

GRANT OF EASEMENT; ENCROACHMENT PERMIT
AND PARKING AGREEMENT

DATE: April 8, 1987

PARTIES: DOUGLAS V. OSBORNE, as owner and in possession of Parcel A, hereinafter called "OSBORNE"

V & B REAL ESTATE, a Partnership, as owner and in possession of Parcel B, hereinafter called "V & B"

RECITALS:

A. Osborne owns Parcel A, which is described as the Southeasterly 108 feet of the Easterly 1/2 of Lot 1, Block 8, Original Town of Klamath Falls, Klamath County, Oregon.

B. V & B owns Parcel B, which is described as the West 1/2 of Lot 1 and the East 1/2 of Lot 2 in Block 8, Original Town of Klamath Falls, Klamath County, Oregon.

C. Osborne has a wooden frame building that encroaches upon the property of V & B.

D. V & B has developed a parking lot on a portion of Parcel B, upon which they are willing to allocate to Osborne three parking spaces for the use of Parcel A.

E. It is necessary for the development of the parking lot for Osborne to grant to V & B an easement for ingress and egress across Parcel A.

The parties therefore agree as follows:

SECTION 1. ENCROACHMENT PERMIT

V & B grants to Osborne an Encroachment Permit for the frame building that is constructed upon Parcel A which encroaches by approximately .2 of a foot onto Parcel B. This Encroachment Permit shall be in full force and effect as long as the existing dwelling upon Parcel A remains standing in its present condition. Upon the demolition or destruction of the frame building upon Parcel A this Encroachment Permit shall be terminated.

SECTION 2. PARKING AGREEMENT

V & B grants to Osborne the right to use three (3) parking spaces upon Parcel B, which are located on the most

Northwesterly portion of Parcel B. This Parking Agreement shall continue as long as the easement for ingress and egress exists across Parcel A for the use and benefit of Parcel B.

SECTION 3. GRANT OF EASEMENT

Osborne grants to V & B an easement eighteen (18) feet in width across Parcel A beginning at a point 9.83 feet Southeast along Fourth Street from the most Northerly point of Parcel A; thence South $39^{\circ}04'50''$ West to the Southerly line of Parcel A; thence Southeasterly along the Southerly line of Parcel A a distance of 18 feet; thence North $39^{\circ}02'39''$ East to the Northerly line of Parcel A; thence Northwest a distance of 18 feet along Fourth Street to the point of beginning.

SECTION 4. CONSTRUCTION OF PARKING LOT AND EASEMENT

V & B has improved and paved the parking lot described on Parcel B and the easement which is portion of Parcel A, without cost to Osborne.

SECTION 5. MAINTENANCE AND REPAIR; TAXES AND INSURANCE

5.1 The cost of periodic maintenance and necessary repairs to the parking lot and the easement shall be borne exclusively by V & B. Such maintenance and repairs shall be performed on a prompt, diligent and regular basis in accordance with generally accepted maintenance standards then existing under the laws of the State of Oregon, including, but not limited to, prompt patching or filling of damage to the pavement and resurfacing at least every ten years. Required maintenance shall include the removal of snow, ice and debris as soon as practical after their occurrence.

5.2 Each party shall pay, when due, all property taxes, assessments and other charges against the property to which each party holds fee title and which is part of the easement or parking agreement. There shall be no right of contribution from the other party for such items.

SECTION 6. BREACH OF OBLIGATIONS

In the event either party shall fail to perform its obligations under this Agreement, the other party shall be entitled to require such performance by suit for specific performance, or, where appropriate, through injunctive relief. Such remedies shall be in addition to any other remedies afforded under Oregon law and those rights of cure and reimbursement specifically granted under this Agreement.

SECTION 7. ATTORNEY FEES

In the event of any Litigation arising under this Agreement, the prevailing party shall recover from the losing party the prevailing party's reasonable attorney fees at trial or on appeal as adjudged by the trial or appellate court.

SECTION 8. EFFECT OF THE AGREEMENT

The easement granted hereunder shall run with the land as to all property burdened and benefited by such easement. The right for parking upon Parcel B shall run with the land and shall continue as long as the easement is in effect, or as long as the owner of Parcel A has not abandoned that right by nonuse for a period of two years or more. The Encroachment Permit shall continue only as long as the existing building remains standing, as hereinabove set forth. The rights, covenants and obligations contained in this Agreement shall bind, burden and benefit each party's successors and assigns, lessees, mortgagees or beneficiaries under a Deed of Trust.

Douglas V. Osborne
DOUGLAS V. OSBORNE

V & B REAL ESTATE, a Partnership

By: [Signature]

By: [Signature]

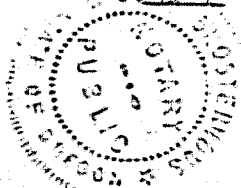
By: [Signature]

By: [Signature]

STATE OF OREGON)
) ss.
County of Klamath)

5357

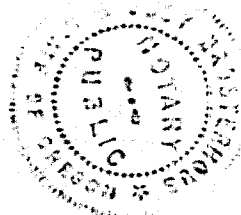
The foregoing instrument was acknowledged before me
this 8th day of April, 1987, by DOUGLAS V. OSBORNE.



Judy Brostschous
Notary Public for Oregon
My Commission expires: 1-20-92

STATE OF OREGON)
) ss.
County of Klamath)

The foregoing instrument was acknowledged before me by
WILLIAM P. BRANDSNESS, SHARON D. BRANDSNESS, TOMAS L. PEDERSEN
and PARRELL P. PEDERSEN, of V & B Real Estate, a Partnership, on
behalf of the partnership.



Judy Brostschous
Notary Public for Oregon
My Commission expires: 1-20-92

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Brandsness & Brandsness the 8th day
of April A.D. 19 88 at 3:12 o'clock P M., and duly recorded in Vol. M88
of Deeds on Page 5354

FEE \$20.00

Evelyn Biehn County Clerk
By Bernetha A. Ritsch

*Return to
Brandsness & Brandsness
411 Pine
H. Fall, OR*