

TIMBER DEED

ATC 39871

KNOW ALL MEN BY THESE PRESENTS, that PEACHEY P. THOMAS and CAROL L. THOMAS, husband and wife, as Grantors, for valuable consideration do hereby grant, bargain, sell and convey to GLENN C. PERKEY, Grantee, all Ponderosa pine and Lodgepole pine timber, 8" or greater in diameter, breast high outside the bark at the time of the cutting and removal thereof, standing and lying on that property situated in Klamath County, Oregon more particularly described on Exhibit "A" attached hereto and by this reference incorporated herein, that Grantee elects to cut and remove from said property during the period provided herein for the cutting and removal thereof, except those trees required to be left on the property under the Oregon Forest Practices Act and those trees within a 100' radius of the log house on said property, but not excepting the five (5) trees marked for cutting within the 100' radius.

The consideration for this conveyance is the sum of \$85,000.00 and other consideration.

This Timber Deed is subject to the following terms and conditions:

1. Warranties of Grantors. Grantors warrant that Grantors are the owners of said property, together with all timber situated thereon, free and clear of any liens, claims or encumbrances that would impair or restrict Grantors' ability to sell and convey good and merchantable title to said timber to Grantee and that Grantors will warrant and defend Grantors' title thereto against the lawful claims and demands of all persons. It is expressly understood and agreed that Grantors do not warrant the quantity, quality or value of the timber sold and transferred to Grantee under this Timber Deed and that Grantee makes this purchase based upon his own inspection of said property and timber, and its own determination of the volume, quantity and value thereof.

2. Access to and Upon Said Property. It is agreed that during the time provided herein for the removal of said timber, Grantee shall have access to, over and upon said property, the right to use all existing easements and rights of way to and from said property, the right to use all existing roads thereon and the

TIMBER DEED

Peachy P. Thomas
Carol L. Thomas
24077 Avenida Crescenta
Valencia CA 91355

AFTER RECORDING RETURN TO:

Glenn C. Perkey
1127 North 4th Street
Lakeview OR 97630

"Grantors"

"Grantee"

right to construct and reconstruct roads on said property reasonably required for purposes of its operations. During all periods in which Grantee is conducting operations upon said property, he agrees to maintain all roads utilized by him, and upon the completion of his operations, to leave the same in condition passable by pick-up truck.

If the Grantors acquire access for said property over the northwest corner of Tax Lot 3300 to Military Crossing Road, Grantee will construct the access road from Military Crossing Road to said property, suitable for logging purposes and passage by pick-up truck, and upon the conclusion of his operations, will leave said access road in condition passable by pick-up truck.

3. Time for Removal of Timber. Grantee's right to enter upon said property and remove the timber therefrom shall terminate at midnight, August 31, 1994, at which time title to all timber then standing, lying or being on said property shall automatically revert to and revest in Grantors or Grantors' successors in interest, free and clear of any claim or interest of Grantee therein, or right of Grantee to enter upon said property for the removal thereof, subject, however, to such additional time as may be reasonably required in the event that Grantee is delayed in the cutting and removal of said timber from said property by law, regulation, litigation or the threat thereof.

4. Logging Costs and Indemnification Agreement. Grantee agrees that he shall pay when due all costs and expenses arising out of the cutting, logging and removal of said timber, including also all harvest and severance taxes incident thereto, but not including other property taxes and assessments, which shall be paid by Grantors. Grantee further agrees to save, defend and indemnify Grantors, Grantor's agents and employees, free and harmless of and from any and all claims, costs, expense, damage or liability arising out of or in any manner connected with the performance or nonperformance by Grantee of his obligations under this deed and the conduct of his operations in the logging, cutting and removal of said timber.

5. Conduct of Operations and Compliance With Laws and Regulations. Grantee agrees that his operations shall be conducted in a good and workmanlike manner, in conformity with the customary logging practices prevailing in Klamath County, Oregon, and in conformity with all applicable statutes of the United States and the State of Oregon, including, but not limited to, the Oregon Forest Practices Act and all applicable rules and regulations of any officer, bureau or agency or any governmental unit having jurisdiction to make and enforce the same; provided, however, that the Grantors shall perform all required reforestation and restocking in any areas designated by Grantors to be clearcut by Grantee.

