



THIS SPACE RESERVED FOR RECORDER'S USE

**2014-002826**

**Klamath County, Oregon**

**04/01/2014 02:25:33 PM**

**Fee: \$72.00**

After recording return to:

Drost Land Company, LLC, a Texas Limited  
Liability Company

24624 Schaup Road

Klamath Falls, OR 97603

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

Drost Land Company, LLC, a Texas Limited  
Liability Company

24624 Schaup Road

Klamath Falls, OR 97603

Escrow No. MT99966-CT

Title No. 0099966

SPECIAL r.020212

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**SPECIAL WARRANTY DEED**

**Highland Properties 1713 LLC, a Colorado Limited Liability Company,**

Grantor(s) hereby conveys and specially warrants to

**Drost Land Company, LLC, a Texas Limited Liability Company,**

Grantee(s) and grantee's heirs, successors and assigns the following described real property free of encumbrances created or suffered by the Grantor, except as specifically set forth herein, situated in the County of **KLAMATH** and State of Oregon, to wit:

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

The true and actual consideration for this conveyance is **\$3,500,000.00**.

Grantor is lawfully seized in fee simple on the above granted premises and SUBJECT TO: all those items of record, if any, as of the date of this deed and those shown below, if any:

**SEE EXHIBIT "B"**

and the grantor will warrant and forever defend the said premises and every part and parcel thereof against the lawful claims and demands of all persons claiming by, through, or under the grantor except those claiming under the above described encumbrances.

*72amt*

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, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. 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, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

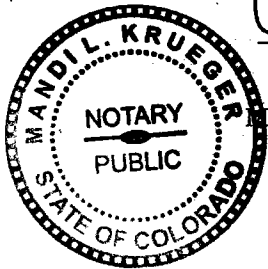
Dated this 28<sup>th</sup> day of March, 2014

Highland Properties 1713 LLC, a Colorado Limited Liability  
Company

By:   
Carol R. Croft, Operating Manager

State of Colorado  
County of Boulder

This instrument was acknowledged before me on march 28, 2014 by Carol R. Croft, Operating Manager for Highland Properties 1713 LLC, a Colorado Limited Liability Company.



  
(Notary Public)

My commission expires 2/3/16

**EXHIBIT "A" LEGAL DESCRIPTION**

**Parcel 1:**

Government Lots 15, 16, 17 and 18 of Section 3, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, EXCEPT that portion conveyed to the United States of America by Deed dated July 2, 1912, recorded July 6, 1912 in Volume 37, page 416, Deed Records of Klamath County, Oregon.

The SW1/4 and the SE1/4 of Section 3, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

A portion of Government Lots 19 and 20, Section 3, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the South line of Government Lot 19, Section 3, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, which is 505 feet West, more or less, from the Southeast corner of said Government Lot 19 and in the center of the irrigation ditch which intersects said South line of said Government Lot 19; thence continuing West along the South line of said Government Lot 19 a distance of 1492 feet; thence North parallel to the East line of said Government Lot 19 to the center of irrigation ditch; thence in a Northeasterly and Southerly direction to the point of beginning.

The NE1/4 of the SE1/4 of Section 4, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

The E1/2 of the NE1/4 and the NW1/4 of NE1/4 and the NE1/4 of the NW1/4 of Section 10, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

NW1/4 of the NW1/4 of Section 10, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

A tract of land situated in the SW1/4 of Section 2 and in the NW1/4 of Section 11, both in Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon and being more particularly described as follows:

Beginning at the NW corner of said Section 11; thence South 00°07'33" West on the West line of the NW1/4 of the NW1/4 of said Section 11, 1320.29 feet to the SW corner thereof; thence South 89°05'14" East on the South line of said NW1/4 of the NW1/4, 886.53 feet; thence North 24°55'46" East 1089.42 feet to a point on the South line of Schaupp Road; thence Northwesterly on the South line of said Schaupp Road, 1974.61 feet to its intersection with the West line of the SW1/4 of said Section 2; thence South 00°00'30" West on last said West line 1101.21 feet, more or less, to the point of beginning.

