

NOV 24 9:31 AM

mtc - 07647 TM

RETURN TO:  
Brandsness, Brandsness &  
Rudd, P.C.  
411 Pine Street  
Klamath Falls, OR 97601

MAIL TAX STATEMENTS:  
Klamath Cascade Group LLC  
2019 Edison  
Klamath Falls, OR 97603

Vol M04 Page 81277

State of Oregon, County of Klamath

Recorded 11/24/04 3:18 P m

Vol M04 Pg 81277-79

Linda Smith, County Clerk

Fec \$ 31 # of Pgs 3

- WARRANTY DEED -

South Valley Bank & Trust, an Oregon banking corporation, Grantor, conveys and warrants to Klamath Cascade Group LLC, an Oregon limited liability company, and Bob Stewart, as tenants in common, Grantee and Grantee's successors, the following described real property situate in Klamath County, Oregon, free of encumbrances except as specifically set forth herein:

See Exhibit "A" attached hereto and incorporated herein by reference.

Conveyance of this property is subject to the following deed restriction, which deed restriction shall run with the land:

1. Grantee and Grantee's successors shall indemnify, defend and save harmless Grantor from and against any suits, actions, legal or administrative proceedings, demands, claims, liabilities, fines, penalties, losses, injuries, damages, expenses or costs, including interest and attorney's fees, in any way connected with any injury to any person or damage to any property (including the cost of studies, surveys, clean-up and any other environmental claim expenses) or any loss to Grantor occasioned in any way by Hazardous Substances on the property or by the negligent or intentional activities of Grantee and Grantee's successors before, during or after Grantee and Grantee's successors' acquisition of the property.

2. This indemnity specifically includes the direct obligation of Grantee and Grantee's successors to perform any remedial or other activities required, ordered, recommended or requested by any agency, governmental official or third party, or otherwise necessary to avoid injury or liability to any person, or to prevent the spread of pollution, however it come to be located on the property (hereinafter, the "remedial work"). Grantee and Grantee's successors shall perform all remedial work in its own name and in accordance with Environmental Law.

3. Without waiving its rights hereunder, Seller may, at its option, perform the remedial work and thereafter seek reimbursement for the costs thereof. Grantee and Grantee's successors shall permit Grantor access to the site to perform the remedial work.

4. Whenever Grantor has incurred costs described in this section, the Grantee and Grantee's successors shall, within 10 days of receipt of notice thereof, reimburse Grantor for all such expenses together with interest from the date of expenditure at a rate of 9% per annum.

5. Without limiting its obligations under any other paragraph of this agreement, Grantee and Grantee's successors shall be solely and completely responsible for responding to and comply with any administrative notice, order, request or demand, or any third party claim or demand relating to potential or actual hazardous substances contamination on the premises. The responsibility conferred under this paragraph includes but is not limited to responding to such orders on behalf of Grantor and defending against any assertion of Grantor's financial responsibility or individual duty to perform under such orders. Grantee and Grantee's successors shall assume any liabilities or responsibilities which are assessed against Grantor in any action described under this paragraph.

6. Grantee and Grantee's successors hereby waives, releases and discharges forever Grantor from all present and future claims, demands, suits, legal and administrative proceedings and from all liability for damages, losses, costs, liabilities fees and expenses, present and future, known and unknown, arising out of or in any way connected with Grantor's use, maintenance, ownership or operation of the property, any condition of environmental contamination on the property, and/or the existence of Hazardous Substances in any state on the property, however they came to be placed there.

7. "Environmental Laws" shall mean the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Solid Waste Disposal Act or any comparable Federal or State Statutes or any regulation promulgated under any of such Federal or State Statutes relating to the protection of human health or the environment.

8. "Hazardous Substance" shall mean any and all hazardous or toxic substances, materials or wastes as defined or listed under the Environmental Laws.

SUBJECT TO AND EXCEPTING:

3/10 AM

(1) Klamath County ad valorem taxes.

(2) An easement created by instrument, subject to the terms and provisions thereof, dated September 15, 1919, recorded November 19, 1919, in Volume 50, page 615, Deed Records of Klamath County, Oregon, in favor of United States of America.

(3) An easement created by instrument, subject to the terms and provisions thereof dated August 24, 1925, recorded March 5, 1926, in Volume 69, page 346, Deed Records of Klamath County, Oregon, in favor of Klamath Telephone & Telegraph Co.

(4) An easement created by instrument, subject to the terms and provisions thereof dated January 4, 1930, recorded January 8, 1930, in Volume 88, page 462, Deed Records of Klamath County, Oregon, in favor of John T. Graham, et al.

