



THIS SPACE RESERVED

2008-013402
Klamath County, Oregon



09/26/2008 03:20:59 PM

Fee: \$26.00

After recording return to:

Knoll Ranch, LLC, an Oregon limited liability
company

5429 Reeder Road

Klamath Falls, OR 97603

Until a change is requested all tax statements
shall be sent to the following address:

Knoll Ranch, LLC, an Oregon limited liability
company

5429 Reeder Road

Klamath Falls, OR 97603

Escrow No. MT82409-KR

Title No. 0082409

SWD

STATUTORY WARRANTY DEED

Karl Scronce, also know as Karl D. Scronce, Grantor(s) hereby convey and warrant to **Knoll Ranch, 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:

SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE

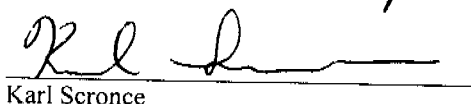
The above-described property is free of encumbrances except all those items of record, if any, as of the date of this deed and those shown below, if any:

2008-2009 Real Property Taxes a lien not yet due and payable.

The true and actual consideration for this conveyance is **\$2,000,000.00**.

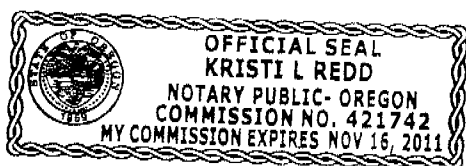
BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS 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.

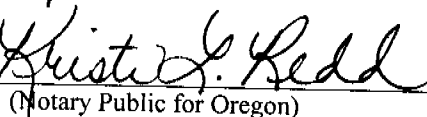
Dated this 26th day of September, 2008.


Karl Scronce

State of Oregon
County of KLAMATH

This instrument was acknowledged before me on Sept. 26, 2008 by Karl Scronce.




(Notary Public for Oregon)

My commission expires 11/16/2011

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EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

In Township 37 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

Section 12: Government Lot 4;

Section 13: Government Lot 1, N1/2 of Lot 2, NE1/4 NE1/4, N1/2 SE1/4 NE1/4;

EXCEPT those portions of the above described properties heretofore conveyed to the State of Oregon for highway purposes in Deed Volume 224, page 139, Deed Records of Klamath County, Oregon.

ALSO EXCEPTING those portions of the above described properties heretofore conveyed to the Oregon Eastern Railway Company, an Oregon Corporation, for railroad right-of-way in Deed Volume 26, page 396, Deed Records of Klamath County, Oregon.

PARCEL 2:

In Township 37 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

Section 7: Government Lot 4, SE1/4 SW1/4,

Section 18: N1/2 NW1/4, Portions of the S1/2 NW1/4, more particularly described as follows:

Beginning at the Northeast corner of the SE1/4 NW1/4 of Section 18; thence Southwesterly along the center of the dredger cut to a point 10 chains North of the quarter section corner on the West line of said Section 18; thence North to the Northwest corner of SW1/4 NW1/4 of said Section 18, thence East along the North line of the S1/2 NW1/4 of Section 18 to the place of beginning.

EXCEPTING THEREFROM any portion laying in Algoma Road.

PARCEL 3:

Government Lots 5, 6 and 7; the SE1/4 SW1/4 and that portion of the NE1/4 SW1/4 lying West of the State Highway, all in Section 6. Government Lots 1, 2 and 3 and the E1/2 NW1/4 and the NE1/4 SW1/4 of Section 7, All in Township 37 South Range 9 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING THEREFROM that portion conveyed to the State of Oregon by and through its State Highway Commission recorded May 14, 1948 in Volume 220, page 395 and recorded March 28, 1950 in Volume 237, page 565, all in Deed Records of Klamath County, Oregon.

EXCEPTING THEREFROM that portion lying in Government Lots 5 and 6 in Section 6, Township 37 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, conveyed to the State of Oregon by and through its Department of Transportation recorded July 29, 2004 in Volume M04, page 49556, Microfilm Records of Klamath County, Oregon.

ALSO EXCEPTING THEREFROM any portion laying in Algoma Road.

PARCEL 4:

Government Lot 1 in Section 1 and Government Lots 1, 2 and 3 of Section 12, all in Township 37 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING THEREFROM that portion conveyed to the State of Oregon by and through its State Highway Commission recorded May 14, 1948 in Volume 220, page 395 and recorded March 28, 1950 in Volume 237, page 565, all in Deed Records of Klamath County, Oregon.

PARCEL 5:

That portion of the NE1/4 SW1/4 of Section 6, Township 37 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, lying Northeasterly of the old The Dalles-California Highway, now known as Algoma Road.