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Vol. 1788 Page 8923

LEASE, Dated as of the last date set opposite the signatures of the parties hereto, between THE FEDERAL LAND BANK OF SPOKANE, a corporation, c/o Farm Credit Services, P.O. Box 148, Klamath Falls, OR 97601 (Lessor), and A. STEFFAN, whose address is P.O. Box 427, Galt, California 95632 (Lessee);

W I T N E S S E T H:

A. RECITALS: The parties recite as follows:

1. Desires of Lessor: Lessor is the owner of the Property hereafter described and desires to lease the Property to Lessee.

2. Desires of Lessee: Lessee desires to lease the Property from Lessor.

3. Independent Determination: Lessee is not acting under any representation or promise of Lessor not contained in this Lease and has entered into this Lease on his own volition after making his independent determination of the facts and circumstances concerning the acreage leased, the condition and quality of the Property, and the suitability of the Property for the cattle intended to be pastured pursuant to this Lease and Lessee is relying upon his own determination regarding the number of animals to be pastured upon the Property.

B. AGREEMENT: For, and in consideration of, the covenants, agreements, and stipulations herein contained, the parties agree as follows:

1. Lease of Property: Lessor leases to Lessee, and Lessee rents from Lessor, the Property described in Exhibit "A", situate in Klamath County, State of Oregon, for grazing purposes only.

2. Lessee may use the stock scale located on the Property during the term of this Lease and accepts the same in its present condition. In the event State inspection and certification of the stock scale is required by Lessee, Lessee agrees to pay the fees for the same.

3. Term: The term of this Lease is from effective date hereof to ~~October 1, 1988~~, at Midnight.

4. Sale of Property During Term: If the Property is sold during the term of this Lease, any such sale shall be subject to all of the terms, covenants, and provisions of this Lease.

5. Rent: Lessee shall pay Lessor, without demand, the sum of \$70,000.00 as rent for the entire term of the Lease in the following increments: \$35,000.00 contemporaneously with the execution of this Lease and \$35,000.00 when the cattle are removed or by no later than ~~October 1, 1988~~.

6. Lessor's Obligations: Lessor shall have the following obligations and duties:

**Farm Credit Services**  
Klamath Falls

900 Klamath Avenue  
P.O. Box 148  
Klamath Falls, Oregon 97601

a. Taxes And/Or Assessments on Property: To pay all ad valorem taxes and assessments levied or assessed against the Property by any county, governmental body or political subdivision of the State of Oregon having the power to levy and/or assess and collect any such tax or assessment.

b. Irrigation and Drainage Charges: To pay all assessments or charges of any duly constituted irrigation, drainage, or improvement district pertaining to the providing of irrigation water and/or drainage, or related items, services, or maintenance for the benefit of the Property described in this Lease.

c. Irrigation Utilities: To pay all utility charges for the operation of any irrigation or drainage pumps upon the Property.

d. Quiet Possession: To warrant and defend Lessee's possession of the Property against any and all persons as long as this Lease remains in effect.

7. Lessee's Obligations: Lessee shall have, in addition to other obligations of Lessee, the following obligations and duties:

a. Pay Rent: To pay the rent in the manner and form specified herein when due.

b. Use of Property: To use the Property for grazing purposes only; to occupy and in all respects, care for the Property during the Lease term in a farmer-like manner according to the usual course of farming practice in the county; to operate, manage, conserve, and maintain the Property in a high state of husbandry at Lessee's sole cost and expense; to comply with all applicable laws, ordinances, regulations, and rulings of any governmental or quasi-governmental entity or agency; not permit the Property to be used for illegal purposes; not commit any waste or damage to the Property; and, at the expiration of the term of this Lease, redeliver the Property to its owner in as good condition as the same now is, or later improved, reasonable wear and tear alone excepted. This covenant shall include, but not be limited to, compliance with all minimum requirements of all grantors or lessors of appurtenant leases, permits, or licenses however evidenced and the maintenance of fences, ditches, dikes, and irrigation pumps.

c. Permanent Pastures, Etc.: Not do any of the following without the written consent of Lessor: plow permanent pasture or meadowland; cut live trees for sale or personal uses (except for the benefit of Lessor); remove sand, gravel, minerals, geothermal energy, or any subsurface material of any kind; erect, or permit to be erected, on the Property any non-removable structures or buildings; to add any improvements to any structure or building; raze or remove any permanent structure or building or other permanent improvement.

d. Not Remove Pumps, Motors, or Stock Scale: Not remove any pumps, motors, or the stock scale from the Property.

