

After recording, return to:

Arthur J. Clark
Hershner, Hunter, Andrews,
pt. Neill & Smith, LLP
180 East 11th Avenue
Eugene, Oregon 97401

Until a change is requested, mail
all tax statements to:

Melvin R. Nichols and Janet H. Nichols, Trustees
1863 Pioneer Parkway, E 336
Springfield, Oregon 97477-3907

Tax Account No. R157877

WARRANTY DEED

MELVIN R. NICHOLS and JANET H. NICHOLS, Grantors, convey and warrant to MELVIN R. NICHOLS and JANET H. NICHOLS, Trustees of the Nichols Joint Trust dated November 8, 2000, Grantee, the real property free of encumbrances except as specifically set forth herein described as follows:

Lot 1, Block 2, TRACT NO. 1042, TWO RIVERS NORTH, situated in Section
/ 36, Township 25, and Section 1, Township 26 South, Range 7 East of the
Willamette Meridian, Klamath County, Oregon.

The true consideration for this conveyance is none.

The liability and obligations of Grantors to Grantee and Grantee's successors and assigns under the warranties and covenants contained herein or provided by law shall be limited to the amount, nature, and terms of any title insurance coverage available to Grantors under any title insurance policy, and Grantors shall have no liability or obligation except to the extent that reimbursement for such liability or obligation is available to Grantors under any title insurance policy. The limitations contained herein expressly do not relieve Grantors of any liability or obligations under this instrument, but merely define the scope, nature, and amount of such liability or obligations.

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 PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS, WHICH, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND WHICH LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. 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 EXISTENCE OF FIRE PROTECTION FOR STRUCTURES.

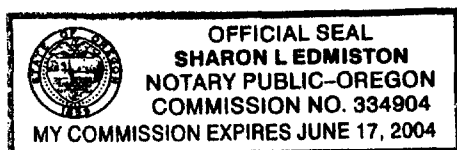
DATED: November 8, 2000.

Melvin R. Nichols
Melvin R. Nichols

Janet H. Nichols
Janet H. Nichols

STATE OF OREGON)
) ss.
COUNTY OF LANE)

This instrument was acknowledged before me on November 8, 2000 by MELVIN R. NICHOLS and JANET H. NICHOLS.



Sharon L. Edmiston
Notary Public for Oregon
My commission expires: June 17, 2004