

3642

19945

07-31-95P03:27 RCVD

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After recording return to:
State of Oregon, Department of Energy
Small Scale Energy Loan Program
625 Marion St.
Salem, OR 97310
Attn: Dave Stevens

Until a change is requested, all
tax statements, if any, shall
be sent to the following address:
Crater Lake Land and Development
25-82nd Drive
Gladstone, OR 97027

K-47998
MEMORANDUM OF CONTRACT OF SALE

DATED:

July 25, 1995

BETWEEN: THE STATE OF OREGON, BY AND THROUGH
THE DIRECTOR OF THE DEPARTMENT
OF ENERGY

("Seller")

CRATER
AND:

LAKE LAND AND DEVELOPMENT, L.L.C., an Oregon limited
liability company

("Purchaser")

CONSIDERATION: The true and actual consideration for this
conveyance is \$100,000.

Pursuant to a Contract of Sale dated July 25, 1995,
Seller sold to Purchaser Seller's interest in that certain property
in Klamath County, Oregon, more particularly described in the
attached Exhibit A, except:

(i) Seller reserves to itself, its successors, and
assigns, all minerals, as defined in ORS 273.775(1), including
soil, clay, stone, sand and gravel, and all geothermal
resources as defined in ORS 273.775(2), together with the
right to make such use of the surface as may be reasonably
necessary for prospecting for, exploring for, mining,
extracting, reinjecting, storing, drilling for and removing
such materials and geothermal resources; provided, however,
that the rights hereby reserved to use the surface for any of
the above activities shall be subordinate to that use of the
surface of the Property deeded herein, or any part thereof,
being made by the owner thereof on the date the State of
Oregon leases its reserved mineral or geothermal resources; in
the event such use of the Property by a surface rights owner
would be damaged by one or more of the activities described
above, then such owner shall be entitled to compensation from
the state's lessee to the extent of the diminution in value of
the rights of the owner's interest;

and subject to:

(a) Any facts, rights, interests, or claims which are not
shown by the public records but which could be ascertained by
an inspection of said land or by making inquiry of persons in
possession thereof.

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(b) Easements, liens or encumbrances, or claims thereof, which are not shown by the public records; unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.

(c) Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other facts which a correct survey would disclose.

(d) Rights of the public in and to any portion of the herein described Property lying within the limits of any roads or highways.

(e) Location of power and telephone lines and public roads.

(f) Financing Statements, if any, filed with the Secretary of State, for real and/or personal property.

(g) Any additional exceptions to title or matters disclosed on the preliminary title report provided to Purchaser by Seller.

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, WHICH, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND WHICH LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. 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 APPROVED USES AND EXISTENCE OF FIRE PROTECTION FOR STRUCTURES.

SELLER:
STATE OF OREGON,
DEPARTMENT OF ENERGY

Larry V. Gray
By: LARRY V. GRAY
Title: DIVISION ADMINISTRATOR

PURCHASER:
CRATER LAKE LAND AND
DEVELOPMENT, L.L.C.,
an Oregon limited
liability company

Thomas B. Embree
By: Thomas B. Embree
Title: Manager

Keith M. Wright
By: Keith M. Wright
Title: Manager

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STATE OF OREGON)
COUNTY OF Marion) ss.

On this 25TH day of JULY, 1995, before me, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared LARRY GLAY, the DIV. ADMINISTRATOR OF OREGON DEPT. OF ENERGY, to me known to be the individual described in and who executed the foregoing instrument on behalf of the STATE OF OREGON, DEPARTMENT OF ENERGY, and acknowledged to me that HE signed and sealed the said instrument as a free and voluntary act and deed, for the uses and purposes therein mentioned.

In witness whereof, I have hereunto set my hand and affixed my official seal, the day and year first above written.

Frances V. Hernandez

Notary Public for Oregon

[NOTARIAL SEAL]

My commission expires on: May 30 1998



STATE OF OREGON)
COUNTY OF CLACKAMAS) ss.

On this 25TH day of July, 1995, before me, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared THOMAS B. EMBREE, the Manager of CRATER LAKE LAND AND DEVELOPMENT, L.L.C., an Oregon limited liability company, to me known to be the individual described in and who executed the foregoing instrument and acknowledged to me that he signed and sealed the said instrument as a free and voluntary act and deed, for the uses and purposes therein mentioned.

In witness whereof, I have hereunto set my hand and affixed my official seal, the day and year first above written.



[NOTARIAL SEAL]

Marjorie L. Miller

Notary Public for OREGON

My commission expires on: JUNE 27, 1998

STATE OF OREGON)
) ss.
 COUNTY OF CLACKAMAS)

On this 15TH day of July, 1995, before me, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared KEITH M. WRIGHT, the Manager of CRATER LAKE LAND AND DEVELOPMENT, L.L.C., an Oregon limited liability company, to me known to be the individual described in and who executed the foregoing instrument and acknowledged to me that he signed and sealed the said instrument as a free and voluntary act and deed, for the uses and purposes therein mentioned.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.



[NOTARIAL SEAL]

Keith M. Wright ^{MM}
 Notary Public for Oregon

My commission expires on: JUNE 27, 1998

Marjorie L. Miller

EXHIBIT A

Lots 3 and 4 and all that portion of the E½SW¼ and S½SE¼NW¼ lying Westerly of the right of way of the S. P. Railroad in Section 31, Township 30 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title the 31st day
of July A.D., 19 95 at 3:27 o'clock P M., and duly recorded in Vol. M95
of Deeds on Page 19945

FEE \$50.00

By Bernetha G. Letch Bernetha G. Letch, County Clerk