

Return to: Brandsness, Brandsness & Rudd, P.C. 411 Pine Street Klamath Falls, Oregon 97601	Clerk's Stamp:
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## MEMORANDUM OF LEASE

DATED: November 30, 1999.

PARTIES: Jim L. McClung and Judi D. McClung,  
husband and wife  
5206 Barry Avenue  
Klamath Falls, OR 97603

"Landlord"

60 May-Slade Oil Company, an  
Oregon corporation  
865 South Spring Street  
Klamath Falls, OR 97601

"Tenant"

## MEMORANDUM:

By an instrument in writing dated March 21, 1995, amended December 1, 1995, and further modified March 28, 1996, Landlord, has leased to Tenant the following described property:

That portion of Lots 2 and 7, Block 1, Tract 1249, Resubdivision of Lot 4, Block 1, Tract 1080, WASHBURN PARK, according to the duly recorded plat thereof on file at the office of the county clerk of Klamath County, Oregon, described as the easterly 130 feet of Lot 2, consisting of approximately 21,450 square feet and including approximately 165 feet of frontage on Washburn Way, which is on the date of the Lease unimproved, and sufficient land on Lots 2 and 7, to locate four 6,000 gallon above ground storage tanks and retaining walls, and underground transfer lines.

The agreement and modifications further provide for Tenant's rights in the Landlord's property described as follows:

Lots 2 and 7, Block 1, Tract 1249, Resubdivision of Lot 4, Block 1, Tract 1080, WASHBURN PARK, according to the duly recorded plat thereof on file at the office of the county clerk of Klamath County, Oregon.

This Memorandum is executed to evidence and confirm the lease referred to above, including the amendments and modifications thereto, to which reference is made for its terms and conditions which include the following:

1. Term. August 1, 1995, to July 31, 2015, with the option in the Tenant to renew for successive ten year terms.
2. Tenant retains certain rights in the Landlord's property which include rights of exclusive possession and use of the entirety of Landlord's property described above and the fixtures located hereon.
3. The lease agreement and modifications provide to Tenant a right of first refusal for any sale, lease or transfer of the property of Landlord.
4. The modifications in the lease agreement provide for collateral agreements relating to the financing and certain covenants regarding the use of the property and business conducted thereon.

For further information, contact the attorney for Tenant May-Slade Oil Company, Andrew C. Brandsness of Brandsness, Brandsness & Rudd, P.C., 411 Pine Street, Klamath Falls, OR 97601, (541) 832-6616.

WITNESS the hands of the parties hereto as of the day and year first above written.

Jim L. McClung  
Jim L. McClung

Judi D. McClung  
Judi D. McClung

MAY-SLADE OIL COMPANY!

By Terry Slade  
Terry Slade, President

STATE OF OREGON                    )  
  ) ss.  
County of Klamath                )

November 30, 1999

Personally appeared Jim L. McClung and acknowledged the foregoing instrument to be his voluntary act and deed. Before me:



Lo Etta A. Cadman  
Notary Public for Oregon  
My Commission expires: 12-19-2002

STATE OF OREGON                    )  
  ) ss.  
County of Klamath                )

November 30, 1999

Personally appeared Judi D. McClung and acknowledged the foregoing instrument to be her voluntary act and deed. Before me:



Lo Etta A. Cadman  
Notary Public for Oregon  
My Commission expires: 12-19-2002

STATE OF OREGON                    )  
  ) ss.  
County of Klamath                )

November 30, 1999

Personally appeared Terry Slade who, being duly sworn, stated he is President of May-Slade Oil Company and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he acknowledged said instrument to be its voluntary act and deed. Before me:



Lo Etta A. Cadman  
Notary Public for Oregon  
My Commission expires: 12-19-2002

State of Oregon, County of Klamath  
Recorded 12/02/99, at 4:07 p.m.  
In Vol. M99 Page 47629  
Linda Smith,  
County Clerk                    Fee \$ 35.00