

Lease No.: DTFA11-88-L-00083

LEASE

between

W.C. RANCH, INC.

and

THE UNITED STATES OF AMERICA

day of October

This LEASE, made and entered into this
in the year one thousand nine hundred and eighty-eight
by and between W.C. Ranch, Inc.
Rt. 1, Box 657 Z
whose address is Klamath Falls, OR 97603

for itself and its
and the lesson

for itself and its
hereinafter called the Lessor and the UNITED STATES OF AMERICA, hereinafter called the Government:

WITNESSETH: The parties hereto for the consideration hereinafter mentioned covenant and agree as follows:

1. For the term beginning October 1, 1988 and ending September 30, 19 89 the Lessor hereby leases to the Government the following described property, hereinafter called the premises, viz:

Approximately 1.0 acre of land developed as a roadway located in the E 1/2, SW 1/4, Sec. 10, T.40S, R.10E, W.M., Klamath County, Oregon, and to use the approximate 0.2 mile of roadway leading from a point on the West line of the E 1/2, SW 1/4, Sec. 10, more fully described as follows:

Beginning at a point on the West line of the E 1/2, SW 1/4, Sec. 10, said point of beginning on a bearing N 0° 04' 32" E 855 feet, more or less, from the SW corner of the E 1/2 of the SW 1/4; thence S 19° 50' E 97.7 feet; thence S 20° 00' E 197.8 feet; thence S 21° 35' E 346.2 feet; thence S 35° 14' E 98.9 feet; thence 41° 10' E 197.8 feet; thence S 43° 27' E 16 feet, more or less, to a point on the South line of the E 1/2 of the SW 1/4, Sec. 10.

a. Together with a right-of-way for ingress to and egress from the premises; a right-of-way or rights-of-way for establishing and maintaining a pole line or pole lines for extending electric power, and telecommunications facilities to the premises; and right-of-way for subsurface power, communication and water lines to the premises; all rights-of-way to be over the said lands and adjoining lands of the lessor, and unless herein described by metes and bounds, to be by routes reasonably determined to be the most convenient to the Government.

b. And the right of grading, conditioning, and installing drainage facilities, and seeding the soil of the premises, and the removal of all obstructions from the premises which may constitute a hindrance to the establishment and maintenance of air navigation and telecommunications facilities.

~~c. And the right to make alterations, attach fixtures, and erect additions, structures, or signs, in or upon the premises hereby leased, which alterations, fixtures, additions, structures or signs so placed in or upon, or attached to the said premises shall be and remain the property of the Government, and may be removed upon the date of expiration or termination of this lease, or within ninety (90) days thereafter, by or on behalf of the Government, or its grantees, or purchasers of said alterations, fixtures, additions, structures, or signs.~~

2. This lease may, at the option of the Government, be renewed from year to year and otherwise upon the terms and conditions herein specified. The Government's option shall be deemed exercised and the lease renewed each year for one (1) year unless the Government gives the Lessor thirty (30) days written notice that it will not exercise its option before this lease or any renewal thereof expires; PROVIDED that no renewal shall extend this lease beyond the 30th day of September 19 90 ; AND PROVIDED FURTHER, that adequate appropriations are available from year to year for the payment of rentals.

3. The Government shall pay the Lessor rental for the premises in the amount of ONE HUNDRED AND NO/100 DOLLARS

for the term set forth in Article 1 above, and ONE HUNDRED AND NO/100 DOLLARS (\$100.00)

each annual renewal exercised by the Government hereafter. Payments shall be made in arrears at the end of each lease year per ANNUM for
without the submission of invoices or vouchers.

4. The Government may terminate this lease, in whole or in part, at any time by giving at least thirty (30) days notice in writing to the Lessor, and no rental shall accrue after the effective date of termination. ~~XXXXXXXXXXXX~~

~~5. The Government shall surrender possession of the premises upon the date of expiration or termination of this lease. If the Lessor by written notice at least _____ days before the date of expiration or termination requests restoration of the premises, the Government at its option shall within ninety (90) days after such expiration or termination, or within such additional time as may be mutually agreed upon, either (1) restore the premises to as good condition as that existing at the time of the Government's initial entry upon the premises under this lease or any preceding lease (changes to the premises in accordance with paragraph 1.(a), 1.(b) and 1.(c) above, ordinary wear and tear, damage by natural elements and by circumstances over which the Government has no control, excepted) or (2) make an equitable adjustment in the lease amount for the cost of such restoration of the premises or the diminution of the value of the premises if unrestored, whichever is less. Should a mutually acceptable settlement be made hereunder, the parties shall enter into a supplemental agreement hereto effecting such agreement. Failure to agree to any such equitable adjustment shall be a dispute concerning a question of fact within the meaning of Clause 6 of this lease.~~

6. (a) This lease is subject to the Contract Disputes Act of 1978 (Public Law 95-563).

(b) Except as provided in the Act, all disputes arising under or relating to this lease shall be resolved in accordance with this clause.

(c) (i) As used herein, "claim" means a written demand or assertion by one of the parties seeking, as a legal right, the payment of money, adjustment or interpretation of lease terms, or other relief, arising under or relating to this lease.

