

EASEMENT AGREEMENT

1988 NLA 8/29/00
This Agreement is made this 18th day of August, 1987 by and between GARY B. WILLIAMS and PENNY WILLIAMS, husband and wife, hereincalled the Williams, and INTERSTATE PRODUCTION CREDIT ASSOCIATION, a Corporation organized and existing under the Farm Credit Act of the Congress of the United States, as amended, hereincalled PCA.

WITNESSETH:

The Williams are the owners of certain real property in Klamath County, Oregon, more particularly described as follows; to-wit:

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

Section 23: SE $\frac{1}{4}$

Section 26: E $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ and portion of the W $\frac{1}{2}$ NW $\frac{1}{4}$ described as follows: Beginning at a point 1020 feet East of the corner common to Sections 22, 23, 26 and 27 all in Township 40 South, Range 13 E.W.M., thence Southerly and Easterly 1500 feet, more or less, to a point where said course intersects the East line of the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 26, thence North along said subdivision line to the Northeast corner of the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 26, thence West 300 feet to the point of beginning, containing 6 acres, more or less.

Said real property is encumbered by a Mortgage made by Warren B. More and David Chan, M.D., Mortgagors, in favor of PCA, Mortgagee. Said Mortgage is recorded in Vol. M-87 at page 8443 & 8555 of the Mortgage Records of Klamath County, Oregon. The Williams have assumed and agreed to pay the debt secured by said Mortgage and have agreed to perform the covenants of said Mortgage on behalf of said Mortgagors.

PCA has heretofore agreed to subordinate the lien of said Mortgage to that of a Trust Deed executed by the Williams in favor of Klamath First Federal Savings & Loan Association. Said subordination only effects the following described real property, to-wit:

The SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ and the NW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26, Township 40 S., Range 13 E., W.M.;

Said parcel is hereinafter referred to as the "Williams' Homestead."

The said Trust Deed secures the payment of a loan from said Association in the principal sum of \$100,000.00 ~~257,143.75~~ NLA 8/29/00 which said sum will be used by the Williams to construct a single family residence on the Williams' Homestead.

As a condition to granting said loan, said Savings & Loan Association has required that the Williams obtain recorded easements, as more particularly described below, which said easements must survive the foreclosure by PCA of its said existing Mortgage.

\$250.00 N/A YBA/JW
In consideration of the payment by Williams to PCA of the sum of ~~Ten~~ Dollars, the covenants of Williams set forth hereinafter and other good and valuable consideration, PCA hereby subordinates the legal effect of its above said Mortgage to the legal effect of the following easements and hereby grants to the Williams their heirs, grantees, successors and assigns and all other persons holding a recordable legal or equitable interest in the above described Williams Homestead the following Easements on the following terms and conditions:

1. PCA hereby grants and conveys an easement for ingress and egress 30 feet in width over and across the existing road, the centerline of which is generally described as follows; to-wit:

Beginning at the intersection of the Westerly right-of-way line of the West Langell Valley Road and the quarter section line common to the NE $\frac{1}{4}$ and the SE $\frac{1}{4}$ of Section 26, Township 40 S., R. 13 E., W.M.; thence West along said quarter section line to a point on the West side of the U.S.B.R. West Side Canal at the bridge where said road crosses said canal; thence Northwesterly at an angle approximately 9° North of due West into and across the SW $\frac{1}{4}$ NE $\frac{1}{4}$ and the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section to a point where said existing road crosses the Easterly boundary of the Williams Homestead described above.

2. PCA hereby grants and conveys an easement 20 feet in width over, across and through the North one-half of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 26, for the purpose of drilling, installing and maintaining a domestic water well in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section and for the purpose of installing, maintaining, repairing and replacing the well casing, pump, pumphouse, pipeline from said well location to the Williams' Homestead, and all other equipment necessary to provide domestic water from said well to the Williams' Homestead.

3. Williams, their heirs, grantees, successors and assigns, in consideration of the grant of said easement, covenant and agree as follows:

(a) Williams, their heirs, grantees and assigns, shall be solely responsible for the installation, maintenance, repair and replacement of the well, pipeline and equipment, which serves the Williams' Homestead.

(b) Williams, their heirs, grantees, successors and assigns, shall be solely responsible for the installation, maintenance, repair and replacement of

the existing road described above, which provides access to the Williams' Homestead.

(c) Williams, their heirs, grantees and assigns shall hold PCA, its assigns and successors, harmless from and indemnify it from any and all loss, damages or claims arising or resulting, in whole or part, from the use of the easements herein granted.

(d) Williams, their heirs, grantees, and assigns do hereby release PCA, its successors and assigns, from any obligation whatsoever for the improvement, repair or maintenance of the above described easements and improvements.

(e) Williams, their heirs, grantees and assigns covenant and agree that all improvements, installations, alterations, additions, repairs and replacements made by Williams, their heirs, grantees and assigns shall be made in conformity with all applicable laws and regulations.

(f) Williams, their heirs, grantees and assigns covenant and agree that they will not suffer or permit any liens based upon, arising or resulting from the construction, installation, maintenance, repair or replacement of said well and water delivery system or from said road to be foreclosed against said real property or any part thereof or any improvement thereon and will indemnify and hold PCA harmless therefrom.

4. It is mutually covenanted and agreed by all of the parties herein on behalf of themselves and their respective heirs, grantees and assigns, that in the event any suit, action or proceeding is instituted to enforce any of the covenants or agreements herein contained and/or for damages for the breach of the same that the Courts, including Appellate Courts, shall award the prevailing party in such a suit, action or proceeding such sums as it shall adjudge reasonable for said prevailing party's attorney's fees therein, in addition to the costs and disbursements provided by law.

5. This Agreement shall bind and inure to each of the parties hereto and to their heirs, grantees, successors and assigns.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed.

Gary B. Williams
Gary B. Williams

Penny Williams
Penny Williams

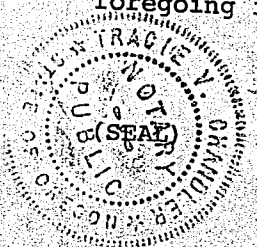
INTERSTATE PRODUCTION CREDIT ASSOCIATION, a Corporation

14377

By [Signature]
Its Credit Manager

STATE OF OREGON)
) ss
County of Klamath)

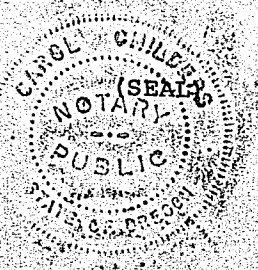
Before me this 2nd day of September, ¹⁹⁸⁸~~1987~~, personally appeared the above named Gary B. Williams and Penny Williams, and acknowledged the foregoing instrument to be their voluntary act and deed. BEFORE ME:



[Signature]
Notary Public for Oregon
My commission expires: 7-6-90

STATE OF OREGON)
) ss
County of Klamath)

Before me, this 31st day of August, ¹⁹⁸⁸~~1987~~, personally appeared Noland Alston known to me to be the Credit Manager of Interstate Production Credit Association, a Corporation, the corporation that executed the foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed 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.



[Signature]
Notary Public for Oregon
My commission expires: 10-18-90

After recording return to
Bl 1st Fed St
540 Main St
Klamath Falls OR 97601

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STATE OF OREGON, ss.
County of Klamath

Filed for record at request of:

Klamath County Title Co.
on this 2nd day of Sept. A.D. 19 88
at 2:09 o'clock P. M. and duly recorded
in Vol. M88 of Deeds Page 14374
Evelyn Biehn
By [Signature] County Clerk
Deputy.

Fee, 23.00