

'96 MAR 28 P3:29

ATC # 05013927

## INDEMNIFICATION AGREEMENT

THIS AGREEMENT made the 28<sup>th</sup> day of March, 1996, by Peach Tree, Ltd., and Oregon limited partnership, hereinafter called the "Indemnitor," and Eldorado Heights, L.L.C., an Oregon limited liability company, hereinafter called the "Indemnatee."

WHEREAS the Indemnitor wishes to sell to Indemnatee a parcel of property located in Klamath County, Oregon, and described as set out in Exhibit A, attached hereto and incorporated herein by this reference, and

WHEREAS there exists as to said property, an easement, including the terms and provisions thereof, for a non-exclusive easement for ingress and egress and rights to one-half of the water from two wells located on said property, as shown on the Decree in Klamath County Circuit Court Cases No. 84-827 CV and 84-946 CV, entered November 9, 1987, and

WHEREAS the Indemnatee wishes to be protected against loss by reason of purchasing said property and having someone claim a right under the easement described above, and

WHEREAS Indemnatee has agreed to continue with the purchase of said property only if an agreement of indemnity on the terms hereinafter set forth is given to it by the Indemnitor,

## IT IS THEREFORE AGREED:

1. Indemnity The Indemnitor shall indemnify the Indemnatee, and its members, manager, agents, assigns, heirs, and successors in interest from all loss, expenses, damages, costs, and attorney fees that they, or any of them, may at any time within 20 years from the date hereof any of them, may at any time within 20 years from the date hereof incur by reason of any actions or suits brought against them, or any of them, or against any persons or corporations to whom any of them have sold their interest in the property described in exhibit A attached hereto, on the grounds that the property is subject to an easement, including the terms and provisions thereof,

for a non-exclusive easement for ingress and egress and rights to one-half the water from two wells located on said property, as shown on the Decree in Klamath County Circuit Court Cases No. 84-827 CV and 84-946 CV, entered on November 9, 1987.

2. Limitation. The maximum liability of the Indemnatee hereunder shall in no case exceed \$300,000.00 in the aggregate.

3. Legal Actions. The Indemnatee shall give the Indemnitor immediate notice of any suits or actions instituted against the Indemnatee, for the reason set out in paragraph 1 above. The Indemnitor shall have the right to control any such suit or action which arises under this indemnification up to the maximum amount of Indemnatee's liability as set out in paragraph 2 above, and shall have the right to participate in any such suit or action for an amount larger than its maximum amount of liability. Indemnitor shall also have such access to the property described in Exhibit A as it needs for purposes of controlling or participating in any litigation as described in the immediately preceding sentence.

4. Benefit. This agreement shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors, and assigns.

IN WITNESS WHEREOF the parties have executed this agreement.

By \_\_\_\_\_  
William D. McCabe, Sr.  
General partner

STATE OF OREGON, County of Klamath ) ss.

This instrument was acknowledged before me on \_\_\_\_\_ by William D. McCabe, Sr., General Partner of Peach Tree, Ltd.

NOTARY PUBLIC FOR OREGON  
My commission expires:

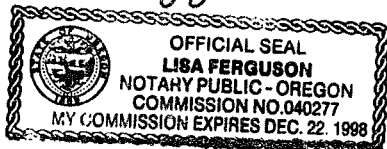
Eldorado Heights, L.L.C.  
By Prestige Care, inc, its Manager

By \_\_\_\_\_  
Treasurer

By \_\_\_\_\_  
Secretary

STATE OF OREGON, County of Klamath ) ss.

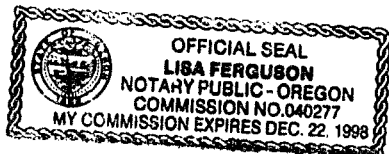
This instrument was acknowledged before me on March 27, 1994  
by Steve Fogg as Treasurer of Prestige Care, Inc.



\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My commission expires: 12/22/98

STATE OF OREGON, County of Klamath ) ss.

This instrument was acknowledged before me on March 27, 1994  
by Rich Dillon as Secretary of Prestige Care, inc.



\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My commission expires: 12/22/98

### INDEMNIFICATION AGREEMENT

THIS AGREEMENT made the 23<sup>rd</sup> day of March, 1996, by Peach Tree, Ltd., and Oregon limited partnership, hereinafter called the "Indemnitor," and Eldorado Heights, L.L.C., an Oregon limited liability company, hereinafter called the "Indemnitee."

