

LEASE

THIS INDENTURE OF LEASE, Made in duplicate at Crescent Lake, Oregon, on this 1st day of June, 1966, by and between H. E. BOVENKIRK and ISABELLE BOVENKIRK, husband and wife, hereinafter known and referred to as the lessor, (whether singular or plural), and CASCADE SPORTSMENS CENTER, INC., an Oregon corporation, hereinafter known and referred to as the lessee, (whether singular or plural).

WITNESSETH:

That in consideration of the covenants, agreements and stipulations herein contained on the part of said lessee to be paid, kept and faithfully performed by said lessee, the said lessor does hereby lease, demise and let unto said lessee that certain premises known as:

All of the property in Section 1, Township 24 South, Range 6, East of the Willamette Meridian, Klamath County, Oregon, which lies Northeast of U. S. Highway No. 58 in Klamath County, Oregon, and a portion of Lots 13 and 14 in Section 6, Township 24 South, Range 7, East of the Willamette Meridian, Klamath County, Oregon, which lies Northeast of U. S. Highway No. 58 in Klamath County, Oregon.

TO HAVE AND TO HOLD said premises hereby leased for a period described as: From the 1st day of June, 1966, to and including the 30th day of September, 1968, said lessee paying and yielding as rental therefor, during said term a monthly rental of One Hundred and 00/100 Dollars (\$100.00), lawful money of the United States, to be paid as follows:

The sum of \$100.00 on July 1, 1966 and a like sum on the same day of each month thereafter during the remainder of said term, on the same day of each month provided, however, that in the event lessee shall construct and have in operation the service station to be constructed on said premises prior to July 1, 1966, then the monthly rental of \$100.00 shall begin as of the 1st day of the month during which said station is put into operation; otherwise, said payments will begin as of the said date of July 1, 1966, and continue thereafter as aforesaid.

That said lessee will make no unlawful, improper or offensive use of the premises; that at the expiration of the said term or upon any sooner termination of this lease, said lessee will quit and deliver up the premises, and all future erections or additions to or upon the same, to the said lessor, or those having their estate therein, peaceably, quietly, in as good order and condition (reasonable use and wearing thereof, fire and other unavoidable casualties excepted) as

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the same now are or may be put in by the lessor or those having their estate in the premises; that said lessee will not suffer nor commit any strip or waste thereof, nor make nor suffer to be made any alterations or additions to or upon the same, nor assign this lease, nor underlet, or permit any other person or persons to occupy the same, without the consent of the said lessor or those having their estate in the premises, being first obtained in writing, and also that it shall be lawful for the said lessor and those having their estate in the premises, at reasonable times, to enter into and upon the same, to examine the condition thereof.

It is further understood and agreed between the parties hereto that all buildings constructed upon the premises during the term of this lease, or any renewal thereof by the lessee shall remain upon the lands at the termination of this lease and shall become the property of the lessors.

It is understood and agreed by the parties hereto, notwithstanding the agreement contained in this lease to the contrary, that the lessee shall have the right to sublet any of the buildings or a portion of the premises leased hereunder to other persons; provided, however, that in the event the lessee does sublet any portion of said premises, or all thereof, to any other persons, then, and in that event, the lessors shall be entitled to the sum of ten per cent of all rentals collected by the lessee, and that the same shall be in addition to the sum of \$100.00 per month as rental of said premises, as in this lease provided, and that in event said lessee shall sublet said premises he shall account to the lessors monthly for the rental collected and furnish to the lessors a statement showing the amount of such rentals collected during each preceding month and that said payments of ten per cent of rentals shall be made on the same date reserved for the payment of \$100.00 per month.

It is further understood and agreed between the parties hereto that because of the possibility that taxes upon said premises will be increased by lessee's construction of improvements upon said premises, the lessee does hereby agree to pay 90 per cent of the taxes upon the lands and improvements leased and let under this agreement, and that the lessors agree to pay 10 per

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cent thereof; provided, however, that the lessee shall pay the entire taxes on the premises and improvements and shall deduct ten per cent of the taxes from the rental to be paid to the lessors under this agreement, it being understood that the lessee will pay all taxes upon said premises promptly and before delinquency, and it is agreed between the parties hereto that the parties will cause the premises let hereunder to be segregated by the County Assessor from the larger portion of said lands, of which the same is now a part, so as to cause said lands to have a separate assessment, and that they will so notify the County Assessor and request such segregation.

