James C. Lewis Grantor's Name and Address David L. Blair 11480 Hwy 39 Klamath Falls, OR 97603 Grantee's Name and Address After recording return to: David L. Blair 11480 Hwy 39 Klamath Falls, OR 97603 Until a change is requested all tax statements shall be sent to the following address: David L. Blair 11480 Hwy 39 Klamath Falls, OR 97603 MT82539-TM Escrow No.

BSD

2008-009544 Klamath County, Oregon

06/30/2008 03:40:25 PM

Fee: \$26.00

BARGAIN AND SALE DEED

THIS SPACE

KNOW ALL MEN BY THESE PRESENTS, That James C. Lewis and Mary F. Lewis, as tenants by the entirety, hereinafter called grantor, for the consideration hereinafter stated, does hereby grant, bargain, sell and convey unto David L. Blair and Laura A. Blair, as tenants by the entirety, hereinafter called grantee, and unto grantee's heirs, successors and assigns all of that certain real property with the tenements, hereditaments and appurtenances thereunto belonging or in anyway appertaining, situated in the County of Klamath, State of Oregon, described as follows, to wit:

SEE ATTACHED EXHIBIT "A"

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. 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 THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, 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 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

To Have and to Hold the same unto grantee and grantee's heirs, successors and assigns forever.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$95,000.00.

However, the actual consideration consists of or includes other property or value given or promised which is the whole / part of the consideration.

In Witness Whereof, the grantor has executed this instrument this 2 day of , 2008; 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.

ames C. Lewis

2

Mary F. Lewis

State of Oregon County of Klamath

This instrument was acknowledged before me on

NOTARY PUBLIC- OREGON COMMISSION NO. 400305 MY COMMISSION EXPIRES DEC 17, 2009

OFFICIAL SEAL T MC DANIEL

2008 by James C. Lewis and Mary F. Lewis.

(Notary Public for Oregon)

My commission expires 17/17/0°

2011

EXHIBIT "A" LEGAL DESCRIPTION

PARCEL 1:

A tract of land situated in Section 1, Township 40 South, Range 9 East of the Willamette Meridian more particularly described as follows:

Beginning at the intersection of the North-South center line of said Section 1 and the Easterly right of way line of the Southern Pacific Railroad Company Right of Way; thence North along said center line to the South line of Government Lot 3 in said Section 1; thence West along the South line of said Lot to the Southeasterly Right of Way Line of the 1-B Drain as now located; thence Southwesterly along said 1-B Drain Right of Way to the Northeasterly Right of Way line of the Southern Pacific Railroad Company Right of Way; thence Southeasterly along said Right of Way to the point of beginning.

PARCEL 2:

N1/2 S1/2 NE1/4 of Section 1, Township 40 South, Range 9 East of the Willamette Meridian, saving and excepting therefrom the following:

A piece or parcel of the E1/2 N1/2 S1/2 NE1/4 of Section 1, Township 40 South, Range 9 East of the Willamette Meridian, described as follows:

Beginning at a point in the Section line marking the Easterly boundary of the said Section 1, 1151.8 feet Northerly from the quarter section corner of the said Easterly boundary of said Section 1; thence Westerly parallel with the East and West center line of said Section 1, 307 feet, more or less, to a point in the center of an irrigation ditch; thence Northerly along said ditch 148.2 feet, more or less, to a point in the Southerly boundary of the right of way of the U.S. Bureau of Reclamation lateral canal; thence Easterly along the said right of way boundary, 307 feet, more or less, to a point in said section line, marking the Easterly boundary of said Section 1; thence South along the said section line 148.2 feet, more or less, to the said point of beginning.

EXCEPT ANY PORTION THEREOF lying within the boundaries of Highway 39 (Klamath Falls-Malin Road).