

K-46320
After recording return to: Klamath Pacific Corp., 2918 Edison Ave., Klamath Falls, OR 97603.

Send tax statements to: Klamath Pacific Corp., 2918 Edison Ave., Klamath Falls, OR 97603.

DEED

The Peyton Trust, u/a/d December 31, 1987, as to an undivided one-half interest, and Theodore L. Pepple, Ruth P. Pepple, Susan D. Thompson, Michael C. Pepple and Thomas E. Pepple, as to an undivided one-half interest, Grantor, conveys and specifically warrants to Klamath Pacific Corp., an Oregon Corporation, Grantee, all their right, title and interest in and to the real property described on Exhibit A, attached hereto, subject to conditions, reservations, restrictions, easements and rights of way of record and those apparent on the land.

The true and actual consideration for this conveyance is \$50,000.00.

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.

Dated this 18th day of March, 1994.

THE PEYTON TRUST, u/a/d December 31, 1987

By X Calvin P. Peyton
Calvin P. Peyton

By X Doris A. Peyton
Doris A. Peyton

X Theodore L. Pepple
Theodore L. Pepple

X Ruth P. Pepple
Ruth P. Pepple

X Susan D. Thompson
Susan D. Thompson

X Michael C. Pepple
Michael C. Pepple

X Thomas E. Pepple
Thomas E. Pepple

STATE OF OREGON, County of JACKSON) ss.

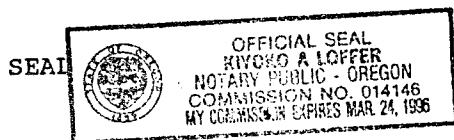
This instrument was acknowledged before me on March 15, 1994, by Calvin P. Peyton and Doris A. Peyton, Trustees of The Peyton Trust.



R. K. McLaughlin
Notary Public for Oregon
My commission expires:

STATE OF OREGON, County of Josephine) ss. ~~March~~ ^{April}

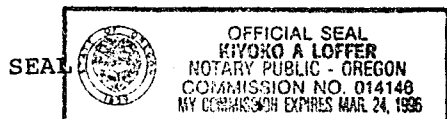
This instrument was acknowledged before me on ~~March~~ ^{April} 15, 1994, by Theodore L. Pepple.



Ruyoko A. Loffer
Notary Public for Oregon
My commission expires: 3-24-96

STATE OF OREGON, County of Josephine) ss. ~~March~~ ^{April}

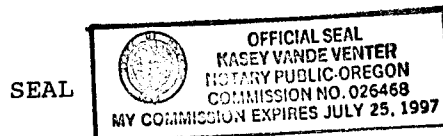
This instrument was acknowledged before me on ~~March~~ ^{April} 13, 1994, by Ruth P. Pepple.



Ruyoko A. Loffer
Notary Public for Oregon
My commission expires: 3-24-96

STATE OF OREGON, County of Washington) ss. ~~March~~ ^{April}

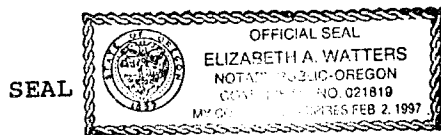
This instrument was acknowledged before me on ~~March~~ ^{April} 2nd, 1994, by Susan D. Thompson.



Kasey Vande Venter
Notary Public for Oregon
My commission expires: 7/25/97

STATE OF OREGON, County of Lane) ss. ~~March~~ ^{April}

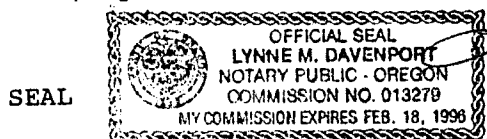
This instrument was acknowledged before me on ~~March~~ ^{April} 11, 1994, by Michael C. Pepple.



Elizabeth A. Watters
Notary Public for Oregon
My commission expires: 2-2-97

STATE OF OREGON, County of Clackamas) ss. ~~March~~ ^{April}

This instrument was acknowledged before me on ~~March~~ ^{April} 4, 1994, by Thomas E. Pepple.



Lynne M. Davenport
Notary Public for Oregon
My commission expires: 2-18-96

Exhibit "A"
DESCRIPTION

The following described real property situate in Klamath County, Oregon:

Beginning at the iron pin which marks the center of Section 18, Township 38 S., R. 9 E.W.M. and which point is also the Southeast corner of First Addition to Terminal Tracts and running thence South along the quarter line 1320 feet to the Southeast corner of Government Lot 2; thence West along the South line of Government Lot 2 to its intersection with the East right of way line of The Dalles-California Highway #97; thence Westerly and Northerly following the Easterly right of way line of The Dalles-California Highway #97 to its intersection with the North line of Government Lot 2, which line is also the South line of First Addition to Terminal Tracts; thence East along the North line of Government Lot 2, which line is also the South line of Terminal Tracts, to the point of beginning, being in Government Lot 2, Section 18, Township 38 S., R. 9 E.W.M., EXCEPTING THEREFROM that portion conveyed to the State of Oregon by deed recorded June 25, 1979, in volume M79 page 14975, Deed records of Klamath County, Oregon.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ Klamath County Title _____ the _____ 2nd _____ day
of _____ Aug _____ A.D., 19 _____ 95 at _____ 2:24 _____ o'clock _____ P _____ M., and duly recorded in Vol. _____ M95 _____,
of _____ Deeds _____ on Page _____ 20287 _____.

FEE \$40.00

By Bernetha G. Lettich, County Clerk