It is further agreed that the provision in paragraph above relating to rentals which provides that the lessors shall be entitled to an additional rental in an amount of 10% of all rentals collected by the lessee shall not apply in the following cases:

1. Where the lessee does not sublet the service station to be constructed but do sublet the cafe, then the lessors shall not be entitled to 10% of the cafe rentals.
2. The 10% additional rental provision does not apply to any daily or weekly rentals on any cabins or motel units which may be constructed by the lessees.

Provided that this lease is faithfully performed by the lessee in all things, the lessors do hereby grant to the lessee an option to renew this lease for one additional ten year term at the expiration of the term of this lease and upon the same terms and at the same rental, with the exception that the renewal shall not contain any option for the renewal of said lease beyond the additional ten year period, and provided further that in event the lessee shall desire to renew this lease he shall notify the lessors in writing at least 60 days prior to the expiration of this lease of his intention so to do.

It is further understood and agreed between the parties hereto that in event either of the lessors shall die the survivor may exercise all rights connected with said lease so far as lessors are concerned, and may continue to collect the rentals provided for herein as their sole and separate property.

The heirs, executors and administrators of the parties are bound hereby and that all rights herein shall inure to the heirs, executors and administrators.

PROVIDED always, and these presents are upon this condition, that if said rent shall be in arrears for the space of ten days, or if the said lessee, their representatives or assigns, shall neglect or fail to do or perform, and observe any or either of the covenants hereinbefore contained, which on said lessee's part are to be performed, then and in either of the said cases, the said lessor, or those having their estate in the said premises lawfully may, immediately or at any time thereafter, and while said neglect or default continues, and without further notice or demand, enter into and upon the said premises, or any part thereof, in the name of the whole and repossess the same, of their former estate, and expel the said lessee, and those claiming under said lessee, and remove their effects (forcibly if necessary), without being taken or deemed guilty in any manner of trespass, and without prejudice to any remedies which might otherwise be used for arrears of rent, or preceding breach of covenants.

Any waiver of any breach of covenants herein contained to be kept and performed by the lessee shall not be deemed or considered as a continuing waiver and shall not operate to bar or prevent the lessor from declaring a forfeiture for any succeeding breach, either of the same condition or covenant or otherwise.

Any holding over by the lessee after the expiration of the term of this lease, or any extension thereof, shall be as a tenancy from month to month and not otherwise.

IN WITNESS WHEREOF, the respective parties have executed this instrument the day and year first hereinabove written, in duplicate.

H. E. Bovenkirk 20
H. E. Bovenkirk

Isabelle Bovenkirk
Isabelle Bovenkirk Lessor

CASCADE SPORTSMEN'S CENTER, INC.

By Gordon B. Chadband Pres.

By Marvin C. Farrow N. Pres.
Lessee

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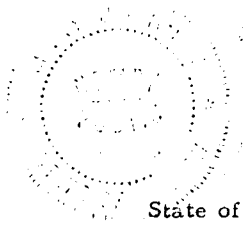
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State of Oregon
County of Deschutes
June 1, 1966

Personally appeared the above-named H. E. BOVENKIRK and ISABELLE BOVENKIRK and acknowledged the foregoing instrument to be their voluntary act. Before me:

Mary J. Hunt
Notary Public for Oregon

My Commission expires 6-23-68



State of Oregon
County of Deschutes
June 1, 1966

Personally appeared GORDON B. CHADBAND and MANLY C. FARRAR, who being sworn, stated they are the president and vice-president of grantor corporation and that the seal affixed hereto is its seal and that this deed was voluntarily signed and sealed in behalf of the corporation by authority of its Board of Directors. Before me:

Mary J. Hunt
Notary Public for Oregon

My Commission expires 6-23-68



STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Klamath County, Inc.
this 1st day of July, 1966, at 1:00 o'clock P.M., and
duly recorded in Vol. 1146, of Book 1146, Page 1005
By Donna McCams, County Clerk

7:52 pm

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