

1999 SEP 10 PM 3:40

THIS AGREEMENT is made between Robert M. Williams and Nancy J. Crafts, Trustees of the Williams Family Trust dated June 24, 1996, hereinafter "Williams Family Trust" and Louis L. Otero, III and Diana A. Otero _____, hereinafter "OTERO".

RECITALS

A. The Williams Family Trust is the owner of the following described properties:

The Northerly 147 feet of Lots 18 and 19 Piedmont Heights, according to the official plat thereof on record in Klamath County, Oregon, less any portion thereof contained in right of way of Enterprise Irrigation ditch, together with easement for roadway as set out in Easement Agreement between the above named parties recorded on Page 411 of Vol 285 of Deeds, records of Klamath County, Oregon.

Subject to the terms and agreements of the above mentioned Easement Agreement, and to contracts and/or liens for irrigation and/or drainage, and to restrictions, easements and rights of way of record or apparent on the land.

This property is commonly known as 2706 Watson, Klamath Falls, Oregon, and hereinafter shall be referred to as "2706 Watson."

A tract of land lying North of the Enterprise Irrigation district in Lot 17, Piedmont Heights, an addition in Klamath County, Oregon, situated in the E 1/2 SE 1/4 Section 1, Township 39 S. R. 9 E., W. M. and more particularly described as follows: Beginning at the N. E. corner of Lot 17; thence South 0° 27' East along a line between Lots 17 and 18 a distance of 146.8 feet to an iron pin; thence North 77° 19' West 109.0 feet to an iron pin; thence North 18° 18' West 113.6 feet to an iron pin which is South 0° 27' East a distance of 15 feet from an iron pin which lies on the line between Lots 17 and 23; thence North 0° 27' West 15 feet to the iron pin which lies on the line between Lots 17 and 23; thence East a distance of 141.0 feet, more or less, to the point of beginning, subject to contracts and agreements with the United States of

America and the Enterprise Irrigation District, relative to irrigation and drainage, and to reservations and restrictions of record,

SUBJECT TO AND EXCEPTING RESERVATIONS,
RESTRICTIONS, EASEMENTS, AND RIGHTS OF WAY OF
RECORD AND THOSE APPARENT UPON THE LAND.

This property is commonly known as 2704 Watson, Klamath Falls, Oregon, and hereinafter shall be referred to as "2704 Watson."

B. A cold water well is located on 2706 Watson and said well provides domestic water for 2706 Watson and 2704 Watson, and has done so the past 40 years or more.

C. Water pumps and other equipment needed to provide domestic water to both 2706 Watson and 2704 Watson are located on 2706 Watson and use electrical power, the expense of which is assessed to residents of 2706 Watson.

D. "OTERO" desires to purchase from the Williams Family Trust, 2706 Watson. The Williams Family Trust is willing to sell to "OTERO", 2706 Watson on the condition that 2704 Watson will continue to be provided domestic water subject to the terms of this Agreement.

WHEREFORE, the parties mutually agree as follows:

1. The Williams Family Trust and "OTERO", and their respective, heirs, successors and assigns, shall upon the closing of the sale of 2706 Watson to "OTERO", each own an undivided one-half interest in and to that cold water well situated on 2706 Watson together with the perpetual right, easement and privilege to connect with said well an underground line from said well to the dwelling house, other improvements or unimproved land located at 2704 Watson and 2706 Watson. "OTERO" shall further grant to the Williams

Family Trust the right of ingress and egress to the well on 2706 Watson for the purpose of maintaining, servicing, and repairing said well and maintaining, servicing and repairing the distribution system from the well-head to the dwelling houses, improvements and/or faucets on 2704 Watson, conditioned upon restoring 2706 Watson to its then original condition.

2. The Williams Family Trust and "OTERO" shall share all costs related to the repair, maintenance, and servicing of the water well, including but not limited to the casing, piping, pumps and necessary accessories. Supervision of the repair, maintenance and servicing of the well shall be by agreement by all parties hereto, or their representatives, heirs, successors, or assigns.

