#### **RECORDING COVER SHEET**

ORS 205.234

04/18/2017 03:21:00 PM This cover sheet has been prepared by: Fee: \$97.00 AmeriTitle Any error in this cover sheet DOES NOT affect the transaction(s) contained in the instrument itself. 162798AM Reference: Please print or type information. AFTER RECORDING RETURN TO -Required by ORS 205.180(4) & 205.238: **AmeriTitle Contract Servicing** Name: Dept. 300 Klamath Ave. Address: City, ST Zip: Klamath Falls, OR 97601 TITLE(S) OF THE TRANSACTION(S) - Required by ORS 205.234(1)(a) Note: "Transaction" means any action required or permitted by law to be recorded, including, but not limited to, any transfer, encumbrance or release affecting title to or an interest in real property. Enter descriptive title for the instrument: Document Title(s): **Contract of Sale** DIRECT PARTY / GRANTOR Names and Addresses - Required by ORS 205.234(1)(b) for Conveyances list Seller; for Mortgages/Liens list Borrower/Debtor **Grantor Name & Address:** Norman E. Sax 4656 Weyerhaeuser Rd, Klamath Falls, OR 97601 **Grantor Name & Address: Grantor Name & Address: Grantor Name & Address:** INDIRECT PARTY / GRANTEE Names and Addresses - Required by ORS 205.234(1)(b) for Conveyances list Buyer; for Mortgages/Liens list Beneficiary/Lender/Creditor Jennifer York and Gary York, 4690 Weyerhaeuser Rd, Klamath Falls, Grantee Name & Address: OR 97601 **Grantee Name & Address: Grantee Name & Address: Grantee Name & Address:** 6. TRUE AND ACTUAL CONSIDERATION -For an instrument conveying or contracting to convey fee title, the information required by ORS 93.260: Required by ORS 93.030 for an instrument conveying UNTIL A CHANGE IS REQUESTED, ALL or contracting to convey fee title or any memorandum TAX STATEMENTS SHALL BE SENT TO of such instrument: THE FOLLOWING ADDRESS: 26,000.00 Name: **Jennifer York** Address: 4690 Weyerhaeuser Rd City, ST Zip: Klamath Falls, OR 97601 TAX ACCOUNT NUMBER OF THE PROPERTY if the instrument creates a lien or other interest that 7. could be subject to tax foreclosure. - Required by ORS 312.125(4)(b)(B) Tax Acct. No.: R-3908-013A0-00800-000

2017-004069

Klamath County, Oregon

After recording, return to: Barbara M. Dilaconi, Esq., P.C. 121 South 8th Street Klamath Falls, OR 97601

Until a change is requested, All Tax Statements will be sent to: Jennifer and Gary York 4690 Weyerhaeuser Road Klamath Falls, OR 97603

#### AGREEMENT OF SALE

This Agreement of Sale (this "Agreement") is made as of the 1st day of April, 2017 between Norman E. Sax (Seller) whose address is 4656 Weyerhaeuser Road, Klamath Falls, OR 97601; and, Jennifer and Gary York ("Purchasers") whose address is 4690 Weyerhaeuser Road, Klamath Falls, OR 97601

Seller owns the real property located in Klamath County, Oregon, and described in attached **Exhibit A** and subject only to those encumbrances described in attached **Exhibit B** (the "Real Property") and the personal property more specifically the detitled manufactured home EM# 47810 currently located on the real property, excluding the specific items of personal property located in the home which are to be distributed in accordance with the Seller's Last Will and Testament ("Personal Property") (together, the "Property").

Seller agrees to sell the Property to Purchaser and Purchaser agrees to buy the Property from Seller for the price and on the terms and conditions set forth below

# Article 1 PURCHASE PRICE AND PAYMENT

- 1.1 Purchase Price. It is agreed between the parties that the likely selling price for the real property described in Exhibit A above and the manufacture home is the sum of TWENTY-SIX THOUSAND AND 00/100 DOLLARS (\$26,000.00) (US), which is the true and actual consideration for the conveyance.
- 1.2 Sale of the Real Property. It is the intent of the Seller to provide for the sale of this property to the Purchasers as part of his agreement with them for the care services they are providing for him at the end of his life.

