

After Recording Return to:
 Mr. and Mrs. Kenneth D. Pedersen
 Mr. and Mrs. Stephen R. Coe
1420 WADE Circle
Klamath Falls, OR 97601

State of Oregon, County of Klamath
 Recorded 11/08/04 3:14 P m
 Vol M04 Pg 76869-70
 Linda Smith, County Clerk
 Fee \$ 26.00 # of Pgs 2

Until a change is requested all tax statements
 Shall be sent to the persons and address shown above.

AIC:W014ma
WARRANTY DEED
 (INDIVIDUAL)

WAYNE E. PHILLIPS, TRUSTEE OF THE PHILLIPS FAMILY REVOCABLE LIVING TRUST, herein called Grantor, convey(s) to KENNETH D. PEDERSEN and SUSAN R. PEDERSEN, husband and wife, as to an undivided one-half interest and STEPHEN R. COE and SHERYL M. COE, husband and wife, as to an undivided one-half interest, herein called Grantees, all that real property situated in the County of KLAMATH, State of Oregon, described as:

SEE LEGAL DESCRIPTION MARKED EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF AS THOUGH FULLY SET FORTH HEREIN.

and covenant(s) that grantor is the owner of the above described property free of all encumbrances except covenants, conditions, restrictions, reservations, rights, rights of way and easements of record, if any, and apparent upon the land, contracts and/or liens for irrigation and/or drainage

and will warrant and defend the same against all persons who may lawfully claim the same, except as shown above.

The true and actual consideration for this transfer is \$200,000.00.
 (here comply with the requirements of ORS 93.930)

De
SMC
SRP
KVP
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: November 4, 2004.

PHILLIPS FAMILY REVOCABLE LIVING TRUST

Wayne E. Phillips
 BY: WAYNE E. PHILLIPS, TRUSTEE

STATE OF OREGON, County of Klamath) ss.

On November 4, 2004, personally appeared the above named Wayne E. Phillips as Trustee of THE PHILLIPS FAMILY REVOCABLE LIVING TRUST.

This document is filed at the request of:



525 Main Street
 Klamath Falls, OR 97601
 Order No.: 00060104

Before me: *Marlene T. Addington*
 Notary Public for Oregon
 My commission expires: March 22, 2005

Official Seal

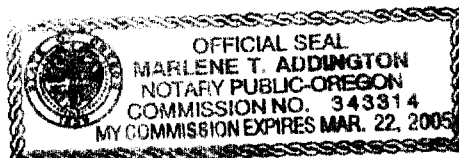


EXHIBIT A

76870

PARCEL 1:

Lots 14, 15, 16, and 17, Block 1, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

PARCEL 2:

Lots 18 and 19, Block 1, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.