

THE PENNBROOK COMPANY, an Oregon Corporation, Grantor, conveys and warrants to CLARK R. HARMON AND SHERRY J. HARMON, HUSBAND AND WIFE as Grantee, the following described real property, free of encumbrances except as specifically set forth herein:

LOT 347 OF RUNNING Y RESORT, PHASE 4, SECOND ADDITION, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF 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 The Running Y Ranch Resort recorded August 2, 1996, and the Declaration Annexing PHASE 2 of Eagles Landing to The Running Y Ranch Resort recorded JUNE 9, 1999 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 \$177,400.00

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" THE PENNBROOK COMPANY, an Oregon Corporation

BY: [Signature]
Its Authorized Agent

STATE OF OREGON

DESCHUTES)ss.

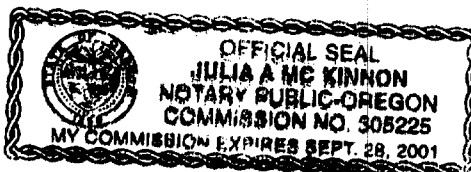
COUNTY OF KLAMATH)

The foregoing instrument was acknowledged before me this 12 day of August, 19 99

by TIM VEZIE (Officer), the VICE PRESIDENT (Title) of THE PENNBROOK COMPANY, on behalf of the corporation.

WITNESS my hand and official seal

[Signature]
NOTARY PUBLIC FOR OREGON



WARRANTY DEED

STATE OF OREGON, --

The Pennbrook Company
869 NW Wall St, Suite 204
Bend, OR 97701

Grantor

CLARK HARMON
10320 SE HILLVIEW DR.
AMITY, OR 97101

Grantee

AFTER RECORDING RETURN TO

CLARK HARMON
10320 SE HILLVIEW DR.
AMITY, OR 97101

SPACE RESERVED
FOR
RECORDERS USE

State of Oregon, County of Klamath
Recorded 02/02/01, at 11:12 a. m.
In Vol. M01 Page 4253
Linda Smith,
County Clerk Fee \$ 21.00

Until a change is requested, all tax statements shall be sent to the following address:

CLARK HARMON
10320 SE HILLVIEW DR.
AMITY, OR 97101