

Assisted Living Concepts, Inc.,
Grantor.

LTC Properties, Inc.,
Grantee.

After Recording Return To:

Stern, Neubauer, Greenwald & Pauly
1299 Ocean Avenue, Tenth Floor
Santa Monica, California 90401-1007
Attention: Kirsten S. Ellis, Esq.

Until further notice, send tax statement to:

Stern, Neubauer, Greenwald & Pauly
1299 Ocean Avenue, Tenth Floor
Santa Monica, California 90401-1007
Attention: Kirsten S. Ellis, Esq.

MTC 40210

WARRANTY DEED

Know all men by these presents, that ASSISTED LIVING CONCEPTS, INC., a Nevada corporation, hereinafter called Grantor, conveys and warrants to LTC PROPERTIES, INC., a Maryland corporation, hereinafter called Grantee, that certain real property, located in the County of Klamath, Oregon, as more particularly described in Exhibit "A" attached hereto, free of encumbrances with the exception of those set forth on Exhibit "B" attached hereto. All exhibits are hereby incorporated herein by reference.

The true and actual consideration for this conveyance is \$2,400,000.00.

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 BY ORS 30.930.

Dated this 2nd day of April, 1997.

ASSISTED LIVING CONCEPTS, INC.,
a Nevada corporation

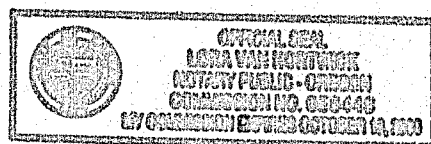
By: 

Stephen Gordon, Secretary/
Chief Administrative Officer/
Chief Financial Officer

97 APR -3 P 3:56

STATE OF OREGON)
) ss.
COUNTY OF Multnomah)

Before me personally appeared the above-named Stephen Gordon ** and _____, who, each for themselves and not one for the other, acknowledged the foregoing to be their own, voluntary act and deed.



Lara VanHartwick
NOTARY PUBLIC FOR OREGON
My commission expires: October 13, 2000

**as Secretary/Chief Administrative Officer/Chief Financial Officer of Assisted Living Concepts, Inc., the corporation that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

3884

EXHIBIT "A"

LEGAL DESCRIPTION

KLAMATH FALLS PROPERTY

TRACTS 14 AND 17, KIELSMEIER ACRE TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

EXHIBIT "B"

EXCEPTIONS TO TITLE

STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of Amerititle the 3rd day
of April A.D., 19 97 at 3:56 o'clock P M., and duly recorded in Vol. M97
of Deeds on Page 9882

FEE \$45.00

Bernetha G. Letsch, County Clerk

by Kathleen Ross