

After Recording Return To:

Until a change is requested, send tax statements to:

Merrill O'Sullivan, LLP
1070 NW Bond Street, Suite 303
Bend, Oregon 97701

BC KOCH, LLC
137240 Mohawk Drive
Crescent, Oregon 97733

mtc 53259 -
STATUTORY WARRANTY DEED

KENNETH S. CURBOW and MARIE M. CURBOW, husband and wife, Grantors,
convey and warrant unto BC KOCH, LLC, an Oregon Limited Liability Company, Grantee,
the following-described real property, free of encumbrances, except as specifically set forth
herein:

See attached Exhibit A.

The consideration for this transfer is \$270,000.00.

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.

By execution of this instrument, Grantors certify that they are not "foreign persons" as that term is defined in the Internal Revenue Code, Section 1445.

DATED this 22nd day of February, 2001.

Kenneth S. Curbow
KENNETH S. CURBOW
Ken Curbow

Marie M. Curbow
MARIE M. CURBOW
marie Curbow

MERRILL O'SULLIVAN, LLP

ATTORNEYS AT LAW
1070 NW BOND ST., SUITE 303
BEND, OR 97701

STATUTORY
WARRANTY DEED


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31.00m

STATE OF OREGON)
) ss.
County of Deschutes)

The foregoing instrument was acknowledged before me this 22nd day of February, 2001, by KENNETH S. CURBOW and MARIE M. CURBOW, husband and wife., and KEN CURBOW NAD MARIE CURBOW, husband and wife.


Notary Public for Oregon

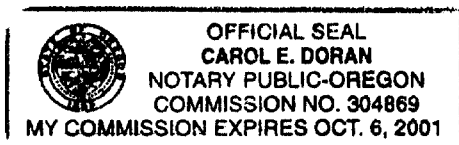


EXHIBIT "A" LEGAL DESCRIPTION

A parcel of land shown as Parcel "C" on Record Survey No. 2570 platted by Raymond E. Oman on 14 November, 1977 on record with Klamath County Surveyor, and shown on County Tax Maps circa 1977 as Tax Lots 2409-3031-1200-1300, and -1400, and being a part of the OTLRR Depot Grounds, a part of the OTLRR Tracks and a part of Riverview Street vacated 8 May 1935 as shown on the original Plat of Crescent dated 1910, and lying Northwest of the present right of way line of U.S. Highway 97 which has absorbed Railroad Avenue, all situated in the NE1/4 SW1/4 of Section 30, Township 24 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, and more particularly described as follows:

Beginning at a point along the Northwest right of way line of U.S. Highway 97, 50 feet from the centerline thereof and at the projected centerline of Jones Street; thence along said right of way line, South 38 degrees 58' 09" West 10.00 feet to a point, a railroad spike in the pavement; thence along a line at a right angle to said highway, North 51 degrees 01' 51" West 261.66 feet to a point along the Southeast right of way line of the Klamath Northern Railroad and 50 feet from the centerline thereof, a #5X30 inch steel rod; thence along part of a 1,932.29 foot radius curve left, the chord of which bears North 17 degrees 44' 39" East 36.85 feet to a point, a #5X30 inch steel rod at the intersection of said railroad right of way and the centerline of Riverview Street vacated; thence along said vacated centerline North 38 degrees 58' 09" East 130.65 feet to a point, a #5X30 inch steel rod being the Northwest corner of the Woodsman Motel Parcel; thence along said Motel Parcel, South 51 degrees 01' 51" East 275.00 feet to a point along the Northwest right of way line of U.S. Highway 97 and 50 feet from the centerline thereof, a #5X48 inch steel rod; thence along said highway right of way, South 38 degrees 58' 09" West 155.00 feet to the point of beginning.

GENERAL EXCEPTIONS (Standard Coverage Policy Exceptions)

1. a. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
b. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. a. Easements, liens, encumbrances, interests or claims thereof which are not shown by the public records.
b. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
4. a. Unpatented mining claims.
b. Reservations or exceptions in patents or in Acts authorizing the issuance thereof.
c. Water rights, claims or title to water: whether or not the matters excepted under (a), (b), or (c) are shown by public records
5. Any lien or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

SPECIAL EXCEPTIONS

6. The rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
7. Easements, if any, lying within that portion of the property herein described lying within the boundaries of vacated Riverview Street.
8. Possible easement to Crescent Water Association for underground water pipelines and/or mains within vacated Riverview Street as disclosed by instrument dated February 10, 2000, recorded February 14, 2000 in Volume M00, Page 4579, Microfilm Records of Klamath County, Oregon.

State of Oregon, County of Klamath
Recorded 02/23/01, at 11:24 a.m.
In Vol. M01 Page 7237
Linda Smith,
County Clerk Fee \$ 31⁰⁰