e. Comply With Law: To conduct Lessee's business in an orderly fashion, with strict conformity to all applicable laws, ordinances, rules or regulations which are now or which may be hereafter enacted by any government or governmental agency, and said Lessee will not permit anything to be done upon the Property which will in any way conflict with the said applicable laws, ordinances, rules or regulations.

f. Maintenance: To keep and maintain the buildings used by Lessee and irrigation systems (including, without limiting the generality of the foregoing, pumps, electric motors and electric power, pipelines, culverts, drains, ditches, and dikes), and fences, in the same condition as they now are, or may be later improved, at Lessee's sole cost and expense. This covenant shall include all labor, all parts, all equipment necessary to maintain the dikes (including an adequate dredge), all dredging, and all cost of replacement except to the extent such replacement costs should be covered by insurance maintained by Lessor.

g. Utilities and Upkeep of Mobile Home: To pay all utility charges for the mobile home and for the upkeep of the mobile home.

h. Cost of Materials: To pay all of the cost of materials necessary for the normal maintenance of existing fences and buildings used by Lessee.

i. Not Use Excessive Water: Not use an excess of water in the irrigation of pasture on the Property; this to the end of preventing an excessive build-up of salt content, water-logging and other similar conditions from developing.

j. Care of Livestock: To provide all salt, medicine, feed, minerals, supplements, and veterinary care for the livestock kept or pastured on the Ranch.

k. Avoid Liens: To, at all times, protect Lessor and save Lessor harmless from and against any and all liens and/or claims of liens upon or against the Property, improvements or equipment, or any part thereof, arising or created by, under or through Lessee, or any persons employed by Lessee, or any persons under contract with Lessee.

l. Indemnify Lessor: To save and hold Lessor harmless from, and to indemnify Lessor against, any of the following that may result by, from, or in any manner grow out of, any condition or present or future lack of repair of all, or any part of, the Property (or improvements thereon), the past, present, or future condition or use of all, or any part of, the Property (or improvements thereon), or any act, omission, neglect, or conduct of any person upon said Property: liability to any person on the Property, for or on account of any death or injury to such person or liability for any damage to property in or about the Property. This covenant shall extend to (without limiting the generality of the foregoing) claims, demands, judgments, court costs, and attorney fees (both at trial or on appeal). This covenant shall not extend to any death or injury to any person on the



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Property with the permission of Lessor or to any damage to property in or about the Property caused by any person on the Property with the permission of Lessor. As part performance of this covenant, Lessee shall maintain the comprehensive liability insurance required of Lessee by this Lease.

m. Maintain Insurance: To, at Lessee's own expense, maintain in full force and effect a policy or policies of comprehensive liability insurance, including property damage, written by one or more responsible insurance companies licensed to do business in the State of Oregon, that will insure Lessee and Lessor against liability for injury to persons and property and for death of any person or persons occurring in or about the premises. The liability under such insurance shall not be less than \$500,000.00 for any one accident or \$50,000.00 for property damage. Lessee shall provide Lessor with copies or certificates of all policies.

n. Indemnification of Lessor Regarding Lessee's Cattle: Hold Lessor harmless for the loss of any of Lessee's cattle or damage to the same from any cause, including, without limiting the generality of the foregoing, bloating, drowning, or theft. Lessee will indemnify and hold Lessor harmless from any and all liability or property damage which may accrue by reason of injury to damage of any type caused by Lessee's cattle while said cattle are subject to this Lease. Lessee shall be responsible for any stray cattle of Lessee.

o. No Assignment: Not to assign or hypothecate this Lease, nor any interest herein, nor let or underlet the said Property, or any part thereof, without the consent in writing of Lessor first had and obtained, and that neither this Lease, nor any interest herein of Lessee, shall be assignable or transferable in proceedings by or against Lessee in execution, or in any manner by operation of law; and that any assignment, transfer or sublease, voluntary or involuntary, which shall be made in contravention of the provisions hereof, shall constitute a breach of this Lease, and shall give Lessor the right or rights for breach of any covenant herein provided. Lessor's consent to one assignment, sublease, hypothecation, or occupancy or use by another party shall not be a consent to any further or later assignment, sublease, hypothecation or occupancy or use by a further party.

p. Permit Lessor Entry: To allow Lessor, or anyone designated by Lessor, to enter the premises at any reasonable time to inspect the property, to work and make improvements as Lessor shall deem expedient, provided such entry and work by Lessor does not interfere with Lessee's cattle grazing on the Property.

q. Return of Property: To, upon the expiration or sooner termination of this Lease, quietly yield possession of the Property unto Lessor or Lessor's agents or assigns in as good order and condition as reasonable use and wear thereof permit, damage by the elements excepted.

r. Not To Hold Over: Not to retain possession of the Property after the termination of this Lease and, if such possession is

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retained, to retain the same not as a new rental, but only at the will of Lessor. The provisions of ORS 105.120 pertaining to notice regarding the leasing or occupation for farming or agriculture is expressly waived.

