

2015-000644

Klamath County, Oregon

01/23/2015 11:23:05 AM

Fee: \$72.00

AFTER RECORDING, RETURN TO:

SHREEJI HOSPITALITY, LLC

Rajen Naria

2405 Sandpiper Lane

West Sacramento, CA 95692

**UNTIL A CHANGE IS REQUESTED, ALL TAX
STATEMENTS SHALL BE SENT TO THE
FOLLOWING ADDRESS:**

SHREEJI HOSPITALITY LLC

Rajen Naria

2405 Sandpiper Lane

West Sacramento, CA 95692

SPECIAL WARRANTY DEED

BHG K FALLS, LLC, an Oregon limited liability company ("Grantor"), hereby convey and specially warrant to **SHREEJI HOSPITALITY LLC** ("Grantee"), the following described real property free of encumbrances created or suffered by the Grantor except as specifically set forth herein:

See Exhibit "A" attached hereto and incorporated herein by this reference, in the City of Klamath Falls, County of Klamath Falls and State of Oregon;

SUBJECT TO AND EXCEPTING the Permitted Exceptions as more particularly described on Exhibit "B," attached hereto and incorporated herein by this reference.

The true consideration for this conveyance is \$2,100,000.00.

This conveyance is "AS-IS" as set forth in the attached Exhibit "C," attached hereto and incorporated herein by this reference.

And Grantor hereby covenants to and with Grantee and Grantee's heirs, successors and assigns that, except for those described above, Grantor will warrant and defend the property and every part and parcel thereof against the lawful claims and demands of all persons claiming by, through, or under the Grantor.

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 19th day of January, 2015.

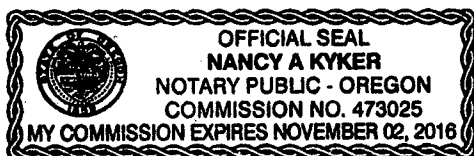
BHG K FALLS, LLC

By: **BUGGSI HOSPITALITY GROUP, LLC,**
Manager

By: [Signature]
Bakulesh G. Patel, Managing-Member

STATE OF OREGON)
) ss.
County of Multnomah)

The foregoing instrument was acknowledged before me this 19th day of January, 2015, by Bakulesh G. Patel, the managing-member of Buggsi Hospitality Group, LLC, which is the manager of **BHG K FALLS, LLC**, an Oregon limited liability company, on behalf of said company.



[Signature]
Notary Public for Oregon
My Commission Expires: 11/02/2016

Exhibit "A"

LEGAL DESCRIPTION

Real property in the County of Klamath , State of Oregon, described as follows:

BEGINNING AT A 1/2 INCH IRON PIN ON THE SOUTH LINE OF THE RELOCATED RIGHT OF WAY OF THE KLAMATH FALLS-LAKEVIEW HIGHWAY (SOUTH SIXTH STREET) WHICH BEARS SOUTH 80°45' WEST A DISTANCE OF 290.3 FEET AND SOUTH 0°06'30" WEST A DISTANCE OF 11.82 FEET FROM THE NORTHEAST CORNER OF THE NW 1/4 SE 1/4 OF SECTION 3 TOWNSHIP 39 SOUTH, RANGE 9 E.W.M. SAID IRON PIN ALSO BEING THE NORTHWEST CORNER OF PARCEL OF LAND CONVEYED TO THE UNITED STATES NATIONAL BANK OF PORTLAND BY DEED RECORDED IN VOLUME 293, PAGE 435, DEED RECORDS OF KLAMATH COUNTY, OREGON; THENCE NORTH 89°58'30" WEST ALONG SAID RELOCATED RIGHT OF WAY LINE, A DISTANCE OF 100.0 FEET TO AN IRON PIN AND THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH 0°06'30" WEST PARALLEL WITH THE WEST LINE OF SAID UNITED STATES NATIONAL BANK PARCEL A DISTANCE OF 150.0 FEET TO AN IRON PIN; THENCE SOUTH 89°58'30" EAST PARALLEL TO THE SOUTH LINE OF SAID RE-LOCATED HIGHWAY RIGHT OF WAY A DISTANCE OF 100 FEET TO AN IRON PIN ON THE WEST LINE OF SAID UNITED STATES NATIONAL BANK PARCEL; THENCE SOUTH 0°06'30" WEST ALONG SAID WEST LINE A DISTANCE OF 30.0 FEET TO A 5/8 INCH IRON PIN MARKING THE SOUTHWEST CORNER OF SAID PARCEL; THENCE SOUTH 0°55'30" EAST A DISTANCE OF 329.18 FEET, MORE OR LESS, TO A 5/8 INCH IRON PIN ON THE NORTHEASTERLY RIGHT OF WAY LINE OF THE O.C.&E. RAILROAD; THENCE NORTH 67°15' WEST ALONG SAID RIGHT OF WAY LINE A DISTANCE OF 472.81 FEET, MORE OR LESS, TO AN IRON PIN ON THE EASTERLY RIGHT OF WAY LINE OF THE U.S.R.S. DRAIN 1-C; THENCE NORTH 29°11'00" WEST ALONG SAID RIGHT OF WAY LINE A DISTANCE OF 65.47 FEET TO AN IRON PIN; THENCE NORTH 01°22'00" WEST ALONG THE WEST LINE OF PARCEL OF LAND CONVEYED TO JOHANN L. UHEREK ET UX., BY DEED RECORDED SEPTEMBER 20, 1950, DEED VOL. 242, PAGE 201, RECORDS OF KLAMATH COUNTY, OREGON, A DISTANCE OF 266.9 FEET, MORE OR LESS, TO THE SOUTH LINE OF THE SAID KLAMATH FALLS-LAKEVIEW HIGHWAY (SOUTH SIXTH STREET); THENCE SOUTH 89°58'30" EAST ALONG SAID RELOCATED RIGHT OF WAY LINE A DISTANCE OF 367.8 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

