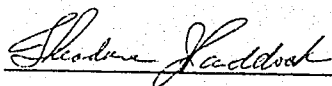


KNOW ALL MEN BY THESE PRESENTS, That THEODORE J. PADDOCK, hereinafter called Owner, and WALLACE G. ACKLING and JUNE ACKLING, husband and wife, hereinafter called Ackling; that owner has and does hereby give and grant unto said Ackling, his executors, administrators, and assigns, the sole, exclusive and irrevocable First right of Refusal to and including February 25, 1985, to purchase the following described property in the County of Klamath, State of Oregon:

SEE LEGAL DESCRIPTION MARKED EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF:  
should Owner decide to sell subject property.

HOWEVER, should Owner decide to sell the property legally described hereinabove, then Ackling shall have 10 days from the date on which Owner notifies Ackling of such decision to sell, to submit an acceptable offer on subject property, or Ackling shall have 10 days from notification of an offer from someone other than Ackling to meet such other offer with Owner.

FURTHER, should Owner decide to sell, Prior to February 25, 1981, the terms and conditions to be not less than \$10,000.00 down, nor more than \$15,000.00 down and total purchase price to be \$100,000.00 The deferred balance to bear interest at 11% per annum which shall be amortized over a 25-year payment schedule, and shall call for a balloon payment on the fifteenth year. These terms expire on February 25, 1981 after which time terms and price are subject to negotiation.

  
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## EXHIBIT "A"

A parcel of land situated in Sections 17 and 20, T39S, R9EWM, Klamath County, Oregon, being more particularly described as follows:

Commencing at the intersection of the northerly right of way line of Joe Wright Road, a county road, with the easterly right of way line of the Dalles-California Highway, U. S. Highway No. 97 in the NE1/4 of said Section 19; thence N03°38'00"E along said easterly right of way line of the Dalles-California Highway, 1220.68 feet; thence leaving said right of way line N89°52'55"E 951.85 feet to a 5/8-inch iron pin; thence N89°49'30"E 850.82 feet to a 5/8-inch iron pin; thence N89°48'30"E 48.43 feet to a 5/8-inch iron pin marking the true point of beginning of this description; thence N11°20'45"W 135.83 feet to a 5/8-inch iron pin; thence N22°14'57"W 68.57 feet to a 5/8-inch iron pin; thence N40°33'44"W 95.24 feet to a 5/8-inch iron pin; thence N64°58'47"W 100.71 feet to a 5/8-inch iron pin; thence N86°46'41"W 810.32 feet to a 5/8-inch iron pin; thence N00°25'37"W 146.14 feet to a 5/8-inch iron pin; thence N27°13'42"W 140.65 feet to a 5/8-inch iron pin; thence N02°37'35"E 230.34 feet to a 5/8-inch iron pin; thence N81°53'08"E 126.58 feet to a 5/8-inch iron pin; thence N08°58'34"W 390.22 feet to a 5/8-inch iron pin; thence N49°07'57"E 740.83 feet to a 5/8-inch iron pin on the westerly right of way line of the U.S.B.R. Lost River Diversion Canal; thence following said westerly right of way line the following courses and distances: S00°32'20"E 239.14 feet, along the arc of a curve to the left (radius = 713.70 feet and central angle = 36°21'00") 452.79 feet, S36°53'20"E 194.00 feet, N53°06'40"E 20.00 feet, S36°53'20"E 995.70 feet, along the arc of a curve to the left (radius = 641.70 feet, and central angle = 19°22'00") 216.90 feet, S56°15'20"E 7.81 feet to the northwesterly right of way line of the Southern Pacific Railroad; thence N82°50'02"W 67.34 feet; thence S89°48'30"W 526.55 feet to the true point of beginning of this description, containing 27.21 acres, more or less, with bearings based on recorded survey No. 1472, as recorded in the office of the Klamath County Surveyor.

FORM NO. 23 — ACKNOWLEDGMENT  
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

STATE OF OREGON,

County of Klamath } ss.

BE IT REMEMBERED, That on this 25th day of February, 1980, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Theodore J. Paddock

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Marlene P. Addington  
Notary Public for Oregon.  
My Commission expires 3-22-81

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 26th day of February A.D., 1980 at 10:07 o'clock A M., and duly recorded in Vol. N80 of Deeds on Page 3696.

FEE \$7.00

WM. D. MILNE, County Clerk  
By Bernetha H. Hetch Deputy