

After recording return to:

Lyle J. Archibald

6984 Jagatal St. Oak Hills, CA 92348

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

Lyle J. Archibald

6984 Jagatai St. Oak Hills, CA 92348

Escrow No. K58965S Title No. K58965-S

THIS SPACE RESERVED FOR RECORDER'S USE

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State of Oregon, County of Klamath

Recorded 10/01/2002 3:17
Vol M02, Pg 5 (-087-91)
Linda Smith, County Clerk

Fee \$ 4/100 # of Pgs _5

'02 OCT 1 PM3:17

STATUTORY WARRANTY DEED

Rebecca I. Short and Ronald C. Short as tenants in common, each as to an undivided 1/2 interest, Grantor, conveys and warrants to Lyle J. Archibald and Debra R. Archibald, husband and wife, Grantee, the following described real property free of liens and encumbrances, except as specifically set forth herein:

See Attached Exhibit "A" Legal Description

This property is free of liens and encumbrances, EXCEPT: An easement reserved to Grantor attached as Exhibit "B" and reservations and restrictions of record, rights of way, and easements of record and those apparent upon the land, contracts and/or liens for irrigation and/or drainage.

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 consideration for this conveyance is \$82,000.00 (Here comply with the requirements of ORS 93.030)

Ronald C. Short Rebecca I. Short

STATE OF OREGON

County of Klamath

This instrument was acknowledged before me on this

by Rebecca I. Short and Ronald C. Short

Notary Public for Oregon

My commission expires:

OFFICIAL SEAL STACY HILFERTY NOTARY PUBLIC- OREGON COMMISSION NO 325805 NYCOMMISSION EXPIRES AUG 2, 2003

V K41

DESCRIPTION

The following described real property situate in Klamath County, Oregon:

Beginning at the monument marking the Southeast corner of Section 24, Township 39 South, Range 9 E.W.M.; thence South 89°16′50" West 31.3 feet to an iron pin reference monument in the existing Westerly state highway right of way fence; thence South 89°16′50" West along an old existing fence generally accepted by adjacent landowners as marking the section line 838.8 feet to an iron pin reference monument; thence South 89°16′50" West 20.0 feet to the existing centerline of the U.S.B.R. #A-7 lateral as the same is presently located and constructed; thence following the existing centerline of the A-7 Lateral North 49°18' West 454.5 feet, North 2°18' East 299.1 feet, North 11°31' East 205.3 feet, North 31°32'10" East 157.6 feet, North 43°06′10" East 158.1 feet, and North 48°09′50" East 426.6 feet to a point on the Southerly boundary, as extended, of that parcel of land conveyed at Page 8438 of Volume M67, Deed records of Klamath County, Oregon; thence following the Southerly boundary of said parcel of land South 52°00′30" East 114.9 feet, South 69°22' East 147.5 feet, South 76°30′30" East 237.35 feet, and South 81°31' East 216.0 feet to a point on the Easterly boundary of Section 24, Township 39 South, Range 9 East of the Willamette Meridian; thence South along said Easterly section boundary, 1109.3 feet, more or less, to the point of beginning.

EXHIBIT B

EASEMENT RETAINED

Grantor (Rebecca I. Short and Ronald C. Short) hereby retains an easement according to the below terms.

- 1. The easement shall be for access and utility uses, and shall be nonexclusive, being for the mutual benefit of Grantor and Grantee (Archibald).
- 2. The easement shall benefit the property granted by this deed as described in Exhibit A ("transferred property") and shall benefit the property owned by Grantor and located west of the transferred property ("retained property"). The retained property is described in Exhibit B-1 attached hereto. The easement shall burden the transferred property. The location of the easement shall be the northerly for feet of tansferred property.
- 3. Said easement shall be for ingress and egress and for location of utilities. Neither party shall conduct activities upon the easement which shall unreasonably interfere with the rights enumerated herein.
- 4. The easement, duties and obligations herein created are appurtenant and shall run with the land, as a benefit to both transferred property and retained property.
- 5. Grantor is presently using retained property solely for agricultural use and that Grantee shall have sole responsibility for maintenance of the road esaement until such use by Grantor is expanded to include residential use. At such time, the parties agree to negotiate in good faith terms of joint maintenance, which terms shall include that maintenance of existing road and facilities shall be on a 50-50 basis and that joint obligations shall not include major improvements to the road without advance unanimous agreement of property owners. In the event that retained property use is changed to residential and in the further event that the parties are unable to agree on the terms of maintenance agreement at that time, the following terms shall apply (effective only in the event of retained property being used for residential use:

All expenses of maintenance, repair and replacement of said easement or of Grantee's facilities shall be paid among the parties who use such easement on a prorated basis, where the volume and size of vehicles shall be taken into account. In other words, if one party is using the road easement 50% of the time and causing 50% of the wear and tear on the road, then such party's share of the maintenance costs shall be 50%. In the event that such prorate of maintenance is not agreed to by the parties, such amounts shall be determined by arbitration where each party appoints one arbitrator and those arbitrators choose another. Those arbitrators shall decide the resolution of said dispute, and the parties shall be bound thereby. The costs

of arbitration shall be borne equally by the parties. In no event shall a party be responsible for maintenance of major improvements such as paving unless advance agreement of such improvement is given.

- 6. If suit or action is instituted to enforce any of the provisions of this easement terms, the party prevailing therein shall be entitled to recover from the other such sum as the Court may adjudge reasonable as attorney's fees therein, including any appeal thereof.
- 7. This agreement and grant is binding on the parties hereto and upon the heirs, successors in interests, personal representatives and assigns of the parties hereto. For purposes herein, the singular shall include the plural and the plural shall include the singular.
- 8. This agreement is prepared on behalf of Grantor by Richard Fairclo, attorney. All of the parties hereto understand that Richard Fairclo has represented the parties in other, unrelated transactions. All parties acknowledge this and acknowledge that they may obtain other counsel and that they have been advised to do so. All parties waive any conflict of interest that may or may not exist by reason of Richard Fairclo preparing this easement.

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IN WITNESS WHEREOF, the parties hereto have set their hands:

Jay Thill Kay
Dellie R. Achiel Rebeau Ashart
STATE OF OREGON]
County of Klamath.]
The foregoing instrument was acknowledged before me this 15th day of _
Explosed Short and Ronald C. Short and Lyle J. Archibold
É. Debbie R. Archipold

Exhibit B Retained Property

All that portion of the Southeast Quarter of Section 24, Township 39 South, Range 9 E.W.M., lying Northwesterly of the USBR A-7 (K) Lateral and Northeasterly of the USBR I-C-I-C Lateral.