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MTT-62944R

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**UNLESS A CHANGE IS REQUESTED, ALL TAX STATEMENTS SHALL BE SENT TO CITY OF KLAMATH FALLS AT: 500 Klamath Avenue, Klamath Falls, Oregon 97601**

After recording, this Deed shall be delivered to: City of Klamath Falls, 500 Klamath Avenue, Klamath Falls, Oregon 97601

State of Oregon, County of Klamath  
Recorded 08/31/04 3:33 p m  
Vol M04 Pg 58289-95  
Linda Smith, County Clerk  
Fee \$ 51.00 # of Pgs 7

**QUITCLAIM DEED**  
**(Oregon)**

The true consideration for this conveyance is **ONE HUNDRED SEVENTY SEVEN THOUSAND AND NO/100 DOLLARS (\$177,000.00).**

**THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY**, a Delaware corporation, (formerly Burlington Northern Railroad Company), of 2500 Lou Menk Drive, Fort Worth, Texas 76131-2830, hereinafter called "Grantor", releases and quitclaims, without any covenants of warranty whatsoever and without recourse to the Grantor, its successors and assigns, to **CITY OF KLAMATH FALLS**, an Oregon municipal corporation 500 Klamath Avenue, Klamath Falls, Oregon 97601, hereinafter called "Grantee", all its right, title and interest, if any, in and to the real property (exclusive of any improvements thereon), subject, however, to all existing interests, including but not limited to all reservations, rights-of-way and easements of record or otherwise, situated in Klamath County, Oregon, hereinafter called "Property", being more particularly described on **EXHIBIT "A"** attached hereto and by this reference made a part hereof.

The obligations in this Section shall be binding upon Grantee and its heirs, successors and assigns, shall be covenants running with the land benefiting Grantor and Grantor's successors and assigns.

(a) Grantee's interest shall be subject to the rights and interests of Grantor, Grantor's licensees, permittees and other third parties in and to all existing roads, utilities, fiber optic lines, wires and easements of any kind whatsoever on the Property whether owned, operated, used or maintained by the Grantor, Grantor's licensees, permittees or other third parties and whether or not of public record. Grantor shall have a perpetual easement on the Property for the use of such existing roads, utilities, fiber optic lines, wires and easements by Grantor and Grantor's licensees, permittees and customers. Grantor shall have a non-exclusive easement for the construction, maintenance and operation of one or more pipelines or fiber optic lines and any and all communications facilities as may be located in the future on the Property within 60 feet of the center line of any Main Track on or adjacent to the Property and as may be presently located on the Property.

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(b) Any improvements constructed or altered on the Property after the date Grantor quitclaims its interest to Grantee shall be constructed or altered in such a manner to provide adequate drainage of water away from any of Grantor's railroad tracks on nearby property.

**EXCEPTING AND RESERVING**, unto Grantor, its successors and assigns, all of the coal, oil, gas, casing-head gas and all ores and minerals of every kind and nature including sand and gravel underlying the surface of the Property, together with the full right, privilege and license at any and all times to explore, or drill for and to protect, conserve, mine, take, remove and market any and all such products in any manner which will not damage structures on the surface of the Property, or materially interfere with Grantee's proposed construction on the Property, together with the right of access at all times to exercise said rights.

Grantee has been allowed to make an inspection of the Property and has knowledge as to the past use of the Property. Based upon this inspection and knowledge, Grantee is aware of the condition of the Property and **GRANTEE IS AWARE THAT GRANTEE IS PURCHASING THE PROPERTY ON AN "AS-IS WITH ALL FAULTS" BASIS WITH ANY AND ALL PATENT AND LATENT DEFECTS, INCLUDING THOSE RELATING TO THE ENVIRONMENTAL CONDITION OF THE PROPERTY, AND THAT GRANTEE IS NOT RELYING ON ANY REPRESENTATION OR WARRANTIES, EXPRESS OR IMPLIED, OF ANY KIND WHATSOEVER FROM GRANTOR AS TO ANY MATTERS CONCERNING THE PROPERTY**, including the physical condition of the Property and any defects thereof, the presence of any hazardous substances, wastes or contaminants in, on or under the Property, the condition or existence of any of the above ground or underground structures or improvements in, of or under the Property, the condition of title to the Property, and the leases, easements or other agreements affecting the Property. Grantee aware of the risk that hazardous substances and contaminants may be present on the Property, and indemnifies, holds harmless and hereby waives, releases and discharges forever Grantor from any and all present or future claims or demands, and any and all damages, loss, injury, liability, claims or costs, including fines, penalties and judgments, and attorney's fees, arising from or in any way related to the condition of the Property or alleged presence, use, storage, generation, manufacture, transport, release, leak, spill, disposal or other handling of any hazardous substances or contaminants in, on or under the Property. Losses shall include without limitation (a) the cost of any investigation, removal, remedial or other response action that is required by any Environmental Law, that is required by judicial order or by order of or agreement with any governmental authority, or that is necessary or otherwise is reasonable under the circumstances, (b) capital expenditures necessary to cause the Grantor remaining property or the operations or business of the Grantor on its remaining property to be in compliance with the requirements of any Environmental Law, (c) Losses for injury or death of any person, and (d) Losses arising under any Environmental Law enacted

after transfer. The rights of Grantor under this section shall be in addition to and not in lieu of any other rights or remedies to which it may be entitled under this document or otherwise. This indemnity specifically includes the obligation of Grantee to remove, close, remediate, reimburse or take other actions requested or required by any governmental agency concerning any hazardous substances or contaminants on the Property.