**EXHIBIT "A" LEGAL DESCRIPTION CONTINUED**

**Parcel 2:**

Lots 19 and 20 and N1/2 of SW1/4 in Section 2, Township 40 South, Range 11 East of the Willamette Meridian, LESS portions deeded to United States of America in Deed 37, page 628, and in Deed 38, page 512, Deed Records of Klamath County, Oregon, and further EXCEPTING that portion deeded to Wood River Investment Co., in Volume 84, page 216, Deed Records of Klamath County, Oregon.

Government Lot 14 and the S1/2 of Government Lot 11, in Section 2, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

ALSO, a parcel of land situated in Government Lots 5, 12 and 13 in Section 2 and Government Lots 8 and 9 in Section 3, Township 40 South, Range 11 East of the Willamette Meridian, more particularly described as follows:

Beginning at the North 1/16 corner common to said Section 2 and 3; thence North 1365.49 feet to a half inch pipe described in Volume 2, page 183, Klamath County Road Records; thence North 1350.00 feet to the TRUE POINT OF BEGINNING of this description; thence West 1367 feet, more or less, to the West line of said Government Lot 8; thence Southerly along the Westerly lines of said Government Lots 8 and 9, 1359.01 feet to a point in the centerline of Schaupp Road; thence North 89°37'20" East 1360.07 feet to said half inch pipe; thence South 1365.49 feet to said North 1/16 corner; thence South 89°04'32" East along the centerline of Bedfield Road as constructed, 1297.4 feet, more or less to the East line of Government Lot 13; thence Northerly along the East line of said Government Lots 13, 12 and 5, 2736.50 feet to a point; thence West 1279.40 feet to the TRUE POINT OF BEGINNING.

SAVING AND EXCEPTING any portion in Volume M77, page 3655, Microfilm Records of Klamath County, Oregon.

ALSO, beginning at the NW corner of the SW1/4 of the SE1/4 of Section 2, Township 40 South, Range 11 East of the Willamette Meridian; thence Southwesterly along the West line of an old farm road to the County Road or Highway 2027 feet to an iron pin; thence Northwesterly along the North line of said Highway 2300 feet, more or less, to the Southwest corner of the NW1/4 of the SW1/4 of said Section 2; thence Easterly along the South line of the N1/2 of the SW1/4 of said Section 2, to the point of beginning.

A portion of the SW1/4 of the SE1/4 of Section 15, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Southeast corner of said SW1/4 of SE1/4 and running thence North 360 feet; thence West 800 feet; thence South 350 feet, more or less to the South line of said SW1/4 of the SE1/4; thence Easterly 800 feet, more or less to the point of beginning.

The E1/2 of the SE1/4 of Section 10 and the W1/2 of the SW1/4 of Section 11, and the NW1/4 of the NW1/4 of Section 14 and the E1/2 of the E1/2 of Section 15, Township 40 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

**EXHIBIT "B"**

1. 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.
2. 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.
3. 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.
4. The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of Klamath Basin Improvement District.
5. The premises herein described are within and subject to the statutory powers, including the power of assessment and easements of Klamath Irrigation District.
6. The rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
7. Covenants, Conditions, Restrictions and Reservations as contained in the Patent, subject to the terms and provisions thereof;  
Recorded: April 6, 1917  
Volume: 46, page 593, Deed Records of Klamath County, Oregon
8. Covenants, Conditions, Restrictions and Reservations as contained in the Deed, subject to the terms and provisions thereof;  
Recorded: April 15, 1922  
Volume: 58, page 472, Deed Records of Klamath County, Oregon
9. Covenants, Conditions, Restrictions and Reservations as contained in the Deed, subject to the terms and provisions thereof;  
Recorded: July 27, 1936  
Volume: 106, page 636, Deed Records of Klamath County, Oregon
10. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: August 1, 1942  
Volume: 149, page 58, Deed Records of Klamath County, Oregon  
In favor of: Pacific Telephone and Telegraph Company
11. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: August 1, 1942  
Volume: 149, page 74, Deed Records of Klamath County, Oregon  
In favor of: Pacific Telephone and Telegraph Company  
For: Public utilities

