

REPLACEMENT EASEMENT

THIS AGREEMENT, the effective date of which is the 1st day of September, 1998, between KENNETH LEPPERT, SR. and KATHY R. LEPPERT, hereinafter called "Grantors," and LAUREL MORRISETT, formerly known as Laurel Pinole, and VAN L. MORRISETT, hereinafter called "Grantees."

RECITALS

1. WHEREAS, Grantors own the real property described in Exhibit "A" attached hereto hereinafter referred to as "Grantors' parcel," and
2. WHEREAS, Grantees, or one of them, own real property described in Exhibit "B" hereinafter referred to as "Grantees' parcel."
3. WHEREAS, Grantors formerly granted certain easement rights benefiting Grantee's parcel, by document dated April 26, 1995 and recorded in Klamath County records at M95, Page 11640; the parties agree that this agreement supersedes and replaces the rights, duties, grants and obligations created in such document.

GRANT OF EASEMENT

3. FOR CONSIDERATION of \$1.00 and other valuable consideration, GRANTORS HEREBY GRANT to Grantees an easement for the purpose of ingress and egress and location of utilities. The easement is 25 feet in width, and is located along the westerly boundary of Grantors' parcel.
4. It is understood that the Grantees may utilize the easement for road access and utility purposes for access to Grantees' parcel.
5. This easement is not exclusive to Grantees; Grantors may grant and has granted rights to third parties in the above described easement to third parties; such grants do not interfere with Grantees' permitted uses herein.
6. Grantees shall contribute to the costs of maintenance of the easement according to the usage of the easement by Grantees prorated among all users.
7. This easement shall run with the land. It is recognized that said easement burdens Grantors' parcel and that the benefit and appurtenance shall be to Grantees' parcel. However, in the event that Grantees shall deed,

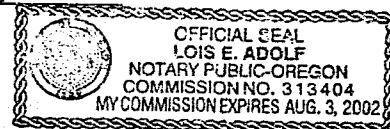
44800

STATE OF OREGON]
] ss.
County of Klamath]

The foregoing instrument was acknowledged before me this 20th day of
November, 1998, by VAN L. MORRISSETT

Lois E. Adolf

Notary Public for Oregon
My Commission expires:



STATE OF OREGON]
] ss.
County of Klamath]

The foregoing instrument was acknowledged before me
this 30 day of November, 1998, by KATHY R. LEPPERT.

Natalie D. Saunders

Notary Public for Oregon
My Commission expires: Feb 25, 2002

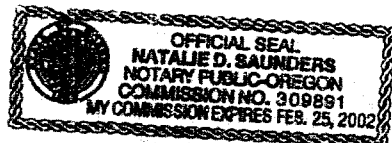


EXHIBIT 'A' LEGAL DESCRIPTION

All of that tract of land situated in the NE1/4 of Section 32, Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon and recorded in Volume 266, page 629, Parcel 2, of Deed Records of Klamath County, lying South of an existing drainage ditch the centerline of which is described as follows:

Beginning at a point on the West Line of the above mentioned tract of land, from which the Northerly right of way line of the Klamath Falls-Ashland Highway lies South 0 degrees 32' West, 675 feet more or less; thence South 89 degrees 15' East along said centerline, 517 feet more or less to the East Line of the above mentioned tract of land.

EXCEPTING THEREFROM A parcel of land situated in the NE1/4 of Section 32, Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the section corner common to Sections 28, 29, 32, 33; thence South 0 degrees 32' West 558.25 feet; thence South 89 degrees 58' West 95 feet; thence South 0 degrees 32' West 605.86 feet to a 5/8" iron rod, being the Northeasterly corner of said parcel, the true point of beginning; thence South 89 degrees 00' 30" West 539.98 feet to a 5/8" iron rod; thence South 0 degrees 32' West 315.43 feet to a 5/8" iron rod at the intersection with the Northerly right of way line of Highway 66; thence Northeasterly along the Northerly right of way line of said Highway 66, 567.12 feet to a 5/8" iron rod; thence North 0 degrees 32' East 155.90 feet to the true point of beginning. The basis of bearings in Deed Volume M77 at pages 20785 and 20786, Microfilm Records of Klamath County, Oregon.

A parcel of land situated in the NE1/4 of Section 32, Township 39 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at the section corner common to Sections 28, 29, 32, 33; thence South 0°32' West 558.25 feet; thence South 89°58' West 95 feet; thence South 0°32' West 605.86 feet to a 5/8 inch iron rod, being the Northeasterly corner of said parcel, the true point of beginning; thence South 89°00'30" West 539.98 feet to a 5/8 inch iron rod; thence South 0°32' West 315.43 feet to a 5/8 inch iron rod at the intersection with the Northerly right of way line of Highway 66; thence Northeasterly along the Northerly right of way line of said Highway 66, 567.12 feet to a 5/8 inch iron rod; thence North 0°32' East 155.90 feet to the true point of beginning. The basis of bearings in Deed Volume M77 at pages 20785 and 20786.

Exhibit "B"

The following described real property situate in Klamath County, Oregon:

That portion of the following described real property lying Westerly of a line joining a point on the North boundary thereof, distant 359.0 feet Easterly from the Northwest corner thereof ad a point on the Northerly right of way boundary of the Klamath Falls-Ashland Highway (Oregon 66) as constructed June, 1970; said point being distant 381.7 feet, as measured Easterly along the aforesaid highway right of way boundary from the Westerly boundary of said tract of real property;

Beginning at the intersection of a line marking the East line of the $W\frac{1}{2}E\frac{1}{2}NE\frac{1}{4}$ of Section 32 Township 39 S.R. 8 E.W.M. with the center line of the Ashland-Klamath Falls Highway as now located; thence North along the East line of the $W\frac{1}{2}E\frac{1}{2}NE\frac{1}{4}$ of Section 32 and the East line of the $W\frac{1}{2}SE\frac{1}{4}SE\frac{1}{4}$ of Section 29 in said township and range a distance of 2257.5 feet, more or less, to the South line of the Emmitt Ditch in said last mentioned 40 acre tract; thence West along said line of ditch 385 feet; thence South and parallel with the first mentioned course to the center of said highway; thence Northeasterly along the center line of the highway to the place of beginning, containing 20 acres in addition to the land included in the highway, and situate in the $W\frac{1}{2}E\frac{1}{2}NE\frac{1}{4}$ of said Section 32 and the $W\frac{1}{2}SE\frac{1}{4}SE\frac{1}{4}$ of said Section 29.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Van Morrisett the 8th day
of December A.D., 19 98 at 2:40 o'clock P. M., and duly recorded in Vol. M98
of Deeds on Page 44798

Return: Van Morrisett
FEE \$50.00 12373 Hwy 66
Klamath Falls, Or. 97601
By Bernetha G. Letsch, County Clerk
Kathleen Rose