

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, That

EDWARD L. DAVIS and NAOMI R. DAVIS, husband and wife or the survivor thereof hereinafter called the grantor, for the consideration hereinafter stated, to grantor paid by DANIEL L. SMITH and RHONDA I. SMITH, husband and wife or the survivor, 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 LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT "A".

SUBJECT TO: FIRST TRUST DEED RECORDED OCTOBER 28, 1988 IN VOLUME M88, PAGE 18335, MICROFILM RECORDS OF KLAMATH COUNTY, OREGON IN FAVOR OF MARGARET G. MORENO.

THE GRANTEES HEREIN HEREBY AGREE TO ASSUME AND PAY IN FULL THE FIRST TRUST DEED DESCRIBED ABOVE.

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 \$ 70,000.00

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 29th day of March, 19 95; 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.

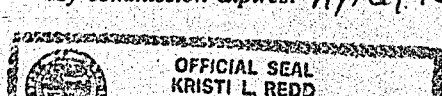
STATE OF OREGON Klamath ss.
County of March 29, 19 95

Edward L. Davis
EDWARD L. DAVIS
Naomi R. Davis
NAOMI R. DAVIS

Personally appeared the above named
EDWARD L. DAVIS
NAOMI R. DAVIS

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 _____) 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)

| | |
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| EDWARD L. DAVIS and NAOMI R. DAVIS | |
| PO BOX 123 | |
| BONANZA, OR 97623 | |
| GRANTOR'S NAME AND ADDRESS | |
| DANIEL L. SMITH and RHONDA I. SMITH | |
| 4740 BLY MOUNTAIN CUTOFF | |
| BONANZA, OR 97623 | |
| GRANTEE'S NAME AND ADDRESS | |
| After recording return to: | |
| DANIEL L. SMITH and RHONDA I. SMITH | |
| 4740 BLY MOUNTAIN CUTOFF | |
| BONANZA, OR 97623 | |
| NAME, ADDRESS, ZIP | |
| Until a change is requested all tax statements shall be sent to the following address. | |
| DANIEL L. SMITH and RHONDA I. SMITH | |
| 4740 BLY MOUNTAIN CUTOFF | |
| BONANZA, OR 97623 | |
| NAME, ADDRESS, ZIP | |

STATE OF OREGON, _____ ss.
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 parcel of land lying in the NE1/4 of the NW1/4 of Section 22, Township 38 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the Western boundary of the Bly Mountain Cut-Off road right of way, said point being approximately 417 feet South 4 degrees 11' West from that certain Brass Cap (1/4 corner) of record, located at the Northeast corner of the NE1/4 of the NW1/4 of Section 22, Township 38 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, and said point of beginning also being the Southeast corner of that certain parcel of land described in Volume M77, page 21908, Microfilm Records of Klamath County, Oregon; thence North 83 degrees 05' West along the Southerly boundary of said parcel a distance of 662 feet, more or less, to the Southwest corner thereof; thence Westerly and Southerly along the 111 degrees 58' arc of a circle having a 100 foot radius and centered at a point approximately 825 feet South 58 degrees 09' West from the aforesaid Brass Cap; thence South 14 degrees 53' East 221 feet; thence South 89 degrees 44' East a distance of 778 feet, more or less, to a point on the Western boundary of the Bly Mountain Cut-Off road right of way; thence North 15 degrees 58' West 271 feet, more or less, along said boundary to the point of beginning.

ALSO, beginning at a point on the Western boundary of the Bly Mountain Cut-Off road right of way, said point being approximately 679 feet South 3 degrees 15' East from that certain Brass Cap (1/4 corner) of record located at the Northeast corner of the NE1/4 of the NW1/4 of Section 22, Township 38 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, and said point of beginning also being the Southeast corner of the above described parcel; thence North 89 degrees 44' West along the Southerly boundary of said parcel 778 feet, more or less, to the Southwest corner thereof; thence South 14 degrees 53' East a distance of 196 feet, more or less, to the most Northerly Northeast corner of that certain parcel of land described in Volume M77, page 16396, Microfilm Records of Klamath County, Oregon; thence Southerly and Easterly along the 68 degrees 31' arc of a circle having a radius of 100 feet and centered at a point approximately 1026 feet South 35 degrees 06' West from the aforesaid Brass cap, said course also following the Northerly boundary of the parcel described in Volume M77, page 16396; thence continuing along the Northerly boundary of said parcel South 83 degrees 24' East a distance of 740 feet, more or less, to a point on the Western boundary of the aforesaid Bly Mountain Cut-Off road; thence North 15 degrees 58' West along said boundary a distance of 368 feet, more or less, to the point of beginning.

Together with a 1979 FESTI Mobile Home, Title #9017668928, VIN #WAFL1A927312976, Style-HT, Plate #X162604.

3011-22-312; 313

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 3rd day
of April A.D., 19 95 at 3:42 o'clock P M., and duly recorded in Vol. M95
of Deeds on Page 8095

FEE \$35.00

By Bernice G. Letsch County Clerk