Exhibit "B"
Permitted Exceptions

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. 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.
4. Any encroachment (of existing improvements located on the subject land onto adjoining land or of existing improvements located on adjoining land onto the subject land), encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject land.
5. Any lien, or right to a lien, for services, labor, material, equipment rental or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the public records.
6. Water rights, claims to water or title to water, whether or not such rights are a matter of public record.
7. Liens and assessments of Klamath Project and Klamath Irrigation District, and regulations, contracts, easements, water and irrigation rights in connection therewith.
8. Rules, regulations and assessments of South Suburban Sanitary District.
9. Easement, including terms and provisions contained therein:
Recording Information: December 28, 1925 in Volume 69 Page 145, Records of Klamath County, Oregon
In Favor of: The California Oregon Power Company
For: power line
10. Easement, including terms and provisions contained therein:
Recording Information: August 25, 1941 in Volume 140 Page 475, Records of Klamath County, Oregon
In Favor of: California Oregon Power Company
For: transmission line
11. Easement, including terms and provisions contained therein:
Recording Information: July 12, 1943 in Volume 156 Page 514, Records of Klamath County, Oregon
In Favor of: State of Oregon, by and through its State Highway Commission
For: slope easement
12. Easement, including terms and provisions contained therein:
Recording Information: May 20, 1946 in Volume 189 Page 158, Records of Klamath County, Oregon

In Favor of: California Oregon Power Company
For: easement for water main

13. Easement, including terms and provisions contained therein:
Recording Information: May 20, 1946 in Volume 189 Page 162, Records of Klamath County, Oregon
In Favor of: The California Oregon Power Company
For: easement for water main
14. Easement, including terms and provisions contained therein:
Recording Information: May 20, 1946 in Volume 189 Page 167, Records of Klamath County, Oregon
In Favor of: The California Oregon Power Company
For: easement for water main
15. Easement, including terms and provisions contained therein:
Recording Information: May 20, 1946 in Volume 189 Page 169, Records of Klamath County, Oregon
In Favor of: The California Oregon Power Company
For: easement for water main
16. Agreement, including the terms and provisions thereof, between Nyback's Flower Fair, a partnership consisting of Alrick Nyback and Hazel Ninon Nyback, co-partners, and Tod E. McClasky and Edward H. Pietz, second parties, dated May 20, 1971 in Volume M71 Page 5236, Deed Records of Klamath County, Oregon.
17. Survey prepared by Adkins Consulting Engineering, dated January 6, 2015, under Job No. 3279-01, shows the following:
 - A. Curbs and parking spaces encroach perpetual right of way easement recorded may 20, 1971 in Volume M71, page 5236.
 - B. Wall encroaches onto Northeasterly adjacent property 0.5 feet.
 - C. Fence encroaches onto Southeasterly adjacent property 5.8 to 6.4 feet.
 - D. Fence encroaches onto the Southerly OC&E right-of-way up to 5.2 feet.
 - E. Fence encroaches onto Westerly adjacent property 8.6 feet.
 - F. Curb encroaches onto westerly adjacent property up to 1.9 feet.
 - G. 6" diameter South Suburban Sanitary Sewer District lateral extends under building and onto property. No easement found.

