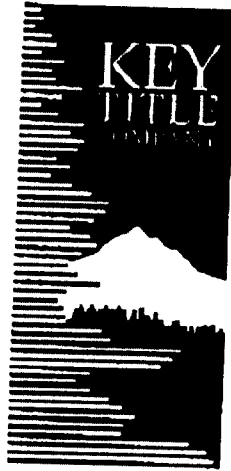


State of Oregon, County of Klamath  
 Recorded 01/31/2003 1:45 p.m.  
 Vol M03 Pg 6162-6163  
 Linda Smith, County Clerk  
 Fee \$ 26 # of Pgs 2

After Recording Return To:  
 Key Title Company  
 744 NE 7th Street  
 P.O. Box 1960  
 Grants Pass OR 975260167

Send Tax Statements To:  
 Larry E. Alexander  
 310 Van Ness Street  
 Klamath Falls OR 97601



Title Order No.  
 Escrow No. 26-36225

Tax Account No.

**SPECIAL WARRANTY DEED**  
 (ORS 93.855)

Federal National Mortgage Association, a Texas corporation, Grantor, conveys and specially warrants to Larry E. Alexander and Patsey A. Alexander, as tenants by the entirety, Grantee the following described real property free of encumbrances created or suffered by the Grantor except as specifically set forth herein:

See Exhibit 'A' attached hereto and by reference made a part hereof.

**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

Dated this 29th day of January, 2003  
 FEDERAL NATIONAL MORTGAGE ASSOCIATION



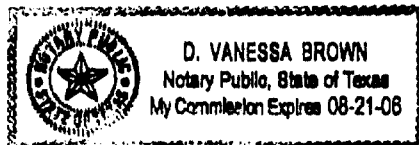
By: [Signature] Vice President

State of Texas, County of Dallas )ss.

This instrument was acknowledged before me on January 29, 2003  
 by [Signature] Vice President, of Federal National Mortgage Association.

[Signature]  
 Notary Public

My commission expires: \_\_\_\_\_



**EXHIBIT 'A'**

Legal Description:

**06163**

Subject to: Lots 3 and 4, Block 2, NORTH KLAMATH FALLS, according to the official plat thereof on file in the office of  
2-4 Clerk of Klamath County, Oregon.