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- 1.3 Total Purchase Price. Purchaser promises to pay Seller as the total purchase price for the Property the sum of TWENTYSIX THOUSAND AND 00/100 DOLLARS (\$26,000.00) (US), which is the true and actual consideration for the conveyance. TWENTY THOUSAND AND 00/100 DOLLARS (\$20,000.00) of the purchase price is allocated to the Personal Property and SIX THOUSAND AND 00/100 DOLLARS (\$6,000.00) is allocated to the Real Property. Each payment by Purchaser of principal, interest, or both will be allocated between the Personal Property and the Real Property in the same proportions as the allocation of the purchase price between the Personal Property and the Real Property set forth above.
- **1.4** Payment of Total Purchase Price. The total purchase price will be paid as follows:
  - **1.4.1 Down Payment.** Seller is not requiring a cash down payment as Purchasers are providing personal care services to the Seller in place of the down payment.
  - 1.4.2 Interest Rate and Scheduled Payment Dates. The remaining balance of TWENTY SIX THOUSAND AND 00/100 DOLLARS (\$26,000.00) will accrue no interest. The unpaid balance of the purchase price will be paid in monthly installments of the remaining principal, with the first installment due on the 1st day of May, 2017 in the amount of FOUR HUNDRED THIRTY-THREE AND 33/100 DOLLARS (\$433.33), and with subsequent installments due on the 1st day of each month thereafter. Each payment will be applied first to the amount then due date on the date of payment, then to amounts past due to Seller under this Contract.
  - **1.4.3 Maturity Date.** All unpaid principal must be paid in full on / before the 1st day of April 2022.
- 1.5 Prepayments. Purchaser may on any installment due date / on seven (7) days' written notice to Seller prepay all or any portion of the unpaid principal without penalty. All prepayments will be applied to the outstanding unpaid amounts due Seller under this Contract. Any prepayment other than the full amount then due and owing shall not excuse Purchaser from making the regular monthly payments when due under this Contract until the remaining balance has been paid in full.
- 1.6 Place of Payments. All payments to Seller must be made to Seller at the address the escrow agent described in Section 3.4.

### Article 2 TAXES AND LIENS

2.1 Obligation to Pay. All ad valorem real and personal property taxes and all governmental or other assessments levied against the Property for the current tax year will be prorated between Seller and Purchaser as of the Closing Date. Purchaser must pay when due all taxes and assessments that are levied against the Property after the Closing, but Purchaser may elect to pay taxes and assessments in accordance with any available installment method.

- **2.2 Right to Contest.** If Purchaser objects in good faith to the validity or amount of any tax, assessment, or lien, Purchaser, at Purchaser's sole expense, may contest the validity or amount of the tax or assessment or lien as long as Seller's security interest in the Property is not jeopardized. Purchaser must otherwise keep the Property free from all liens that may be lawfully imposed on the Property after the Closing Date, other than the lien of current taxes not yet due.
- 2.3 Tax Statements. Purchaser will provide Seller with written evidence reasonably satisfactory to Seller that all taxes and assessments have been paid when due. Purchaser will submit this evidence on the request of Seller, which request must be made no more frequently than by December 31 of each year after each required payment of taxes and assessments.

## Article 3 CLOSING

- 3.1 Closing Date. This transaction must be closed on the \_\_\_\_ day of April, 2017. As used in this Contract, the Closing Date means the date on which this Contract is recorded by the escrow agent. The closing will occur in escrow at the offices of AmeriTitle, Inc., 300 Klamath Avenue, Klamath Falls, OR 97601.
- **3.2 Responsibility of Parties.** At closing, Purchaser must pay the amount of cash specified in Section 1.4.1 above, and Seller must have received a commitment for the issuance of a purchaser's policy of title insurance as described in **Article 9.**
- 3.3 Prorates and Closing Costs. Except as otherwise provided in this Contract, all items to be prorated will be prorated as of the Closing Date. Seller is responsible for paying the title insurance premium and one-half of the escrow fee. Purchaser is responsible for paying the recording fees for recording this Contract and one-half of the escrow fee.
- 3.4 Payment / Escrow. In accordance with Section 1.5 above, all payments to Seller must be made to a collection escrow to be established at the offices of AmeriTitle, Inc., 300 Klamath Avenue, Klamath Falls, OR 97601. The costs of setting up the escrow and periodic collection fees will be paid by Purchaser.

#### Article 4 POSSESSION

**4.1 Possession.** Purchaser will be entitled to possession of the Property from the point of Seller's Permanent Incapacity and placement outside of the home on the real property for a period of greater than 60 days or Seller's death which ever comes first.

