

MTC- 57990

Vol M03 Page 45180

State of Oregon, County of Klamath
 Recorded 06/30/2003 3:49 p m.
 Vol M03 Pg 45180-84
 Linda Smith, County Clerk
 Fee \$ 41.00 # of Pgs 5

After recording, return to:

Kimball H. Ferris, Esq.
 Bullivant Houser Bailey PC
 300 Pioneer Tower
 888 S. W. Fifth Avenue
 Portland, OR 97204

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

Keith Davidge, CFO
 Peterson Holding Company
 955 Marina Boulevard
 San Leandro, CA 94577

WARRANTY DEED

Papé Properties, Inc., an Oregon corporation, Grantor, conveys and warrants to Peterson Machinery Co., an Oregon corporation, Grantee, the following described real property, free of encumbrances except as specifically set forth herein, located in Klamath County, Oregon:

See Exhibit A – Description of Real Property attached hereto and by this reference made a part hereof.

Subject to and excepting the items shown on Exhibit B – Exceptions to Title attached hereto and by this reference made a part hereof.

The true and actual consideration for this conveyance is \$1,342,500.00.

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 this 30th day of June, 2003.

PAPÉ PROPERTIES, INC.

By


 Randall C. Papé, President

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STATE OF OREGON

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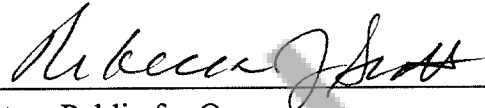
45181

) ss.

County of Lane

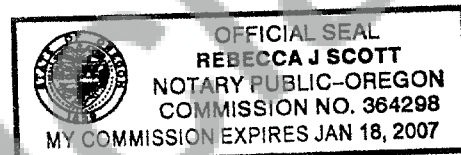
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This instrument was acknowledged before me on this 23rd day of June, 2003, by
Randall C. Papé, as President of Papé Properties, Inc.



Notary Public for Oregon

My Commission Expires: Jan 18, 2007



A tract of land in Section 33, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being a portion of Parcel 1 and 2 as described in and conveyed by Ewauna Box Company to Weyerhaeuser Timber Company by a deed dated November 30, 1948, and recorded in Volume 227 at page 47, Deed Records of Klamath County, Oregon. The said tract is more particularly described as follows, to wit:

Beginning at a point on the Southwesterly line of South Sixth Street, in the City of Klamath Falls, Oregon, which bears North 55 degrees 22' West, a distance of 1028.22 feet along said Southwesterly line from an iron pin which marks the intersection of the Southwesterly line of South Sixth Street and the Westerly line of the Central Pacific Railway Company, which point lies North 74 degrees 07' West, a distance of 186.73 feet and South 55 degrees 22' East, a distance of 390.32 feet from the intersection of the Easterly line of Broad Street and the Northeasterly line of South Sixth Street, and being the Northwesterly corner of said above mentioned Parcel 1; thence Southwesterly along the arc of a curve to the right having a radius of 487.68 feet; a distance of 60.71 feet to the true point of beginning; thence South 27 degrees 17' 50" East (State Highway deed bearing South 27 degrees 42' 20" East) a distance of 122.44 feet; thence South 3 degrees 52' 00" East (State Highway deed bearing South 4 degrees 16' 30" East) a distance of 252.00 feet; thence South 34 degrees 38' West, a distance of 565.19 feet more or less to a point on the Southerly boundary of above mentioned Parcel 2; thence Northwesterly along the arc of a curve to the right having a radius of 467.68 feet, a distance of 55.58 feet through an angle of 6 degrees 48' 33" (the long chord of this curve being 55.55 feet and bears North 15 degrees 09' 46" West); thence Northerly along the arc of a curve to the right, having a radius of 686.05 feet, a distance of 519.76 feet through an angle of 43 degrees 24' 30" (the long chord of this curve being 507.43 feet long and bears North 9 degrees 56' 45" East) to the Northwesterly corner of the above mentioned Parcel 2; thence continuing along the arc of said curve to the right having a radius of 686.05 feet, a distance of 33.93 feet through an angle of 2 degrees 50' (the long chord of this curve being 33.93 feet long and bears North 33 degrees 13' East); thence North 34 degrees 38' East a distance of 211.60 feet; thence along the arc of a curve to the left, having a radius of 487.68 feet, a distance of 77.22 feet through an angle of 8 degrees 56' 32" (the long chord of this curve being 76.32 feet long and bears North 30 degrees 08' 44" East) to true point of beginning, excepting any part taken for street.

ALSO, a tract of land in Section 33, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being a portion of Parcel 1 and 2 as described in and conveyed by Ewauna Box Company to Weyerhaeuser Timber Company by a deed dated November 30, 1948, and recorded in Volume 227 at page 47, Deed Records of Klamath County, Oregon. The said tract is more particularly described as follows, to wit:

Beginning at a point on the Southwesterly line of South Sixth Street, in the City of Klamath Falls, Oregon, which bears North 55 degrees 22' West, a distance of 1028.22 feet along said Southwesterly line from an iron pin which marks the intersection of the Southwesterly line of South Sixth Street and the Westerly line of the Central Pacific Railroad Company, which point lies North 74 degrees 07' West, a distance of 186.73 feet and South 55 degrees 22' East, a distance of 390.32 feet from the intersection of the Easterly line of Broad Street and the Northeasterly line of South Sixth Street, and being the Northwesterly corner of said above mentioned Parcel 1; thence Southwesterly along the arc of a curve to the right having a radius of

487.68 feet; a distance of 60.71 feet; thence South 27 degrees 17' 50" East (State Highway deed bearing South 27 degrees 42' 20" East) a distance of 122.44 feet; thence South 30 degrees 52' 00" East (State Highway deed bearing South 4 degrees 16' 30" East, a distance of 252.00 feet; thence South 34 degrees 38' West 15.00 feet to the true point of beginning; thence South 55 degrees 22' East (State Highway deed bearing South 55 degrees 46' 30" East) a distance of 150.00 feet; thence South 34 degrees 28' West a distance of 640.36 feet, more or less to a point on the Southerly boundary of the above mentioned Parcel 2; thence Northwesterly along the arc of a curve to the right whose radius is 467.68 feet, a distance of 168.68 feet (the long chord of this curve being 167.77 feet long and bears North 28 degrees 45' 02" West); thence North 34 degrees 38" East a distance of 565.19 feet, more or less, to point of beginning, excepting any part taken for street.

Exhibit B – Exceptions to Title

1. Grant of Right of Way Deed, subject to the terms and provisions thereof, recorded October 19, 1960, in Volume 72, Page 49, Microfilm Records of Klamath County, Oregon, in favor of The California Oregon Power Company.
2. Right of Way Easement created by instrument, subject to the terms and provisions thereof, recorded January 26, 1996, in Volume M96, Page 2339, Microfilm Records of Klamath County, Oregon, in favor of Pacific Power & Light Company.