

2000 JUL 13 AM 8:17

EXHIBIT "B"

Vol M00 Page 25509

After Recording Return to:

Calvin W. Collins
Newcomb Sabin Schwartz & Landsverk, LLP
111 S.W. Fifth Avenue, Suite 4040
Portland, Oregon 97204

Until a Change is Requested all
tax statements shall be sent to
the following address:

Curt Rymer
Georgi Douglas
2008 NW Fourth Street
Bend, Oregon 97701

MEMORANDUM OF OPTIONS

THIS MEMORANDUM OF OPTIONS is made this 9th day of
June 2000, between Kenneth C. Rymer and Georgi Douglas, Husband and
Wife (Owner), and Crater Lake Lodge, Inc. (Optionee).

Owner has granted Optionee an option to purchase from Owner certain real
property situated in Klamath County, Oregon, described as follows:

SEE EXHIBIT A ATTACHED HERETO

upon the terms and conditions as set forth in that certain Option Agreement dated
June 9, 2000, entered into between the parties hereto, which Option Agreement
is incorporated herein by this reference and made a part hereof as though fully set forth
herein.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED
IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND

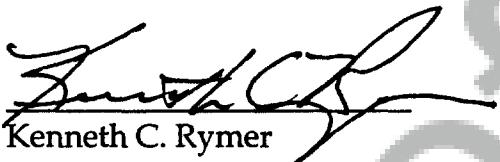
PAGE 1 - MEMORANDUM OF OPTIONS

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.

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. 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.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Options the day and year first above written.

OWNER:



Kenneth C. Rymer



Georgi Douglas

OPTIONEE:



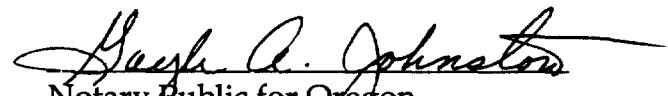
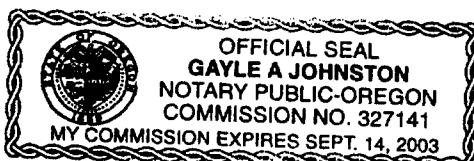
Richard Gordon
President
Crater Lake Lodge, Inc.

STATE OF OREGON

)
) ss.
)

COUNTY OF Deschutes

This instrument was acknowledged before me on June 9, 2000, by Kenneth C. Rymer and Georgi Douglas.



Notary Public for Oregon
My Commission Expires: 9-14-03

STATE OF OREGON)
COUNTY OF Jackson)
) ss.

This instrument was acknowledged before me on May 23, 2000, by Richard Gordon as President of Crater Lake Lodge, Inc.



Arcangela Prado
Notary Public for Oregon

My Commission Expires: March 14, 2003

unofficial
copy

EXHIBIT "A"

That portion of Lot 4, Section 6, Township 33 South, Range 7½ East of the Willamette Meridian, lying Northeasterly of the Crater Lake Highway.

That portion of Lot 3 and that portion of the SE 1/4 NW 1/4 of Section 6, Township 33 South, Range 7½ East of the Willamette Meridian, lying and being Easterly of the Crater Lake Highway.

SAVING and EXCEPTING therefrom any portion lying within the Crater Lake Highway.

State of Oregon, County of Klamath
Recorded 07/13/00, at 8:17 a.m.
In Vol. M00 Page 25509
Linda Smith,
County Clerk Fee\$ 36.00