6. Property Boundaries. All logging operations of Grantee shall occur only within the boundaries of the property. Grantors make no representation or warranty concerning the location of the boundaries. Grantee shall have the responsibility of locating the boundary lines and agrees to save and indemnify the Grantors harmless from any trespass by Grantee upon lands of others or by the cutting of timber owned by others outside the property boundaries. Any survey that Grantee elects to conduct on said property or to establish the boundaries thereof shall be at the expense of Grantee.

7. Risk of Loss. Risk of loss by fire or other casualty to the timber conveyed to Grantee by this deed shall be borne by Grantee after the close of escrow, until title thereto reverts to Grantors.

8. Insurance. During the term of this Timber Deed, Grantee shall obtain and maintain, or cause to be obtained and maintained, insurance of the following kinds and in the following amounts from an insurer acceptable by industry standards. Grantors shall be provided completed certificates of such insurance upon their request to Grantee.

(a) A comprehensive general liability policy with broad form liability endorsement providing bodily injury limits of at least \$1,000,000.00 and including coverage for owned and nonowned motor vehicles.

(b) A logger's broad form B third party property damage policy with limits of at least \$1,000,000.00.

(c) Worker's compensation insurance or equivalent coverage as required under the laws of the State of Oregon, providing such coverage for all employees engaged in Grantee's operations.

9. Grantors' Reversionary Interest.

(a) Grantors' retain a reversionary interest in all timber, logs or forest products on the property after expiration on August 31, 1994, or any extension of the term as allowed herein.

(b) Grantors shall not be obligated to perfect their reversionary interest, and title to such timber, logs or forest products shall automatically revert to and revest in Grantors upon the expiration or termination of this agreement. Grantee agrees promptly upon such expiration or termination to execute and deliver to Grantors any document deemed necessary or appropriate to evidence such reversion as may be reasonably required by Grantors' counsel.

10. Default. In the event of any breach or default in the performance of the terms hereof, and if such default or breach is not remedied within thirty (30) days following written notice from the other party or parties specifying the default or breach, the party not in default may pursue any and all rights and remedies available under the laws of the State of Oregon to enforce or for the breach hereof, including but not limited to, the remedy of specific performance; provided, however, that if the nature of the default reasonably requires more than thirty (30) days to remedy, the defaulting party shall have, and the notice from the nondefaulting party shall provide, such additional time in excess of thirty (30) day as is reasonable under the circumstances.

11. Notices. All notices required or provided under this Timber Deed shall be delivered personally or by registered or certified mail, return receipt requested, addressed as follows, unless and until either party gives written notice to the other party of change of address:

GRANTORS

Peachy P. Thomas
Carol L. Thomas
24077 Avenida Crescenta
Valencia CA 91355

GRANTEE

Glenn C. Perkey
1127 North 4th Street
Lakeview OR 97630

12. Miscellaneous.

(a) This Timber Deed shall be construed under and in accordance with the laws of the State of Oregon and shall be binding upon an shall be for the benefit of the parties hereto and their respective successors and assigns.

(b) In the event of any suit, action or other proceeding to enforce or for the breach of any of the terms hereof, the prevailing party or parties therein shall be entitled to recover from the losing party or parties in any such suit, action or proceeding and any appeal thereof, such sum as the court may adjudge reasonable as attorney's fees in addition to the costs and disbursements provided by law.

(c) By his acceptance of this Timber Deed, evidenced by his execution hereof, Grantee agrees to all of the terms and conditions set forth herein, and to strictly perform the same.

IN WITNESS WHEREOF, the Grantors have executed this conveyance
all on the 18 day of May, 1993.