8. Acceptance of Property: Lessee hereby acknowledges that: Lessee is familiar with the quality of the soil and all soil conditions of the Property; is familiar with any irrigation accessories or improvements upon the Property; has been afforded the opportunity to inspect the Property; has made an independent determination of acreage of the Property for pasturage; accepts the Property without any warranty or guaranty on the part of Lessor as to said Property, or any part thereof; and accepts Property as it now is with full knowledge of the condition of the pasture, soil, canals, sloughs, fences, pumps, pipes, tanks, bridges, culverts, dikes, and other improvements. Prior to the execution of this Lease, Lessee apprised Lessee of sufficient relative data, either through experts or other sources of Lessee's own selection, in order Lessee might intelligently exercise Lessee's own judgment in deciding upon whether to enter into this Lease. Lessee's decisions are not based on or influenced by any declarations or representations of Lessor, or its agents, employees, or attorneys. Lessor does not make any warranty either express or implied. By way of expansion of the foregoing sentence, and not by limitation of the same, Lessor does not warrant acreage of any parcel, the quality of the soil, or the suitability of the Property for the cattle intended to be pastured pursuant to this Lease and Lessee is relying upon his own determination regarding the number of animals to be pastured upon the Property.

9. Condemnation: If any portion of the Property should be taken by any governmental agency or other entity having the power of eminent domain, or if any portion of the Property should be sold to such governmental agency or body having the power of eminent domain in lieu of eminent domain proceedings, Lessor shall retain all proceeds from any such taking or sale. In the event any such taking or sale should exceed more than fifty per cent (50%) of the farmable acreage of the Property or the Property shall become uneconomical for grazing by reason of such sale or taking, either party may rescind this Lease.

10. Arbitration: In the event of any dispute concerning any term, covenant, or provision of this Lease, either party may submit such controversy to binding arbitration in accordance with the rules and regulations of the American Arbitration Association. The parties intend to make the submission to arbitration provided for in the preceding sentence an express condition precedent to any court action except for the breach of Lessee's covenants to pay or perform the obligations set forth in this Lease under the category of "Rent".

11. Default of Lessee and Remedies of Lessor: Time is agreed to be the essence of this Lease. The following provisions shall govern what constitutes Lessee's default and the Lessor's remedies therefor:

a. Events Of Default: Lessee shall be in default under this Lease upon the happening of any of the following events or conditions:

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(1) Failure To Pay Rent: Lessee's failure to pay or perform (within 10 days of the date specified for such performance) the covenants pertaining to rent.

(2) Insolvency, Etc.: Insolvency of Lessee, business failure of Lessee, appointment of a receiver for Lessee by a State court, assignment by Lessee for benefit of Lessee's creditors, transfer of Lessee's interest herein by operation of law, levy or execution upon Lessee's interest herein by a creditor of Lessee, or the commencement of any proceeding under any state bankruptcy or insolvency law by or against Lessee, or any one or more of the foregoing.

(3) Failure of Lessee to Perform After Notice: Failure of Lessee to perform any of Lessee's covenants (other than non-performance specified in the immediately preceding Subparagraphs) after 10 days' written notice by Lessor to Lessee of such non-performance and failure.

b. Remedies For Default: In the event of Lessee's default as aforesaid, Lessor shall have the following cumulative rights, which Lessor may, at Lessor's election, exercise sequentially or contemporaneously:

(1) Recover For Breach: Pursue any remedy provided by law to recover for the breach and continue the Lease in force.

(2) Re-Enter Property And Carry Out Lessee's Covenants: Re-enter the Property and take full possession of the Property and to do what is reasonable and necessary to carry out properly Lessee's covenants, or to repair the damage, and to this end, Lessor may furnish all the labor, machinery, equipment, fertilizer, seed, and materials necessary to carry out Lessee's covenants and charge Lessee's share of the costs of such operations or the amount of such damage, or both to Lessee, the amount of such charge to become a lien against Lessee's cattle.

