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Vol M05 Page 04748

AFTER RECORDING, RETURN TO:

William M. Ganong
Attorney at Law
514 Walnut Avenue
Klamath Falls OR 97601

State of Oregon, County of Klamath
Recorded 01/21/05 3:38 P m
Vol M05 Pg 04748-56
Linda Smith, County Clerk
Fee \$ 61 # of Pgs 9

GROUND LEASE AND EASEMENTS

This Ground Lease and Easement is made this 10th day of January, 2005, by and between Leonard R. Putnam and Mary Jean Putnam, Post Office Box 940, Klamath Falls, Oregon 97601, Lessees; and Falcon Ridge Development, LLC, an Oregon limited liability company, Lessors.

RECITALS:

A. Lessees are the owners of the real property located in Klamath County, Oregon described on Exhibit "A" attached hereto and incorporated herein by this reference (the "Property"). Lessees maintain on said real property radio and communications equipment, towers, buildings, utility lines, and other facilities used by Cascade Communications, Inc., Lessees, and sub-lessees. The location of said towers and communication equipment is more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference.

B. Lessees have agreed to sell the Property to Lessors, but desire to retain for the benefit of Lessees, their successors, and assigns, access to the above-described communications equipment and facilities and the use and enjoyment of the Property upon which the communications facilities and equipment are located and the Property on which the power, telephone lines, and other utilities that serve said communications equipment are located, for a period of 50 years.

C. Lessors desire to purchase the Property from Lessees and, in partial consideration for the purchase of the Property, are willing to grant to Lessees a Ground Lease and Easements for access and utilities to the land occupied by the communications facilities and the utilities that serve the communications facilities.

AGREEMENT

In consideration for the mutual promises, conditions, and other good and valuable consideration of the parties hereto, it is covenanted and agreed as follows:

1. Lease of Premises. Lessors hereby let and devise unto Lessees, their successors and assigns, and Lessees hereby receive and accept from Lessors the Premises containing approximately 0.57 acres of land on which the communications facilities, including the radio towers, antennas, guy wires, buildings, and other improvements are located, which leased Premises are described on Exhibit "B" (the "Premises").

6/10 am

2. Grant of Easements. To effect the purposes of this Ground Lease, Lessors hereby grant to Lessees the following easement rights:

a. The right to clear vegetation and move earthen materials upon the Premises;

b. The right to use the existing roads marked on Exhibit "C" attached hereto for ingress and egress to the Premises for the purpose of operating, maintaining, improving, replacing, and removing Lessees' leasehold improvements, and any personal property of Lessees located on the Premises, including the right to bring in and use all necessary tools and machinery, and the right of pedestrian and vehicular access to the Premises at any time during the term of the Ground Lease. Further, Lessors grant to Lessees, their successors, and assigns, and to the utility companies that provide utility services to the Premises a right-of-way along, over, and under the area on which power, telephone, and other utility lines as currently located, including such additional areas as are reasonably necessary to maintain said utility services, which maintenance may include the installation of guy-support wires and other supporting facilities and the removal of brush, trees, and other vegetation along the length of said utility lines and service.

3. Access Limitations. Lessees hereby acknowledge and agree that any improvements Lessees may make to the roads and utility easements over which Lessees are granted access herein will be done at Lessees' sole expense. Lessors reserve the unlimited right to use and improve the access roads for Lessors' uses, at Lessors' expense, subject only to the condition that Lessors will not block or impede Lessees' use of said roads. Provided, however, that the Lessors agree to maintain the access road shown on Exhibit "C," including plowing of snow in a manner that allows Lessees reasonable use of the access road at all times during the term of this Ground Lease. Lessees agree to pay to Lessors the sum of \$50 per year, on or before the 10th day of January, as Lessees' full contribution for maintenance and snow removal. Lessees shall pay all costs of maintaining the roads on the Premises.

4. Use of Premises. Lessees shall be entitled to use the Premises to ~~construct~~, operate, and maintain thereupon ~~communications towers~~, including aviation hazard lights, radio station equipment shelters, communication equipment shelters, security fencing, all necessary lines, anchors, connections, fixtures, devices, and equipment for the transmission, reception, encryption, and translation of voice and data signals by means of radio frequency, energy land-line carriage, and other means and methods of transmitting such signals. Lessees shall have the right to ~~expand~~ their communication ~~business~~ and ~~add to the facilities located on the Premises~~.
 upgrade equipment

5. Hazardous Materials. In its use of the Property and Premises, Lessees shall not store on or discharge from or onto the Property or Premises any hazardous waste or toxic substances, as defined in 42 U.S.C. § 9601-9657.

6. Term of Lease. This Ground Lease shall commence upon the recording of this Ground Lease in the Deed Records of the Clerk of Klamath County, Oregon and shall expire 50 years thereafter.

7. Rent. Lessors acknowledge the receipt from Lessees of the sum of \$1 and other good and valuable consideration constituting the entire rent payable by Lessees to Lessors for the term

8. Utilities. Lessees shall be responsible for paying before they become delinquent all costs of providing utility services to the Premises.

