

43769

Vol. ^m78 Page 12316

LEASE

THIS AGREEMENT, dated this 15th day of May, 1978, between GIENGER ENTERPRISES, INC., referred to hereinafter as "Lessor"; and ALPINE VENEERS, INC., referred to hereinafter as "Alpine".

1. Premises Leased. It is hereby agreed that Alpine will lease from Lessor the premises described in the attached Exhibit "A", and as further set out in the attached plat map identified as Exhibit "B", both of which are incorporated herein by this reference.

2. Term of Lease. The term of this lease shall be for a period of thirty years from the date hereof.

3. Rent. Alpine shall pay to Lessor as rent for the use and possession of the premises the sum of \$500 per month, which sum shall be in cash payable on the first day of each month during which the premises are leased.

4. Use of Premises. Alpine intends to use the premises for storage of logs and log decking, but Alpine may use and occupy the leased property for any lawful purposes. The premises now consist of bare land, and Alpine, during the term of this lease, may bring and use upon the leased premises such machinery, equipment and temporary structures necessary to conduct the log storage and log decking operations. Alpine may also install

AFTER RECORDING RETURN TO:
Douglas R. Grim
1100 Yeon Building
Portland, Oregon 97204

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decking operations; provided, however, any other permanent buildings, structures, or fixtures may be installed upon the leased premises by Alpine only with the consent of Lessor, which consent will not be unreasonably withheld.

5. Termination. Alpine, for any reason, may terminate this lease ten years from the date hereof. Alpine shall also have the right to terminate this lease at any time should any governmental regulatory agency or any other official body prohibit log storage or log decking activities on the premises or cause such activities to be economically unfeasible or otherwise be nonprofitable to Alpine. If Alpine elects to terminate the lease under this paragraph, Alpine shall give Lessor thirty days' written notice prior to the termination date of Alpine's intention to terminate the lease.

6. Property Taxes and Insurance. Alpine shall pay all real and personal property taxes assessed on the premises during the term of this lease, and Alpine shall also carry workmen's compensation and general liability coverage insuring Alpine only for activities conducted by Alpine on the premises during the term of the lease.

7. Utilities. During the term of this lease, Alpine, at its own expense, shall install, maintain, and pay for such utility services as Alpine might require. However, Alpine shall be allowed to use the water which is on the premises for any

12318

purpose, including, but not limited to, spraying of log decks; and Lessor will grant to Alpine, during the term of this lease, all rights the Lessor may have to and for the use of water on the premises and shall cooperate in all necessary manner to accommodate Alpine's use of water on the premises.

8. Ownership. Lessor warrants that the premises leased under this agreement are owned by Lessor, free and clear of any claim by third parties, and during the term of this lease Alpine will peaceably and quietly enjoy the leased property without any disturbance from Lessor or any other person claiming through the Lessor.

9. Right of Entry. During the term of this lease, Lessor or its representatives may enter the leased property at any reasonable time for the purpose of inspecting the leased property.

10. Condemnation. If the leased premises, or any part thereof sufficient to hamper activities of Alpine, is taken by condemnation, this lease shall expire on the date when the leased property shall be so taken, and the rent shall be apportioned as of that date.

11. Assignment and Subleasing. Alpine may assign or sublease all or portions of the leased property during the term of this lease with the approval of Lessor, which approval shall not be unreasonably withheld.

12319

12. Right of First Refusal. Should Lessor, during the term of this lease, elect to sell the leased premises, Alpine shall have the right of first refusal to purchase the said leased premises. Lessor shall notify Alpine in writing of its intent to sell the leased premises and thereafter Alpine shall have 120 days within which to elect whether or not to purchase the said leased premises. In the event Alpine elects to purchase the leased premises, Alpine and Lessor shall enter into an earnest money agreement reflecting the terms of the purchase.

13. Notices. Until otherwise designated by the respective parties, notices required under this lease shall be mailed, certified mail, return receipt requested, as follows:

If to Alpine:

Alpine Veneers, Inc.
1210 Yeon Building
Portland, Oregon 97204

If to Lessor:

Glenger Enterprises, Inc.
111 Valley Street
Chiloquin, Oregon 97624

14. Prorate. All charges between Lessor and Alpine for rent or for any other charges shall be prorated on the date the lease commences or terminates, on the basis of a thirty-day month.

15. Benefit. This agreement shall be binding upon and

12320

shall inure to the benefit of the parties, their legal representatives, successors and assigns.

