

State of Oregon, County of Klamath  
 Recorded 01/16/2002 12:46 p m.  
 Vol M02, Pg 2907-2909  
 Linda Smith, County Clerk  
 Fee \$ 31.00 # of Pgs 3

After recording, return to  
 (File No. 69820001)

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

Vada A. Salinas, Esq.  
 P. O. Box 749  
 Salem, OR 97308-0749

Pelican Pointe Assisted Living, LLC  
 2735 12th Street S.E.  
 Salem, OR 97302

**STATUTORY WARRANTY DEED**  
 (ORS 93.850)

Parkdale, LLC, an Oregon limited liability company, Grantor, conveys and warrants to Pelican Pointe Assisted Living, LLC, an Oregon limited liability company, Grantee, an undivided seventy-one percent (71%) in the following described real property, free of encumbrances except as specifically set forth herein:

See Exhibit A attached hereto and incorporated herein by reference.

**SUBJECT TO:**

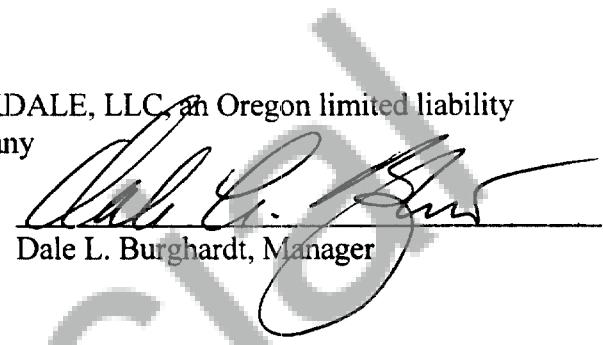
1. Proceedings by a public agency which may result in taxes or assessments or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Easements, liens, encumbrances, interests, or claims thereof which are not shown by the public records; any facts, rights, interest, 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. Unpatented mining claims; reservations or exceptions in patents or in acts authorizing the issuance thereof; water rights, claims or title to water, whether or not shown by the public records.
5. Any and all covenants, restrictions, easements, encumbrances and liens of record and rights of the public in and to any portion of the above described property.
6. Any and all easements, liens and encumbrances of record.

The true consideration for this conveyance is the issuance to Grantor of fifty percent (50%) of the Ownership Units in Grantee.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THE 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. ORS 93.040(1)

DATED this 10 day of January, 2002.

PARKDALE, LLC, an Oregon limited liability company

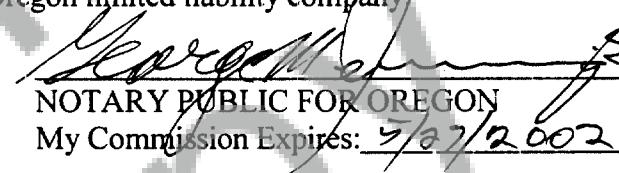
By: 

Dale L. Burghardt, Manager

STATE OF OREGON )  
 ) ss.  
County of Marion )

This instrument was acknowledged before me on this 10 day of January, 2002, by Dale L. Burghardt, as Manager of PARKDALE, LLC, an Oregon limited liability company

Before me:

  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 5/27/2002

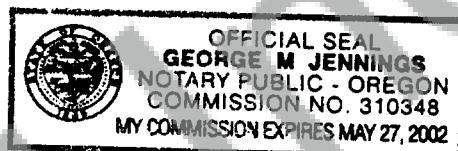


EXHIBIT A

## PARCEL 1:

That portion of Tract 40B lying South and Westerly of the U.S.B.R. "A" Canal and Easterly of Washburn Way and all of Tract 40C, ENTERPRISE TRACTS, in the County of Klamath, State of Oregon.

EXCEPTING THEREFROM that portion deeded to Klamath County in Book 335, Page 87, tract deeded to Fred A. Lewis, et ux., in Book 336, Page 157, and parcel deeded to United States of America for canals and laterals recorded June 25, 1909 in Book 27, Page 236 and in Book 38 at Pages 209 and 210, all Deed Records of Klamath County, Oregon, and that portion of Tract 40C described as follows:

Beginning at a one-half inch iron pin on the East right-of-way line of Washburn Way, said point being North 00 degrees 20'00" East along the centerline of Washburn Way and along the West line of Section 34 a distance of 332.19 feet and South 89 degrees 33'03" East a distance of 30.00 feet from the 5/8-inch iron pin marking the West one-quarter corner of Section 34; thence North 00 degrees 20'00" East along the East right-of-way line of Washburn Way a distance of 285.00 feet to a one-half inch iron pin; thence South 89 degrees 33'03" East parallel with the North line of "Mills Gardens" subdivision a distance of 472.43 feet to a one-half inch iron pin; thence continuing South 89 degrees 33'03" East a distance of 29 feet, more or less, to the Westerly right-of-way line of the U.S.B.R. "A" Canal; thence Southeasterly along said Westerly line to the North line of "Mills Gardens" subdivision; thence North 89 degrees 33'03" West along the North line of "Mills Gardens" subdivision (South 89 degrees 45' West by said subdivision plat) a distance of 20.96 feet, more or less, to a two-inch iron pipe; thence continuing North 89 degrees 33'03" West along said subdivision line a distance of 606.40 feet to the point of beginning.

ALSO EXCEPTING THEREFROM any portion lying within the boundaries of Washburn Way.

## PARCEL 2:

A tract of land situated in Tracts 40B and 40C, ENTERPRISE TRACTS, in the NW ¼ of Section 34, Township 38 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at an iron pin located North 0 degrees 24' West a distance of 792.2 feet from the two-inch pipe marking the initial point of "Mills Gardens" subdivision, said initial point being North 0 degrees 24' West a distance of 15.0 feet and North 89 degrees 45' East a distance of 30.0 feet from the West quarter corner of said Section 34 according to the officially recorded plat of said "Mills Gardens" subdivision; thence North 0 degrees 24' West a distance of 85.0 feet to an iron pin; thence North 89 degrees 36' East a distance of 100.0 feet to an iron pin; thence South 0 degrees 24' East a distance of 85.0 feet to an iron pin; thence South 89 degrees 36' West a distance of 100.0 feet, more or less, to the point of beginning.

EXCEPT THEREFROM that portion lying within the boundaries of Washburn Way.