EORM No. 869-LEASE AND OPTION AGREEMENT (For dwelling unit use in Gregon, See No. 974).

THIS AGREEMENT, Made and entered into this 10 and of June by and between Patricia A. Michelson

Control structure control to scott associate the called the first party (whether singular or plural), and Cynthiol. Land Hamel and the white the control of the control of

CHETE ADIVISION OF VERIC hereinafter called the second party (whether singular or plural), WITNESSETH: In consideration of the covenants herein contained to be kept and performed by second party, first party does hereby lease, demise and let unto the said second party the following described premises situated in the City of Klamathur Falls, County of Klamath and State of Oregon , to-wit:

day and year first hereinabove writion.

IN WITWESS WHEREOF, the parties hereto flave, bereaute set that funds to duplicate on this, the

200 Un Upperprise

known as Pattis Tan-Fastic Tanning Steep in 15 million of June 1998, and extending to and including or a term beginning the 15 million of Allower 1998.

midnight on the 31 day of August , 1988 , at and for a rental of \$ 500. 22

(g) Train is of the essence has foll and this option shall be hull und road har? of in facto and what read by (1) The and money associational shell be the approximation on sold discusses. lim tog the ferrit at restouring.

lagge and the exciter of this apticul, the building on suid premises has been disprayed (science) is the super received of receivable by the list party from any insurance curried by dury of suid is bland and The respective parties hereto agree to the following terms and conditions:

lan in

Salon an and stated and the state of the state of

and no other purpose without first party's consent; to make no unlawful or offensive use of said premises; not to suffer or permit any waste or strip thereof; not to make any alterations or improvements upon said premises or assign this lease or sublet said premises, or any thereol, or permit any other person to occupy the same without first party's written consent first obtained; to comply with all laws, ordinances and regulations of any public authority respecting the use of said premises; promptly to pay for all heat, light, water, power and other services or utilities used on said premises; to keep said premises, including all exposed plumbing, heating equipment and apparatus and elevators, if any, at all times in good repair and to pay for all repairs on said premises during the term of this lease except those which the first party hereinafter specifically agrees to make; to keep the roof of the building on and the sidewalks surrounding said premises free of snow, ice, rubbish and debris during the term hereof; not to commit, permit or create any nuisance on said premises; promptly to replace all glass which may be broken or cracked in the windows and doors of said premises with glass of as good or better quality than that now in use; to permit the first party, his agents and representatives, at any time during business hours to enter said premises for the purpose of examining the condition thereof or other lawful purpose; to keep said premises free of all mechanic's liens and upon the expiration of said term, or any termination hereol, to quit and deto keep said premises the of all mechanics neus and upon the explication of said term, of any termination tereor, to quit and co-liver up said premises and all future additions to the same, broom-clean, to the first party, peaceably, quietly and in as good order and condition, resonable use and wear thereof, damage by fire and the elements alone excepted, as the same are now in. During the term of this lease the first party agrees to maintain the exterior walls, gutters, downspouts, unexposed plumbing and foundations of the building on said premises and the sidewalks thereabout in good order and repair; provided, however, that all sums expended by the first party for said purposes shall be reported to the second party in writing within thirty days after each expenditure

(b) In the event of the destruction of the building on said premises from any cause, the first party may terminate this of its sound value, the first party may or may not elect to restore said building; written notice of first party's said election shall be ... per cent given the second party within fifteen days after the occurrence of said damage; if such notice is not so given, the first party conclusively shall be deemed to have elected not to restore the building; if the first party so elects, the second party forthwith may terminate this lease as of the date of said damage. If the damage to said building does not amount to the extent last indicated, or if the first party elects to restore said building as aforesaid, then the first party shall repair said building with all convenient speed and during said repairs there shall be such an abatement of rent as the nature of the damage and its interference with the occu-pancy of said leased premises shall warranted to substantian on basicity a substantial part of said leased premises shall warranted to substantian on basicity a substantial of substantial to substantis to substantial to su

