

After recording, return to
(File No. 78160014)

Until a change is requested, all tax
statements shall be sent to the following
address:

Aspen Title
Collection Dept.

John Sparkes

P.O. Box 373
Chiloquin, OR 97624

MEMORANDUM OF LAND SALE CONTRACT

BY AN INSTRUMENT in writing, dated December 3, 2001, JAMES M. SEVERIN, also known as JIM SEVERIN, Seller, and JOHN SPARKES as Buyer, made and entered into a contract in which Seller agrees to sell and Buyer agrees to purchase (the true consideration for this transfer is \$373,000.00) the following-described real property, situated in the County of Klamath, State of Oregon, to-wit:

PARCEL 1:

Lots 20, 21 and 22, Block 11, SOUTH CHILOQUIN, in the County of Klamath, State of Oregon.

PARCEL 2:

Lots 17 and 18, PONDEROSA PARK, in the County of Klamath, State of Oregon.

PARCEL 3:

Lots 14, 15 and 16, PONDEROSA PARK, in the County of Klamath, State of Oregon.

SUBJECT TO:

1. Municipal liens, if any, imposed by the City of Chiloquin.
2. Conditions, restriction and/or setbacks, as shown on the recorded plat of Ponderosa Park.
3. Conditions, restrictions and/or setbacks, as shown on the recorded plat of South Chiloquin.
4. Easement, including the terms and provisions thereof, as shown on the Dedication of Ponderosa Park, "...subject to a 7 foot easement along the back of all lots for present and future public utilities, said easement to provide ingress and egress for construction and maintenance of such utilities with no structures being permitted thereon and any plantings being placed thereon at the risk of the owner," granted to the City of Chiloquin, recorded January 21, 1959, in Book 309, page 25 (affects Parcels 2 and 3).

5. Trust Deed, including the terms and provisions thereof, dated June 19, 1996, recorded June 25, 1996, in Book M-96, page 18869, Grantor, James M. Severin, a single person, Trustee, William L. Sisemore, Beneficiary, Klamath First Federal Savings and Loan Association, amount \$48,300.00, Loan No. 030-04-00040 (affects Lot 20, Block 11, South Chiloquin).

Conditional Assignment of Rents, including the terms and provisions thereof, between James M. Severin and Klamath First Federal Savings and Loan Association dated June 19, 1996, recorded June 25, 1996, in Book M-96, page 18874, given as additional security to the Trust Deed as shown above.

Appointment of Successor Trustee recorded July 27, 2000, in Book M00, page 27484, Successor Trustee, Pacific Cascades Financial, Inc.

6. Trust Deed, including the terms and provision thereof, dated June 19, 1996, recorded June 25, 1996, in Book M-96, page 18876, Grantor, James M. Severin, Trustee, William L. Sisemore, Beneficiary, Klamath First Federal Savings and Loan Association, amount \$48,300.00, Loan No. 030-04-00041 (affects Lot 21, Block 11, South Chiloquin).

Conditional Assignment of Rents, including the terms and provisions thereof, between James M. Severin and Klamath First Federal Savings and Loan Association dated June 19, 1996, recorded June 25, 1996, in Book M-96, page 18881, given as additional security to the Trust Deed as shown above.

Appointment of Successor Trustee recorded July 27, 2000, in Book M00, page 27484, Successor Trustee, Pacific Cascades Financial, Inc.

7. Trust Deed, including the terms and provision thereof, dated June 19, 1996, recorded June 25, 1996, in Book M-96, page 18883, Grantor, James M. Severin, a single person, Trustee, William L. Sisemore, Beneficiary, Klamath First Federal Savings and Loan Association, amount \$48,300.00, Loan No. 030-04-00039 (affects Lot 22, Block 11, South Chiloquin).

Conditional Assignment of Rents, including the terms and provisions thereof, between James M. Severin and Klamath First Federal Savings and Loan Association dated June 19, 1996, recorded June 25, 1996, in Book M-96, page 18888, given as additional security to the Trust Deed as shown above.

Appointment of Successor Trustee recorded July 27, 2000, in Book M00, page 27484, Successor Trustee, Pacific Cascades Financial, Inc.

and commonly known as 604, 606, 608, 610, 612, 614, 616, 618 and 620 3rd Avenue, Chiloquin, OR 97624, and having Tax Account Numbers R222404, R222388, R222360, R221236, R221245, and R221254.

The contract provides, among other things, that Buyer shall not assign, sell or transfer his interest in the real property or the contract without Seller's written consent.

The terms and conditions of the contract are fully set forth in the contract and reference thereto is hereby made.

LAND USE AND FIRE PROTECTION

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. ORS 93.040(1)

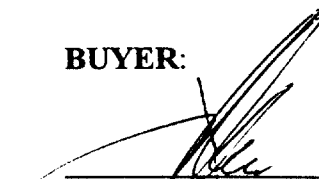

THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS, WHICH, IN FARM OR FOREST ZONES MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND WHICH LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. 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. ORS 93.040(2)

DATED this 3rd ^{December} day of November, 2001.

SELLER:

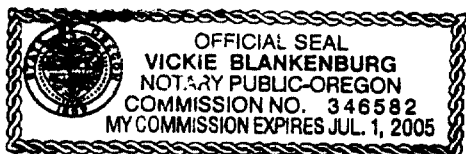

James M. Severin

BUYER:


John Sparkes


STATE OF OREGON)
) ss.
 County of Klamath)

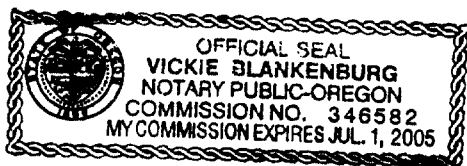
This instrument was acknowledged before me on 3rd ^{December} day of ~~November~~, 2001, by James M. Severin.



Vickie Blankenburg
 NOTARY PUBLIC FOR OREGON
 My Commission Expires: 7/01/05

STATE OF OREGON)
) ss.
 County of Klamath)

This instrument was acknowledged before me on 4th ^{December} day of ~~November~~, 2001, by John Sparkes. and Ellen R. Sparkes



Vickie Blankenburg
 NOTARY PUBLIC FOR OREGON
 My Commission Expires: 7/01/05

State of Oregon, County of Klamath
 Recorded 12/05/01 10:14 a. m.
 Vol M01, Pg 62029-32
 Linda Smith, County Clerk
 Fee \$ 36.00 # of Pgs 4