

WTC 91886-KR

2011-013079

Klamath County, Oregon



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11/23/2011 10:57:32 AM

Fee: \$67.00

AFTER RECORDING RETURN TO:

Columbia Plywood Corporation

Attn: Mark Slezak

4949 Hwy 97 S

Klamath Falls, OR 97601

UNTIL A CHANGE IS REQUESTED, ALL TAX  
STATEMENTS SHALL BE SENT TO:

RLF Klamath Properties, LLC

Attn: Justin Ersch

619 N. Cascade Ave., Suite 200

Colorado Springs, CO 80903

**STATUTORY SPECIAL WARRANTY DEED  
(Timber Deed)**

**RLF Klamath Properties, LLC**, a Colorado limited liability company ("**Grantor**"), conveys and specially warrants to **COLUMBIA PLYWOOD CORPORATION**, a North Carolina corporation ("**Grantee**"), \$1,920,000 in timber value (the "**Covered Timber**") out of all timber standing, growing, lying or being on the real property located in Klamath County, Oregon, described on the attached **Exhibit A** (the "**Property**"), free of all liens and encumbrances created or suffered by Grantor except as specifically set forth on **Exhibit B** attached hereto.

The true consideration for this conveyance is \$1,920,000.

Grantee shall have until December 31, 2012 (the "**Termination Date**") to cut and remove the Covered Timber, as described more particularly in that certain Timber Purchase and Sale Agreement by and between Grantor, as seller, and Grantee, as buyer, dated as of November 17, 2011 (the "**Agreement**"). The timber value will be determined in accordance with the value allocated to species and sizes set forth in the Agreement. On the Termination Date, all right, title and interest in and to the Covered Timber, shall revert automatically to Grantor, its successors and assigns, without the requirement of notice, deed or any other action; and all timber standing, growing, lying or being on the Property shall belong to Grantor, its successors and assigns; provided, however, that in the event that Grantee's harvest or removal of the Covered Timber is delayed pursuant to the Agreement, the Termination Date may be extended by written agreement of Grantor and Grantee, which shall be evidenced by recording an extension in the real property records of Klamath County, Oregon, on or before the Termination Date.

Grantee shall not have the right to sell, transfer, convey, or encumber the Covered Timber, or any rights therein, without Grantor's written consent and agreement. This Deed is subject to all

67921

the terms and conditions stated in the Agreement, all of which shall survive the execution and delivery of this Deed.

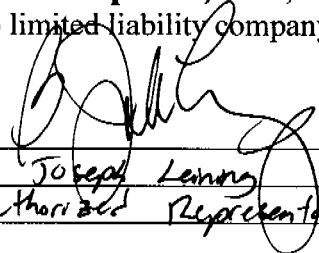
To the extent necessary, Grantee may use the road system on the Property and construct and improve the same for the purposes referenced above. Grantee shall abide by all laws applicable to its activities on the Property, except, however, Grantor shall pay all timber severance taxes that arise by virtue of the cutting and removal of Covered Timber from the Property.

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, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009. 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, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009.

DATED as of November 18, 2011.

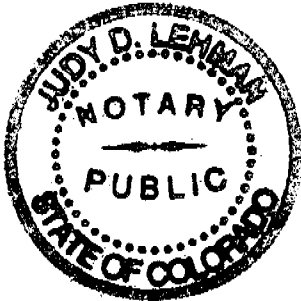
IN WITNESS WHEREOF, the Grantor executed this Statutory Special Warranty Deed as of the date first above written.

**RLF Klamath Properties, LLC,**  
a Colorado limited liability company

By:   
Name: B. Joseph Leming  
Title: Authorized Representative

STATE OF COLORADO )  
County of EL PASO )ss.

The foregoing instrument is acknowledged before me this 17<sup>th</sup> day of November, 2011, by B JOSEPH LEININGER as AUTHORIZED REPRESENTATIVE of RLF Klamath Properties, LLC, a Colorado limited liability company, on behalf of the limited liability company.