(c) Time is of the essence of this lease and it said rents shall be in arrears for ten days, or if the second party shall neglect or fail to do or perform any of the covenants herein contained, then the first party, without notice may immediately or at any time while said default continues, enter upon said premises and repossess the same, expel the second party and remove his effects at while said default continues, enter upon said premises and reposses are isame, exper the second party and remove his energy as energy and remove his energy as energy and respanse and without projudice to any other remedies which might otherwise be used for arrears of rent or breach of covenant. In the event of any such default all notices required by law hereby are expressly waived by the second party.

all notices required by law hereby, are expressly waired by the second parts

and votices reduced pt. Interpretation and estimated marking pt. 116 become back functor (d). All repairs, additions, improvements and alterations in and to said premises made by the second party shall be and become the property of the tirst party as soon is made." Any holding over by the second party after the expiration of this lease shall be deemed a femancy from month to month only, iterninable at will by either party hereto. In the event of any suit or action on this lease, the second party agrees to pay such additional sum as the court may adjudge reasonable to be allowed plaintiff therein for attorney's fees, plus the statutory costs and disbursements and if an appeal is taken in any such suit or action, such on this lease, the second party agrees to pay such additional sum as the court may adjudge reasonable to be allowed plaintit therein for afformey's fees, plus the statutory costs and disbursements and if an appeal is taken in any such suit or action, such therein for attorney's fees, plus the statutory costs and disbursements and if an appeal is taken in any further sum as the appealate court may deem reasonable as plaintiffs attorney's lees on such appeal. If the transmission of the statutory o the provide the party of the dide of signature in the standard in all party of the second party of the discould be party and the discould be party of the second party without all on a maximum of the second party of the brind party of the second party of the brind party of the second party of the brind party of the second par and the search for S. Bela

(c) OPTION TO SECOND PARTY—At any time while this lease is in full force and effect, except as hereinafter provided, and second party is not in default in his performance hereot, the said first party, for value received, hereby gives and grants unto the second party the sole; exclusive and irrevocable right and option to purchase the above described premises subject to and upon the terms and conditions set forth in the form of nurchase adreement hereto attached, at and for a price to be accepted at and upon the second party the sole; exclusive and irrevocable right and option to purchase the above described premises subject to and upon the terms and conditions set forth in the form of purchase agreement hereto attached, at and for a price to be ascertained as fol-lows: The basic price to 'said premises' shall be the sum of \$QO; OO and from which shall be made the following additions' and deductions, for with To said basic price shall be added (1) the aggregate of the sums expended by the first party and reported in writing by him to the second party between the date of this lease and the service of this option, for the muintenance additions and deductions, to-with to said basic price shall be added (1) the aggregate of the sums expended by the first party and reported in writing by him to the second party between the date of this lease and the exercise of this option, for the maintenance reported in writing by him to the second party between the date of this lease and the exercise of this option, for the maintenance of the exterior walls, guitters, downspouts, unexposed plumbing and the foundations of the building on said premises and the side-walks thereabout; (2) the aggregate of all fire insurance premiums, all taxes and city, county and district liens on said premises paid by the first party between the date bernet and the every of this entire (3) is sime event to the second terms and premises paid by the first party between the date bernet and the every of this option (3) is sime event to the second terms of terms

walks thereabout; (2) the algrogate of all fire insurance premiums, all taxes and city, county and district liens on said premises paid by the first party between the date hereof and the exercise of this option; (3) a sum equal to unearned insurance premiums, plus went nyn, wusst, nower mis erner as missis as groups user on om wentwerpte som to the polyness of the source of Dearlie om prise mis erner erner as finnes i gryfferigiteler specified frager i rester af dearte source of the fan heter uit de fragere verste heter fan finnes fra genryfferigiteler specified frager. Dearte source of the so any where at simil thereof, not in make any anothing of input memory around a specific strain a sector with the real of an interaction of the provide strain and the provide strain and the strain and t

but made to only the control to the other back of the second to be sub-the second of the second of a prorate as or the date hereor or taxes; paid by the first party during the liscal tax year in which this option is given and covering a period extending to the date of the exercise of this option, together with (4) a sum equal to interest on said basic purchase price of the referred 100 par cent per annum from the date benefit of the period of this option the date to the date to the date to the second period to the second period benefit of the period of the second period benefit of the second period period benefit of the second period per said basic price; (5) the total rents paid by the second party to the first party under said lease and (0) if, between the date of this lease and the exercise of this option, the building on said premises has been destroyed or damaged, there shall also be deduced all here and the building and t lease and the exercise of this option, the building on said premises has been destroyed or damaged, there shall also be deducted an sums received or receivable by the first party from any insurance carried by him on said building and not previously expended by

of its repair or restoration. (1) The net sum so ascertained shall be the option price on said premises. second party on or before the