Peachy P. Thomas
Peachy P. Thomas

Carol L. Thomas
Carol L. Thomas

"Grantors"

ALL-PURPOSE ACKNOWLEDGMENT

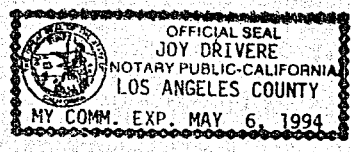
No. 5179

State of California
County of Los Angeles

On 5/20/93 before me, Joy DRIVERE
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Peachy P. Thomas
NAME(S) OF SIGNER(S)

☐ personally known to me - OR - ☒ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Witness my hand and official seal.

Joy Driver
SIGNATURE OF NOTARY

CAPACITY CLAIMED BY SIGNER

- ☒ INDIVIDUAL
- ☐ CORPORATE OFFICER(S) _____ TITLE(S) _____
- ☐ PARTNER(S) ☐ LIMITED ☐ GENERAL
- ☐ ATTORNEY-IN-FACT
- ☐ TRUSTEE(S)
- ☐ GUARDIAN/CONSERVATOR
- ☐ OTHER: _____

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

ATTENTION NOTARY: Although the information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to an unauthorized document.

THIS CERTIFICATE
MUST BE ATTACHED
TO THE DOCUMENT
DESCRIBED AT RIGHT:

Title or Type of Document Timber Deed
Number of Pages _____ Date of Document _____
Signer(s) Other than Named Above Carol L. Thomas

ALL-PURPOSE ACKNOWLEDGMENT

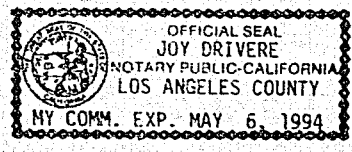
Adv. P.O. Box 718 • 91304-7184 No. 5179

State of California
County of Los Angeles

On 5/18/93 before me, Joy DRIVERE
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Carol L. Thomas
NAME(S) OF SIGNER(S)

☐ personally known to me - OR - ☒ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



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Number of Pages 5 Date of Document _____
Signer(s) Other than Named Above Peachy P. Thomas

EXHIBIT "A"
 To Timber Deed
 from Peachy P. Thomas and Carol L. Thomas, Grantors,
 to Glenn C. Perkey, Grantee.

PROPERTY DESCRIPTION:

PARCEL 1:

The S 1/2 SW 1/4 Section 16; The NE 1/4 SW 1/4 Section 16; The SE 1/4 NW 1/4 Section 16, The W 1/2 NE 1/4 NE 1/4 Section 17; The E 1/2 NW 1/4 NE 1/4 Section 17; The S 1/2 SE 1/4 Section 17; The NW 1/4 SE 1/4 Section 17; The W 1/2 SW 1/4 NE 1/4 Section 17; The E 1/2 SE 1/4 NW 1/4 Section 17; The E 1/2 SE 1/4 Section 20; lying Northerly of Military Crossing Road; The N 1/2 NE 1/4 Section 20 and the SE 1/4 NE 1/4 Section 20, all being in Township 30 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

EXCEPTING THEREFROM Section 20, Township 30 South, Range 9 East of the Willamette Meridian, that portion described in Warranty Deed recorded June 2, 1959 in Volume 313 at Page 83, Klamath County Deed Records by Hugh R. Knight and Ada Knight to J. S. Crepeau and Ray Denham, to wit: Beginning at a point 900 feet East of the Southwest corner of the N 1/2 of the NE 1/4 of Section 20, Township 30 South, Range 9 East of the Willamette Meridian; thence continuing due East for 660 feet and thence North for 660 feet and thence West for 660 feet and thence South 660 feet to the point of beginning.

PARCEL 2:

The NE 1/4 SW 1/4 of Section 17, Township 30 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

CODE 8 MAP 3009 TL 2400
 CODE 8 MAP 3009 TL 2600

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title & Escrow, Inc. the 24th day of May A.D. 19 93 at 3:19 o'clock P. M., and duly recorded in Vol. M93 of Deeds on Page 11750.

FEE \$35.00

Evelyn Biehn County Clerk
 By Annette Mueller