AFTER RECORDING, RETURN TO:

Red Lion Hotels, Inc. 4001 Main Street PO Box 1027 Vancouver, WA 98666 Attention: Beth Ugoretz, Esq.

K-46402

STATUTORY BARGAIN AND SALE DEED

RED LION, A CALIFORNIA LIMITED PARTNERSHIP, Grantor, conveys to RED LION HOTELS INC., A DELAWARE CORPORATION, Grantee, the real property located in Klamath County, Oregon, described on the attached Exhibit A.

The true consideration for this conveyance cannot be stated in terms of dollars and consists of or includes other property or other value given and received.

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.

Notwithstanding anything to the contrary contained herein or pursuant hereto, or elsewhere, (i) neither any general partner of Grantor, any successor general partner of Grantor, nor any of the limited partners of Grantor, shall have any personal liability for the performance of any of Grantor's obligations hereunder, and (ii) any liability or obligation of Grantor arising hereunder shall be limited to and satisfied only out of the property of Grantor.

Dated effective as of August 1, 1995.

RED LION, a California Limited Partnership

By: RLA-GP, Inc., a Delaware corporation, General Partner

Its: Anunam Narayan

Vice President and Assistant Secretary

Until a change is requested, all tax statements shall be sent to the following address: Red Lion Hotels, Inc., 4001 Main Street, PO Box 1027, Vancouver, Washington 98666.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On August 1, 1995, before me, Phyllis J. Quail, Notary Public, personally appeared Anupam Narayan, \square personally known to me OR \boxtimes proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

PHYLIS J. QUAIL
COMM. # 1046304
Notary Public — Colifornia
LOS ANGELES COUNTY
My Comm. Expires DEC 4, 1998

Phythi J. Quail
Signature of Notary

EXHIBIT A PROPERTY DESCRIPTION (Property: Klamath Falls, OR)

DESCRIPTION OF PROPERTY

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

Beginning at a 1/2 inch iron pin on the South line of the relocated right of way of the Klamath Falls-Lakeview Highway (South Sixth Street) which bears South 80°45' West a distance of 290.3 feet and South 0°06'30" West a distance of 11.82 feet from the Northeast corner of the NW'/SE'/4 of Section 3 Township 39 South, Range 9 E.W.M.; said iron pin also being the Northwest corner of parcel of land conveyed to the United States National Bank of Portland by deed recorded in Vol. 293, page 435, Deed records of Klamath County, Oregon; thence North 89°58'30" West along said relocated right of way line, a distance of 100.0 feet to an iron pin and the true point of beginning of this description; thence South 0°06'30" West parallel with the West line of said United States National Bank parcel a distance of 150.0 feet to an iron pin; thence South 89°58'30" East parallel to the South line of said re-located highway right of way a distance of 100.0 feet to an iron pin on the West line of said United States National Bank parcel; thence South 0°06'30" West along said West line a distance of 30.0 feet to a 5/8 inch iron pin marking the Southwest corner of said parcel; thence South 0°55'30" East a distance of 329.18 feet, more or less, to a 5/8 inch iron pin on the Northeasterly right of way line of the O.C.&E. Railroad; thence North 67°15' West along said right of way line a distance of 472.81 feet, more or less, to an iron pin on the Easterly right of way line of the U.S.R.S. Drain 1-C; thence North 29°11'00" West along said right of way line a distance of 65.47 feet to an iron pin; thence North 01°22'00" West along the West line of parcel of land conveyed to Johann L. Uherek et ux., by deed recorded September 20, 1950, Deed Vol. 242, page 201, records of Klamath County, Oregon, a distance of 266.9 feet, more or less, to the South line of the said Klamath Falls-Lakeview Highway (South Sixth Street); thence South 89°58'30" East along said relocated right of way line a distance of 367.8 feet, more or less, to the point of beginning.

NOTE: Street Address

3612 South 6th Street Klamath Falls, OR 97603

Tax Parcel Numbers:

R-3909-003DB-00600 00 R-3909-003DB-00500

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	2:25	o'clock P	M., and duly recorded in Vol.	M95	
		of		Deeds	on P	ege 20290 .		
						Bernetha G. Lesch, County	y Clerk	
FEE	640 00				Ey /ya	eth Tuta		