**EXHIBIT "B" CONTINUED**

12. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: August 1, 1942  
Volume: 149, page 77, Deed Records of Klamath County, Oregon  
In favor of: Pacific Telephone and Telegraph Company  
For: Public utilities  
Assignment and Assumption of Right of Way, subject to the terms and provisions thereof,  
Recorded: November 17, 1995  
Volume: M95, page 31559, Microfilm Records of Klamath County, Oregon
13. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: August 1, 1942  
Volume: 149, page 79, Deed Records of Klamath County, Oregon  
In favor of: Pacific Telephone and Telegraph Company  
For: Public utilities  
Assignment and Assumption of Right of Way, subject to the terms and provisions thereof,  
Recorded: November 17, 1995  
Volume: M95, page 31559, Microfilm Records of Klamath County, Oregon
14. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: May 28, 1946  
Volume: 189, page 407, Deed Records of Klamath County, Oregon  
In favor of: The California Oregon Power Company  
For: Public utilities
15. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: March 12, 1948  
Volume: 218, page 95, Deed Records of Klamath County, Oregon  
For: Irrigation ditches, canals and drainage
16. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: April 3, 1964  
Volume: 352, page 149, Deed Records of Klamath County, Oregon  
In favor of: United States of America  
For: Irrigation ditch
17. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: February 5, 1965  
Volume: 359, page 207, Deed Records of Klamath County, Oregon  
For: Easement adjacent to ditch
18. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: March 3, 1970  
Volume: M70, page 1730, Microfilm Records of Klamath County, Oregon  
In favor of: Gordon B. Bowman and Florence Bowman  
For: Drainage ditch

**EXHIBIT "B" CONTINUED**

19. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: January 7, 1975  
Volume: M75, page 296, Microfilm Records of Klamath County, Oregon  
In favor of: Gordon Bowman & Son, Inc.  
For: Drainage ditch
20. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: July 29, 1977  
Volume: M77, page 13558, Microfilm Records of Klamath County, Oregon  
In favor of: Pacific Power & Light Company  
For: Public utilities
21. An easement created by instrument, subject to the terms and provisions thereof,  
Recorded: February 2, 1989  
Volume: M89, page 3237, Microfilm Records of Klamath County, Oregon  
In favor of: I.F. Rogers, et ux  
For: Clearing and maintaining ditch
22. Right for Road Use Agreement, by and between Carl Rajnus, George Rajnus, Donald Rajnus, Virginian Rajnus and Pacificorp, subject to the terms and provisions thereof,  
Recorded: August 12, 1992  
Volume: M92, page 17944, Microfilm Records of Klamath County, Oregon
23. State of Oregon Well Information Form, subject to the terms and provisions thereof;  
Recorded: July 31, 2001  
Volume: M01, page 38124, Microfilm Records of Klamath County, Oregon  
Well ID No.: L19962
24. State of Oregon Well Information Form, subject to the terms and provisions thereof;  
Recorded: May 29, 2002  
Volume: M02, page 31424, Microfilm Records of Klamath County, Oregon  
Well ID No.: L16905
25. State of Oregon Well Information Form, subject to the terms and provisions thereof;  
Recorded: November 1, 2004  
Volume: M04, page 74694, Microfilm Records of Klamath County, Oregon  
Well ID No.: L74052
26. Any improvement located upon the insured property which is described or defined as a Mobile Home under the provisions of Chapters 446.561 through 446.646, Oregon Revised Statutes, and is subject to registration as provided therein.