

After Recording Return to:
M D PROPERTIES LLC

Until a change is requested all tax statements
Shall be sent to the following address:
M D PROPERTIES LLC
425 Crest Street
Klamath Falls, OR. 97603

WARRANTY DEED
(INDIVIDUAL)

GAYLE PAYNE NICHOLSON, herein called grantor, convey(s) to M D PROPERTIES LLC, an Oregon Limited Liability Company all that real property situated in the County of KLAMATH, State of Oregon, described as:

See Exhibit A attached hereto and made a part hereof.

and covenant(s) that grantor is the owner of the above described property free of all encumbrances except covenants, conditions, restrictions, reservations, rights, rights of way and easements of record, if any, and apparent upon the land, contracts and/or liens for irrigation and/or drainage

and will warrant and defend the same against all persons who may lawfully claim the same, except as shown above.

The true and actual consideration for this transfer is \$375,000.00.
(here comply with the requirements of ORS 93.930)

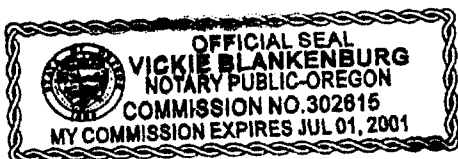
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

Dated 6/1/01

GAYLE PAYNE NICHOLSON

STATE OF OREGON, County of Klamath) ss.

6/1/01 personally appeared the above named GAYLE PAYNE NICHOLSON and acknowledged the foregoing instrument to be their voluntary act and deed.



Before me:

Vickie Blankenburg
Notary Public for Oregon

My commission expires: 7/01/01

This Document is recorded at the request of:
Aspen Title & Escrow, Inc.
525 Main Street
Klamath Falls, OR 97601
Order No.: 00052866

Exhibit A

A portion of TRACT 32 OF ENTERPRISE TRACTS, situated in the Northwest quarter of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, according to the official Plat thereof on File in the Office of the County Clerk of Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8 inch iron pin on the East line of said Tract 32 which bears North along said East line a distance of 180.72 feet from the Southeast corner of said tract; thence leaving said East line, South 89°51'50" West a distance of 119.94 feet to a 5/8 inch iron pin on the East line of Austin Street; thence North 00°20'45" East along said East line a Distance of 175.0 feet to the Southwest corner of Parcel described in instrument recorded in Volume M87, Page 12556, deed records of Klamath County, Oregon; thence North 89°51'50" East along the South line of said parcel a distance of 119.97 feet to the East line of said Tract 32; thence South along said East line a distance of 175.0 feet to the Point of Beginning.

State of Oregon, County of Klamath
Recorded 06/04/01, at 2:02 p.m.
In Vol. M01 Page 26/36
Linda Smith,
County Clerk Fee\$ 26⁰⁰