ALPINE VENEERS, INC.

By Evan T. Davies
President

By John R. Gilbertson
Secretary

"Alpine"

GIENGER ENTERPRISES, INC.

By Leroy Guenger
President

By Elaine P. Gienger
Secretary

"Lessor"

STATE OF OREGON)
) ss.
County of Multnomah)

Personally appeared Evan T. Davies and John R. Gilbertson, who stated that they are President and Secretary, respectively, of Alpine Veneers, Inc., an Oregon corporation, and that they are duly authorized to execute this Lease on behalf of their corporation.

Douglas R. [Signature]
Notary Public for Oregon
My Commission Expires: 5/19/79

STATE OF OREGON)
) ss.
County of Klamath)

Personally appeared Leroy Guenger and

12321

Elvire P. Gienger
Bonnie M. Kuchel, who stated that they are the President
and Secretary, respectively, of Gienger Enterprises, Inc., an
Oregon corporation, and that they are duly authorized to exe-
cute this Lease on behalf of their corporation.

Bonnie M. Kuchel
Notary Public for Oregon
My Commission Expires: 11-20-78

12322

LEGAL DESCRIPTION

A parcel of land, containing 19.92 acres, more or less, situated in the East 1/2 of the W 1/2 of Section 15, Township 36 South, Range 7 East of the Willamette Base and Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a 1/2" iron rod, at the centerline of Secondary State Highway 427, also known as the Williamson River Road, and an existing North-South canal, from which a 5/8" iron rod marking the Northeasterly corner of Alpine Veneer property described in Instrument Number M75-8146 of Klamath County deed records, bears N. 55 28'31" W. - 83.34 feet;

thence N. 01 35'15" W. - 2695.01 feet along the centerline of said canal, to the intersection of said canal and the centerline of an existing East-West drain, from which a 1/2" iron rod bears S. 50 25'39" E. - 19.92 feet;

thence N. 79 46'38" E. - 174.17 feet along the centerline of said drain, to a point in the westerly right-of-way line of the Southern Pacific Railroad;

thence, leaving the centerline of said drain, Southerly along said railroad right-of-way line as follows: along the arc of a 11,359.19 foot radius curve to the right (Chord definition), 15.20 feet, (Chord bears S. 08 55'05" E. - 15.20 feet) to a 1/2" iron rod;

thence along the arc of a 11,359.19 foot radius curve to the right (Chord definition), 668.99 feet, (Chord bears S. 07 11'33" E. - 668.90 feet) to a 1/2" iron rod;

thence S. 05 30'19" E. - 1750.24 feet to a 1/2" iron rod;

thence N. 84 29'41" E. - 50.00 feet to a 1/2" iron rod;

thence S. 05 30'19" E. - 544.66 feet to a 1/2" iron rod;

thence, leaving said railroad right-of-way line, S. 78 28'29" W. - 232.63 feet to a 1/2" iron rod, being in the centerline of said Secondary State Highway;

thence, continuing along the centerline of said Secondary State Highway, along the arc of a 663.24 foot radius curve to the left, 363.46 feet, (Chord bears N. 38 47'20" W. - 358.93 feet) to the point of beginning.

EXHIBIT A

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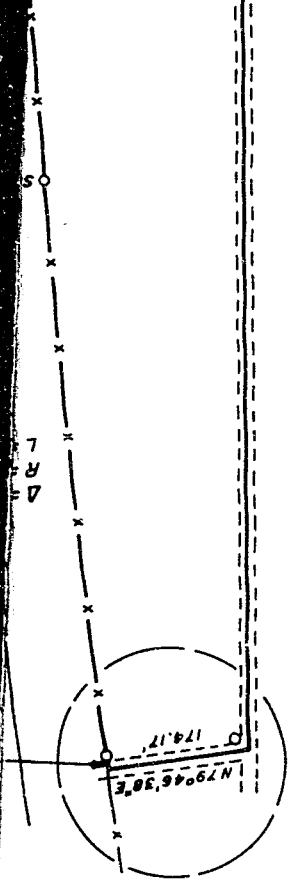
12323
MAP OF

SECTION 15, TOWNSHIP 36 SOUTH, RANGE 15

SURVEYED FOR: AL

SURVEYED BY: LECKL

DATE: M



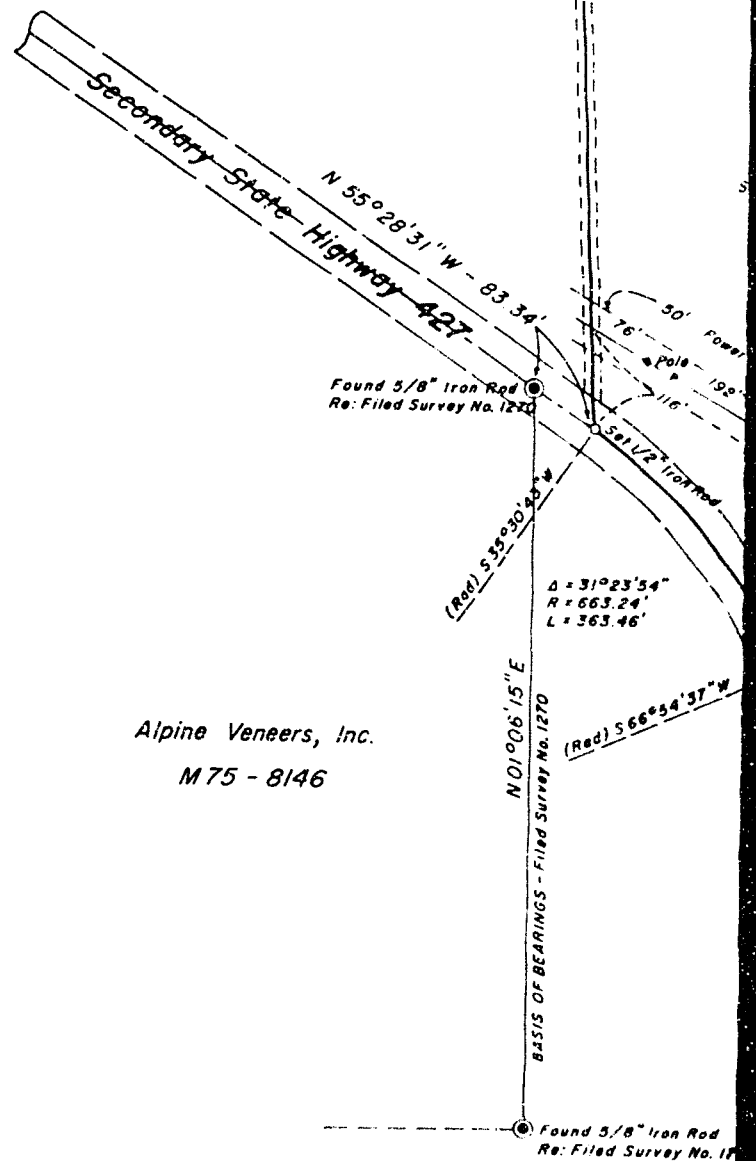
Contains 19.92

Wide

N 01° 35' 15" W

Acres, more or less

2695.01



Alpine Veneers, Inc.
M 75 - 8146

1702 19
Friedrich Schlegel

SURVEY

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7 EAST, W.M., KLAMATH COUNTY, OREGON

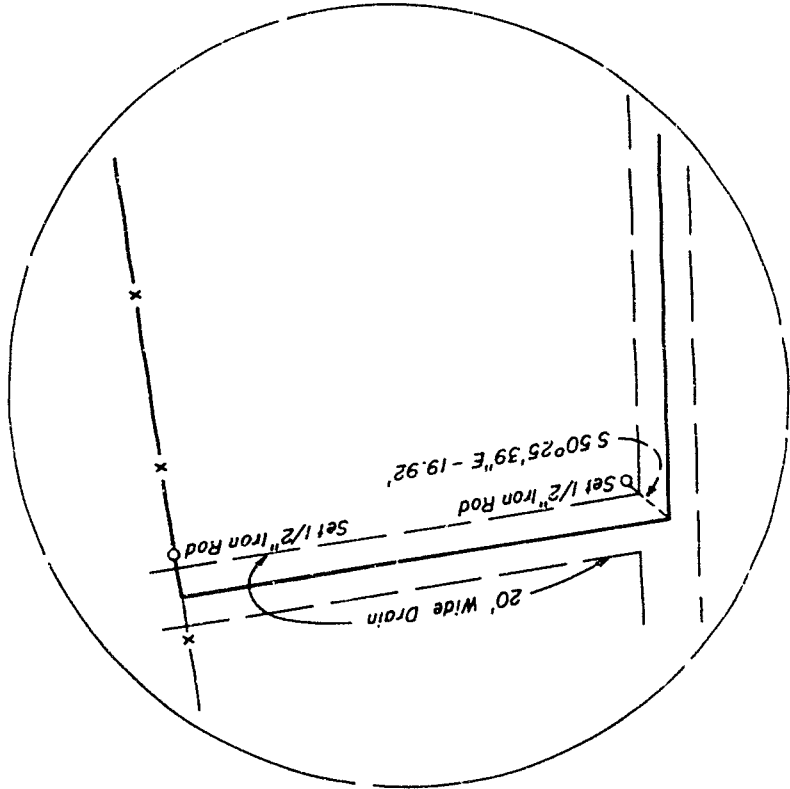
PINE VENEERS, INC.

