

MEMORANDUM OF ANNEXATION AGREEMENT

BE IT REMEMBERED, on the 24 day of March, 1997, the City of Klamath Falls, an Oregon municipal corporation (CITY), and Bettendorf Enterprises, Inc., (OWNER) entered into an Annexation Agreement committing the following-described real property situated in Klamath County, Oregon, to possible future annexation to the City:

See Exhibit A

Said Annexation Agreement includes a request to rezone the property following annexation.

IN WITNESS WHEREOF, the parties have hereunto set their hands this 24 day of March, 1997.

CITY OF KLAMATH FALLS

OWNER

By:

James R. Keller
City Manager

Edna D. Fritz
Bettendorf Enterprises, Inc.

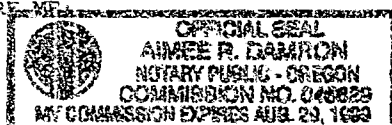
Attest:

Edna D. Fritz
City Recorder

STATE OF OREGON } ss.
COUNTY OF KLAMATH }

On the 14 day of April, 1997, personally appeared James R. Keller and Elisa D. Fritz, who, each being first duly sworn, did say that the former is the City Manager and the latter is the City Recorder of the City of Klamath Falls, an Oregon municipal corporation, and that the instrument was signed on behalf of said municipal corporation, and each of them acknowledged said instrument to be its voluntary act and deed.

BEFORE ME:



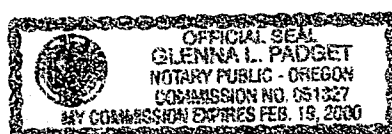
Annee R. Dameron
Notary Public for Oregon

STATE OF Oregon } ss.
COUNTY OF Klamath }

On the 24th day of March, 1997, personally appeared Ed Gomes and acknowledged said instrument to be his/her/their voluntary act and deed.

BEFORE ME:

Glenna L. Padget
Notary Public for Oregon
My Commission Expires: 2/19/2000



AFTER RECORDING RETURN TO:
Klamath Falls City Recorder
P.O. Box 237
Klamath Falls, OR 97601

EXHIBIT "A" TO ANNEXATION AGREEMENT
OF CITY OF KLAMATH FALLS AND
BETTERDORF ENTERPRISES, INC.

DATED: March 24th, 1997

PROPERTY DESCRIPTION

PARCEL 1

A parcel of land situated in the NW 1/4 NW 1/4 of Section 22, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a closed monument marking the Southwest corner of said NW 1/4 NW 1/4 of Section 22, said monument being the intersection of the centerlines of Washburn Way and Joe Wright Road; thence North 8 degrees 14' East along the centerline of Washburn Way a distance of 415.5 feet to a point; thence South 89 degrees 23' East a distance of 39.8 feet to a 3/8" iron pin marking the true point of beginning of this description; thence continuing South 89 degrees 23' East a distance of 291.33 feet to the Southeasterly right of way line of the Modoc Northern Railroad; thence North 33 degrees 33' 30" West along said right of way line a distance of 524.15 feet to a point on the East line of Washburn Way; thence South 8 degrees 14' West along said East line a distance of 433.25 feet, more or less to the true point of beginning.

PARCEL 2

A parcel of land situated in the NW 1/4 NW 1/4, Section 22, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at an iron pin on the Easterly right of way line of Washburn Way as the same is presently located and constructed, from which point the monument marking the Northwest corner of said Section 22 bears North 89 degrees 23' West 39.8 feet and North 8 degrees 14' East 521.6 feet distant; thence South 8 degrees 14' West along said Easterly right of way line 291.33 feet to its intersection with the Northerly right of way line of Joe Wright Road as the same is presently located and constructed; thence South 89 degrees 23' East along said Northerly right of way line 234.53 feet to its intersection with the Southeasterly right of way line of the Modoc Northern Railroad as the same is presently located and constructed; thence North 33 degrees 33' 30" West along said Southeasterly railroad right of way line 463.73 feet to an iron pin; thence North 89 degrees 23' West 291.33 feet to the point of beginning.

EXCEPTING THEREFROM a tract of land located in NW 1/4 NW 1/4 of Section 22, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Commencing at the North 1/16 corner common to Section 21 and 22; thence North 89 degrees 33' 20" East, along the centerline of Washburn Way, 39.83 feet; thence South 89 degrees 59' 53" East 39.83 feet to the intersection of the East boundary of Washburn Way with the North boundary of Joe Wright Road for the true point of beginning of this description; thence South 89 degrees 59' 53" East, along the North boundary of Joe Wright Road, 25.88 feet; thence North 44 degrees 12' 18" West, 35.44 feet to the East boundary of Washburn Way, thence South 89 degrees 33' 20" West, along the East boundary of Washburn Way, 23.88 feet to the true point of beginning, containing 312 square feet, more or less; the basis of bearings for this description is Survey No. 2684 on file in the office of the Klamath County Surveyor.

STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath Falls City Recorder the 1st day
of May A.D. 19 97 at 11:17 o'clock A. M., and duly recorded in Vol. 1997
of Deeds on Page 13300

FEE \$15.00

Bernadine G. Leisch, County Clerk
by Kathleen Kozel