### Article 5 MAINTENANCE AND ALTERATIONS

- **5.1 Maintenance.** At such time as the Purchaser takes possession of the real property pursuant to **Article 4**, above, Purchaser will keep all buildings, other improvements, and landscape now existing or that will be placed on the Property in at least as good condition and repair as of the date that possession is delivered to Purchaser, and will not permit any waste or removal of the improvements.
  - **5.1.1 Prohibited Activities.** Purchaser will not knowingly use or suffer the use of all or any of the Property for any "nuisance" as defined in ORS 105.555, or so as to constitute an illegal drug manufacturing site as that term is defined in ORS 453.858(2), [or so as to be in violation of the Oregon Medical Marijuana Act (ORS 75.300-475.346)], as those statutes may now or hereafter be amended, supplemented, or superseded, or otherwise do or allow any act or omission on or about the Property that could subject the Property or Seller's or Purchaser's interest in the Property to forfeiture or the risk of forfeiture.
  - **5.1.2 Hazardous Substances.** Purchaser will comply fully with all laws pertaining to the protection of human health and the environment, including but not limited to employee and community right-to-know laws and all laws regarding the use, generation, storage, transportation, treatment, disposal, or other handling of Hazardous Substances (as defined in section 8.5 below). Purchaser will promptly advise Seller [in advance, and require Seller's consent] in writing of any Hazardous Substances regulated by such laws that are used, generated, manufactured, stored, transported, or otherwise handled on the Property. Purchaser will exercise extreme care in handling any Hazardous Substances and will not cause or permit Hazardous Substances to be spilled, leaked, disposed of, or otherwise released on the Property.

## Article 6 INSURANCE

- 6.1 **Property Insurance.** Purchaser upon possession of the property shall procure and maintain a policy of Causes of Loss Special Form property insurance on a 100 percent replacement-cost / an actual-cash-value basis covering all improvements on the Property in an amount sufficient to cover the value of the improvements upon the date of possession until the purchase price is paid in full. In the event of a loss insurance proceeds shall first be applied to pay off the unpaid balance owing on this Contract for Sale and any balance remaining shall be retained by the Purchasers.
- **6.2 Application of Proceeds.** All proceeds of any insurance on the Property must be paid first to pay off the Contract of Sale and then the balance shall be retained by the Purchaser.

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## Article 7 INDEMNIFICATION

- 7.1 Purchasers's Indemnification of Seller. Purchasers will forever indemnify, reimburse, and hold Seller harmless and, at Seller's election, defend Seller for, from, and against any and all claims, costs, expenses (including attorney fees), losses, damages, fines, charges, actions, or other liabilities of any description arising out of or in any way connected with Purchasers':
  - **7.1.1** possession or use of the Property;
  - **7.1.2** conduct with respect to the Property;
  - **7.1.3** any condition of the Property or third-party claims related to the Property to the extent that the same arises from or after the Closing Date and is not caused or contributed to by Seller; or,
  - **7.1.4** breach of any warranty or representation made by Purchasers in this Agreement.
  - 7.1.5 In the event of any litigation or proceeding brought against Seller and arising out of or in any way connected with any of the above events or claims, against which Purchasers agrees to defend Seller, Purchasers will, on notice from Seller, vigorously resist and defend such actions or proceedings in consultation with Seller through legal counsel reasonably satisfactory to Seller.
- 7.2 Sellers' Indemnification of Purchasers. Sellers will forever indemnify, reimburse, and hold Purchasers harmless and, at Purchasers's election, defend Purchasers for, from, and against any and all claims, costs, expenses (including attorney fees), losses, damages, fines, charges, actions, or other liabilities of any description arising out of or in any way connected with Sellers':
  - **7.2.1** possession or use of the Property;
  - **7.2.2** conduct with respect to the Property;
  - **7.2.3** any condition of the Property or third-party claims related to the Property to the extent that the same exists on the Closing Date and is not caused or contributed to by Purchasers; or,
  - **7.2.4** breach of any warranty or representation made by Sellers in this Agreement.
  - **7.2.5** In the event of any litigation or proceeding brought against Purchasers and arising out of or in any way connected with any of the above events or claims, against which Seller agrees to defend Purchasers, Seller will, on notice from Purchasers, vigorously resist and defend such actions or proceedings in consultation with Purchasers through legal counsel reasonably satisfactory to Purchasers.
- **7.2 Indemnification Scope**. Whenever this Agreement obligates a party to indemnify, hold harmless, or defend the other party, the obligations will run to the family members, invitees, agents, and employees / directors, officers, agents, partners, and employees of such other party and will survive any termination or satisfaction of this Agreement.

