



mtc-73876 LW
THIS SPACE RESEF

M06-10518
Klamath County, Oregon
05/24/2006 02:23:42 PM
Pages 5 Fee: \$41.00

After recording return to:

PERRY WELKER

7508 Steens Drive

Klamath Falls, OR 97601

Until a change is requested all

tax statements shall be sent to

The following address:

PERRY WELKER

7508 Steens Drive

Klamath Falls, OR 97601

Escrow No. MT73876-LW

Title No. 0073876

SWD

STATUTORY WARRANTY DEED

ALBERT CHANCELLOR and JANET CHANCELLOR, as tenants by the entirety, Grantor(s) hereby convey and warrant to **PERRY WELKER**, Grantee(s) the following described real property in the County of **KLAMATH** and State of Oregon free of encumbrances except as specifically set forth herein:

The SW1/4 of the SE1/4 of Section 6, and the NW1/4 of the NE1/4 of Section 7, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING THEREFROM a 60 foot roadway in the SW1/4 of the SE1/4 of Section 6, deeded to Klamath County in Deed Volume 131, page 585, Deed Records of Klamath County, Oregon.

ALSO EXCEPTING THEREFROM a strip of land deeded to the State of Oregon by and through its State Highway Commission, in Volume M68, page 6481, Microfilm Records of Klamath County, Oregon.

Tax Account No: 3909-00600-01100-000

Key No: 535068

Tax Account No: 3909-00700-00200-000

Key No: 535291

The above-described property is free of encumbrances except all those items of record, if any, as of the date of this deed and those shown below, if any:

The true and actual consideration for this conveyance is **per attached agreement**

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER CHAPTER 1, OREGON LAWS 2005 (BALLOT MEASURE 37 (2004)). THIS INSTRUMENT DOES 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 AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY UNDER CHAPTER 1, OREGON LAWS 2005 (BALLOT MEASURE 37 (2004)).

41.00

Dated this 10th day of May, 2006

Albert Chancellor
ALBERT CHANCELLOR

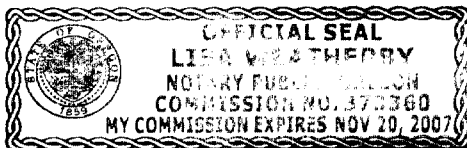
Janet Chancellor
JANET CHANCELLOR

State of Oregon
County of Klamath

This instrument was acknowledged before me on May 10, 2006 by ALBERT CHANCELLOR and JANET CHANCELLOR.

Lisa Weatherby
(Notary Public)

My commission expires 11/20/07



AGREEMENT

THIS AGREEMENT is made and entered on the dates indicated below by and between:

- A. Perry and Paulette Welker, hereinafter referred to as "Buyers," and
- B. Albert and Janet Chancellor, hereinafter referred to as "Sellers."

RECITALS

WHEREAS, Sellers are the owners of certain property located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 6 and the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 7, Township 39 south, Range 9, E.W.M. and

WHEREAS, Buyers are developing a destination resort on their property and on the property of the Sellers and wish to memorialize the agreements between the parties;

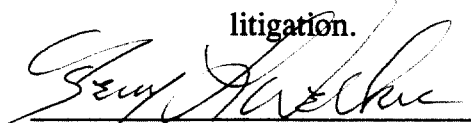
AGREEMENT

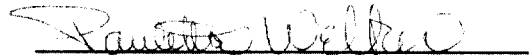
NOW, THEREFORE, IT IS HEREBY AGREED:

1. Sellers agree to transfer to the Buyers their property described above upon approval by Klamath County of Buyers' Destination Resort;
2. Buyers shall subsequently transfer to Sellers twelve (12) lots in their Destination Resort, which lots shall be located in any of the property transferred by the Sellers. The Sellers shall have their choice of which twelve (12) lots that they will receive; provided, however, that they shall be selected in a block of twelve (12) with six (6) lots on one side of a road and the other six (6) lots immediately across the same road.
3. Sellers hereby authorize Buyers to include their property in the application for a Destination Resort and agree to cooperate fully with that application.
4. Should the Destination Resort not be established, this agreement shall be

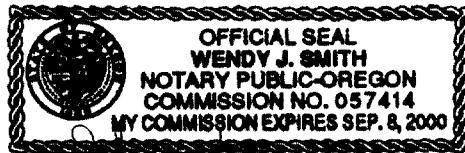
voidable by the parties.


5. Should either party initiate litigation to enforce this agreement, the prevailing party shall be entitled to recover their reasonable attorney fees and costs of the litigation.



Perry Welker



Pauletta Welker

SUBSCRIBED AND SWORN TO BEFORE ME by Perry Welker and Pauletta Welker
this 24 day of October, 1996.

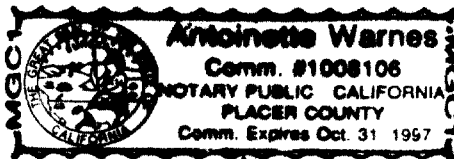




Albert Chancellor


Notary Public for Oregon


Janet Chancellor

SUBSCRIBED AND SWORN TO BEFORE ME by Janet Chancellor and
Albert Chancellor ^{By} pro, this 25th day of October, 1996.




Notary Public for Sacramento Bank
My Commission Expires: 10/31/97

Property being purchased by Welker

The SW1/4 of the SE1/4 of Section 6, and the NW1/4 of the NE1/4 of Section 7, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

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