

After Recording, Return to:
Dennis L. Oden
110 North 6th Street
Klamath Falls, OR 97601

MEMORANDUM OF CONTRACT OF SALE

DATED: May 23, 1997

BETWEEN: ROBERT L. NUNN
WILMA L. NUNN
Trustees of the Nunn Living Trust

SELLERS

AND: AARON POWLESS

PURCHASER

Pursuant to a Contract of Sale dated May 23, 1997, Seller sold to Purchaser the following described real property located in Klamath County, Oregon:

Lot 9 in Block 7 of Tract No. 1025 Winchester, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

The true and actual consideration for this conveyance stated in dollars is the sum of \$85,000.00.

The purchase price of \$85,000.00 shall be paid as follows:

(a) The sum of \$8,000.00 represents the down payment, of which \$2,000.00 shall be paid at closing, \$2,000.00 shall be paid on or before August 15, 1997 and \$4,000.00 shall be paid on or before January 15, 1998.

(b) The balance of \$77,000.00 shall bear interest at the rate of eight and one-quarter percent (8 1/4%) per annum and shall be payable in monthly installment of \$600.00 per month, including interest. Payments shall be first applied to interest and then to principal. The first payment will be due June 15, 1997, with a like payment due upon the same day of each month thereafter.

SELLER:


Robert L. Nunn

Trustee of the Nunn Living Trust


Wilma L. Nunn

Trustee of the Nunn Living Trust

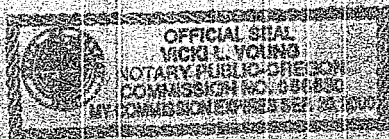
PURCHASER:


Aaron Powless

STATE OF OREGON)
) ss.
 County of Klamath)

Personally appeared within named Robert L. Nunn, Trustee of the Nunn Living Trust and acknowledged the foregoing instrument to be his voluntary act and deed.

SUBSCRIBED AND SWORN before me this 23 day of May, 1997.

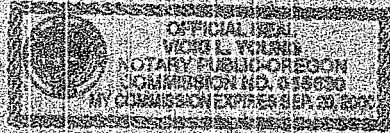


Vicki L. Young
 NOTARY PUBLIC FOR OREGON
 My Commission Expires: 9-20-2000

STATE OF OREGON)
) ss.
 County of Klamath)

Personally appeared within named Wilma L. Nunn, Trustee of the Nunn Living Trust and acknowledged the foregoing instrument to be her voluntary act and deed.

SUBSCRIBED AND SWORN before me this 23 day of May, 1997.

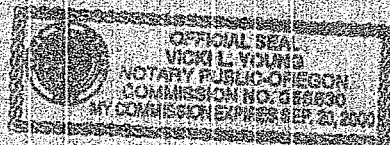


Vicki L. Young
 NOTARY PUBLIC FOR OREGON
 My Commission Expires: 9-20-2000

STATE OF OREGON)
) ss.
 County of Klamath)

Personally appeared within named Aaron Fowless, and acknowledged the foregoing instrument to be her voluntary act and deed.

SUBSCRIBED AND SWORN before me this 23 day of May, 1997.



Vicki L. Young
 NOTARY PUBLIC FOR OREGON
 My Commission Expires: 9-20-2000

2 - MEMORANDUM OF CONTRACT

STATE OF OREGON: COUNTY OF KLAMATH ss.

Filed for record at request of Dennis Oden the 23rd day
 of May A.D., 19 97 at 2:18 o'clock P. M., and duly recorded in Vol. 1197
 of Deeds on Page 15894

FEE \$35.00

Bernetha G. Zeisler
 Bernetha G. Zeisler County Clerk

Robert L. Nunn
Wilma L. Nunn
Trustees of the Nunn Living Trust
5355 Knapwood Dr.
Klamath Falls, OR 97603

Grantor's Name & Address

Aaron Powless
P.O. Box 5143
Klamath Falls, OR 97601

Grantor's Name & Address

After Recording Return to:
Dennis L. Oden
110 North 6th Street
Klamath Falls, OR 97601

Until request otherwise send all tax statements to:

Aaron Powless
P.O. Box 5143
Klamath Falls, OR 97601

STATE OF OREGON)
County of Klamath)

I certify that the within instrument was
received for record on the 23rd day of May, 1997,
at 2:18 o'clock P.m. and recorded in
book/reel/volume No. 1897 on page
15896 and/or as fee/file/instrument/
microfilm/reception No. 38153, Record of
Deeds of said County.

Witness my hand and seal of County
affixed.

Bernetha G. Letsch, Co Clerk

Name Bernetha G. Letsch Title County Clerk
Deposy

FEE: \$30.00

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, That Robert L. Nunn and Wilma L. Nunn, Trustees of the Nunn Living Trust, hereinafter called the grantor, for the consideration hereinafter stated, to grantor paid by Aaron Powless, hereinafter called the grantee, does hereby grant, bargain, sell and convey unto the grantee and grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or in any way appertaining situated in Klamath County, State of Oregon, described as follows.

Lot 9 in Block 7 of Tract 1025 Winchester, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

TO HAVE AND TO HOLD the same unto the grantee and grantee's heirs, successors and assigns forever.

And grantor hereby covenants to and with grantee and grantee's heirs, successors and assigns, that grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances and that grantor will warrant and forever defend the premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, except those claiming under the above described encumbrances.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$85,000.00.

In construing this deed, where the context so requires, the singular includes the plural and all grammatical changes shall be made so that this deed shall apply equally to corporations and to individuals.

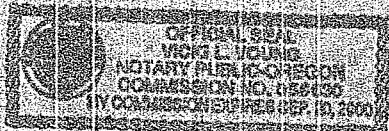
IN WITNESS WHEREOF, the grantor has executed this instrument this 23 day of May, 1997; if a corporate grantor, it has caused its name to be signed and its seal, if any affixed by an officer or other person duly authorized to do so by order of its board of directors.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THE 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 APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930

Robert L. Nunn
Robert L. Nunn
Trustee of the Nunn Living Trust
Wilma L. Nunn
Wilma L. Nunn
Trustee of the Nunn Living Trust

STATE OF OREGON, County of Klamath) ss

This instrument was acknowledged before me on this 23 day of May, 1997, by Robert L. Nunn and Wilma L. Nunn, Trustees of the Nunn Living Trust.



Vicki L. Young
Notary Public of Oregon
My commission expires 9-10-2000