# Article 8 GENERAL PROVISIONS

- 8.1 Nonforeign Status. Sellers warrants that Sellers are not a foreign person as defined in IRC section 1445(f)(3) and that Seller is not a "transferor" subject to withholding under ORS 314.258 and OAR 150-314.258 (together, "ORFIRPTA") and that each such warranty will be true as of closing. Seller will deliver to Purchasers and the escrow agent at closing a Certificate of Nonforeign Status, in form complying with the requirements of IRC section 1445 and related regulations, setting forth Seller's address and United States taxpayer identification number and certifying that Seller is not a foreign person as defined in IRC section 1445(f)(3) ("FIRPTA Certificate"), and a certificate and other documentary evidence complying with ORFIRPTA, reasonably acceptable to Purchasers and the escrow agent (and any "authorized agent" involved in the transaction) and sufficient to assure Purchasers and the escrow agent (and any such authorized agent) that no withholding is required under ORFIRPTA ("ORFIRPTA Certificate").
- **8.2 Prior Agreements.** This document is the entire, final, and complete agreement of the parties pertaining to the sale and purchase of the Property, and supersedes and replaces all prior or existing written and oral agreements between the parties or their representatives relating to the Property.
- **8.3** Governing Law. This Agreement is executed in the City of Klamath Falls, State of Oregon, and shall be construed under the laws of the State of Oregon (without reference to the choice-of-law provisions of Oregon law). The parties agree that any action relating to this Agreement shall be instituted and prosecuted by the courts of the County of Klamath, State of Oregon; and each party waives the right to change of venue.
- **8.4** Clause Heading. The clause headings appearing in this Agreement are for the purpose of convenience and ready reference. They do not purport to, and shall not be deemed to, define, limit, or extend the scope or intent of the clauses to which they appertain.
- **8.5 Language of Agreement.** Pronouns used in this instrument shall be construed in accordance with appropriate gender or neuter and as either singular or plural as the context requires.
- **8.6 Independent Counsel.** Sellers acknowledge that this Agreement was prepared by counsel for Sellers and that Purchasers have sought such separate advice and counsel, as they have deemed fit before entering into this Agreement.

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8.7 The following disclaimer is made pursuant to ORS 93.040(2): THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, ORS 195.301 AND ORS 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. 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 ORS 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, ORS 195.301 AND ORS 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.

#### 8.8 The following disclaimer is made pursuant to ORS 93.040(1): BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, ORS 195.301 AND ORS 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 ORS 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, ORS 195.301 AND ORS 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.

#### Article 9 TITLE INSURANCE (PURCHASER'S POLICY)

9.1 Title Insurance. Seller will furnish Purchaser, at Seller's expense, a purchaser's title insurance policy in the amount of TWENTY SIX THOUSAND AND 00/100 DOLLARS (\$26,000.00) the portion of the purchase price allocable to the Improvements within 10 days after the Closing Date, insuring Purchaser against loss or damage sustained by Purchaser by reason of the unmarketability of Seller's title, or liens or encumbrances affecting the Property, excepting matters contained in the usual printed exceptions in such title insurance policies, those created or suffered by Purchaser, and those referred to on attached Exhibit B.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in duplicate as of the day and year first above written.

SELLER. DATED this 6 day of Opril , 2017. Subscribed and sworn to before me by Norman E. Sax, on this , 2017. OFFICIAL STAMP NATHEW MARK LANDSIEDEL Notary Public for Oregon NOTARY PUBLIC - OREGON COMMISSION NO. 938918 My Commission Expires 5-10-19 MY COMMISSION EXPIRES MAY 10, 2019 PURCHASER. Subscribed and sworn to before me by Jenniter York, on this , 2017. OFFICIAL STAMP ATHEW MARK LANDSIEDEL NOTARY PUBLIC - OREGON Notary Public for Oregon COMMISSION NO. 938918 My Commission Expires 5-10-19 MY COMMISSION EXPIRES MAY 10, 2019

#### PURCHASER.

PURCHASER.

