

Northwest Farm Credit Services, FLCA, Grantor, conveys and specially warrants to Sunnyfield Farms, Inc., Grantee, the following described real property, free of encumbrances created or suffered by the Grantor except as specifically set forth herein:

SEE EXHIBIT A

Subject to and excepting:

1. As disclosed by the tax roll the premises herein described have been zoned or classified for farm use. At any time that said land is disqualified for such use, the property may be subject to additional taxes or penalties and interest.
2. This property lies within and is subject to the levies and assessments of the Fire Patrol District.
3. Rights of the public in and to any portion of the herein described premises lying within the boundaries of roads or highways.
4. Regulations, including levies, assessments, water and irrigation rights and easements for ditches and canals, of Horsefly Irrigation District.
5. An easement created by instrument, including the terms and provisions thereof,  
Recorded : August 27, 1936, in Book 107, Page 139;  
In Favor of: State of Oregon, by and through it State Highway Commission;  
For: Maintaining an open ditch. (Affects Parcel 2).
6. An easement created by instrument, including the terms and provisions thereof,  
Recorded : December 13, 1936, in Book 107, Page 212;  
In Favor of: State of Oregon, by and through it State Highway Commission;  
To: Construct, excavate, open and perpetually maintain an open ditch.  
(Affects Parcels 6 & 8).
7. An easement created by instrument, including the terms and provisions thereof,  
Recorded : August 21, 1941, in Book 140, Page 431;  
In Favor of: The California Oregon Power Company, a California corporation;  
(Affects Parcel 2).

GRANTOR:  
Northwest Farm Credit Services, FLCA  
PO Box 13309  
Salem, OR 97309

GRANTEE:  
Sunnyfield Farms, Inc.

AFTER RECORDING,  
RETURN TO:

UNTIL A CHANGE IS REQUESTED, ALL  
TAX STATEMENTS SHALL BE SENT TO:  
Sunnyfield Farms, Inc.

8. Easement, including the terms and provisions thereof:

For : Transmission and distribution of electricity

Granted to : The California Oregon Power Company, a California Corporation

Recorded : August 21, 1941, in Book 140, Page 433, Fee No. 50978;

(Affects Parcels 1, 3, 4, 6 & 8)

9. Easement, including the terms and provisions thereof:

For : Transmission and distribution of electricity

Granted to : The California Oregon Power Company, a California Corporation

Recorded : May 12, 1953, in Book 260, Page 538, Fee No. 84850

(Affects Parcel 1)

10. An easement created by instrument, including the terms and provisions thereof:

Recorded : May 12, 1953, Book 260, Page 540;

In favor of: The California Oregon Power Company, a California Corporation

(Affects Parcel 2)

11. Covenants, conditions, restrictions, and reservations, including the terms and provisions therein contained in Deed,

Recorded : September 9, 1958, Book 303, Page 301;

which cites in part as follows: "...excepting and reserving, also, to the United States all the oil and gas in the lands so patented and to it, or persons authorized by it, the right to prospect for, mine, and remove such deposits from the same upon compliance with the conditions and subject to the provisions and limitations of the Act of July 17, 1914 (38 Stat. 509)."

(Affects Parcels 5 & 7)

12. An easement created by instrument, including the terms and provisions thereof,

Recorded : March 21, 1960, Book 319, Page 586;

In favor of: Pacific Gas Transmission Company, a California Corporation

For : A strip 100 feet in width over said land for conveying natural and artificial gas and other products thereof.

(Affects Parcel 2)

13. An easement created by instrument, including the terms and provisions thereof,

Recorded : May 23, 1960; Book 321, Page 360;

In favor of: Pacific Gas Transmission Company, a California corporation

(Affects Parcels 6 & 8)

14. Right of Way Agreement, including the terms and provisions thereof,

Between: Horsefly Irrigation District, a Corporation, and Pacific Gas Transmission Company, a California Corporation

Recorded : July 18, 1960, in Book 322, Page 617; as Fee No. 52529;

(Affects Parcel 1)

15. Notice of Location:

Recorded : September 21, 1961, in Book 332, Page 404; as Fee No. 63868;

(Affects Parcels 6 & 8)

16. Notice of Location Amending Description of Existing Right of Way:  
Recorded : January 17, 1979, in Book M-79, Page 1369; Fee No. 61201;  
(Affects Parcels 6 & 8)

17. Notice of Location Amending Description of Existing Right of Way:  
Recorded : January 17, 1979, Book M-79, Page 1371; Fee No. 61202;  
(Affects Parcel 2)

18. Right of Way Agreement, including the terms and provisions thereof,  
Recorded : November 5, 1992, in Book M-92; Page 26164;  
Between : Louis J. and Linda Arata and Pacific Gas Transmission Company, a  
California Corporation  
(Affects Parcel 2)

The Grantor warrants and will defend the title to the property against all persons who may lawfully claim the same by, through or under the Grantor.

The true consideration for this conveyance is ~~\$525,000.~~ <sup>\$516,000.00<sup>DM</sup></sup>

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.

DATED this 16 day of November, 2000.

NORTHWEST FARM CREDIT SERVICES, FLCA

by Dean M. Morrow  
Dean Morrow, authorized agent

STATE OF OREGON       )  
                              ) ss.  
County of Marion     )

On this 16<sup>th</sup> day of November, 2000, personally appeared the above-named Dean Morrow, Authorized Agent of Northwest Farm Credit Services, FLCA, a corporation, and acknowledged the foregoing instrument to be its voluntary act and deed. Before me:

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Darlene K. Delaney  
Notary Public for Oregon

EXHIBIT "A"

45505

PARCEL 1:

The NE 1/4 NE 1/4 or Lot 1, and that portion of the SE 1/4 NE 1/4 lying and being on the North side of the Klamath Falls-Bonanza State Highway, Section 6, Township 39 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

CODE 37 MAP 3911-600 TL 100 Key #603671

PARCEL 2:

All that portion of Lot 2 and the SW 1/4 NE 1/4 of Section 6, Township 39 South, Range 11 East of the Willamette Meridian, lying North of the Northerly right of way line of the Dairy-Bonanza Highway and East of the Easterly right of way line of Haskins Road, in the County of Klamath, State of Oregon.

CODE 37 MAP 3911-600 TL 200 Key #603699

PARCEL 3:

The NW 1/4 NW 1/4 or Lot 4, Section 5, Township 39 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

CODE 36/37 MAP 3911-500 TL 200 Key #770605 & 603644

PARCEL 4:

The W 1/2 SW 1/4, Section 32, Township 38 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

CODE 37/36 MAP 3811 TL 5300 Key #456214 & 608890

PARCEL 5:

The SW 1/4 NW 1/4, Section 32, Township 38 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

CODE 36 MAP 3811 TL 5200 Key #456205

PARCEL 6:

The SW 1/4 NE 1/4, Section 31, Township 38 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

CODE 36 MAP 3811 TL 4700 Key #456161

PARCEL 7:

The SE 1/4 NE 1/4, Section 31, Township 38 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

CODE 36/37 MAP 3811 TL 4600 Key #771249 & Key #456170

PARCEL 8:

The SE 1/4, Section 31, Township 38 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

CODE 37/36 MAP 3811 TL 5000 Key #456189 & 771221

State of Oregon, County of Klamath  
Recorded 12/19/00, at 11:21 a. m.  
In Vol. M00 Page 45502  
Linda Smith,  
County Clerk Fee\$ 36<sup>00</sup>