

**M06-14100**

Klamath County, Oregon

07/13/2006 11:18:55 AM

Pages 2 Fee: \$26.00

MT71966-LW

After recording return to:

Merrill V. Ito and Holly L. Ito, Trustees, and
Successor Trustees, udt dtd 12/19/91C/O American Exchange Services Inc. P.O. Box
652

Salem, OR 97308

Until a change is requested all
tax statements shall be sent to
The following address:Merrill V. Ito and Holly L. Ito, Trustees, and
Successor Trustees, udt dtd 12/19/91C/O American Exchange Services Inc. P.O. Box
652

Salem, OR 97308

Escrow No. MT71966-LW

Title No. 0071966

SWP

STATUTORY WARRANTY DEED

The Pennbrook Company, an Oregon Corporation, Grantor(s) hereby convey and warrant to **Ito Exchange WX060702, LLC, an Oregon limited liability Company**, 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:

Lot 1271, Tract 1443, a replat of Lots 595-602, 604-605, Falcon Drive and Red Tail Drive of Tract 1340, Running Y Resort Phase 7, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Tax Account No: 3808-009DD-03100-000

Key No: 891622

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:
2006-2007 Real Property Taxes a lien not yet due and payable.

The true and actual consideration for this conveyance is **PURSUANT TO AN IRC 1031 TAX DEFERRED EXCHANGE ON BEHALF OF GRANTOR/GRANTEE.**

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 197.352. 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 ORS 197.352.

26

Dated this 10 day of July, 2006

The Pennbrook Company

BY: [Signature]

State of Oregon

County of ~~KEWEE~~ DESCHUTES

This instrument was acknowledged before me on July 10, 2006 by Holly Polis as Secretary of The Pennbrook Company.

[Signature: Laurie Jo Kendall]
(Notary Public for Oregon)

My commission expires 3-12-2010

