

MTC 1396-1341

STATUTORY WARRANTY DEED

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

Lot 390 within the plat of Running Y Resort, Phase 6 recorded May 18, 1998 in the office of the County Recorder, Klamath County, Oregon.

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 Amended and Restated Declaration Annexing Phase I of Pelican Springs to Running Y Ranch Resort recorded July 13, 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 \$ 10.00

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.

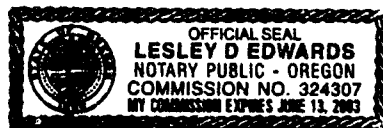
"GRANTOR" SUN FOREST CONSTRUCTION, LTD., an Oregon corporation

BY MS Bradshaw

Its Secy & Treas

STATE OF OREGON)
) ss.
COUNTY OF DESCHUTES)

The foregoing instrument was acknowledged before me this 11th day of October 1999 by Gary Bradshaw, the Sec/Treas. of SUN FOREST CONSTRUCTION, LTD., an Oregon corporation.



WITNESS my hand and official seal

Lesley D. Edwards
NOTARY PUBLIC FOR OREGON
My commission expires: 6/13/2003

GRANTOR

Sun Forest Construction, LTD.
P.O. Box 3396
Sunriver, OR 97707

GRANTEE

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

AFTER RECORDING RETURN TO:

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

Until a change is requested, all tax statements shall be sent to:
Running Y Resort
5119 Running Y Road
Klamath Falls, OR 97601

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

State of Oregon, County of Klamath
Recorded 10/13/99 at 11:30 a.m.
In Vol. M99 Page 40702
Linda Smith,
County Clerk Fee \$ 30.00