

MTC 77824-KR

Grantor's Name and Address:
Extendicare Homes, Inc.
111 West Michigan Street
Milwaukee, WI 53203

Grantee's Name and Address:
Klamath County
305 Main Street
Klamath Falls, OR 97601

After recording return to:
W. Daniel Bunch
Office of County Counsel
305 Main Street
Klamath Falls, OR 97601

Until requested otherwise,
send all tax statements to:
Klamath County
305 Main Street
Klamath Falls, OR 97601

2006-025564

Klamath County, Oregon



12/29/2006 11:43:16 AM

Fee: \$36.00

Space Above Reserved for Recorder's Use

SPECIAL WARRANTY DEED

(Corporate Grantor)

Extendicare Homes, Inc., f/k/a Unicare Homes, Inc., a Delaware corporation, 111 West Michigan Street, Milwaukee, Wisconsin 53203, Grantor, conveys and specially warrants to **Klamath County**, a political subdivision of the State of Oregon, 305 Main Street, Klamath Falls, Oregon, Grantee, the real property described on Exhibit A attached hereto (the "Property") free of encumbrances created or suffered by the Grantor except as specifically set forth on Exhibit B attached hereto and incorporated by reference herein.

The true consideration for this conveyance is Eight Hundred Thousand and 00/100 Dollars (\$800,000.00).

Dated as of the 29th day of December, 2006.

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.

EXTENDICARE HOMES, INC., a Delaware corporation

By: Roch Carter, VP
Roch Carter
Vice President and General Counsel

(OR, Klamath Regional Rehabilitation Center #260) Page 1
QBMKE6018092.1

36.00

State of Wisconsin)
) ss.
County of Milwaukee)

This instrument was acknowledged before me on December 28, 2006 by Roch Carter, as the Vice President and General Counsel of **Extendicare Homes, Inc.**, a Delaware corporation

Lois Mytas
Notary Public for Wisconsin

My commission expires: 10/3/10

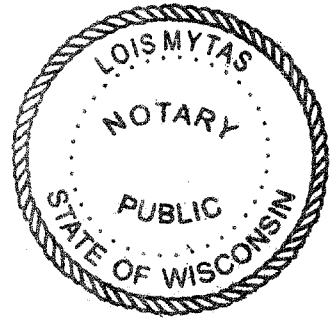


EXHIBIT A

LEGAL DESCRIPTION

A tract of land situated in Tract 40C, ENTERPRISE TRACTS, in the SW1/4 NW1/4 of Section 34, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a one-half inch iron pin on the Easterly right of way line of Washburn Way, said point being North 00° 20' 00" East along the centerline of Washburn Way and along the West line of said Section 34, a distance of 332.19 feet and South 89° 33' 03" East a distance of 30.00 feet from the 5/8 inch iron pin marking the Westerly quarter corner of said Section 34; thence North 00° 20' 00" East along the Easterly right of way line of Washburn Way a distance of 285.00 feet to a one-half inch iron pin; thence South 89° 33' 03" East parallel with the North line of "Mills Gardens" subdivision a distance of 472.43 feet to a one-half inch iron pin; thence continuing South 89° 33' 03" East a distance of 29 feet, more or less, to the Westerly right of way line of the U.S.B.R. "A" Canal; thence Southeasterly along said Westerly line to the North line of "Mills Gardens" subdivision; thence North 89° 33' 03" West along the Northerly line of "Mills Gardens" subdivision (South 89° 45' West by said subdivision plat) a distance of 20.96 feet, more or less, to a two inch iron pipe; thence continuing North 89° 33' 03" West along said subdivision line a distance of 606.40 feet to the point of beginning.

EXHIBIT B

PERMITTED ENCUMBRANCES

1. Real property taxes which constitute a lien on the Property and which are not yet due and payable.
2. The statutory powers of the South Suburban Sanitary District.
3. The statutory powers of the Klamath Irrigation District.
4. The terms and conditions of the Reclamation Extension Act.
5. The reservations and restrictions contained in the plat of Enterprise Tracts.
6. The terms and conditions of the agreement dated January 9, 1962 recorded at volume 335, page 83, Deed Records of Klamath County, Oregon.
7. The easement created by instrument dated April 13, 1968 and recorded at M68, page 3092, Microfilm Records of Klamath County, Oregon in favor of Fred A. Lewis, et ux, et al.
8. The right of way dated December 16, 1970 recorded April 13, 1971 at volume M71, page 3173, Microfilm Records of Klamath County, Oregon.
9. Right of way dated and recorded July 23, 1982 at volume M82, page 9447, Microfilm Records, Klamath County, Oregon.
10. All covenants, conditions, restrictions, reservations, rights, rights of way, easements, encumbrances, liens and title matters of record or which would be discovered by an accurate real estate survey or physical inspection of the Property as of the date hereof.
11. Unpatented mining claims whether or not shown by the public records.
12. Easements, or claims of easement, not shown by the public records; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.