Judy D. Lehman  
Notary Public for EL PASO COUNTY  
My commission expires: 11-15-2012

## **EXHIBIT A**

### **Description of Property**

#### **2012 Collateral**

##### **Parcel 1 (Whiteline)**

Township 37 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon

Section 6: Government Lots 2, 3, 4, 5, 6, 7 and 9; SE  $\frac{1}{4}$  NW  $\frac{1}{4}$ ; S  $\frac{1}{2}$  NE  $\frac{1}{4}$ ; E  $\frac{1}{2}$  SW  $\frac{1}{4}$ ; SE  $\frac{1}{4}$

Section 18: Government Lots 1, 2, 3 and 4; E  $\frac{1}{2}$  NW  $\frac{1}{4}$ ; NE  $\frac{1}{4}$  SW  $\frac{1}{4}$ ; W  $\frac{1}{2}$  NW  $\frac{1}{4}$  SE  $\frac{1}{4}$ ; W  $\frac{1}{2}$  W  $\frac{1}{2}$  NE  $\frac{1}{4}$

##### **Parcel 2 (Whiteline)**

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

Section 4: Government Lots 1, 2, 3 and 4; S  $\frac{1}{2}$  N  $\frac{1}{2}$ ; N  $\frac{1}{2}$  SW  $\frac{1}{4}$ ; SE  $\frac{1}{4}$  SW  $\frac{1}{4}$ ; SE  $\frac{1}{4}$ ; SW  $\frac{1}{4}$

Section 11: All

Section 12: All

##### **Parcel 3 (Chapman)**

Township 37 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon

Section 1: Government Lots 1, 2, 3 and 4; S  $\frac{1}{2}$  N  $\frac{1}{2}$ ; S  $\frac{1}{2}$

Section 2: Government Lots 1, 2, 3 and 4; S  $\frac{1}{2}$  N  $\frac{1}{2}$ ; S  $\frac{1}{2}$

Section 13: N  $\frac{1}{2}$ ; NE  $\frac{1}{4}$  SW  $\frac{1}{4}$ ; SE  $\frac{1}{4}$

##### **Parcel 4 (Chapman)**

Township 37 South, Range 11.5 East of the Willamette Meridian, Klamath County, Oregon

Section 8: All; EXCEPTING therefrom that portion within the O C & E Railroad right of way

## **EXHIBIT B**

### **Title Exceptions**

#### **THE FOLLOWING AFFECT ALL PARCELS**

1. Taxes for the fiscal year 2011-2012, a lien now due and payable.
2. The assessment roll and the tax roll disclose that the premises herein described have been specially assessed as Farm Use Land. If the land becomes disqualified for the special assessment under the statute, an additional tax may be levied; in addition thereto a penalty may be levied if notice of disqualification is not timely given.
3. The assessment roll and the tax roll disclose that the premises herein described have been specially assessed as Forest Use Land. If the land becomes disqualified for the special assessment under the statute, an additional tax may be levied; in addition thereto a penalty may be levied if notice of disqualification is not timely given.
4. The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of Klamath Lake Timber Fire Patrol.
5. The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of Klamath Lake Grazing Fire Patrol.
6. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.

#### **THE FOLLOWING AFFECT PARCELS 1 and 2 (WHITELINE)**

7. Reservations and Restrictions as contained in Deed, subject to the terms and provisions thereof, recorded July 6, 1916 in Book 32, page 131, Deed Records of Klamath County, Oregon. (Affects W1/2 SW1/4, S1/2 NW1/4 Section 18, Township 37, Range 10)
8. Reservations and Restrictions as contained in Deed, subject to the terms and provisions thereof, recorded November 18, 1912 in Book 32, page 298, Deed Records of Klamath County, Oregon. (Affects the W1/2 SW1/4, NE1/4 SW1/4, Section 7, NW1/4 NW1/4 Section 18, Township 37, Range 10)
9. Reservation of Mineral Rights, subject to the terms and provisions thereof;  
Dated: February 1, 1957  
Recorded: April 15, 1957  
Volume: 291, page 214, Deed Records of Klamath County, Oregon  
(Affects a portion of Townships 37 and 38, Range 9 and Township 37, Range 10)
10. An easement created by instrument, subject to the terms and provisions thereof,

Dated: June 12, 1980  
Recorded: July 11, 1980  
Volume: M80, page 12836, Microfilm Records of Klamath County, Oregon  
In favor of: United States of America  
For: Roadway  
(Affects N1/2 Government Lot 3, Section 6, Township 37, Range 10)