(3) Declare Lease Forfeited: Declare Lease forfeited and re-enter the Property and take possession of Property and remove Lessee, Lessee's property, and all persons claiming by or through Lessee, therefrom, and recover all damages provided by law.

(4) Obtain Receiver: Obtain, ex parte from a court of competent jurisdiction, the appointment of a receiver to take possession of the Property, and/or all accretions thereto.

For the purposes of this paragraph, damages shall include the worth at the time of the award of the amount by which the unpaid rent for the balance of the term after the time of the award exceeds the amount of such rental loss for the same period that Lessee can prove could be reasonably avoided. Nothing herein contained shall be deemed to prevent or prohibit Lessor from reletting the Property in an effort to mitigate damages, from the implementation of all remedies now or hereafter provided by law, nor preventing Lessor from electing any part of the remedies available to Lessor.



12. Nonwaiver: Lessor's waiver of a breach of a covenant or condition of this Lease is not a waiver of the covenant or condition itself, or any subsequent breach of it, or of any other covenant or condition herein. Lessor's subsequent acceptance of rent herein is not a waiver of any preceding breach by Lessee of a covenant or condition of this Lease, other than of Lessee's failure to pay when due the rent accepted.

13. Attorney Fees: In event either party institutes any suit or action against the other to recover any rent, or for breach of any agreement or condition herein contained, or if any summary action be brought by Lessor for forfeiture of this Lease or to recover the possession of said premises, prevailing party shall recover from the other party reasonable attorney fees to be fixed by the court for both trial and on appeal.

14. Notices: Any notice by any party to the other required by this Lease shall be deemed to have been fully given when written and deposited in a sealed envelope with the United States Postal Service as certified mail with postage prepaid and addressed to the party to receive the same at the address shown at the beginning of this Lease.

15. No Partnership And Lessee Independent Contractor: Notwithstanding anything else provided herein, nothing contained herein shall be construed as creating a general partnership between Lessor and Lessee. Lessee shall, at all times, be an independent contractor and the manner and means of Lessee's performance of Lessee's covenants shall be Lessee's responsibility. Lessee shall be entirely and solely responsible for Lessee's own acts, and the acts of Lessee's agents, employees, and subcontractors, engaged in Lessee's undertaking specified in this Lease.

16. Entire Agreement: This Lease embodies the entire agreement of the parties. It may not be modified or terminated except as provided herein, or by other written agreement.

17. Waiver of Conflict of Interest: Each party to this Lease understands that the firm of Giacomini, Jones & Trotman, Attorneys at Law, 635 Main Street, Klamath Falls, Oregon 97601, has assisted the parties in drafting this Lease. Each party understands that, to the extent that a conflict of interest should otherwise arise in the performance of such services, each has acknowledged such conflict and each, with the opportunity to consult independent counsel, has consented to the preparation of this Lease by said firm of attorneys.

18. Construction: All agreements and covenants contained herein are severable, and in the event any of them shall be held to be invalid by any competent court, this Lease shall be interpreted as if such invalid agreements or covenants were not contained herein. The headings contained in this Lease are for convenience only and are not to be construed as part of this Lease. Pronouns used in this Lease shall be construed in accordance with the appropriate gender or neuter, and as either singular or plural, as the context requires. This Lease shall not be construed against the party preparing it, but shall be construed as if all parties prepared it. Any exhibit attached to this Lease is incorporated into this Lease as though fully set forth at the place at which reference to the exhibit is made. All rights and liabilities hereunder shall be determined in accordance with the laws of the State of Oregon.

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19. Binding Effect: Subject to the provisions hereinabove contained against the transfer, assignment and sublease, this Lease shall bind and inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties hereto.

SIGNED on the date set opposite the signatures of the parties.

DATE

6-3-88

SIGNATURE

A. Steffan  
A. STEFFAN, Lessee

THE FEDERAL LAND BANK OF SPOKANE, Lessor  
By: Tom Schultheis  
SR. CREDIT OFFICER  
(Name & Title)

May 31, 1988

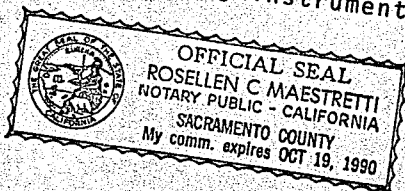
STATE OF CALIFORNIA

County of Sacramento }

ss:

Personally appeared before me the above-named A. STEFFAN and acknowledged the foregoing instrument to be his voluntary act and deed. June 3, 1988

