

After recording return to:

Jackson County Title
 Division of Lawyers Title Insurance Corporation
 1555 E. McAndrews Road, Suite 100
 Medford OR 97504

Vol M01 Page 22006

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

mtc 53980

'01 MAY 14 AM 11:12

STATUTORY WARRANTY DEED

Len Sherbourne

, Grantor, conveys and warrants to
 Malcolm Baker

, Grantee, the following described real property free of encumbrances except as specifically set forth herein:
 See Exhibit "A" attached hereto and made a part hereof

This property is free of encumbrances, **EXCEPT:**

See Exhibit "A" attached hereto and made a part hereof

The true consideration for this conveyance is \$ 76,000.00.

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.

Dated this 10th day of May, 2001.

Len Sherbourne
 Len Sherbourne

STATE OF OREGON, COUNTY OF Jackson

The foregoing instrument was acknowledged before me this 10th day of May, 2001, by
 Len Sherbourne

Jeanne L. Peters
 Notary Public for Oregon
 My commission expires

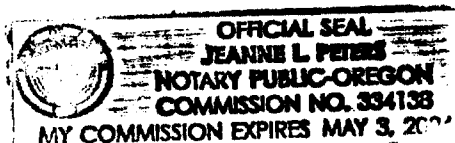
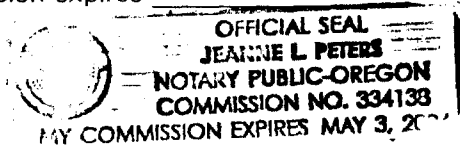


EXHIBIT A

Lot One Hundred Twenty (120), RUNNING Y RESORT, PHASE 2, Klamath County, Oregon, according to the official plat thereof, now of record.

SUBJECT TO:

1. The premises herein described are within and subject to the statutory powers, including the power of assessment and easements, of Klamath Lake Timber Fire Patrol.
2. The premises herein described are within and subject to the statutory powers, including the power of assessment, of Running Y Utility Company.
3. The premises herein described are within and subject to the statutory powers, including the power of assessment, of Wocus Irrigation District.
4. Rights of way, subject to the terms and provisions thereof, granted to The California Oregon Power Company and Pacific Power & Light Company for power lines for transmission and distribution of electricity, including overhang easements and rights of ingress and egress to and from said rights of way for purposes of maintaining same.
5. An easement created by instrument, subject to the terms and provisions thereof,
Dated: August 23, 1917
Recorded: August 30, 1917
Volume: 47, page 264, Deed Records of Klamath County, Oregon
For: A 60 foot right of way
6. Easement and release of damages, subject to the terms and provisions thereof, granted to The California Oregon Power Company, a California corporation, dated December 11, 1923, recorded October 4, 1924, in Volume 64, page 489, dated February 26, 1943, recorded August 31, 1943 in Volume 153 page 183, and modified by instrument dated June 30, 1948, recorded August 6, 1948 in Volume 223 page 400 Deed Records of Klamath County, Oregon, relative to raising and/or lowering the waters of Upper Klamath Lake between the elevations of 4137 and 4143.3 feet above sea level.
7. Easements and releases of claims for damages, subject to the terms and provisions thereof, relative to raising and/or lowering the waters of Upper Klamath Lake between the levels of 4137 and 4143.3 feet above sea level, given to The California Oregon Power Company, a California corporation, by instruments recorded May 1, 1923 in Volume 61, page 116 and April 5, 1932 in Volume 97 pages 211, 213, 215, 217, 219, 221, 223, 225, and 227, Deed Records of Klamath County, Oregon.
8. Right of way for transmission line, subject to the terms and provisions thereof, given to The California Oregon Power Company, a California corporation, recorded December 26, 1939 in Volume 126 page 192, Deed Records of Klamath County, Oregon.
9. Joint obligations with other lands in and to the premises set out as Parcel 2 of Tract B, subject to the terms and provisions thereof, as disclosed in deed recorded April 1, 1940, in Volume 128 page 207, Deed Records of Klamath County, Oregon.
10. Easement for irrigation and/or drainage purposes, subject to the terms and provisions thereof, to Wocus Drainage District, a municipal corporation, recorded September 7, 1954, in Volume 269 page 163, Deed Records of Klamath County, Oregon.

11. An easement created by instrument, subject to the terms and provisions thereof,
Dated: May 15, 1955
Recorded: May 28, 1956
Volume: 283, page 411, Deed Records of Klamath County, Oregon
In favor of: The California Oregon Power Co.
For: Transmission and distribution of electricity

12. An easement created by instrument, subject to the terms and provisions thereof,
Recorded: September 30, 1960
Volume 324, pages 373, 379 and 382, Deed Record of Klamath County, Oregon
For: A 40 foot roadway right of way

13. Reservations and restrictions in deed, subject to the terms and provisions thereof, recorded July 18, 1966, in Volume M66 page 7241, Microfilm Records of Klamath County, Oregon.

14. Roadway Easement, subject to the terms and provisions thereof, recorded June 12, 1972 in Volume M72 page 6270 and M72 page 6274, Microfilm Records of Klamath County, Oregon.

15. Letter dealing with water contract, subject to the terms and provisions thereof, recorded December 2, 1980, in Volume M80 page 23384, Microfilm Records of Klamath County, Oregon.

16. Covenants, conditions and restrictions as shown on recorded plat, as follows:
- "1. All streets are private ways.
 2. Sewage disposal for all lots will be supplied by Running Y Utility Company.
 3. Running Y Resort, Inc. reserves easements for road purposes over all private ways, including construction and maintenance of utilities, drainage, irrigation systems, signs, cart paths and the right of ingress and egress for players during the regular course of play on the golf course.
 4. Running Y Resort, Inc. reserves easements for golf course purposes including, signs, cart paths, irrigation systems, the right of ingress and egress for construction and maintenance and for players during the regular course of play on the golf course.
 5. Acreages: Residential Lots (96-175) - 37.14 AC.; Private Ways = 8.00 AC.; Common Areas = 1.05 AC.; Developer Area = .11 AC.; Total Plat Area = 46.30 AC.
 6. Homes on Lots 136, 138 & 140 are limited to one story in height above road level"
17. Access easements as dedicated or delineated on the recorded plat.
18. Golf easement as dedicated or delineated on the recorded plat.
19. Utility and drainage easement as dedicated or delineated on the recorded plat.

(Continued)

20. Covenants, conditions, restrictions, easements, and/or setbacks imposed by instrument, subject to the terms and provisions thereof,

Recorded: August 2, 1996

Volume: M96, page 23548, Microfilm Records of Klamath County, Oregon.

Declaration Annexing Phase 2 of Ridge View Homesites to Running Y Resort, subject to the terms and provisions thereof,

Recorded: November 25, 1996

Volume: M96, page 36964, Microfilm Records of Klamath County, Oregon.

NOTE: This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin as provided in 42 U.S.C. Sec.3604, unless and only to the extent that the covenant (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. Sec.3607, or (c) relates to a handicap, but does not discriminate against handicapped people.

21. Levies and assessments of the Running Y Ranch Resort Owner's Association as provided for in the Covenants, Conditions and Restrictions.

State of Oregon, County of Klamath

Recorded 05/14/01, at 11:12 a.m.

In Vol. M01 Page 22006

Linda Smith,

County Clerk Fee\$ 36⁰⁰