

04 JUL 16 PM 3:25

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AFTER RECORDING, RETURN TO:

Jerry M. Molatore
Attorney at Law
426 Main Street
Klamath Falls, OR 97601-6084

State of Oregon, County of Klamath
Recorded 07/16/2004 3:25 P m
Vol M04 Pg 46857-63
Linda Smith, County Clerk
Fee \$ 51.00 # of Pgs 7

SEND TAX STATEMENTS TO:

Cameron A. and Leona V. Curtiss
21051 Hwy 140
Klamath Falls, OR 97601

WARRANTY DEED
(Ball Point - Klamath County)

AMERICAN FOREST SERVICES, LLC, a Delaware limited liability company ("Grantor"), conveys and warrants to CAMERON A. CURTISS and LEONA V. CURTISS, husband and wife (collectively, "Grantee"), certain real property located in Klamath County, Oregon, which is more particularly described on Exhibit 1 attached hereto and incorporated herein by reference, free of encumbrances except as specifically set forth on Exhibit 2 attached hereto and incorporated herein by reference.

The true and actual consideration for this transfer is \$1,275,000.00.

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.

[Signatures are on the following page.]

5/00

46858

Dated as of the 1st day of July, 2004.

AMERICAN FOREST SERVICES,
LLC, a Delaware limited liability company

By: John M. Rudey
John M. Rudey, Its President

STATE OF NEW YORK)
) ss.

COUNTY OF NEW YORK)

On the 1st day of July, 2004, before me personally came JOHN M. RUDEY, to me known, who, being by me duly sworn, did depose and say that he resides at 625 Madison Ave-Suite 10B, New York, NY 10022; that he is the President of AMERICAN FOREST SERVICES, LLC., the limited liability company that executed the foregoing instrument; and that he signed his name thereto by authority of the board of directors of said corporation.

Elizabeth Hernandez
NOTARY PUBLIC FOR New York State
My commission expires: 7/31/2005

(Seal)

ELIZABETH HERNANDEZ
Notary Public, State of New York
No. 01HE5047225
Qualified in Bronx County
Commission Expires July 31, 2005

EXHIBIT 1
Legal Description of Property

Ball Point Tract
Klamath County, Oregon

TOWNSHIP 36 SOUTH, RANGE 7 EAST, W.M.

SECTION 21: GOVERNMENT LOT 1

SECTION 27: GOVERNMENT LOTS 1, 2, 3, 4 AND 5; THE SOUTHWEST QUARTER; THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER

SECTION 28: GOVERNMENT LOTS 1 AND 2; THE NORTHEAST QUARTER; THE EAST HALF OF THE SOUTHEAST QUARTER; THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER

EXCEPTING THE FOLLOWING: BEGINNING AT THE NORTHWEST CORNER OF SAID NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; THENCE SOUTH ALONG THE WEST LINE OF SAID NORTHWEST QUARTER OF THE SOUTHEAST QUARTER TO THE SOUTHWEST CORNER THEREOF; THENCE EAST ALONG THE SOUTH LINE OF SAID NORTHWEST QUARTER OF THE SOUTHEAST QUARTER TO THE SOUTHEAST CORNER THEREOF; THENCE NORTHWESTERLY ALONG A STRAIGHT LINE TO THE POINT OF BEGINNING.

SECTION 33: THAT PORTION OF GOVERNMENT LOT 1, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 33; THENCE WEST ALONG THE NORTH LINE THEREOF TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 28; THENCE SOUTHEASTERLY ALONG A STRAIGHT LINE TO THE SOUTHEAST CORNER OF SAID GOVERNMENT LOT 1; THENCE NORTH ALONG THE EAST LINE OF SAID SECTION 33 TO THE POINT OF BEGINNING.

SECTION 34:

GOVERNMENT LOT 6; THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER; THE NORTH HALF OF THE NORTHWEST QUARTER; THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER; THE EAST 60 FEET OF THE EAST HALF OF THE SOUTHWEST QUARTER; THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; THENCE SOUTHEASTERLY ALONG A STRAIGHT LINE TO THE SOUTHEAST CORNER OF SAID SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; THENCE NORTH ALONG THE EAST LINE OF SAID SOUTHWEST QUARTER OF THE NORTHWEST QUARTER TO THE NORTHEAST CORNER THEREOF; THENCE WEST ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHWEST QUARTER TO THE POINT OF BEGINNING.

EXHIBIT 2
Permitted Encumbrances

EXHIBIT 2

1. Taxes for the fiscal year 2004-2005.
2. Additional tax, plus interest and penalty, if any, if the property described herein is disqualified for special assessment as Forest Land.
3. The rights of the public and of governmental bodies in and to that portion of the herein described premises now or at anytime lying below the high water mark of the Upper Klamath Lake, including any ownership rights which may be claimed by the State of Oregon, in and to any portion of the premises now or at any time lying below the ordinary high water mark thereof.
4. Any claim based on any prohibition of or limitation on the use, occupancy or improvement of the land resulting from the rights of the public or riparian owners to use any waters which may cover the land for fishing or navigation, or to use any portion of the land which is now or may formerly have been covered by water.
5. The rights of the public in and to any portion of the herein described property lying within the limits of public roads and all railroad rights.
6. Right, privilege and easement of regulating and controlling the waters, shores and beds of Upper Klamath Lake and the streams flowing into and out of said lake, granted to The California Oregon Power Company by Indenture, including the terms and provisions thereof, dated September 15, 1937 and recorded October 1, 1937 in Volume 112, Page 233, Deed Records of Klamath County, Oregon.
7. Unrecorded Indenture between Weyerhaeuser Timber Company, The California Oregon Power Company and California-Oregon Power Company, granting a perpetual right, privilege and easement of regulating and controlling the waters, shores and beds of Upper Klamath Lake and the streams flowing into and out of said lake, including the terms and provisions thereof, dated July 1, 1941 in Volume 112, Page 233, Deed Records of Klamath County, Oregon.
8. Unrecorded Permit granted by Weyerhaeuser Company to Allen Bateman on August 1, 1963, to use existing road and to secure existing boat dock to the shoreline, as amended, renewed and extended by Supplemental Agreements.
9. Easement for electric power service and roadway, created by instrument, including the terms and provisions thereof, recorded June 29, 1964 in Volume 354, Page 184, Deed Records of Klamath County, Oregon.

10. Easement for road purposes and installation of utilities, created by instrument, including the terms and provisions thereof, recorded May 7, 1965 in Volume 361, Page 284, Deed Records of Klamath County, Oregon.
11. Submerged and Submersible Land Lease, including the terms and provisions thereof, recorded January 17, 1978 in Volume M78, Page 1081, Microfilm Records of Klamath County, Oregon, as amended by instruments, including the terms and provisions thereof, recorded April 26, 1984 in Volume M84, Page 6859; April 26, 1984 in Volume M84, Page 6863; and August 23, 1989 in Volume M89, Page 15748, said records.
12. Conditional use Permit, including the terms and provisions thereof, recorded October 17, 1989 in Volume M89, Page 19702, Microfilm Records of Klamath County, Oregon.
13. Easement for right to use road, created by instrument, including the terms and provisions thereof, recorded July 30, 1993 in Volume M93, Page 18860, Microfilm Records of Klamath County, Oregon.
14. Reservations as contained in Deed, including the terms and provisions thereof, recorded August 30, 1996 in Volume M96, Page 26858, Microfilm Records of Klamath County, Oregon.