

State of Oregon, County of Klamath
 Recorded 07/23/2004 3:00 p m
 Vol M04 Pg 48460-61
 Linda Smith, County Clerk
 Fee \$ 26⁰⁰ # of Pgs 2

415001
 --Space below for Recorder's use only--
BARGAIN AND SALE DEED

KNOW ALL MEN BY THESE PRESENTS THAT, Sterling Savings Bank, Successor In Interest To Klamath First Federal Savings and Loan Association, Grantor, for and in consideration of the sum of *Five Hundred Twenty Five Thousand Dollars and No/100 to it paid by the grantee herein, do hereby grant, bargain, sell and convey unto BendNapa Partners, L.L.C. as to an undivided 26.50% and Pekkola Mombert Properties L.L.C. as to an undivided 73.50%, all as Tenants in Common, Grantee, the described tract of land in the City of Klamath Falls, County of Klamath and State of Oregon, more particularly described as follows:

FOR LEGAL DESCRIPTION SEE EXHIBIT "A" ATTACHED HERETO----

* a portion of which is paid by an accommodator as part of a 1031 tax deferred exchange

TO HAVE AND TO HOLD the granted premises unto the said Grantee, its heirs and assigns forever.

WITNESS their Hand and Seal this 19th day of July, in the year 2004.

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.

Sterling Savings Bank, Successor In Interest
 To Klamath First Federal Savings and Loan
 Association

Bry: Brenda Vander Does
 By: Brenda Vander Does
 Vice President

STATE OF Washington
 COUNTY OF Spokane

In witness whereof, the grantor has executed this instrument on July 19 2004; if grantor is a corporation, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.

This instrument was acknowledged before me on July 19 2004

by Brenda Vander Does
 as Vice President
 of Sterling Savings Bank

Melissa D. Mangill
 Notary Public for the State of Washington
 My commission expires: 12/30/07

Until a change is requested all tax statements
 Should be sent to the following address:
 BendNapa Partners, L.L.C.
 Pekkola Mombert Properties, L.L.C.
 250 SW Franklin Avenue Suite 204
 Bend, OR 97701
 After Recording Please Return To:
 Same as Above Address



48461

Exhibit "A"

Real property in the County of Klamath, State of Oregon, described as follows:

A tract of land situated in Government Lots 6 and 7 in Section 33, Township 38 South, Range 9 E.W.M., and being a portion of that certain tract described in deed from Weyerhaeuser Company to Juckeland Motors, Inc., recorded in Volume M65, page 110, Deed records of Klamath County, Oregon, and being more particularly described as follows:

Beginning at the 1 1/2 inch iron pipe marking the intersection of the Southwesterly line of South Sixth Street with the Westerly line of the Southern Pacific Railroad right of way, said iron pipe being the Northeasterly corner of lands conveyed by Ewauna Box Company to Weyerhaeuser Timber Co. by Deed Volume 227 page 47, records of Klamath County, Oregon, all as shown on Map of Record Survey No. 621; thence N. 55°22' W. along the Southwesterly line of South Sixth Street, a distance of 250.0 feet to a 1 1/2 inch iron pipe; thence S. 34°38' W. a distance of 329.0 feet, more or less, to the most Southerly corner of tract conveyed by Weyerhaeuser Timber Co. to State of Oregon by deed Volume 281 page 268, records of Klamath County, Oregon, said point also being the Northeasterly corner of said Juckeland Tract as described in Volume M65 page 110 and the TRUE POINT OF BEGINNING of this description; thence N. 55°46'30" W. a distance of 350.0 feet, more or less, to the most Northerly corner of said Juckeland Tract; thence S. 34°38' W., along the Northwesterly line of said Juckeland Tract a distance of 470.73 feet to a 5/8 inch iron pin, said point being N. 34°38' E. a distance of 146.33 feet, from the Northeasterly right of way of the O.C.&E. Railroad; thence S. 55°22' E. a distance of 347.42 feet, more or less, to a 5/8 inch iron pin on the Southeasterly line of said Juckeland Tract; thence N. 34°38' E., along said Southeasterly line, a distance of 469.9 feet, more or less, to the point of beginning.

EXCEPTING therefrom the Southeasterly 60 feet of even width, measured at right angles from the Southeasterly line of above described tract. The tract herein described contains 3.10 acres, more or less.

Tax Parcel Number: R661653 and R611653