WHEREAS the Indemnitor wishes to sell to Indemnitee a parcel of property located in Klamath County, Oregon, and described as set out in Exhibit A, attached hereto and incorporated herein by this reference, and

WHEREAS there exists as to said property, an easement, including the terms and provisions thereof, for a non-exclusive easement for ingress and egress and rights to one-half of the water from two wells located on said property, as shown on the Decree in Klamath County Circuit Court Cases No. 84-827 CV and 84-946 CV, entered November 9, 1987, and

WHEREAS the Indemnitee wishes to be protected against loss by reason of purchasing said property and having someone claim a right under the easement described above, and

WHEREAS Indemnitee has agreed to continue with the purchase of said property only if an agreement of indemnity on the terms hereinafter set forth is given to it by the Indemnitor,

#### IT IS THEREFORE AGREED:

1. Indemnity. The Indemnitor shall indemnify the Indemnitee, and its members, manager, agents, assigns, heirs, and successors in interest from all loss, expenses, damages, costs, and attorney fees that they, or any of them, may at any time within 20 years from the date hereof any of them, may at any time within 20 years from the date hereof incur by reason of any actions or suits brought against them, or any of them, or against any persons or corporations to whom any of them have sold their interest in the property described in exhibit A attached hereto, on the grounds that the property is subject to an easement, including the terms and provisions thereof,

for a non-exclusive easement for ingress and egress and rights to one-half the water from two wells located on said property, as shown on the Decree in Klamath County Circuit Court Cases No. 84-827 CV and 84-946 CV, entered on November 9, 1987.

2. Limitation. The maximum liability of the Indemnitee hereunder shall in no case exceed \$300,000.00 in the aggregate.

3. Legal Actions. The Indemnitor shall give the Indemnitor immediate notice of any suits or actions instituted against the Indemnitee, for the reason set out in paragraph 1 above. The Indemnitor shall have the right to control any such suit or action which arises under this indemnification up to the maximum amount of Indemnitee's liability as set out in paragraph 2 above, and shall have the right to participate in any such suit or action for an amount larger than its maximum amount of liability. Indemnitor shall also have such access to the property described in Exhibit A as it needs for purposes of controlling or participating in any litigation as described in the immediately preceding sentence.

4. Benefit. This agreement shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors, and assigns.

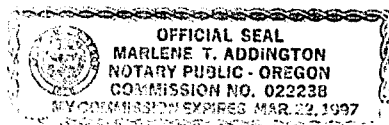
IN WITNESS WHEREOF the parties have executed this agreement.

*[Signature]*  
Cheri Frey, P.C.  
*[Signature]*  
Michael Schmeck

By *[Signature]*  
William D. McCabe, Sr.  
General partner

STATE OF OREGON, County of Klamath ) ss.

This instrument was acknowledged before me on 3-28-96 by William D. McCabe, Sr., General Partner of Peach Tree, Ltd. of Cheri Frey, P.C. & Michael Schmeck & Robert J. Bogatay



*[Signature]*  
Marlene T. Addington  
NOTARY PUBLIC FOR OREGON  
My commission expires: 3-22-97

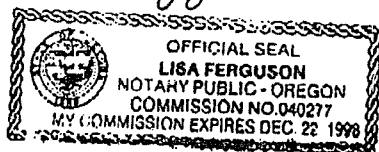
Eldorado Heights, L.L.C.  
By Prestige Care, Inc., its Manager

By *[Signature]*  
Treasurer

By *[Signature]*  
Secretary

STATE OF OREGON, County of Klamath ) ss.

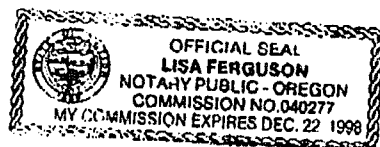
This instrument was acknowledged before me on March 27, 1996 by Steve Frey as Treasurer of Prestige Care, Inc.



*[Signature]*  
NOTARY PUBLIC FOR OREGON  
My commission expires: 12/22/98

STATE OF OREGON, County of Klamath ) ss.

This instrument was acknowledged before me on March 27, 1996 by Rick Dillon as Secretary of Prestige Care, Inc.



*[Signature]*  
NOTARY PUBLIC FOR OREGON  
My commission expires: 12/22/98

## EXHIBIT "A"

## PARCEL 1:

A parcel of land situated in portions of vacated Blocks 2, 3, 6, 7, 9 and 10, ELDORADO ADDITION TO THE CITY OF KLAMATH FALLS, OREGON, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a point being the intersection of the Southerly right of way line of Eldorado Boulevard and Northwest right of way line of Sloan Street; thence South 38 degrees 16' 30" West along said right of way line of Sloan Street, a distance of 576.60 feet to the South right of way line of Dahlia Street; thence North 51 degrees 43' 30" West along said right of way line, a distance of 25.00 feet; thence South 38 degrees 16' 30" West a distance of 100.00 feet; thence North 51 degrees 43' 30" West a distance of 175.00 feet; thence North 38 degrees 16' 30" East a distance of 668.38 feet, to a point on the Southerly right of way line of Eldorado Boulevard; thence Southeasterly along the arc of a 8 degree 28' 30" curve to the right, a distance of 200.77 feet to the point of beginning.

## PARCEL 2:

Lot 2, Block 10, ELDORADO ADDITION TO THE CITY OF KLAMATH FALLS, in the County of Klamath, State of Oregon. EXCEPTING THEREFROM the Southeasterly 19 feet, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

CODE 1 MAP 3809-20DB TL 2000  
CODE 1 MAP 3809-20DC TL 4200

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title & Escrow the 28th day  
of March A.D., 19 96 at 3:29 o'clock PM., and duly recorded in Vol. M96  
of Deeds on Page 8726.

FEE \$40.00

By Bernetha G. Letsch, County Clerk