WARRANTY DEED

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MARK W. AHALT & TAMMY L. AHALT, AS TENANTS BY THE ENTIRETY, Grantor(s) hereby grant, bargain, sell, warrant and convey to: SOUTH VALLEY BANK AND TRUST, AN OREGON BANKING CORPORATION, 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:

SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE 170148 3809-020CA-01800-000

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: 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 IN COMPLIANCE WITH AN IRC 1031 TAX DEFERRED EXCHANGE FOR THE GRANTORS.

Until a change is requested, all tax statements shall be sent to Grantee at the 803 MAIN STREET, KLAMATH FALLS, OR 97601 following address:

day of November 1999

Mark W. Ahat

State of Oregon County of KLAMATH

This instrument was acknowledged before me on November 2, 1999 by MARK

W. AHALT AND TAMMY L. AHALT.

OFFICIAL SEAL KRISTI L. REDD NOTARY PUBLIC - OREGON COMMISSION NO. 048516 MY COMMISSION EXPIRES NOV. 18, 1999

My commission expires

ESCROW NO. MT49477-KR

Return to: SOUTH VALLEY BANK & TRUST 803 MAIN STREET KLAMATH FALLS, OR 97601

35%

EXHIBIT "A" LEGAL DESCRIPTION

A parcel of land situated in Block 2 of "Replat No. 1 of a portion of Sunnyside Addition" to the City of Klamath Falls, Oregon, being more particularly described as follows:

Beginning at a 1/2 inch iron pin marking the most Westerly corner of said Block 2; thence North 48 degrees 47' East along the South right of way line of Shallock Avenue, 190.00 feet; thence leaving said right of way line South 32 degrees 49' East parallel to Dahlia Street, 80.00 feet; thence South 48 degrees 47' West parallel to said right of way line of Shallock Avenue, 190.00 feet to a 1/2 inch iron pin on the Easterly right of way line of said Dahlia Street; thence North 32 degrees 49' West along said right of way line of Dahlia Street, 80.00 feet to the point of beginning.

TOGETHER WITH an easement as shown in Easement Agreement in Warranty Deed, dated December 17, 1980, recorded December 24, 1980, in Volume M80 page 24969, Deed Records of Klamath County, Oregon.

State of Oregon, County of Klamath Recorded 11/03/99, at 11:09 a.m. In Vol. M99 Page 43955 Linda Smith, County Clerk Fee\$ 3509