MY COMMISSION EXPIRES MAY 10, 2019

#### EXHIBIT "A"

A tract of land situated in the NW1/4 NE1/4 of Section 13, Township 39 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon, said tract also being a portion of vacated Block 22, and vacated 4th Street in West Klamath, a duly recorded subdivision, said tract more particularly described as follows:

Beginning at a point on the South line of the NW1/4 NE1/4 of said Section 13, said point of beginning being the intersection of the Northerly line of Holliday Drive and Westerly line of Third Street also known as the Weyerhaeuser County Road; thence South 41°10' East along the Westerly line of said Third Street a distance of 100 feet; thence continuing along the Westerly line of Third Street along the arc of 321.0 foot radius curve to the right, the long chord of which curve bears South 28°40' East 139.08 feet a distance of 140.19 feet; thence continuing along the Westerly line of Third Street, South 16°10' East (South 16°58'00" East by recorded Survey No. 1178, as recorded in the office of the Klamath County Surveyor) a distance of 30 feet to the true point of beginning of this description, said true point being the Northwest corner of Parcel 2, as shown on said Survey No. 1178, and the true point of beginning of that tract of land described in Deed Volume M77, page 20214, as recorded in the Klamath County Deed Records; thence South 16°58'00" East 904.46 feet; thence South 73°02'00" West 300.00 feet to a point on the Westerly right of way line of said vacated Fourth Street; thence North 16°58'00" West along said Westerly right of way line 229.57 feet; thence South 70°39'00" East 135.60 feet; thence South 89°50'00 East 199.60 feet to the point of beginning.

EXCEPTING THEREFROM a portion of vacated Block 22 of "WEST KLAMATH" and that portion of vacated Fourth Street situated in the SW1/4 NE1/4 of Section 13, Township 39 South, Range 8 East of the Willamette Meridian Klamath County, Oregon being more particularly described as follows: Beginning at a point from which the Northeast corner of that tract of land described in Klamath County Deed Volume M98, page 42649 bears South 70°39'00" East 9.11 feet and South 89°50'00" East 199.60 feet; (said Northeast corner being located by said deed volume as follows: Beginning at a point on the South line of the NW1/4 NE1/4 of said Section 13, said point of beginning being the intersection of the Northerly line of Holliday Drive and the Westerly line of Third Street also known as the Weyerhaeuser County Road; thence South 41°10' East along the Westerly line of said Third Street a distance of 100 feet; thence continuing along the Westerly line of Third Street along the arc of a 321.0 foot radius curve to the right the long chord of which curve bears South 28°40' East 139.08 feet a distance of 140.19 feet; thence continuing along the Westerly line of Third Street South 16°10' East (South 16°58'00" East by record of Survey No. 1178 as recorded in the office of the Klamath County Surveyor) a

distance of 30 feet to the Northeast corner of that tract of land described in said Deed Volume); thence South 50°28'59" West 110.36 feet to the West right of way line of vacated Fourth Street; thence North 16°58'00" West along said Westerly right of way line of vacated Fourth Street 117.24 feet to the Northwest corner of said Deed Volume M98, page 42649; thence South 70°39'00" East along the North line of said Deed Volume 126.49 feet to the point of beginning.

TOGETHER WITH a portion of vacated Block 22 of "WEST KLAMATH" and that portion of vacated Fourth Street situated in the SW1/4 NE1/4 of Section 13, Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point being the Northeast corner of that tract of land described in Klamath County Deed Volume M98, page 42649 (said Northeast corner being located by said Deed Volume as follows:

Beginning at a point on the South line of the NW1/4 NE1/4 of said Section 13, said point of beginning, being the intersection of the Northerly line of Holliday Drive and the Westerly line of Third Street also known as the Weyerhaeuser County Road; thence South 41°10' East along the Westerly line of said Third Street a distance of 100 feet; thence continuing along he Westerly line of Third Street along the arc of a 321.0 foot radius curve to the right the long chord of which curve bears South 28°40' East 139.08 feet a distance of 140.19 feet; thence continuing along the Westerly line of Third Street South 16°10' East (South 16°58'00" East by record of survey no. 1178 as recorded in the office of the Klamath County surveyor) a distance of 30 feet to the Northeast corner of that tract of land described in said deed volume); thence North 89°50'00" West along the North line of that tract of land described in said Deed Volume 199.60 feet and North 70°39'00" West 9.11 feet; thence North 50°28'59" East 193.99 feet to the said Westerly right of way line; thence along said Westerly right of way line, along the arc of a curve to the right (radius point bears South 53°15'40" West 321.00 feet and central angle equals 19°46'21") 110.76 feet and South 16°58'00" East 30.00 feet to the point of beginning.

ALSO EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its State Highway Commission recorded April 23, 1971 in Volume M71, page 3550, Microfilm Records of Klamath County, Oregon.