(ii) A voucher, invoice, or request for payment that is not in dispute when submitted is not a claim for the purposes of the Act. However, where such submission is subsequently not acted upon in a reasonable time, or disputed either as to liability or amount, it may be converted to a claim pursuant to the Act.

(iii) A claim by the Lessor shall be made in writing and submitted to the Contracting Officer for decision. A claim by the Government against the Lessor shall be subject to a decision by the Contracting Officer.

(d) For Lessor claims of more than \$50,000, the Lessor shall submit with the claim a certification that the claim is made in good faith; the supporting data are accurate and complete to the best of the Lessor's knowledge and belief; and the amount requested accurately reflects the lease adjustment for which the Lessor believes the Government is liable. The certification shall be executed by the Lessor if an individual. When the Lessor is not an individual, the certification shall be executed by a senior company official in charge at the Lessor plant or location involved, or by an officer or general partner of the Lessor having overall responsibility for the conduct of the Lessor's affairs.

(e) For Lessors claims of \$50,000 or less, the Contracting Officer must render a decision within 60 days. For Lessor claims in excess of \$50,000, the Contracting Officer must decide the claim within 60 days or notify the Lessor of the date when the decision will be made.

(f) The Contracting Officer's decision shall be final unless the Lessor appeals or files a suit as provided in the Act.

(g) The authority of the Contracting Officer under the Act does not extend to claims or disputes which by statute or regulation other agencies of the Executive Branch of the Federal Government are expressly authorized to decide.

(h) Interest on the amount found due on a Lessor claim shall be paid from the date the claim is received by the Contracting Officer until the date of payment. Interest on the amount found due on a Government claim shall be paid from the date the claim is received by the Lessor until the date of payment. Interest shall be computed at ten percent (10%) per annum on the basis of a 365 or 366 day year, whichever applies.

(i) Except as the parties may otherwise agree, pending final resolution of a claim by the Lessor arising under the lease, the Lessor shall proceed diligently with the performance of the lease and its terms in accordance with the Contracting Officer's decision.

7. No Member of Congress or Resident Commissioner shall be admitted to any share or part of this lease, or to any benefit to arise therefrom.

8. The Lessor warrants that no person or selling agency has been employed or retained to solicit or secure this lease upon an agreement or understanding for a commission, brokerage, percentage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Lessor for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this lease without liability, or in its discretion to deduct from amounts otherwise due under this lease or other consideration, the full amount of such commission, brokerage, percentage, or contingent fee.

9. All notices sent to the parties under the lease shall be addressed as follows:

To the Lessor: Mr. John Dey, Vice-President, W.C. Ranch, Inc.,
Klamath Falls, OR 97603
To the Government: Same as page 1.

10. This lease is subject to the additional provisions set forth below, or attached hereto and incorporated herein. These additional provisions are identified as follows:

- a. The Government shall maintain the present configuration of the roadway to the fullest extent, and it shall be responsible for restoration of its contour and grade in the event of excessive erosion or washout.
- b. Upon the termination of this agreement, the Government will vacate, leaving the road in its present condition, being exempt from restoration of the land to its original condition.
- c. Article 1c and 5 were deleted in their entirety.
- d. Irrelevant wording in the preamble and Article 4 was deleted.
- e. Articles 10a through e were added prior to the signature of both parties.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

~~As the holder of a mortgage, dated _____,~~
~~_____ , recorded in volume _____,~~

~~_____ , pages _____,~~
~~against the above-described premises, the undersigned hereby consents to the foregoing lease and agrees that, if while the lease is in force the mortgage is foreclosed, the foreclosure shall not void the lease.~~

~~(Mortgagee)~~

John Dey, Vice-President, W.C. Ranch, Inc. (Lessor)
John Dey, Vice-President, W.C. Ranch, Inc. (Lessor)

(Lessor)

(Lessor)

(Lessor)

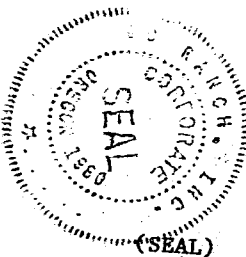
THE UNITED STATES OF AMERICA

By Le Roy F. Hendley
Title Contracting Officer

1900

CORPORATE CERTIFICATE

I, Michael B. Wray, certify that I am the
Secretary of the corporation named in the attached
 agreement; that John W. Day who signed on
 behalf of the corporation was then V-Pres of
 said corporation; that said agreement was duly signed for and in behalf
 of said corporation by authority of its governing body, and is within
 the scope of its corporate powers.

Signed: Michael B. WrayDate: 10/3/88

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Federal Aviation Administration the 30th day
 of Jan. A.D., 19 89 at 3:19 o'clock P M., and duly recorded in Vol. M89
 of Deeds on Page 1896
 Evelyn Biehn
 By Pauline M. M. M. M. County Clerk

FEE \$28.00

Return: U. S. Dept. of Transportation
 Federal Aviation Administration
 17900 Pacific Hwy South C-68966
 Seattle, Wa. 98168
 Attn: ANM-56A