(f) Inc ner sum so ascertained shall be the option price on said premises. (g) Time is of the essence hereof and this option shall be null and void and of no force and effect unless exercised by the second party on or before the day of day of day of the first party of his intent to exercise said option by a writing forwarded to the first party at first party's address stated below; immediately the second below in the first party at the second below; immediately the second below in the second below in

party of his intent to exercise said option by a writing forwarded to the first party at first party's address stated below; immedi-ately thereafter the parties hereto, following the formula stated above, shall determine the amount of said purchase price and shall execute and deliver an agreement of sale and purchase in the form attached hereto. Contemporaneously with the delivery of said adreement of sale and purchase the second party shall make the first or down payment stated in said adreement execute and deliver an agreement of sale and purchase in the form attached hereto. Contemporaneously with the agreement of sale and purchase, the second party shall make the first or down payment stated in said agreement. them of sale and purchase, the second party shall make the first or down payment stated in said agreement. (h) Within ten days from the date of said purchase agreement, the first party agrees to deliver to the second party a policy as insurance insuring in the amount of said calling price marketable title to the showe described premises in first party, subject of title insurance insuring in the amount of said selling price marketable title to the above described premises in first party, subject insurance insuring in the amount of said selling price marketable title to the above described premises in first party, subject in the amount of said selling price marketable title to the above described premises in first party, subject in the amount of said selling price marketable title to the above described premises in first party, subject in the amount of said selling price marketable title to the above described premises in first party, subject in the amount of said selling price and any lines of insurance addition of the above described premises in first party subject in the amount of said selling price and any lines of insurance addition of the above described premises in first party subject in the amount of said selling price and any lines of insurance addition of the above described premises in first party subject in the amount of said selling price and any lines of insurance addition of the above described premises in first party subject in the amount of said selling price and any lines of insurance addition of the above described premises in first party subject in the amount of said selling price and any lines of insurance addition of the above described premises in first party subject in the amount of said selling price and any lines of insurance addition of the above described premises in first party subject in the amount of said selling price addition of the above described premises in first party subject in the amount of said selling price addition of the above described premises in first party subject in the above described premises in the amount of said selling price addition of the above described premises in the above described premises

of title insurance insuring in the amount of said selling price marketable title to the above described premises in first party, subject to building restrictions, zoning ordinances, if any, and any liens or incumbrances against said premises to be assumed by second party in said sale; said first party may have a reasonable time to correct any defects of title which may appear. party in said sale; said nest party may nave a reasonable time to correct any detects of title which may appear. (i) Should second party fail to exercise his said option, the foregoing lease shall continue until terminated pursuant to its terms.

(i) This lease and option shall bind and inure to the benefit of, as the circumstances may require, not only the immediate ()?' I us lease and option shall blue and inute to the benefit of, as the circumstances may require, not only the immediate parties hereto but their respective heirs, executors and administrators, the successors and assigns of the first party, and, so far as the terms hereof permit assignment, the successors and assigns of the second party as well. (L) In constrained this lease and option advention to it is understand that the first and second parties one or both of them may the terms hereof permit assignment, the successors and assigns of the second party as well. (k) In construing this lease and option agreement it is understood that the first and second parties, one or both of them, may be more than one person or a corporation and that, therefore, if the context so requires, the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine and the neuter, and that generally all grammatical changes shall be made, servered and implied to make the provisions bereat apply equally to corporations and to more than one individual.

mean and include the plural, the masculine, the leminine and the neuter, and that generally all gratinatical change assumed and implied to make the provisions hereof apply equally to corporations and to more than one individual.

Attatchments. ALL

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands in duplicate day and year first hereinabove written.

