

03 MAY 23 AM 11:06

MT- 60535

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

C. Paul Dagle
Holland & Knight
2300 U.S. Bancorp Tower
111 S.W. Fifth Avenue
Portland, Oregon 97204

Vol M03 **Page** 35043

State of Oregon, County of Klamath
Recorded 05/23/2003 11:06 Am.
Vol M03 Pg 35043-45
Linda Smith, County Clerk
Fee \$ 31.00 # of Pgs 3

RETURN TAX STATEMENTS TO:

Crestview Commons Limited Partnership
c/o Rembold Companies
1022 S.W. Salmon St.
Suite 450
Portland, OR 97205

**OPTION AND MEMORANDUM OF
RIGHT OF FIRST REFUSAL**

This Option and Memorandum of Right of First Refusal ("Option") is entered into as of the 5th day of May, 2003, between Crestview Commons Limited Partnership, an Oregon limited partnership (the "Owner"), and Klamath Housing Authority, a body corporate and politic (the "Optionee"), with respect to that certain right of first refusal from Owner to Optionee as set forth in paragraph 3 of that certain General Manager Agreement (the "Agreement") dated April 25, 2003, between the Owner and the Optionee.

Pursuant to the Agreement, the Owner has granted to the Optionee the right, on the terms and conditions stated in the Agreement, to purchase the improvements which will consist of sixty-three (63) low-income residential units and one manager's unit, together with related buildings located in Klamath Falls, Klamath County, Oregon, and the interest of the Owner in the land on which the improvements will be situated, which is more particularly described on Exhibit A, attached hereto and made a part hereof by this reference (together, the "Project").

The rights and obligations with respect to the buyout option and right of first refusal commence as of the date thereof, and shall expire in accordance with the terms of the Agreement.

The actual consideration consists of or includes other property or value given or promised which is the whole consideration.

This Option incorporates all the terms and provisions of the Agreement as though fully set forth herein.

This Option is solely for recording purposes and shall not be construed to alter, modify, amend, or supplement the Agreement, of which this is a memorandum.

31.00

35044

WHEREFORE, the parties have executed this Option as of the date first herein above written.

OWNER

CRESTVIEW COMMONS LIMITED PARTNERSHIP

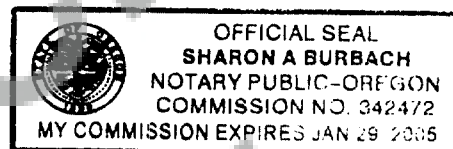
By: RK Holdings, L.L.C.,
General Partner

By: *Wayne C. Rembold*
Wayne C. Rembold,
Acting Operating Manager

OPTIONEE

KLAMATH HOUSING AUTHORITY

By: *Wayne A. Connors*
Wayne A. Connors,
Executive Director



STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on this 5th day of May, 2003 by Wayne C. Rembold, ~~Acting~~ Operating Manager of RK Holdings, L.L.C., the general partner of Crestview Commons Limited Partnership, an Oregon limited partnership, on behalf of said partnership.

Sharon Burbach
Notary Public for Oregon
My commission expires: 1/29/05

STATE OF OREGON)
) ss.
County of Klamath)

This instrument was acknowledged before me on this 29th day of April, 2003, by Wayne A. Connors, Executive Director of Klamath Housing Authority, on behalf of said housing authority.



Janice A. Hafar
Notary Public for Oregon
My commission expires: 4-28-05

35045

EXHIBIT A
REAL PROPERTY DESCRIPTION

Parcel 1

Parcel 1 of Land Partition 1-03, said Land Partition being Parcel 1 of Land Partition 14-97 and a portion of a tract of land situated in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 10, Township 39 South, Range 9 East, Willamette Meridian, Klamath County, Oregon.

POR1 #161187 v1