

MEMORANDUM OF CONTRACT OF SALE

Until further notice, all tax statements should be sent to the following address:

Wesley V. and Debi L. Rice
20438 SW Tremont Way
Aloha, OR 97007

After recording, this Memorandum shall be delivered to:

Robert S. Lovlien
P.O. Box 1151
Bend, OR 97709

The true consideration for this transfer is \$30,000.00.

Pursuant to a Contract of Sale dated 7/1/98, 1998, DANIEL C. BOONE and CORINNA C. BOONE, husband and wife, Seller, sold to WESLEY V. RICE and DEBI L. RICE, husband and wife, Purchaser, the following-described real property located in Klamath County, Oregon:

Lot 12 in Block 1 of PLAT NO. 1204 - LITTLE RIVER RANCH,
according to the official plat thereof on file in the office of the
County Clerk of Klamath County, Oregon.

SUBJECT TO:

1. The premises herein are within and subject to the statutory powers, including the power of assessment, of Walker Range Timber.
2. Rights of the public and of governmental bodies in and to that portion of the premises described herein, now or at any time lying below the high water mark of the Little Deschutes River, including any ownership rights which may be claimed by the State of Oregon, in and to any portion of the premises now or at any time lying below the ordinary high water mark thereof.
3. Any claim based on any prohibition or limitation on the use, occupancy, or improvements of the land resulting from the rights of the public to use any waters which may cover the land for fishing or navigation, or to use any portion of the land which is now or may formerly have been covered by water.

1 - MEMORANDUM OF LAND SALE CONTRACT (RSL-BOCINE.002)

Robert S. Lovlien & Jarvis

40 N.W. Greenwood • P.O. Box 1151 • Bend, Oregon 97705-1151 • (541) 382-4331 • Fax (541) 339-3186

4. An Easement created by instrument, subject to the terms and provisions thereof, dated May 29, 1963 and recorded July 31, 1963 in Volume 347, Page 76, Deed Records of Klamath County, Oregon, from Harold D. Barclay and Dorothy Barclay to Fred L. Mahn.

5. The premises herein described are within and subject to the statutory powers, including the power of assessment, of Little River Ranch Homeowners Association.

6. Covenants, conditions and restrictions as shown on recorded plat, as follows:

Reservations and restrictions as contained in the declaration as follows: "fee title to all private ways, streets, roads, private recreation areas, semi-public recreational or service areas and common areas shall be conveyed, by owners, to the Little River Ranch Homeowners Association. Dedicate, donate and convey to Klamath County, Lot 10, Block 5, for public purposes.

5'x30' Easement required for power guy lines and poles.

10' P.U.E. on all lot lines adjacent to roadway.

5' P.U.E. on each side of all side lot lines.

7. Subject to Restrictions as contained in instrument recorded in M81 at Page 9485, Microfilm Records of Klamath County, Oregon, to-wit:

"(3) All property within 200 yards of the River shall be subject to the following restrictions;

(a). Buildings must be suitable for year around use and must be placed on permanent foundations, consisting of concrete, brick, pumice blocks or stone masonry. Pitch of the roof and size and spacing and ceiling joists must be adequate to withstand heavy snow packs. Roofs must be of wood shingle. All buildings, fences and improvements must be constructed in workmanlike manner and kept in a condition of good repair. Exposed portion of foundation must be painted or sided if more than 12" above the ground. Exteriors to be finished with natural materials and a rustic appearance.

(b). All land owners must comply with the laws and regulations of the State of Oregon, County of Klamath, and any municipality applicable to fire protection, building construction and public health.

(c). No commercial, professional, noxious, or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood.

(d). The cutting or removal of living trees will only be permitted where necessary

2 - MEMORANDUM OF LAND SALE CONTRACT (RSL:BOONE.002)

29794

for the construction of buildings or thinning for the beautification of the property."

8. Covenants, conditions and restrictions, but omitting restrictions, if any, based on race, color, religion, sex, handicap, familial status or national origin, imposed by instrument, subject to the terms and provisions thereof, recorded May 28, 1981 in Volume M81, Page 9488, Microfilm Records of Klamath County, Oregon.

9. Agreement R3 Line Extensions, subject to the terms and provisions thereof, dated April 16, 1981 and recorded May 1, 1984 in Volume M84, Page 7131, Microfilm Records of Klamath County, Oregon, between Midstate Electric Cooperative, Inc. and Little River Ranch.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS 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.

SELLER:

Daniel C. Boone
DANIEL C. BOONE

Corinna C. Boone
CORINNA C. BOONE

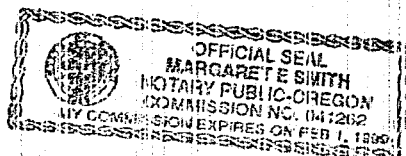
PURCHASER:

Wesley V. Rice
WESLEY V. RICE

Debi L. Rice
DEBI L. RICE

STATE OF OREGON, County of Deschutes, ss:

The foregoing instrument was acknowledged before me this 16 day of July 1998 by Daniel C. Boone and Corinna C. Boone.



Margaret E. Smith
Notary Public for Oregon
My Commission Expires: 2-1-1999

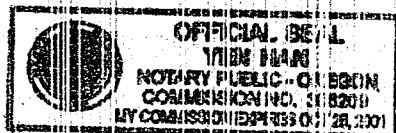
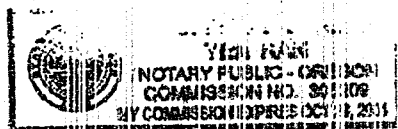
3 - MEMORANDUM OF LAND SALE CONTRACT (RSL:BOONE.002)

29795

STATE OF OREGON, County of Deschutes, ss:

The foregoing instrument was acknowledged before me this 27 day of July 1998 by Wesley V. Rice and Debi L. Rice, husband and wife.

Notary Public for Oregon

My Commission Expires: OCT. 26, 01STATE OF OREGON) ss.
COUNTY OF DESCHUTES)I, MARY SUE PENHOLLOW, COUNTY CLERK AND
RECORDER OF CONVEYANCES, IN AND FOR SAID
COUNTY, DO HEREBY CERTIFY THAT THE WITHIN
INSTRUMENT WAS RECORDED THIS DAY:

98 JUL 30 PM 4:09

MARY SUE PENHOLLOW
COUNTY CLERKBY [Signature] DEPUTYNO 98-33510 FEE [Signature]
DESCHUTES COUNTY OFFICIAL RECORDSRecorder Error

4 - MEMORANDUM OF LAND SALE CONTRACT (RSL:BOONE.002)

Bryant Lovlien & Jarvis

40 N.W. Greenwood • P.O. Box 1151 • Bend, Oregon 97709-1151 • (541) 382-4331 • Fax (541) 381-3386

STATE OF OREGON: COUNTY OF KLAMATH: ss:

Filed for record at request of Robert Lovlien the 13th day
of Aug A.D., 19 98 at 1:16 o'clock P M., and duly recorded in Vol. M98
of Deeds on Page 29792

FEE \$45.00

By [Signature] Berntha G. Letsch, County Clerk