AFTER RECORDING RETURN TO:

Michael Ratliff 905 Main Street, Ste 20 Klamath Falls OR 97601

GRANTOR'S NAME AND ADDRESS:

Joseph J. Bair, Individually; Joseph J. Bair and Mary Ellen Bair, H&W 9743 Spring Lake Road Klamath Falls, OR 97603

GRANTEE'S NAME AND ADDRES:

Edward Thomas Bair and Virginia Lee Bair, H&W 8728 Spring Lake Road Klamath Falls, OR 97603

SEND TAX STATEMENTS TO:

Edward Thomas Bair and Virginia Lee Bair 8728 Spring Lake Road Klamath Falls, OR 97603

ATE-62284 AF

WARRANTY DEED

M05-68115

Klamath County, Oregon

Pages 2 Fee: \$26.00

11/02/2005 11:40:49 AM

KNOW ALL MEN BY THESE PRESENTS, That JOSEPH J. BAIR, individually, and JOSEPH J. BAIR, aka JOE J. BAIR, and MARY ELLEN BAIR, Husband and Wife, hereinafter called the grantor, for the consideration hereinafter stated, to grantor paid by EDWARD THOMAS BAIR and VIRGINIA LEE BAIR, Husband and Wife, hereinafter called the grantee, does hereby grant, bargain, sell and convey unto the grantee and grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or in any way appertaining, situated in the County of Klamath, State of Oregon, described as follows, to-wit:

PARCEL 1:

The NE¼NW¼ and NW¼NW¼ of Section 35, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

LESS AND EXCEPT that portions lying Northeast of the Modoc Northern Railway, and the portions deeded to the United States of America in Deed Volume 35, Page 457, dated January 1, 1912, for the Lost River Diversion Channel.

PARCEL 2:

The SE¼NW¼ and all of the SW¼NW¼, Section 35, Township 39 South, Range 9 East of the Willamette Meridian;

LESS AND EXCEPT the Westerly 36 acres of the S½NW¼, and that portion in Deed Volume M-85, Page 7700.

PARCEL 3:

Tract 13, 400 SUBDIVISION, according to the official plat thereon on file in the office of the Clerk of Klamath County, Oregon.

SUBJECT TO: Reservations and restrictions of record; rights of way and easements of record and those apparent upon the land; contracts and/or liens for irrigation and/or drainage.

TO HAVE AND TO HOLD THE SAME unto the grantee and grantee's heirs, successors and assigns forever.

AND GRANTOR HEREBY COVENANTS to and with grantee and grantee's heirs, successors and assigns, that grantor is lawfully seized in fee simple of the above-granted premises, free from all encumbrances except (none), and that grantor will warrant and forever defend the premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, except those claiming under the above-described encumbrances.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$150,000.00.

VL



In construing this deed, where the context so requires, the singular includes the plural and all grammatical changes shall be made so that this deed shall apply equally to corporations and to individuals. IN WITNESS WHEREOF, the grantor has executed this instrument this _____ day of , 2005; if a corporate grantor, 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 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.** STATE OF OREGON; County of Klamath) ss. THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME this _____, 2005, by Joseph J. Bair, aka Joe J. Bair, and Mary Ellen Bair. NOTAŘY PUBLIC FOR OREGO OFFICIAL SEAL ADRIEN FLEEK ARY PUBLIC-OREGI My Commission expires: