

SUB-LEASE AGREEMENT

1
2
3 THIS AGREEMENT, made and entered into this 21st day of
4 ~~June~~ ^{MAY}, 1979, by and between ROBERT CAHILL and HELEN CAHILL, herein-
5 after referred to as Owners, PATRICK W. CAHILL and CINDY L.
6 CAHILL, hereinafter referred to as Sub-Lessors, and JOHNSON STOCK
7 COMPANY, an Oregon Corporation, hereinafter referred to as Sub-
8 Lessees.

W I T N E S S E T H:

9
10 WHEREAS, Owners are the owners of approximately 428 acres
11 of grass and pasture land, more or less, in the County of Klamath,
12 State of Oregon, as more particularly described in Exhibit "A"
13 attached hereto, and by this reference made a part hereof, and

14 WHEREAS, Sub-Lessors have leased from Owners the above-
15 described property for a term of ten years, commencing with January
16 1, 1979 through and including December 31, 1988 by virtue of that
17 certain Crop-Share-Cash Farm Lease Agreement entered into between
18 the parties on the 2nd day of January, 1979; and

19 WHEREAS, Sub-Lessees are desirous of leasing a portion
20 of the above-described property from June 1, 1979 through March 31,
21 1980 for the purpose of pasture and harvest;

22 NOW, THEREFORE, in consideration of the mutual covenants
23 herein contained to be performed and the mutual benefits to accrue
24 to both parties to this agreement;

25 IT IS MUTUALLY AGREED by and between said parties as
26 follows:

27 1. Owners hereby expressly consent to the Sub-Leasing
28 Agreement herein contained, and waive the provisions of paragraph

1 3 prohibiting sub-leasing contained in that certain Crop-Share-
2 Cash Farm Lease referred to above dated January 2, 1979.

3 2. Sub-Lessors will lease to Sub-Lessees and Sub-Lessees
4 will lease from Sub-Lessors the approximate 240 acres, more or
5 less, of pasture and grassland described in Exhibit "B" attached
6 hereto, and by this reference made a part hereof, commencing on
7 the 1st day of June, 1979, and continuing through the 31st day of
8 March, 1980.

9 3. That Sub-Lessors will furnish water and pay all
10 taxes on said property.

11 4. That Sub-Lessors hereby agree to irrigate said
12 pasture and grassland, to maintain all fences and gates on said
13 property, to maintain all corrals on said property, to maintain
14 all ditches on said property, and to generally maintain the
15 property in a husband-like manner.

16 5. That in consideration of the mutual covenants herein
17 contained, Sub-Lessee will pay Sub-Lessor the sum of SEVEN
18 THOUSAND FIVE HUNDRED and NO/100 (\$7,500.00) DOLLARS at the times
19 and in the amounts as follows: The sum of FIVE THOUSAND and NO/100
20 (\$5,000.00) DOLLARS upon the execution of this Agreement, the
21 receipt of which is hereby acknowledged; the balance of TWO
22 THOUSAND FIVE HUNDRED and NO/100 (\$2,500.00) DOLLARS shall be paid
23 on or before November 1, 1979.

24 6. It is contemplated by Sub-Lessee that he shall graze
25 approximately 200 head of cattle on the demised premises, and is
26 hereby given the right to pasture and feed said cattle on said
27 premises.

28 7. Sub-Lessor hereby grants unto Sub-Lessee the right

1 to sub-lease, assign, or sub-let any or all of the demised premises
2 herein during the term of this lease agreement.

3 8. It is hereby agreed that in case either of the parties
4 shall at any time fail to perform the covenants on their part or
5 parts to be performed, the aggrieved party is given the right to
6 terminate this agreement on thirty (30) days written notice. Any
7 losses or damages in such case shall be paid by the party to be
8 determined at fault for the breach of this lease agreement.

9 9. Owners and Sub-Lessors specifically acknowledge that
10 permission is granted to them by the State of Oregon by and through
11 the Department of Veterans' Affairs, to lease and demise said pre-
12 mises under the terms of this Sub-Lease Agreement without being in
13 violation of any mortgage which may now be on said property.

14 10. It is further agreed and understood that Sub-Lessor
15 hereby grants and conveys unto Sub-Lessee the right to pasture and
16 feed his cattle on the additional section of property known as the
17 SW 1/4 ^{of DC CC PW Ch} ~~and~~ the NW 1/4 of Section 24, after harvesting has been
18 completed in the Fall of 1979 for a period of no less than thirty
19 (30) days.

20 11. It is further agreed and understood that Sub-Lessee
21 grants Sub-Lessor the right to plow the middle field after
22 November 10th, 1979.

23 Robert Cahill
24 ROBERT CAHILL

25 Helen Cahill
26 HELEN CAHILL Owners

27 JOHNSON STOCK COMPANY

28 By Stanley Johnson
STANLEY JOHNSON, President Sub-Lessees

13010

Patrick W. Cahill
PATRICK W. CAHILL

Cindy L. Cahill
CINDY L. CAHILL

Sub-Lessors

STATE OF OREGON)
) ss.
County of Klamath)

On this 4th day of June, 1979, personally
appeared before me, a Notary Public in and for the County of
Klamath, State of Oregon, the within named ROBERT CAHILL and
HELEN CAHILL, PATRICK W. CAHILL and CINDY L. CAHILL, and STANLEY
JOHNSON. That the said STANLEY JOHNSON did say that he is the
President of JOHNSON STOCK COMPANY, and that the within sub-lease
agreement was executed by authority of the Board of Directors of
said corporation, and that the said Robert Cahill and Helen Cahill,
Patrick W. Cahill and Cindy L. Cahill, and Stanley Johnson, did
acknowledge that they executed the foregoing instrument freely
and voluntarily.

Blair M. Henderson
NOTARY PUBLIC FOR OREGON
My Commission Expires: 3-15-82

HENDERSON
& MOLATORE
ATTORNEYS AT LAW
420 MAIN STREET
KLAMATH FALLS,
OREGON 97601
TELEPHONES
(503) 884-7731
884-2030

SUB-LEASE AGREEMENT - Page 4.

11101

13011

EXHIBIT "A"

In Township 40 South, Range 13 East of the Willamette Meridian:

Section 24:

Parcel 1:

Those parts of the NE 1/4 and the NW 1/4 lying Southerly and Westerly from the Lost River Diversion Channel deeded to the U.S.A. in Deed Book 254 at Page 181.

Parcel 2:

The E 1/2SW1/4SW1/4, the SE 1/4 SW 1/4, and the part of the SE 1/4 lying Southerly and Westerly of the Lost River Diversion Channel conveyed to U.S.A. in Deed Book 254 at page 181.

Parcel 3:

The N 1/2-SW 1/4, and the W 1/2 SW 1/4 SW 1/4.

BUT-EXCEPTING FROM the above Parcels the strips along the North and South boundaries of said Section 24 deeded to Klamath County for road right-of-way in Deed Book 104 at page 624 and Deed Book 227 at page 141.

Lessor reserves the right to enter on premises on October 15, 1978 to plow all of the said lands except the following: SW 1/4NW1/4; W1/2SW1/4 of Section 24, Tws. 40, R.13, E.W.M., and that portion equalling forty (40) acres lying in the SE 1/4 of said Section 24, lying Westerly of the Lost River Diversion Channel, and SE 1/4 SW 1/4; SW 1/4SE 1/4 of Section 24, Tws. 40, R.13, E.W.M. R.C.

H.B.C.

S.K.G.

ANDERSON
MOLATORE
ATTORNEYS AT LAW
MAIN STREET
MATH FALLS,
CON 97601
TELEPHONE
854-7731
854-2030

EXHIBIT "A" - Page 1.

EXHIBIT "B"

13012

In Township 40 South, Range 13 East of the Willamette
Meridian:

Section 24:

That portion of the S 1/2 of
Section 24 lying Westerly of the Lost
River Diversion Channel deeded to the
U.S.A. in Deed Book 254 at Page 181.

EXCEPTING Therefrom The N 1/2 SE 1/4
Lying westerly of The Lost River
Diversion Canal.

REC
CSC
BE
W

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Henderson & Molatore

this 5th day of June A. D. 19 79 at 9:23 o'clock A M., ss.

Truly recorded in Vol. N79, of Deeds on Page 13007

Wm D. MILNE, County Clerk.

By Gertrude H. Hetch

Fee \$18.00

After Recording return to:
HENDERSON & MOLATORE
426 Main Street
Klamath Falls, Oregon
97601

HENDERSON
& MOLATORE
ATTORNEYS AT LAW
426 MAIN STREET
KLAMATH FALLS,
OREGON 97601
TELEPHONES
(503) 884-7731
884-2030

EXHIBIT "B" - Page 1.