(SEAL)



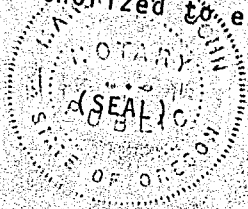
Rosellen C. Maestretti  
NOTARY PUBLIC FOR CALIFORNIA  
My Commission Expires: 10-19-90

STATE OF OREGON

County of Klamath }

ss:

Personally appeared before me, Tom Schultheis, known to me to be the Sr. Credit Officer of the corporation that executed the foregoing instrument and acknowledged said instrument to be the free and voluntary act of said corporation, for the uses and purposes therein mentioned, and that it executed the same, and on oath stated that he was authorized to execute said instrument. May 31, 1988



Margaret John  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 9-12-90



EXHIBIT "A"

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The following described real property situate in Klamath County, Oregon, to-wit:

Tract 1:

A piece or parcel of land being portions of Sections 31 and 32, Township 34 South, Range 7½ East of the Willamette Meridian and Sections 5 and 6 of Township 35 South, Range 7½ East of the Willamette Meridian, more particularly described as follows:  
Beginning at the Southwesterly corner of Section 31, Township 34 South, Range 7½ East of the Willamette Meridian and running thence Northerly along the range line marking the Westerly boundary of the said Section 31, 3340.5 feet; thence Easterly parallel with and 3340.5 feet distant at right angles Northerly from the township line between Township 34 South, Range 7½ East of the Willamette Meridian and Township 35 South, Range 7½ East of the Willamette Meridian, 10,560 feet, more or less, to a point in the section line marking the Easterly boundary of the said Section 32, Township 34 South, Range 7½ East of the Willamette Meridian; thence Southerly along the said section line 3340.5 feet, more or less, to the Southeast corner of the said Section 32; thence Southerly along the section line marking the Easterly boundary of the said Section 5, Township 35 South, Range 7½ East of the Willamette Meridian, 788.3 feet; thence Westerly, parallel with and 788.3 feet distant at right angles Southerly from the said township line between Township 34 South, Range 7½ East of the Willamette Meridian and Township 35 South, Range 7½ East of the Willamette Meridian, 10,560 feet, more or less, to a point in the range line marking the Westerly boundary of the said Section 6, Township 35 South, Range 7½ East of the Willamette Meridian; thence Northerly along the said range line 788.3 feet, more or less, to said point of beginning.

Tract 2:

A piece or parcel of land being portions of Sections 29, 30, 31 and 32, Township 34 South, Range 7½ East of the Willamette Meridian, more particularly described as follows:  
Beginning at a point in the range line marking the Westerly boundary of the said Section 30, Township 34 South, Range 7½ East of the Willamette Meridian, which is 394.1 feet Southerly from the Southeast corner of Section 24, Township 34 South, Range 6 East of the Willamette Meridian, as the same was established by Norman D. Price, U.S. Cadastral Engineer, between October 31, 1930, and June 22, 1931, and running thence Easterly to the Northwest corner of the said Section 29, Township 34 South, Range 7½ East of the Willamette Meridian; thence Easterly along the Northerly boundary of the said Section 29, Township 34 South, Range 7½ East of the Willamette Meridian, 4905.3 feet, more or less, to a point in a line parallel with and 70 feet distant at right angles Southeast from the center line of Dixon and McQuiston Lower Levee as the same is now located and constructed; thence South 44°40' West, along said parallel line 349.8 feet; thence South 12°30' East, leaving said parallel line 2622.3 feet, more or less, to a point in the section line marking the Easterly boundary of the said Section 29; thence Southerly along the said section line and the section line marking the Easterly boundary of said Section 32, Township 34 South, Range 7½ East of the Willamette Meridian, 4588 feet, more or less, to a point 3340.5 feet Northerly from the Southeast corner of the said Section 32; thence Westerly parallel with and 3340.5 feet distant at right angles Northerly from the township line between Township 34 South, Range 7½ East of the Willamette Meridian and Township 35 South, Range 7½ East of the Willamette Meridian, 10,560 feet, more or less, to a point in the range line marking the Westerly boundaries of the said Sections 30 and 31, Township 34 South, Range 7½ East of the Willamette Meridian; thence Northerly along said range line, 7131 feet, more or less, to the said point of beginning.

EXCEPTING THEREFROM any portion of the above-described parcel lying Northerly of the South line of that property described as Parcel 2 in Deed from Puckett & Scherer, a co-partnership, to d'Artenay Brothers, a co-partnership, recorded August 2, 1961, in Deed Volume 331 at Page 367, Klamath County Deed Records.

