

DALE F. PAYNE and DARLENE A. PAYNE, as tenants by the entirety,
Grantor(s) hereby grant, bargain, sell and convey to:

STONECREST HOMES,

Grantee(s) and grantee's heirs, successors and assigns the following described
real property, free of encumbrances except as specifically set forth herein in
the County of KLAMATH and State of Oregon, to wit:

SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE

SUBJECT TO: all those items of record and those apparent upon the land, if
any, as of the date of this deed and those shown below, if any:
and the 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.

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.

The true and actual consideration for this conveyance is \$ 150,000.00.

Until a change is requested, all tax statements shall be sent to Grantee at the
following address: , 7350 S. Side Expressway, K. Falls, OR. 97603

Dated this 4 day of September, 1997.

Dale F. Payne
DALE F. PAYNE

Darlene A. Payne
DARLENE A. PAYNE

STATE OF OREGON

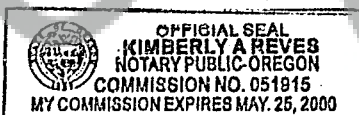
SS. September 4 19 97

COUNTY OF KLAMATH

Personally appeared the above named DALE F. PAYNE AND DARLENE

A. PAYNE

and acknowledged the foregoing instrument to be their voluntary act.



(seal)

Before me:

Kimberly A. Reeves
Notary Public for Oregon
My commission expires 5/25/2000

ESCROW NO. MT42395-KA

Return to:

STONECREST HOMES
7350 S. Side Expressway
K. Falls, OR.
97603

EXHIBIT "A" **LEGAL DESCRIPTION**

The NE1/4 NE1/4 of Section 24, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at the iron axle which marks the Northeast corner of Section 24, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, and running thence West along the section line a distance of 529 feet to a point; thence South parallel to the East line of Section 24, to a point on the North right of way line of the U.S.R.S. Dixon Drain; thence Southeast following the North right of way line of the Dixon Drain to its intersection with the East line of Section 24; thence North along the East line of Section 24 to the point of beginning.

EXCEPT THEREFROM the East and North 30 feet of subject property for road purposes, as referred to in Book 311 at Page 303, Deed Records of Klamath County, Oregon, recorded April 7, 1959.

ALSO LESS AND EXCEPT that portion deeded to Klamath County on April 2, 1987 in Book M87 at Page 5503.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Ameri title the 5th day
of Sept. A.D., 19 97 at 3:31 o'clock P. M., and duly recorded in Vol. M97,
of Deeds on Page 29218.

FEE \$35.00

By Bernetha G. Letsch, County Clerk
Kathleen Ross