

KERRY S. PENN,

Grantor(s) hereby grant, bargain, sell, warrant and convey to:

DOUGLAS M. REED and SUSAN M. REED, husband and wife,

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:

Lot 25, Block 1, BELLA VISTA - TRACT 1235, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

TAX ACCOUNT NO.: 3507-007DD-02600

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:

SUBJECT TO TRUST DEED IN FAVOR OF JULIA K. PRATT, RECORDED IN VOLUME M99, PAGE 32174, MICROFILM RECORDS OF KLAMATH COUNTY, OREGON, WHICH BUYERS HEREIN DO NOT AGREE TO ASSUME AND PAY, AND SELLER SHALL FURTHER HOLD BUYERS HARMLESS THEREFROM.

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 53,000.00.

Until a change is requested, all tax statements shall be sent to Grantee at the following address: 2912 VIA HIDALGO, SAN CLEMENTE, CA 92673

Dated this 25th day of August, 1999


KERRY S. PENN

State of Calif.
County of Shasta

This instrument was acknowledged before me on Aug. 13, 1999 by KERRY S. PENN.

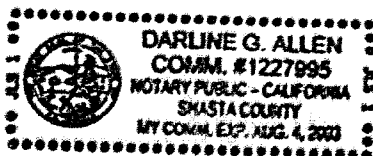

(Notary Public)

My commission expires 2-4-03

ESCROW NO. MT48883-PS

Return to:

DOUGLAS M. REED
2912 VIA HIDALGO
SAN CLEMENTE, CA 92673



State of Oregon, County of Klamath
Recorded 8/20/99, at 11:39 a.m.
In Vol. M99 Page 33657
Linda Smith,
County Clerk Fee \$ 30 - NR