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Tract 3:

The E $\frac{1}{2}$ SE $\frac{1}{4}$ , the SE $\frac{1}{4}$ NE $\frac{1}{4}$  and the E $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 24, Township 34 South, Range 6 East of the Willamette Meridian.

Tract 4:

That portion of land lying between the range line of Ranges 6 and 7 $\frac{1}{2}$  East and the center line of the 4 Mile Canal, being more fully described as follows:  
Starting from the section corner common to Sections 19, 30, 24 and 25, Township 34 South, Ranges 6 and 7 $\frac{1}{2}$  East of the Willamette Meridian; thence Northerly North 0°32' East a distance of 3874.8 feet; thence Easterly North 90° East a distance of 98.0 feet, more or less, to the center line of the 4 Mile Canal; thence Southerly along the said center line of the 4 Mile Canal, as the same is now located and constructed, South 0°03' West a distance of 4084.8 feet; thence Westerly North 88°57' West a distance of 134.5 feet, more or less, to a point on the section line between Sections 25 and 30; thence Northerly North 0°32' East, a distance of 207.6 feet, more or less, to the point of beginning.

Tract 5:

That portion of the property lying North of the South boundary of the 7 Mile Ranch as the same is now located and deeded to a line 8 feet North of the North edge of the East-West Canal along the South side of the 7 Mile Ranch, more fully described as follows:  
Starting from the section corner common to Sections 19, 30, 24 and 25, Township 34 South, Ranges 6 and 7 $\frac{1}{2}$  East of the Willamette Meridian; thence South 0°32' West a distance of 394.1 feet to the point of beginning; thence Easterly South 89°50' East a distance of 10,160.7 feet; thence Northerly North 0°00' East to a point in line with a line 8.0 feet North and parallel with the North edge of the East-West Canal on the 7 Mile Ranch, as the same is now located and constructed; thence Westerly, along the said parallel line North 88°57' West a distance of 10,162.4 feet, more or less, to a point on the section line between Sections 25 and 30; thence Southerly South 0°32' West a distance of 186.5 feet to the point of beginning.  
EXCEPTING THEREFROM any portion of the above-described parcel conveyed to Tulana Farms by Deed recorded February 20, 1947, in Deed Volume 202 at Page 411, Klamath County Deed Records.

TOGETHER WITH an easement for a 60-foot roadway for ingress and egress with the right to maintain same along the Westerly line of Sections 6, 7, 18 and 19, Township 34 South, Range 7 $\frac{1}{2}$  East of the Willamette Meridian, as shown by easement recorded in Deed Volume 215 at Page 11, Klamath County Deed Records and further conveyed by grantee to the vestees herein by documents recorded in Deed Volume 346 at Page 73 and Deed Volume 346 at Page 74, Klamath County Deed Records.

EXCEPTING FROM ALL of the above-described parcels, any rights of way for ditches and canals, of the Meadows Drainage District and the United States.

Tract 6:

A parcel of land situated in Sections 19 and 30, Township 34 South, Range 7 $\frac{1}{2}$  East of the Willamette Meridian, being more particularly described as follows:  
Beginning at a point in the center line of Four Mile Canal from which a 1" iron pipe with a 2" bronze cap (set by M.D. Price in 1931) marking the section corner common to Sections 19, 24, 25 and 30, Township 34 South, Range 6 and 7 $\frac{1}{2}$  East, bears South 73°24'13" West 134.35 feet, more or less; thence South 88°59'26" East 61.97 feet, more or less, to a  $\frac{1}{2}$ " rebar; thence South 4°34'08" East 80.14 feet to a  $\frac{1}{2}$ " rebar; thence South 39°58'12" East 137.90 feet to a  $\frac{1}{2}$ " rebar; thence South 1°08'24" West 61.14 feet to a  $\frac{1}{2}$ " rebar, which point is 8.0 feet North of an East-West Canal; thence Westerly 155.72 feet, more or less, along a line 8.0 feet North of said East-West Canal and a projection thereof to the center line of Four Mile Canal; thence Northerly 247.78 feet, more or less, along the center line of Four Mile Canal to the point of beginning.

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EXHIBIT "A"

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Farm Credit Service of June A.D., 19 88 at 12:55 o'clock P M., and duly recorded in Vol. M88 of Deeds on Page 8923

FEE \$53.00

Evelyn Biehn  
By Bernetha A. Hetsch County Clerk