

OLIVER R. SPIRES & DIANNE E. SPIRES, AS TENANTS BY THE ENTIRETY,
Grantor(s) hereby grant, bargain, sell, warrant and convey to:
CAPSTONE DEVELOPMENT, LLC,
Grantee(s) and grantee's heirs, successors and assigns the following described
real property, free of encumbrances except as specifically set forth herein in
the County of KLAMATH and State of Oregon, to wit:

SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE
ACCT #3809-033BA-13801 KEY #886335
ACCT #3809-033BA-13600 KEY #415465
ACCT #3809-033BA-13700 KEY #415456

SUBJECT TO: all those items of record and those apparent upon the land, if
any, as of the date of this deed and those shown below, if any:
and the grantor will warrant and forever defend the said premises and every
part and parcel thereof against the lawful claims and demands of all persons
whomsoever, except those claiming under the above described encumbrances.


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.

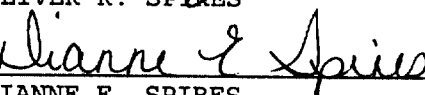
The true and actual consideration for this conveyance is \$ 335,000.00.

Until a change is requested, all tax statements shall be sent to Grantee at the
following address: 16799 HWY 66, ASHLAND, OR 97520

Dated this 20th day of February, 2002.

State of Oregon, County of Klamath
Recorded 02/26/2002 11:08a m.
Vol M02, Pg 11457-58
Linda Smith, County Clerk
Fee \$ 26⁰⁰ # of Pgs 2



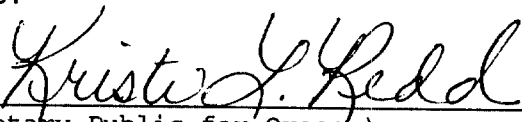
OLIVER R. SPIRES


DIANNE E. SPIRES

State of Oregon
County of KLAMATH

This instrument was acknowledged before me on February 20, 2002 by
OLIVER R. SPIRES & DIANNE E. SPIRES.





(Notary Public for Oregon)

My commission expires 11/16/2003

ESCROW NO. MT56264-KR

Return to:
CAPSTONE DEVELOPMENT, LLC
16799 HWY 66
ASHLAND, OR 97520

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

Lots 23, 24, 25 and 26 in Block 10, INDUSTRIAL ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

PARCEL 2:

All of Lots 27, 28, 29, 30, 31, 32, 33, 34 and all of Lot 35 except that part described as follows:
Beginning at the Northeast corner of said Lot 35 and running thence South 55 degrees 31' East along the West line of East Main Street a distance of 16.46 feet to a point on said West line of East Main Street, thence North 73 degrees 05' West a distance of 31.38 feet to a point on the South line of Main Street, thence North 89 degrees 21' East a distance of 16.46 feet to the point of beginning, all of said Lots being in Block 10, of INDUSTRIAL ADDITION to the City of Klamath Falls, Oregon, as shown by the recorded plat of said Addition.