

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, that DIXIE ANNE KLOCK AND JAMES WILSON SCAPPLE as Co-Trustees of the FRANCIS N. SCAPPLE TRUST DATED DECEMBER 4, 1995, herein called the Grantor, for the consideration herein stated, does herein warrant grant, bargain, sell and convey unto MARTIN G. BALAKAS AND KATHLEEN L. BALAKAS, HUSBAND AND WIFE called the Grantee, and unto Grantee's heirs, and assigns all of that certain real property with the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, situated in the County of Klamath, State of Oregon, described as follows, to wit:

SEE ATTACHED EXHIBIT "A" MADE A PART HEREOF

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.

To have and to Hold the same unto the said grantee and grantee's heirs, successors and assigns forever.

And Grantor hereby covenants to and with grantee and grantee's heirs successors and assigns, that grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances except those of record and apparent to the land.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$83,500.00.

However, the actual consideration consists of or includes other property or value given or promised is the part of the consideration.

In construing this deed and where the context so requires, the singular includes the plural and grammatical changes shall be implied to make the provisions hereof apply equally to corporations and to individuals.

In Witness Whereof, the grantor has executed this instrument this 27th day of March, 1998 ; if a corporate grantor, it has caused its name to be signed and its seal affixed by an officer or other person duly authorized to do so by order of its board of directors.

Francis N. Scapple Trust Dated December 14, 1995

Dixie Anne Klock James Wilson Scapple
Dixie Anne Klock, Co-Trustee James Wilson Scapple, Co-Trustee

State of Oregon
County of Klamath

Acknowledged before me on March 27, 1998 , by
Dixie Anne Klock and James Wilson Scapple as Co- Trustees and
acknowledged this instrument to be their voluntary act and deed.

B. Jean Phillips
Notary Public for Oregon

TAXES & AFTER RECORDING RETURN TO:
Martin G. and Kathleen L. Balakas
1705 Eldorado Blvd
Klamath Falls, Oregon 97601

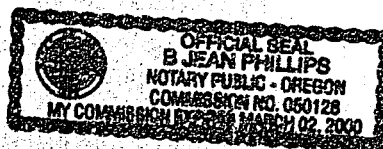


EXHIBIT 'A' **LEGAL DESCRIPTION**

A portion of Block 24, ELDORADO HEIGHTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, described as follows:

Beginning at the most Westerly corner of said Block 24; thence South 49 degrees 50' East along the Southwesterly boundary of said Block 24, a distance of 55.0 feet to the beginning of a curve, the radius of which is 756.78 feet, which curve forms a portion of the Southwest boundary of said Block 24; thence Southeasterly along the arc of the curve of said Southwest boundary, a distance of 293.9 feet, to the true point of beginning; thence continuing along the arc of the curve of said Southwest boundary, 71.7 feet; thence North 67 degrees 14' East along the extended radius of said curve, 103.23 feet, more or less, to the East boundary of said Block 24; thence North 0 degrees 18' East, along said East boundary, 56.37 feet, more or less, to the Southeast corner of Lot 17 of said Block 24; thence South 64 degrees 26' West, 16.16 feet, to the Southwest corner of said Lot 17, which point is 110.0 feet from the Southwesterly boundary of said Block 24; thence Northwesterly along the arc of a curve parallel to and 110.0 feet distant from the Southwesterly boundary of said Block 24, a distance of 29.84 feet to the most Easterly corner of the property described in deed recorded in Book 277 at page 102 of Klamath County Deed Records; thence South 61 degrees 48' West along the extended radius of said curve, 110.0 feet; more or less, to the true point of beginning, which last described line is the Southeasterly line of the property described in said Deed recorded in said Volume 277 at page 102, Klamath County Deed Records.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ Amerititle _____ the _____ 3rd _____ day
of _____ April _____ A.D., 19 98 _____ at _____ 3:36 _____ o'clock _____ P.M., and duly recorded in Vol. _____ M98
of _____ Deeds _____ on Page _____ 10981 _____

FEE \$35.00

By Bernetha G. Letsch _____
Bernetha G. Letsch, County Clerk