Vol. MOO Page 8651

CHARLES DALEY and M. LORRAINE HALL, as tenants in common, Grantor(s) hereby grant, bargain, sell, warrant and convey to:

MOUNTAIN DEVELOPMENT CO., LLC.,

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 ACCT3 3909-1BC-3800 KEY# 507552

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 200,000.00.

Until a change is requested, all tax statements shall be sent to Grantee at the following address: 1225 CRATER LAKE AVENUE, MEDFORD, OR 97504

Dated this 10 day of Morele, 1000

CHARLES DALEY

M. LORRAINE HALL

Loviana

State of Oregon County of

This instrument was acknowledged before me on Maich 10, 2000 by CHARLES DALEY AND M. LORRAINE HALL.

OFFICIAL SEAL

DONNA E. MC MICHAEL

NOTARY PUBLIC OREGON

COMMISSION NO 315112

MY COMMISSION EXPIRES A MY LAC 5

(Notary Public for Oregon)

My commission expires aug

ESCROW NO. MT50061-KR

Return to:

MOUNTAIN DEVELOPMENT CO., LLC. 1225 CRATER LAKE AVENUE MEDFORD, OR 97504

EXHIBIT "A" LEGAL DESCRIPTION

A tract of land being a portion of the SW1/4 NW1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at an iron pin driven in the ground at the point where the East line of Madison Street intersects the North line of State Highway No. 66 which pin is 30 feet East and 30 feet North of the Southwest corner of the Northwest 1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence North along the Easterly line of Madison Street 215 feet to a point; thence East at right angles to Madison Street, 132 feet to a point; thence South parallel to Madison Street, 215 feet, more or less, to the Northerly line of said highway; thence West along the Northerly line of said highway 132 feet, more or less, to the point of beginning.

SAVING AND EXCEPTING that portion deeded to the State of Oregon, by and through its State Highway Commission in Deed Volume 355, at page 499, Deed Records of Klamath County, Oregon.

ALSO EXCEPTING THEREFROM that portion deeded to Klamath County, a Political Subdivision of the State of Oregon, for road purposes, recorded January 21, 1993 in Volume M93, at page 1579, Microfilm Records of Klamath County, Oregon and re-recorded February 1, 1993 in Volume M93, page 2234, Microfilm Records of Klamath County, Oregon.

State of Oregon, County of Klamath Recorded 3/16/00, at 3:43p. m. In Vol. M00 Page 865/ Linda Smith, County Clerk Fee\$ 26