

96 DEC -4 A9:24

SPECIAL WARRANTY DEED

Until a change is requested, all
tax statements shall be sent to:

John Kruger
29715 SE Meadowlark Drive
Corvallis, OR 97333

After Recording Return To:

William Cohnstaedt
Lawyer
561 NW Jackson
Corvallis, OR 97330

K. E. SANDNER and KATHERINE A. SANDNER, Grantors, convey and
warrant to CYRIL J. KRUGER and JOHN KRUGER, Co-Trustees of the
Cyril J. Kruger Revocable Living Trust dated July 21, 1992,
Grantees, the following described real property free of
encumbrances except as specifically set forth herein:

A tract of land in the N1/2 of the NE1/4 of Section 8,
Township 24 South, Range 9 East of the Willamette Meridian,
Klamath County, Oregon, more particularly described as
follows:

Beginning at the Northeast corner of said Section 8; thence
North 89°37'24" West along the North line of said Section 8,
655.42 feet to the East line of the W1/2 of the NE1/4 of the
NE1/4 of said Section 8 and the true point of beginning;
thence South 0°07'44" East along said East line, 435.35
feet; thence North 89°39'38" West, 984.06 feet; thence North
0°00'14" West, 435.98 feet to the North line of said Section
8; thence South 89°37'24" East, along said North line 983.12
feet to the true point of beginning.

SUBJECT TO:

1. Rights of the public and of governmental bodies in and
to any portion of the above described property lying below the
high water line of the Deschutes River.
2. Right of Way Easement, including the terms and
provisions thereof, given by Clarence V. Parsons and Lila F.
Parsons, husband and wife, to Midstate Electric Cooperative,
Inc., a cooperative corporation, dated September 17, 1952,
recorded January 2, 1953, in Volume 258 page 415, Deed records of
Klamath County, Oregon.
3. Mortgage, including the terms and provisions thereof,
executed by Kurt L. Hagerman and Georgette G. Hagerman to Cyril
Kruger and June Kruger, dated August 1, 1989, recorded August 25,
1989, in Volume M89 page 15926, Mortgage records of Klamath
County, Oregon, to secure the payment of \$20,000.00.

4. This deed does not warrant any right of access to and from the herein described premises.

The true consideration for this conveyance is SEVEN THOUSAND EIGHT HUNDRED FORTY-NINE AND 53/100 DOLLARS (\$7,849.53).

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF THE 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.

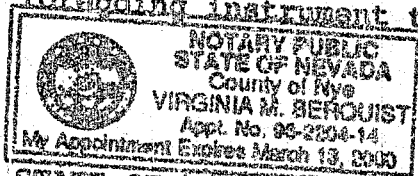
DATED this 11 day of September 1996

R. E. SANDNER

KATHERINE A. SANDNER

STATE OF Nevada)
County of Nye) ss.

On this 11th day of September, 1996, personally appeared before me the above-named R. E. SANDNER and acknowledged the foregoing instrument to be his voluntary act.



Virginia M. Berquist
Notary Public for Nevada
My commission expires: March 13 2000

STATE OF Washington)
County of Cowlitz) ss.

On this 16th day of September, 1996, personally appeared before me the above-named KATHERINE A. SANDNER and acknowledged the foregoing instrument to be her voluntary act.

Barbara H. Stewart
Notary Public for Oregon
My commission expires: May 10 2000

SPECIAL WARRANTY DEED - 2
30C (03/12/96)

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of William Cohnstaedt the 4th day
of December A.D. 19 96 at 9:24 o'clock A.M., and duly recorded in Vol. M96
of Deeds on Page 37851

FEE \$35.00

Bernetha G. Letsch / County Clerk

By Kathleen Rose

Francis & Martin
1199 N.W. Wall Street - Bend, Oregon 97701-1934
(541) 389-5010