

MTC 1396-9465

## STATUTORY WARRANTY DEED

RUNNING Y RESORT, INC., an Oregon corporation, Grantor, conveys and warrants to THE PENNBROOK COMPANY, an Oregon corporation, Grantee, the following described real property, free of encumbrances except as specifically set forth herein:

Lots 310 - 329 within the plat of Running Y Resort, Phase 4, 1ST Addition recorded September 28, 1998 in the office of the County Recorder, Klamath County, Oregon and Lots 330 through 350 within the plat of Running Y Resort Phase 4, 2ND Addition recorded October 1, 1998.

## SUBJECT TO:

Non-delinquent real property taxes and assessments for the current fiscal year and all later years; and to all covenants, conditions, restrictions, reservations, exceptions, limitations, uses, rights, rights-of-way, easements and other matters of record on the date hereof, including, without limitation, the Declaration of Protective Covenants, Conditions, Restrictions, and Easements for Running Y Ranch Resort recorded August 2, 1996, and the Declaration Annexing Phase 2 of Eagles Landing to Running Y Ranch Resort recorded October 16, 1998, all of which are hereby incorporated by reference into the body of this instrument as if the same were fully set forth herein.

The true consideration for this conveyance is \$1,435,000.

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.

"GRANTOR" RUNNING Y RESORT, INC., an Oregon corporation

BY Lauri Miller

Its Asst. Secretary

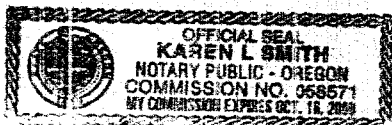
STATE OF OREGON )

) ss.

COUNTY OF DESCHUTES )

AMERITITLE, has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of October, 1998 by Lauri Miller, the Asst. Secretary of RUNNING Y RESORT, INC., an Oregon corporation.



WITNESS my hand and official seal

Karen L. Smith  
NOTARY PUBLIC FOR OREGON

My commission expires: 10/16/2000

## GRANTOR

Running Y Resort, Inc.  
5119 Running Y Road  
Klamath Falls, OR 97601

## GRANTEE

The Pennbrook Company  
869 N.W. Wall St., Suite 204  
Bend, OR 97701

## AFTER RECORDING RETURN TO:

The Pennbrook Company  
869 N.W. Wall St., Suite 204  
Bend, OR 97701

Until a change is requested, all tax statements shall be sent to:

The Pennbrook Company  
869 N.W. Wall St., Suite 204  
Bend, OR 97701

STATE OF OREGON, ss.  
County of Klamath

Filed for record at request of:

Amerititle

on this 21st day of October A.D., 1998  
at 3:40 o'clock P. M. and duly recorded  
in Vol. M98 of Deeds Page 38672

Bernetha G. Letsch, County Clerk

By Kathleen Roan  
Fee \$30.00 Deputy