

MEMORANDUM OF LEASE  
AND RIGHT OF FIRST REFUSAL TO PURCHASE  
\* \* \* \* \*

THIS INDENTURE, made and entered into this 11th day of August, 1983, by and between "KLAMATH RESTORATION GROUP", by ROBERT MULLEN, as the authorized representative thereof, which is a co-partnership consisting of ROBERT MULLEN, DENIS CRAIN, GORDON MALCOMB, RICHARD HERERRA and JOHN ROBERTS, herein after referred to as "KRG", hereinafter referred to as Lessors, and JOHN REYNOLDS, DEBI REYNOLDS and MICHAEL REYNOLDS, hereinafter referred to as Lessees;

W I T N E S S E T H:

WHEREAS, the parties have executed a document entitled "COMMERCIAL LEASE AGREEMENT", dated August 11, 1983, wherein Lessors have agreed to lease and Lessees have agreed to lease, a portion of the following described real property known as the Stevens Hotel Restaurant at 404 Main Street, Klamath Falls, Oregon, situated in Klamath County, State of Oregon:

Lot 5, Block 36, original town of Lineville, (now City of Klamath Falls), excepting therefrom a strip of land one foot in width off the easterly side of said Lot 5, and a strip of land 8 feet in width off the side of Lot 5 reserved as an alley, Klamath County Oregon.

WHEREAS, the term of this lease shall be for a period of six years, commencing September 1, 1983 and ending on August 31, 1989, unless it should be earlier terminated.

WHEREAS, said Contract provides, among other things, that the Purchasers shall pay to Sellers beginning the 1st day of September, 1983, and continuing on the 1st day of each month thereafter, during the term of this lease or any extensions thereto the following sums: an amount known as the "minimum lease instalment" or 5 percent of the "gross business income" as defined in the Contract, whichever is greater. The minimum monthly installment shall be as follows: September 1, 1983, through August 31, 1985, \$1,300 per month; September 1, 1984 through August 31, 1986, \$1,365; September 1, 1976 through August 31, 1987, \$1,433.25; September 1, 1987 through August 31, 1988, \$1,505; September 1, 1988 through August 31, 1989, \$1,580. Seller will convey to Purchasers the above described real property by Warranty Deed;

WHEREAS the Lease contains the right of first refusal to purchase the real property.

NOW, THEREFORE, the parties agree that the within Memorandum is executed for the purpose of memorializing of record the execution of the Contract aforesaid.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

## KLAMATH RESTORATION GROUP

Robert Mullen 8/23/83

Denis Crain

Gordon Malcomb

Richard Hererra

John Roberts

## LESSORS

John Reynolds 8-23-83

Debi Reynolds

Mike Reynolds

STATE OF OREGON )  
: ss  
County of Klamath )

Personally appeared before me the above named ROBERT MULLEN and acknowledged the foregoing instrument to be his voluntary act and deed.

Before me:

Brad A. Smith  
NOTARY PUBLIC FOR OREGON

My commission expires: Feb 3, 1987

STATE OF OREGON )  
: ss  
County of Klamath )

Personally appeared before me the above named JOHN REYNOLDS, DEBI REYNOLDS and MICHAEL REYNOLDS and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

Brad A. Smith  
NOTARY PUBLIC FOR OREGON

My commission expires: Feb 3, 1987

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

AFTER RECORDING RETURN TO:

ASPELL & DELLA-ROSE  
ATTORNEYS AT LAW  
122 SOUTH FIFTH STREET  
KLAMATH FALLS, OREGON 97601

STATE OF OREGON: COUNTY OF KLAMATH :ss

I hereby certify that the within instrument was received and filed for record on the 23 day of August A.D., 1983 at 3:09 o'clock P M, and duly recorded in Vol M83, of DEEDS on page 14167.

Fee \$ 8.00

EVELYN BIEHN COUNTY CLERK  
by Scott Smith Deputy