette Meridian, Klamath County, Oregon, lying West of Highway 97.

EXCEPTING THEREFROM that portion contained in Warranty Deed to the State of Oregon by and through its Department of Transportation, Highway Division, recorded May 8, 1990 in Volume M90, page 8701, Microfilm Records of Klamath County, Oregon.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title co  
of Aug A.D. 19 94 at 10:43 o'clock A M., and duly recorded in Vol. M94  
of Deeds the 16th day  
on Page 25317

FEE \$35.00

Evelyn Biehn  
By David M. Millenbore County Clerk