Exhibit "C"

"AS-IS" SALE AND PURCHASE

9.4 As-Is Purchase.

9.4.1 Liability for Information. Except as expressly provided in Section 8, Purchaser acknowledges, represents and warrants that, (I) any information supplied or made available by Seller, including without limitation the Information provided pursuant to Section 6.4, whether written or oral, or in the form of maps, surveys, plats, soil reports, engineering studies, environmental studies, inspection reports, plans, specifications, or any other information whatsoever, without exception, pertaining to the Property, any and all records, rent rolls, and other documents pertaining to the use and occupancy of the Hotel, income thereof, the cost and expenses of maintenance thereof, and any and all other matters concerning the condition, suitability, integrity, marketability, compliance with law, or other attributes or aspects of the Property, or a part thereof, is furnished to Purchaser solely to assist Purchaser in Purchaser's due diligence; (ii) THE INFORMATION IS PROVIDED, AND THE PROPERTY IS PURCHASED, ON AN AS-IS-WHERE-IS BASIS AND SELLER MAKES NO REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW OR OTHERWISE, INCLUDING, BUT IN NO WAY LIMITED TO ANY WARRANTY OF CONDITION, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE AS TO THE INFORMATION OR THE PROPERTY; (iii) Seller makes no representations or warranties and specifically disclaims any representation, warranty, or guaranty, oral or written, past, present or future with respect to the physical condition or any other aspect of the Property, including, without limitation, the structural integrity of the Improvements, the manner, construction, condition, and state of repair or lack of repair of any of the Improvements or any Personal Property, the conformity of the Improvements to any plans or specifications for the Hotel, including, but not limited to, any plans and specifications that may have been or which may be provided to Purchaser, the conformity of the Real Property or Improvements to past, current or future applicable zoning or building code requirements or the compliance with any other laws, rules, ordinances, or regulations of any government or other body, the financial earning capacity or history or expense history of the operation of the Hotel, the nature and extent of any right-of-way, lease, possession, lien encumbrance, license, reservation, condition, or otherwise, the existence of soil instability, past soil repairs, soil additions or conditions of soil fill, susceptibility to landslides, sufficiency of undershoring, sufficiency of drainage, whether the Real Property is located wholly or partially in a flood plain or a flood hazard boundary or similar area, the existence or non-existence of hazardous waste or other toxic materials of any kind (including, without limitation, asbestos) or any other matter affecting the stability or integrity of the Real Property and/or the Improvements; and (iv) no representations, whether written or oral, have been made by Seller, or its agents or employees in order to induce Purchaser to enter into this Agreement. Without limiting the generality of the foregoing, Purchaser acknowledges, warrants and represents to Seller that neither Seller nor its agents or employees have made any representations or statements, whether written or oral, to Purchaser concerning the investment

potential, operation or resale of the Property at any future date, at a profit or otherwise, nor has Seller or its agents or employees rendered any advice or expressed any opinion to Purchaser regarding any tax consequences of ownership of the Property.

9.4.2 Inspection by Purchaser. Purchaser acknowledges, represents and warrants that as of the Closing Date, Purchaser will be familiar with the Property and will have made such independent investigations as Purchaser deems necessary or appropriate concerning the Property. If Purchaser elects to proceed with the purchase of the Property, any objections which Purchaser may have with respect to the Property shall be waived by Purchaser.

9.4.3 Responsibility. Seller shall not be responsible for any negligent misrepresentation or failure to investigate the Property on the part of Purchaser, any real estate broker or sales agent, or any other agent or employee of Seller or any third party.

9.4.4 Limitation of Seller's Liability. Except as expressly provided in Section 8, as part of Purchaser's agreement to purchase and accept the Property AS-IS-WHERE-IS, and not as a limitation on such agreement, Purchaser HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES AND RELEASES ANY AND ALL ACTUAL OR POTENTIAL RIGHTS PURCHASER MIGHT HAVE REGARDING ANY FORM OF WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND OR TYPE, RELATING TO THE PROPERTY AND THE INFORMATION. SUCH WAIVER AND RELEASE IS ABSOLUTE, UNCONDITIONAL, IRREVOCABLE, COMPLETE, TOTAL AND UNLIMITED IN ANY WAY. SUCH WAIVER AND RELEASE INCLUDES, BUT IS NOT LIMITED TO, A WAIVER AND RELEASE OF EXPRESS WARRANTIES, IMPLIED WARRANTIES, WARRANTIES OF FITNESS FOR A PARTICULAR USE, WARRANTIES OF MERCHANTABILITY, WARRANTIES OF HABITABILITY, STRICT LIABILITY RIGHTS AND CLAIMS OF EVERY KIND AND TYPE, INCLUDING, BUT NOT LIMITED, TO CLAIMS REGARDING DEFECTS WHICH WERE NOT OR ARE NOT DISCOVERABLE, PRODUCT LIABILITY CLAIMS, PRODUCT LIABILITY TYPE CLAIMS, AND ANY RIGHTS AND CLAIMS RELATING TO OR ATTRIBUTABLE TO ENVIRONMENTAL CONDITIONS.