

STATUTORY WARRANTY DEED

Running Y Resort, Inc., an Oregon corporation, Grantor, conveys and warrants to Michael S. Hittner and Sandra L. Hittner as Tenants by Entirety, Grantee, the following described real property, free of encumbrances except as specifically set forth herein:

Lot 872 of Running Y Resort Phase 11, 1st Addition, recorded May 2, 2003 according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

SUBJECT TO:

Non-delinquent real property taxes and assessments for the current fiscal year and all later years; and to all covenants, conditions, restrictions, reservations, exceptions, limitations, uses, rights, rights-of-way, easements and other matters of record on the date hereof, including, without limitation, the Declaration of Protective Covenants, Conditions, Restrictions, and Easements for The Running Y Ranch Resort recorded August 2, 1996, and the Declaration Annexing Phase 7 of Ridge View Homesites to The Running Y Ranch Resort recorded May 21, 2003, all of which are hereby incorporated by reference into the body of this instrument as if the same were fully set forth herein.

The true consideration for this conveyance is \$ 84,000.00.

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.

"GRANTOR" Running Y Resort, Inc., an Oregon corporation

BY: Judy Leback
Its Authorized Agent

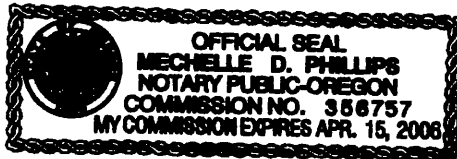
STATE OF OREGON)

COUNTY OF KLAMATH)

The foregoing instrument was acknowledged before me this 5th day of January

by Judy Leback (Officer), the Agent (Title) of RUNNING Y RESORT, INC., on behalf of the Corporation.

WITNESS my hand and official seal



Michelle D. Phillips
NOTARY PUBLIC FOR OREGON

WARRANTY DEED
Running Y Resort, Inc. 5391 Running Y Road Klamath Falls, OR 97601 Grantor
Michael S. Hittner Sandra L. Hittner 350 S. Whitestone Drive Anaheim Hills, CA 92807 Grantee
AFTER RECORDING RETURN TO Michael S. Hittner Sandra L. Hittner 350 S. Whitestone Drive Anaheim Hills, CA 92807

SPACE RESERVED
FOR
RECORDERS USE

State of Oregon, County of Klamath
Recorded 01/14/2004 11:08 a m
Vol M04 Pg 2296
Linda Smith, County Clerk
Fee \$ 21.00 # of Pgs 1

Until a change is requested, all tax statements shall be sent to the following address:
Michael S. Hittner
Sandra L. Hittner
350 S. Whitestone Drive
Anaheim Hills, CA 92807

21.0 AM