3. The Williams Family Trust and "OTERO" shall each be responsible for the repair, maintenance and servicing of the distribution system from the well-head to their respective dwelling houses, improvements or faucets.

4. This agreement shall run with the land and be binding upon the heirs, successors, and assigns of the parties hereto. The Williams Family Trust and "OTERO", or their heirs, representatives, successors or assigns shall not convey, transfer, grant, or sell a part or portion of their undivided one-half interest in the well or the easements granted by this document to persons other than purchasers of 2706 Watson and 2704 Watson, without the written consent of the other property owner. It is acknowledged that at some future date 2704 Watson may be partitioned to create another lot. This agreement intends that the property now known as 2704 Watson is only entitled to an undivided one-half interest in the water well unless written consent is obtained by the then owners of 2706 Watson.

5. The parties acknowledge that at the time this agreement is signed the subject

water well produces thirty (30) gallons per minute which is sufficient to meet the domestic water needs of 2706 Watson and 2704 Watson. The parties agree however, that if water production by the well is reduced after the execution of this agreement, then the parties will consider the impact of their normal use and the impact of any increased water needs on the other property. To the extent normal use of the well by one party causes a reduction in water available to the other party, the parties agree to modify their consumption and if necessary install controls to the system so that available water is equitably distributed. To the extent one party proposes to use
X more than normal domestic consumption (e.g. for a swimming pool, pasture irrigation, etc.) including any additions to current dwelling houses, there must be agreement to the increased consumption by parties to this agreement or their heirs, representatives, successors or assigns.

6. The Williams Family Trust and "OTERO" acknowledge that the enforceability of this agreement may depend upon the willingness of each party and their successors in interest to cooperate with each other. The parties by their signatures below commit to acting in good faith and using their best efforts to comply with both the specific terms of and spirit of this agreement.

7. This document contains the complete agreement between the parties and may not be modified except by written agreement signed by all parties or their representatives, heirs, successors or assigns.

8. This agreement was prepared by Melvin D. Ferguson, acting as attorney for the Williams Family Trust. All other parties acknowledge that Melvin D. Ferguson does not represent them and they have had the opportunity to consult with their own legal counsel. The rule of construction that a written agreement is construed against the party preparing or drafting such agreement shall specifically not be applicable in the interpretation of this agreement or any

documents executed and delivered under this agreement.

9. If litigation is instituted to enforce the terms of this agreement, the losing party shall pay to the prevailing party the prevailing party's reasonable attorney fees and court costs as determined by the court, including any appeals therefrom.

10. This agreement shall be effective as to each party upon affixing their signature below.

11. This agreement shall be recorded in the Deed Records of Klamath County, Oregon.

Williams Family Trust

Robert M. Williams
By: Robert M. Williams, Trustee

9/9/99
Date

Nancy J. Crafts
Nancy J. Crafts, Trustee

9-9-99
Date

Date

Date

Signed or attested before me on September 9, 1999, by Robert M. Williams, Trustee of the Williams Family Trust.



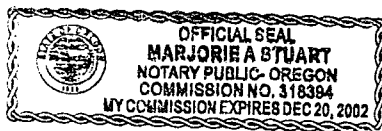
Marjorie A. Stuart
Notary Public for Oregon
My Commission Expires: 12-20-02

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Signed or attested before me on September 9, 1999, by Nancy J. Crafts, Trustee
of the Williams Family Trust.



Marjorie A. Stuart
Notary Public for Oregon
My Commission Expires: 12-20-02

Signed or attested before me on _____, 1999, by _____.

Notary Public for Oregon
My Commission Expires: _____

Signed or attested before me on _____, 1999, by _____.

Notary Public for Oregon
My Commission Expires: _____

After recording, return to:
Trustees of the Williams Family Trust
1414 E. Main
Klamath Falls, OR 97601

State of Oregon, County of Klamath
Recorded 9/10/99, at 3:46 p.m.
In Vol. M99 Page 36387
Linda Smith,
County Clerk Fee \$ 35.00