

After recording, return to:

Send tax statements to: Stonecrest Homes, Inc.
7350 Southside Bypass
Klamath Falls OR 97603

62356

ATC # 05047944

JUL 14 1998

DEED

Vol. 1798 Page 25333

Andrew A. Patterson, and William M. Ganong and Marie I. Ganong, Trustees of the William M. Ganong Profit Sharing Plan Trust, and their successors in Trust, Grantors, convey to Stonecrest Homes, Inc., an Oregon corporation, Grantee, the real property located in Klamath County, Oregon, described on Exhibit "A" attached hereto and incorporated herein by this reference.

The actual consideration paid for this transfer is the sum of \$76,500, as paid to an accommodator pursuant to an IRC § 1031 exchange.

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.

Dated this 8 day of July, 1998.

Andrew A. Patterson
ANDREW A. PATTERSON

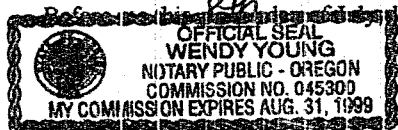
WILLIAM M. GANONG PROFIT SHARING
PLAN TRUST

By: William M. Ganong
William M. Ganong, Trustee

By: Marie I. Ganong
Marie I. Ganong, Trustee

STATE OF OREGON, County of Klamath) ss.

Personally appeared the above-named Andrew A. Patterson known to me to be the identical person described in the foregoing instrument, and acknowledged the foregoing instrument to be his voluntary act and deed.

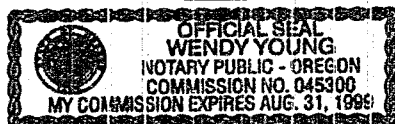


Wendy Young
Notary Public for Oregon
My Commission Expires: 8-31-99

STATE OF OREGON, County of Klamath) ss.

Personally appeared the above-named William M. Ganong and Marie I. Ganong known to me to be the identical persons described in and who executed the foregoing instrument as Trustees of the William M. Ganong Profit Sharing Plan Trust.

Before me this 8th day of July, 1998.



Wendy Young
Notary Public for Oregon
My Commission Expires: 8-31-99

EXHIBIT "A"

PARCEL 1:

A parcel of land situated in the SW 1/4 NW 1/4 of Section 1, 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 point 720 feet East and 792 feet North of an iron pin driven into the ground near the fence corner at the Southwest corner of the Northwest quarter of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, on the property of Otis V. Saylor, being the Southwest corner of said property abutting on the Dalles-California Highway (now Klamath Falls-Lakeview Highway), and which pin is East 30 feet of the center of a road intersecting said Highway from the North and 30 feet North of the center of said Highway; thence East 540 feet; thence North 80.70 feet to the point of beginning; thence North 80.70 feet; thence West 270 feet; thence South 80.70 feet; thence East 270 feet to the point of beginning. TL 3709-00136-00500

PARCEL 2:

A parcel of land situated in the SW 1/4 NW 1/4 of Section 1, 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 point 990 feet East and 990 feet North of an iron pin driven into the ground near the fence corner of the Northwest quarter of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, on the property of Otis V. Saylor, which iron pin is 30 feet East of the center of a road intersecting the Klamath Falls-Lakeview Highway, from the North and 30 feet North of the center of said Highway; thence North 44.10 feet to the point of beginning; thence East 270 feet; thence North 86.50 feet; thence West 205 feet; thence South 23.10 feet; thence North 89 degrees 58' West 65 feet; thence South 63.40 feet to the point of beginning. TL 3709-00136-00300

Continued on next page

EXHIBIT "A" CONTINUED

PARCEL 3:

A parcel of land situated in the SW 1/4 NW 1/4 of Section 1, 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 point 990 feet East and 990 feet North of an iron pin driven into the ground near the fence corner of the NW 1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, on the property of Otis V. Saylor, which iron pin is 30 feet East of the center of a road intersecting the Klamath Falls-Lakeview Highway, from the North and 30 feet North of the center of said Highway; thence North 44.10 feet; thence East 270 feet; thence South 80.70 feet; thence West 270 feet; thence North 36.60 feet to the point of beginning.

TL 3909-00180-00400

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title & Escrow the 14th day
of July A.D., 19 98 at 3:52 o'clock P. M., and duly recorded in Vol. M98,
of Deeds on Page 25333.

FEE \$40.00

By Bernetha G. Letsch, County Clerk
Kathleen Ross