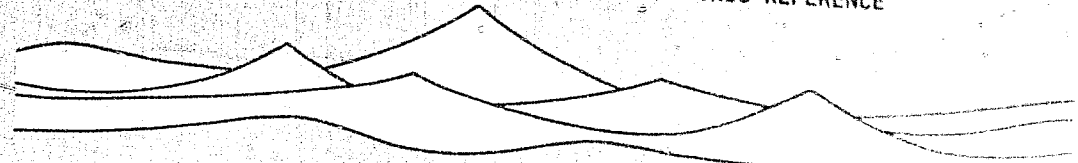


KNOW ALL MEN BY THESE PRESENTS, That ROBERT A. BEAN and LURENE G. BEAN

hereinafter called the grantor, for the consideration hereinafter stated, to grantor paid by KRIS L. PALMERTON and CHRISTINE P. PALMERTON, Husband and Wife, hereinafter called 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 18th day of January, 1995; 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.

STATE OF OREGON, County of Klamath, January 18, 1995.

Signatures of Robert A. Bean and Lurene G. Bean.

Personally appeared the above named ROBERT A. BEAN LURENE G. BEAN

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

Before me: Kristi L. Redd, Notary Public for Oregon, My commission expires: 11/16/95



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

GRANTOR'S NAME AND ADDRESS: ROBERT A. BEAN AND LURENE G. BEAN, 2700 BIEHN STREET, KLAMATH FALLS, OR 97601

GRANTOR'S NAME AND ADDRESS: KRIS L. PALMERTON and CHRISTINE P. PALMERTON, 3680 AGATE BAY LANE, BELLINGHAM, WA 98226

NAME, ADDRESS, ZIP: KRIS L. PALMERTON and CHRISTINE P. PALMERTON, 3680 AGATE BAY LANE, BELLINGHAM, WA 98226

NAME, ADDRESS, ZIP: KRIS L. PALMERTON and CHRISTINE P. PALMERTON, 3680 AGATE BAY LANE, BELLINGHAM, WA 98226

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. By ... Recording Officer, Deputy

EXHIBIT "A"
LEGAL DESCRIPTION

A tract of land in the SW1/4 of Section 20, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:
Beginning at a point 1280 feet East and 1352 feet North of the Section corner common to Sections 19, 20, 29 and 30, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, said point being in the center line of "A" Street as shown on the plat of Highway Addition filed May 31, 1927 in Plat Book 7 and page 9, now vacated, and on the Westerly line of Biehn Street as now located (80 feet wide); thence Westerly along the center line of said vacated "A" Street to the Easterly line of Lakeport Boulevard; thence North in a straight line 274 feet more or less to the South line of the Southern Pacific Railroad right of way; thence Southeasterly tracing the Southerly line of said right of way 313 feet, more or less, to the Westerly line of said Biehn Street; thence South 127.2 feet, more or less, to the point of beginning.

Subject to: First Trust Deed recorded April 23, 1984 in Volume M84, page 6678, Microfilm Records of Klamath County, Oregon in favor of Fern A. Smith; who subsequently assigned their beneficial interest by document recorded November 25, 1988 in Volume M88, page 19987, Microfilm Records of Klamath County, Oregon in favor of Michael B. Ilg; who subsequently assigned their beneficiary interest by document recorded February 27, 1989 in Volume M89, page 3038, Microfilm Records of Klamath County, Oregon in favor of Dorothy M. Pfeiffer; Second Trust Deed recorded May 20, 1993 in Volume M93, page 11448, Microfilm Records of Klamath County, Oregon in favor of Larry A. Hardgrove and Sharon E. Hardgrove.

The Grantees herein hereby agree to assume and pay in full both the first and second Trust Deeds described above.

Christine D. Palmer
LLS
RB

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co
of Jan A.D., 19 95 at 10:34 o'clock A.M. and duly recorded in Vol. M95 day
of Deeds on Page 1256
By Bernetha G. Letsch County Clerk
Dorothy M. Pfeiffer

FEE \$35.00