

STEVEN R. WALKER & JACQUELINE G. WALKER, TRUSTEES OF THE WALKER LOVING TRUST AND STEVEN RAY WALKER & JACQUELINE G. WALKER, INDIVIDUALLY, Grantor(s) hereby grant, bargain, sell, warrant and convey to: DONALD E. BAILEY, SR. and MARY ANN BAILEY, as tenants by the entirety, 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 \$ 106,000.00.

Until a change is requested, all tax statements shall be sent to Grantee at the following address: 8740 HOMEDALE RD., KLAMATH FALLS, OR 97603

Dated this 9th day of December, 1997.

THE WALKER LOVING TRUST

+ BY: Steven R. Walker TRUSTEE
STEVEN R. WALKER

+ BY: Jacqueline G. Walker TRUSTEE
JACQUELINE G. WALKER

+ BY: Steven R. Walker
STEVEN R. WALKER, INDIVIDUALLY

+ BY: Jacqueline G. Walker
JACQUELINE G. WALKER, INDIVIDUALLY

STATE OF OREGON

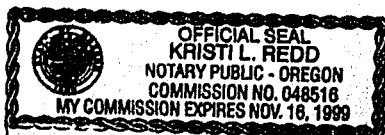
COUNTY OF KLAMATH

SS. December 9 1997

Personally appeared the above named STEVEN R. WALKER & JACQUELINE G. WALKER as Trustees of THE WALKER LOVING TRUST and STEVEN RAY WALKER and JACQUELINE G. WALKER, individually

and acknowledged the foregoing instrument to be their voluntary act.

(seal)



Before me:

Kristi L. Redd
Notary Public for Oregon
My commission expires 11/16/99

ESCROW NO. MT43090-KR

Return to:
DONALD E. BAILEY, SR.
8740 HOMEDALE RD.
KLAMATH FALLS, OR 97603

97 DEC -9 P3:50

40074

EXHIBIT "A" **LEGAL DESCRIPTION**

PARCEL 1

A parcel of land in the E1/2 SE1/4 of Section 26, 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 a 5/8" iron pin which is located North 89 degrees 52' West 30.00 feet from the East quarter corner of Section 26, and is also the intersection of the Homedale West right of way and the East-West center of Section 26; thence South 00 degrees 16' West 883.57 feet along the West right of way of Homedale Road to a 5/8" iron pin; thence West 421.54 feet to a 5/8" iron pin which is also the East right of way of 1-C Drain; thence North 00 degrees 25' 45" West 326.91 feet along the East right of way 1-C Drain to 5/8" iron pin; thence North 19 degrees 48' West 593.2 feet along the East right of way to a 5/8" iron pin; which is also the intersection of East right of way 1-C Drain and East-West centerline of Section 26; thence South 89 degrees 52' East 629.05 feet along the East-West centerline of Section 26 to the point of beginning.

SAVING AND EXCEPTING that portion of the above described property lying within the boundaries of the USBR 1-C Drain.

PARCEL 2

A parcel of land in the Northeast-quarter Southeast-quarter (NE1/4 SE1/4) of Section 26, Township 39 South, Range 9 East, Willamette Meridian, County of Klamath, State of Oregon, described as follows:

Beginning at the Southeast corner of Section 26, Township 39 South, Range 9 East, thence North 0 degrees 15' East 1,734.7 feet along the East line of said Section 26 to the North boundary of Tax Lot 1200, thence North 90 degrees West 80.13 feet along said Tax Lot boundary to a point on the Easterly right-of-way of the abandoned portion of the 1-C Drain right-of-way, said point being the true point of beginning.

Thence North 48 degrees 48' West 513.43 feet to the Easterly right-of-way line of the existing 1-C Drain, thence south 19 degrees 48' East 19.0 feet along said right-of-way; thence South 0 degrees 25' 45" West 67.5 feet along said right-of-way; thence South 48 degrees 48' East 384.49 feet; thence North 90 degrees East 91.0 feet along the North boundary of Tax Lot 1200 to the true point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH : ss.

Filed for record at request of _____ Amerititle
of _____ Dec _____ A.D., 19 97 at 3:50 o'clock _____ P M., and duly recorded in Vol. _____ day
of _____ Deeds _____ on Page 40073

FEE \$35.00

By _____ Bernetha G. Letsch, County Clerk