(5) An easement created by instrument, subject to the terms and provisions thereof recorded November 29, 1935, in Volume 105, page 415, Deed Records of Klamath County, Oregon, amended February 2, 1940, recorded in Volume 127, page 44, Deed Records of Klamath County, Oregon, in favor of Graham J. T. et al.

The true and actual consideration for this transfer is \$60,000.00.

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.

Dated this 24 day of November, 2004.

SOUTH VALLEY BANK & TRUST

By

Name: William E. Castle  
Title: President

STATE OF OREGON )

) ss.

County of Klamath )

Personally appeared before me this 24 day of November, 2004, the above-named William E. Castle as President of South Valley Bank & Trust, and acknowledged the foregoing instrument to be its voluntary act.



K. Linville  
Notary Public for Oregon  
My Commission expires: 2-9-07

\*\*\*\*\*

KLAMATH CASCADE GROUP LLC

By

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF OREGON )

) ss.

County of Klamath )

Personally appeared before me this \_\_\_\_ day of \_\_\_\_\_, 2004, the above-named \_\_\_\_\_ as \_\_\_\_\_ of Klamath Cascade Group LLC, and acknowledged the foregoing instrument to be its voluntary act.

\_\_\_\_\_  
Notary Public for Oregon  
My Commission expires: \_\_\_\_\_

\*\*\*\*\*

\_\_\_\_\_  
Bob Stewart

STATE OF OREGON )

) ss.

County of Klamath )

Personally appeared before me this \_\_\_\_ day of \_\_\_\_\_, 2004, the above-named Bob Stewart, and acknowledged the foregoing instrument to be his voluntary act.

\_\_\_\_\_  
Notary Public for Oregon  
My Commission expires: \_\_\_\_\_

## Tract 1:

A parcel of land situated in Lots 1 and 5, Section 25, Township 37 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon, and being more particularly described as follows:

Beginning at an iron rod monument on the Westerly right of way line of Shady Pine Road (originally The Dalles-California Highway), said point being South 05 degrees 01' 49" West, 1,335.29 feet from a brass cap monument at the Northeast corner of said Section 25; thence South 87 degrees 54' 00" West, 374.83 feet to an iron rod monument on the East line of the relocated The Dalles-California Highway No. 97; thence North 02 degrees 06' 00" West, 176.87 feet along said East line to a point, said point being 35 feet distant Easterly from, when measured at right angles to the centerline of said Highway at Station 328+73.4; thence North 87 degrees 54' 00" East, 15.00 feet; thence North 02 degrees 06' 00" West, parallel with and 50 feet distant from the centerline of said relocated highway, a distance of 50.95 feet to the Southwest corner of that property described in Volume M82 at Page 7839, Deed Records of Klamath County, Oregon; thence North 68 degrees 37' 20" East, along the South line of that property described in said Volume M82 at Page 7839, a distance of 223.35 feet, more or less, to the Westerly right of way line of said Shady Pine Road; thence Southeasterly along said Westerly right of way to the point of beginning.

## Tract 2:

A piece or parcel of land situated in the NE1/4 of Section 25, Township 37 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon, and being more particularly described as follows:

Beginning at an iron pipe on the Easterly right of way line of State Highway No. U.S. 97, as the same is presently located and constructed on the ground; from which the monument marking the meander corner common to Section 25, Township 37 South, Range 8 East of the Willamette Meridian and Section 30, Township 37 South, Range 9 East of the Willamette Meridian bears South 51 degrees 02-3/4' East 628.9 feet distant (said point of beginning being also 50.0 feet distant from when measured at right angles to, Station 329/24.3 of the centerline of said Highway No. 97); thence North 69 degrees 12-1/3' East 230.0 feet, more or less, to the Westerly right of way of the County Road (Old Highway No. 97), which point is 30.0 feet from, when measured at right angles to, the centerline of said County Road, and from which point an iron pipe reference monument bears North 69 degrees 12-1/3' East 10.0 feet distant; thence following the said Westerly right of way line of said County Road in a Northerly and Westerly direction to its intersection with the Easterly right of way line of said State Highway No. U.S. 97; thence Southerly and Easterly along the said Easterly right of way line of said State Highway to the point of beginning. The basis of bearings for the above description being South 1 degree 31' East for the centerline of the said State Highway from the said Station 329/24.3 Southerly.

EXCEPTING THEREFROM any portion lying within the State Highway right of way.