



LICENSE AND EASEMENT AGREEMENT

DATED: January 18, 2000.2001  

PARTIES:

Carol A. George
419 High Street
Klamath Falls, OR 97601

hereinafter "George"

Oscar and Dorothy Peterson
413 High Street
Klamath Falls, OR 97601

hereinafter "Peterson"

RECITALS:

1. George is the record owner of Lot 3 and Lot 8 and all of that portion of Lot 11, lying and being between Lots 3 and 8 in Block 50 of the First Addition to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. (Hereinafter "George Property")

2. Peterson is the record owner of Lot 7 and Lot 4 and all of Lot 11 lying and being between Lots 7 and 4 in Block 50 of the First Addition to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. (Hereinafter "Peterson Property")

3. Peterson currently uses a driveway located upon Lot 3 of the George Property that is approximately 10½ feet wide and runs along the border of Lot 4 and Lot 3 in Block 50 of the First Addition to the City of Klamath Falls. Peterson uses said driveway to access their parking area in Lot 4 of Block 50 in the First Addition to the City of Klamath Falls. The use of the driveway and a portion of the parking area encroach upon the George Property.

WHEREAS the parties desire to enter into this License and Easement Agreement to resolve the encroachment and use of the George Property.

George shall grant Peterson an easement and license to use the driveway and the parking area upon the George Property so long as Peterson owns the property.

NOW THEREFORE and for valuable consideration, the receipt of which is hereby acknowledged by George and Peterson, the parties hereto agree as follows:

AGREEMENT:

1. George hereby grants unto Peterson a license and easement for ingress and egress over that portion of the George Property described as the southeasterly 10½ feet of Lot 3 in Block 50 of the First Addition to the City of Klamath Falls (hereinafter the Licensed Property).

2. Peterson shall use the Licensed Property for ingress and egress only and shall not obstruct, obscure or damage the Licensed Property in any form.

3. Peterson shall not interfere with George's use of the Licensed Property.

4. Peterson, their agents, independent contractors and invitees shall use the easement for ingress and egress purposes only, for access to the Peterson Property.

5. George reserves the right to use, construct, reconstruct and maintain the Licensed Property. The parties shall cooperate during periods of joint use so that each party's use shall cause a minimum of interference to the other.

6. Peterson agrees to indemnify and defend George from any loss, claim or liability to George arising in any manner from Peterson's use of the Licensed Property. Peterson assumes all risk arising out of their use of the easement and Licensed Property and George shall have no liability to Peterson or others for any condition existing thereon.

7. This easement and license is appurtenant and for the benefit of the real property owned by Peterson.

8. While the parties shall cooperate during periods of joint use, so that each party's use shall cause a minimum interference to the other, both parties acknowledge that

George's use of the property shall be superior to any use by Peterson.

9. Peterson covenants and agrees to use the easement and Licensed Property exclusively for household and family use and will not construct any permanent structures upon the same. Peterson shall help maintain the easement and Licensed Property in a husbandlike manner and will not allow the property to be used to create a nuisance or to harm in any respects the interest of George and the Property.

10. This License and Easement Agreement shall not terminate for so long as either Oscar or Dorothy Peterson lives upon the Peterson Property. If, however, Peterson sells, conveys or transfers any portion of the Peterson Property, this License and Easement Agreement shall terminate immediately. Additionally, should the Peterson Property transfer due to the death of both Petersons, this License and Easement Agreement shall terminate immediately. This Agreement shall remain in full force and effect, however, while Peterson, or either of them, continue to occupy the property in their individual capacity. If Peterson rents the Peterson Property to any third party, other than Oscar and Dorothy, or allows any third party, other than Oscar and Dorothy, to live upon the property, this License and Easement Agreement shall terminate immediately. The termination of the Agreement shall be evidenced by a written statement being recorded in the real property records for Klamath County, signed by George and, if possible, by Peterson. The absence of Peterson's signature shall not obviate the termination of this License and Easement Agreement.

11. In the event of a partial or total condemnation of the Licensed Property, George shall be entitled to the compensation attributable to the Licensed Property and Peterson shall be entitled to nothing.

12. This Agreement shall constitute the entire agreement between the parties with respect to the subject matter herein and supersedes and replaces all prior understandings and agreements, whether written or oral, between the parties with respect thereto.

13. No modification or amendment to this Agreement or any part hereof shall be valid unless it is in writing and signed by the parties.

14. The provisions of this Agreement shall be waived only in writing and signed by the parties. The failure to enforce a provision shall not operate as a waiver of that provision or any other provision.

15. The parties hereto agree that this License and Easement Agreement shall in all respects satisfy any disagreements between the parties in regards to the Licensed Property. George and Peterson hereby waive, acquit and forever release each other and each other's heirs, successors and assigns of any cause of action that may have occurred or arisen up to and including the date of the execution of this Agreement.

16. This Agreement may be signed in counterpart or separately.

Carol A. George
Carol A. George

STATE OF OREGON)
) ss.
County of Klamath)

Personally appeared, Carol A. George, and acknowledged the foregoing instrument to be her voluntary act and deed. Before me:



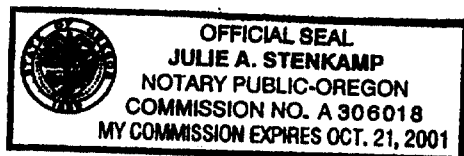
Karen A. Baker
Notary public for Oregon
My commission expires: 9/28/01

Oscar J. Peterson
Oscar Peterson

Dorothy J. Peterson
Dorothy Peterson

STATE OF OREGON)
) ss.
County of Klamath)

Personally appeared, Oscar Peterson and Dorothy Peterson and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:



Julie A. Stenkamp
Notary public for Oregon
My commission expires: 10/21/01

4. LICENSE AND EASEMENT AGREEMENT

State of Oregon, County of Klamath
Recorded 03/12/01, at 3:50 p.m.
In Vol. M01 Page 9969
Linda Smith.
County Clerk Fee \$ 36.00