11. An easement as set out in Warranty Deed in which Jespersen-Edgewood, Inc., an Oregon corporation conveys to Michael C. Matwich, et ux in Deed Volume M81 page 15614, Microfilm Records of Klamath County, Oregon as follows:

An easement for use of the domestic water well which provides water for the residence as well as a right of ingress and egress for necessary repair. Repair and maintenance of the pump and well to be the sole responsibility of Grantee. The said domestic water well located on the S1/4 NE1/4, Section 18, Township 37 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

12. Reservations in Bargain and Sale Deed, subject to the terms and provisions thereof, recorded January 9, 1992 in Volume M92, page 455, as follows:

"EXCEPTING from said conveyance all ores, base and precious metals, coal, oil, gas, other liquid or gaseous hydrocarbons, minerals, and mineral bearing substances of every kind and character, hereinafter referred to as "Mineral Interests," now known to exist or hereafter discovered in the Property, but not including common rock, sand, gravel, cinders, or clay commonly used for road construction purposes; and SUBJECT TO use of the surface and subsurface of the Property by owners of such mineral interest in connection with exploration for, extraction, treatment, development, and disposition of such mineral interest."

13. Reservations as contained in Deed, subject to the terms and provisions thereof;

Dated: August 27, 1996  
Recorded: August 30, 1996  
Volume: M96, page 26858, Microfilm Records of Klamath County, Oregon  
Grantor: Weyerhaeuser Company  
Grantee: U.S. Timberlands Klamath Falls, L.L.C.

14. Reservations as contained in Patent recorded in Volume M98, page 1322, Microfilm Records of Klamath County, Oregon.

#### **THE FOLLOWING AFFECT PARCELS 3 and 4 (CHAPMAN)**

15. Right, title and interest of Emile Egert in and to E1/2 SE1/4 and SE1/4 NE1/4 of Section 8, Township 37 South, Range 11 1/2 East as disclosed by that certain patent to Archibald Y. Tindall, recorded in Book 32, page 410, Deed Records of Klamath County Oregon which recites in part: The E1/2 SE1/4 and the SE1/4 NE1/4 of Section 8, Township 37 South, Range 11 1/2 East of the Willamette Meridian are subject to all rights under an application

by Emile Egert, approved September 2, 1905 under the Act of March 3, 1981, being an application for a reservoir site."

16. Reservations, restrictions and easements as contained in Deed from Big Lakes Box Company to Isaac Loe, et al, recorded December 6, 1929 in Volume 88, page 347, Deed Records of Klamath County, Oregon.  
Affects: Portions of Sections 8 and 9, Township 37 South, Range 11 1/2 East of the Willamette Meridian.
17. Right of Way Deed, subject to the terms and provisions thereof;  
Recorded: October 25, 1930  
Volume: 93 page 167, Deed Records of Klamath County, Oregon  
In favor of: Oregon California & Eastern Railway Company  
Affects: E1/2 NE1/4 Section 8, SW1/4 NW1/4 Section 9, W1/2 SW1/4 Section 9, SE1/4 NE1/4 Section 16, Township 37 South, Range 11 1/2 East of the Willamette Meridian.
18. Reservations, restrictions and easements as contained in Deed from Isaac Loe and George Loe to Charles C. Crawford, recorded October 23, 1933 in Volume 101, page 554, Deed Records of Klamath County, Oregon.  
Affects: Sections 7, 8, 10, 15, 16, 18, 20, 21, 22, 23, 26, 27, 28 and 29, Township 37 South, Range 11 1/2 East of the Willamette Meridian.

THE FOLLOWING AFFECT CHAPMAN SULLIVAN - EAST (Property 400)

19. Reservations, restrictions and easements as contained in Deed from Isaac Loe and George Loe to Charles C. Crawford, recorded October 23, 1933 in Volume 101, page 554, Deed Records of Klamath County, Oregon. Affects: Sections 7, 8, 10, 15, 16, 18, 20, 21, 22, 23, 26, 27, 28 and 29, Township 37 South, Range 11 1/2 East of the Willamette Meridian.