The term "Environmental Law" means any federal, state or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health or the environment, including without limitation, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Toxic Substances Control Act, and any similar or comparable state or local law.

The term "Hazardous Substance" means any hazardous, toxic, radioactive or infectious substance, material or waste as defined, listed or regulated under any Environmental Law, and includes without limitation, petroleum oil and any of its fractions.

**THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS, WHICH, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND WHICH LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. 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 EXISTENCE OF FIRE PROTECTION FOR STRUCTURES.**

**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.**

**TO HAVE AND TO HOLD** the Property unto the said Grantee, its successors and assigns, forever.

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IN WITNESS WHEREOF, the said Grantor has caused this instrument to be signed by its authorized representative, attested by its Assistant Secretary, and its corporate seal to be affixed hereto on the 27<sup>th</sup> day of August, 2004.

**THE BURLINGTON NORTHERN AND  
SANTA FE RAILWAY COMPANY**

By: *D. P. Schneider*  
D. P. Schneider  
General Director Real Estate



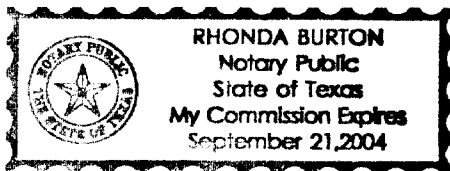
**ATTEST:**

By: *Patricia Zbichorski*  
Patricia Zbichorski  
Assistant Secretary

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STATE OF TEXAS       §  
                                   § ss.  
 COUNTY OF TARRANT §

On this 27<sup>th</sup> day of August, 2004, before me personally appeared D. P. Schneider and Patricia Zbichorski, who, being duly sworn, each for himself and not one for the other, did say that the former is the General Director Real Estate and the latter is the Assistant Secretary of **THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY**, a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.



Before me: Rhonda W. Burton  
 Notary Public for State of Texas  
 My commission expires: 9/21/2004

**FORM APPROVED BY LAW**

APPROVED LEGAL	<u>KKH</u>
APPROVED FORM	<u>R Lee</u>
APPROVED	<u>DEW</u>

**LEGAL DESCRIPTION OF: RIVERSIDE BOUNDARY**

A parcel of land situated in the SW1/4 of Section 32, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being all of Lots 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18 and 19, inclusive and a portion of Lots 4, 5, 6 and 7 of Block 3 of "West Klamath Falls Addition", according to the official plat thereof on file at the Klamath County Clerks office, being more particularly described as follows:

**BEGINNING** at the southwest corner of Lot 19, Block 3 of said "West Klamath Falls Addition", said point being marked by a 5/8" rebar with a yellow plastic cap marked "LS 58985"; Thence along the easterly right-of-way line of Riverside Drive, N06°45'00" W a distance of 960.42 feet to the northwest corner of Lot 8 of said Block 3; Thence leaving said right-of-way line and along the northerly line of said Lot 8, N83°15'00"E a distance of 183.00 feet; Thence leaving said northerly line, N06°45'00" W a distance of 80.00 feet; Thence N06°46'55" W a distance of 160.37 feet; Thence N08°57'40" W a distance of 80.08 feet to the northerly line of Lot 4 of said Block 3; Thence leaving said northerly line, S37°54'54"E a distance of 35.08 feet; Thence S08°57'40"E a distance of 50.00 feet; Thence S06°46'55"E a distance of 160.38 feet; Thence S06°45'00"E a distance of 1040.44 feet to the southerly line of Lot 19 of said Block 3; thence along said southerly line, S83°15'00"W a distance of 200.00 feet to the **POINT OF BEGINNING**;

Containing 4.53 acres, more or less.

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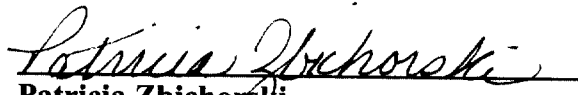
**THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY**  
**CERTIFICATE OF AUTHORITY**

I, **Patricia Zbichorski**, hereby certify that I am an **Assistant Secretary** of **The Burlington Northern and Santa Fe Railway Company**, the corporation described in and which executed the foregoing instrument; that said corporation is organized under the laws of the State of Delaware; that the corporate seal affixed to said instrument is the seal of said corporation, that **D. P. Schneider**, who executed said instrument as **General Director Real Estate** of said corporation, was then **General Director Real Estate** of said corporation, and has been duly authorized to execute the foregoing instrument on behalf of said corporation, binding said corporation to the terms therein. I hereby attest to the validity of the signature of **D. P. Schneider** as contracting officer; that said signature affixed to such instrument is genuine.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said corporation, this 27<sup>th</sup> day of August, 2004.

**THE BURLINGTON NORTHERN AND  
SANTA FE RAILWAY COMPANY**



  
**Patricia Zbichorski**  
**Assistant Secretary**