IDER and ASSOCIATES

AY, 1978

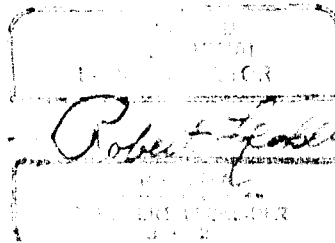
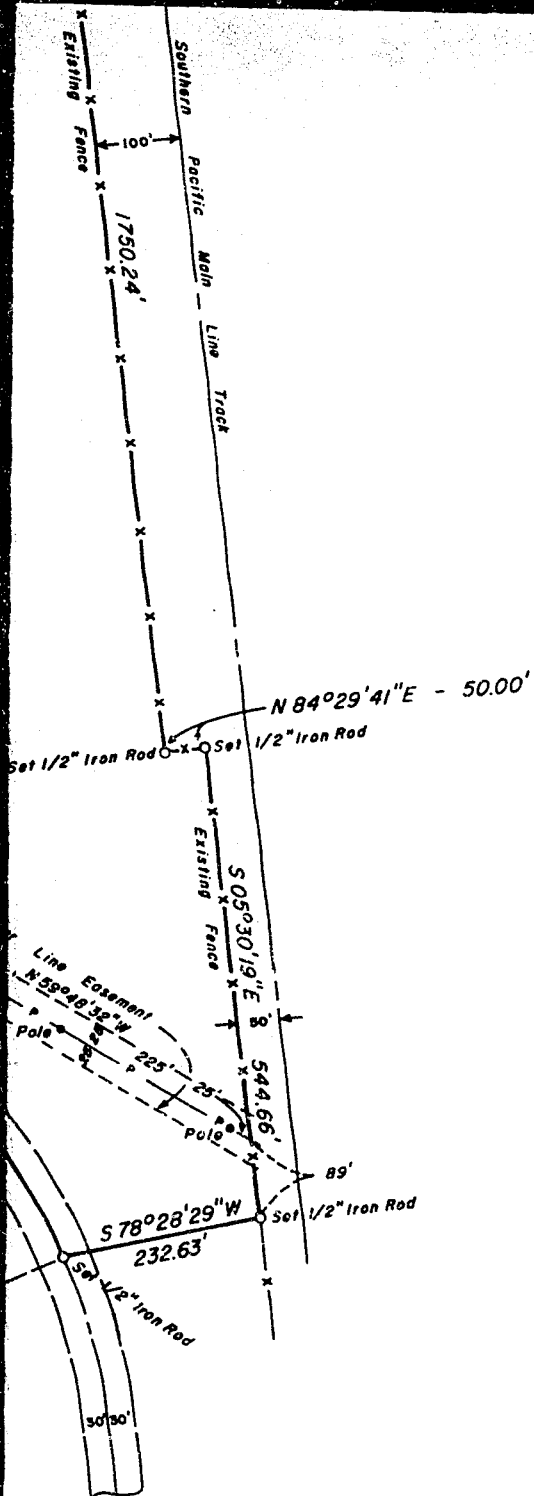
$\Delta = 0^{\circ}04'36''$
 $R = 11,359.19'$
 $L = 15.20'$

NOTE: Radius of curve on railroad right-of-way computed, based on "chord definition"



Centerline
 $505030.19'' E$
 $3^{\circ}22'28''$
 $11,359.19'$
 $668.99'$
 $Set 1/2''$ Iron Rod

12326



STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 9th day of June A.D., 19 78 at 11:26 o'clock A M., and duly recorded in Vol M78 of Deeds on Page 12316.

FEE \$33.00

WM. D. MILNE, County Clerk

By Bernice D. Felsch Deputy

EXHIBIT

1270