ALTOON IN MIL	pricate on this, the
simulated in the City of the suit.	
Altraited in the CISN of C (First/Party's Address) C batth: Distriction Distriction batth: Distriction Distriction FALL/RESSELM: Distriction Distriction FALL/RESSELM: Distriction Distriction FALL/RESSELM: Distriction Distriction SCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICARE FLAMS SCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICARE FLAMS USE LAWS: AND REGULATIONS - REGISTION OF APPLICARE FLAMS	
	Gallet Gi
THIS INSTRUMENT IN COUNDERMICE	2 the start where the start was started and
SCRIBED IN THIS INSTRUMENT ALLOW USE OF THE DRAFT	A P. MALCHE PROPERTY AND A COMPANY OF CALLENDER AND AND A COMPANY AND A CO
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DE- SCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE, LAWS AND REGULATIONS, BEFORE SIGNING OR ACCEPTING PROPERTY, SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIEY APPROPRIATE CITY OF	2 the same sector is the point and transfer Party in the same sector is the point of the same sector is the
PROPERTY SHOWENT, THE PERSON ACOULDING OR ACCEPTING	First Party
THIS INSTRUMENT, THE PERSON ACQUIRING OR ACCEPTING PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OF COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES. N. B. ATTACKLORM OF CONTRACT IN INCOMENTS OF CONTRACT OF CONTRACT IN A CONTRACT OF CONTRACT.	the second s
OR APPROVED USES	
N. B. ATTACH PORCHER MENAL STREET	Second Party Guine recommend Stevens-Ness numbers 704, 705, 706, 840, 845 and 854.
As a form of contract [see paragraphs (c) and (c) 1010 this	Second Posts
one of which will lend itself to almost any the above lease and anti-	Set Contract and the set of the s
carry and the state of the second state and provide the state of the second sec	re recommend Stevens-Ness numbers
and a construction produce that the second of the second	
	6 (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)

1 9079 Shuenbry sheet Tanning bed == [tanning bed #2 Jan #1 Jan #5 2 straight Obans Salon Chair Chydrolia Jacial chair) Swivel Chair Loveseot, end tables, Couch wooden table desk Sale Befriquator metal vile cabinet Hypen riter Cozper Port towele phone all disk accessories Sewelry, than products, tan products on Extra products still packaged display. client jiles appointment book disclaimer for me pusíness cards Coupens & Gift Certificatis carpet & Onotaliation lights a minrors

9081 1. 9080 Lesor 1. Lesses will beep lipon informed at all times of any changes as far as the business is concurred, Such as Change of location with Creation of the 1988, before the period of the sound it of the and come the sound of the sound o Uni 38-21-2 uni printipier (s) who executed the toregoing kquessitetionog. Individual(s) who executed the toregoing Notary Fublic Affine Contests Lessee Lesor can under no cincumistance take bock business other than for deliquint payments. 2. all supplies on order byor June 13, 1988 will be paid by lessor 3 Lessor will compensate utilities Sure 15, 1988 on all services. 4. De lissers Once se so puil new Contract will be registrated. Constant Curant 7 10 1111 18 14 26 00 ch

, 9081 0808 DOESJ Witness (UNCRUC R Wigget Witness Cuntrica 2971amel ALLOUND. 110 400 termeta Witness Potricia O cossob \mathbb{C} 344 -4 State of Oregon County of Klamath WE WHEN LEWER 1250 MORACE Chronac of On this 10th day of June 1988, before me personally came and Cynthin R Wiggt and Cynthin J Hamil and Wry Ll CAN 25 POAN Con Patricia a. Michelson known to me to be the individual(s) who executed the foregoing instrument, and acknowledged the exectuinn of same to me. man (Notary Public 30031 My commission expires 10-2-90 S. 64 Justice out to brost most inscript 1. 6A TOTHE DOCK DECEMBER OF DOCK - 2000 Actinguint Daymencon State 7015 A the supplication with a 90509 rocent-birg-rd mining Sector Service STATE OF OREGON: COUNTY OF KLAMATH: ss. 13th the _ 2:20 o'clock P_M., and duly recorded in Vol. M88 Filed for record at request of A.D., 19 88 at __ on Page ___ 9077 County/Clark of ____June of ____Miscellaneous By Scrnethe A Evelyn Biehn, Kibil \$25.00+\$3.00=\$28.00 FEE Cynthia Wigget and the second second K Jell.