9. Taxes. Lessees shall pay all real and personal property taxes levied against the Premises and the improvements. Lessors agree to join in any application requesting the appropriate taxing authority to perform a tax parcel division and create a separate tax number for the Premises, if such division is available. If such division is not available and real estate taxes must continue to be paid on Lessors' undivided land in Lessors' own names, then Lessees shall contribute Lessees' proportionate share of the such taxes, and Lessors shall provide evidence satisfactory to Lessees of payment of such taxes, at least ten days before they would otherwise become delinquent. If Lessors fail to provide such evidence of payment, Lessees may, at Lessees' option, pay any unpaid taxes then due. Lessors shall immediately reimburse Lessees for the amount of Lessors' taxes paid by Lessees.

10. Repairs. Lessees shall be responsible for all repairs of the improvements on the Premises and may, at their own expense, alter or modify the improvements to suit their needs consistent with the intended use of the Premises.

11. Indemnification. Lessees shall indemnify and hold Lessors harmless from loss, damage, or injury caused by or on behalf of or at the fault of Lessees, or resulting from structural failure of the Lessees' communications towers and other improvements.

12. Insurance. Lessees shall maintain commercial general liability insurance with combined single limits of \$1 million covering Lessees' work and operations on Lessors' land. Lessees shall deliver to Lessors certificates of insurance evidencing such coverage as currently and continuously in force and naming Lessors as additional insureds.

13. Subleases and Usage Agreements. Lessors acknowledge that Lessees currently sublease, permit, and license other individuals and entities to maintain, operate, and use the Premises in a manner consistent with Lessees' use of the Premises. During the term of this Ground Lease, Lessees may remove such agreements or make such further leases, licenses, and permits as Lessees may deem appropriate, and Lessees shall be entitled to collect and retain, for Lessees' benefit, all issues, rents, and profits from the said use of the Premises.

14. Other Uses of the Premises. Lessees shall not undertake or allow other uses of the Premises without the prior written consent of Lessors.

15. Removal of Improvements. The improvements on the Premises, including but not limited to transmission towers, utility facilities, buildings, fences, radios, and other personal property shall never be considered fixtures to the real estate. Lessees, at all times, shall be authorized to remove said improvements from the Premises. Any property of Lessees remaining on the Premises on the 91st day after the termination of this agreement may be removed by Lessors at Lessees' expense or may be retained by Lessors as Lessors' property.

16. Quiet Enjoyment. Lessors covenant that Lessees shall have quiet and peaceful possession of the Premises throughout the lease term and that Lessors will not intentionally disturb Lessees' enjoyment thereof as long as this Ground Lease is not in default.

17. Binding Effect. All of the terms, covenants, and conditions of this Ground Lease shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, subsidiaries, affiliates, sublessees, successors, and/or assigns.

18. Amendments. This Ground Lease may not be modified, amended, or terminated except as provided herein or by other written agreements between the parties.

19. Remedies on Default. In the event that any party shall fail to perform its obligations under this agreement, the other party shall be entitled to require such performance by suit or specific performance, or where appropriate, through injunctive relief. Such remedies shall be in addition to any other remedies afforded under Oregon law.

20. Easements Appurtenant. The easements granted hereunder shall run with the land as to all property burdened and benefitted by such easements, including any division or partition of the Property. The rights, covenants, and obligations contained in this agreement shall bind, burden, and benefit each party's successors, assigns, lessees, mortgagees, or beneficiaries under Trust Deeds.

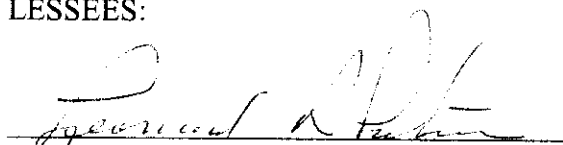
21. Affidavit of Termination. At the expiration or other termination of this agreement, Lessees agree to provide, at Lessors' request, an Affidavit, Quitclaim Deed, or other proof of termination of the agreement and release of Lessees' interests under this agreement.


22. Attorney's Fees. In the event any suit or action is enforced under this agreement, the prevailing party shall be entitled to, in addition to statutory costs and disbursements, reasonable attorney's fees and expert witness fees incurred from the time the action is filed, including but not limited to attorney's fees incurred on any appeal of a trial court decision.

23. Entire Agreement. This document is the entire, final, and complete agreement of the parties and supercedes and replaces all prior or existing written or oral agreements or both between the parties or their representatives relating to the Property and the Premises.


IN WITNESS WHEREOF, the parties have executed this agreement as of the date first herein written.

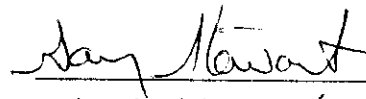

LESSEES:


Leonard R. Putnam


Mary Jean Putnam

LESSORS:

 Member

 Member
 Member

STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on January 11, 2005 by Leonard R. Putnam and Mary Jean Putnam.



Kristi L. Redd
Notary Public for Oregon

My Commission Expires: 11/16/2007

STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on January 11, 2005 by

Notary Public for Oregon

My Commission Expires: _____

STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on January _____, 2005 by

Notary Public for Oregon

My Commission Expires: _____

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

A tract of land in Sections 27, 28, 33 and 34 all in Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Section 27: SW1/4 SW1/4 SW1/4, SW1/4 SE1/4 SW1/4 SW1/4, SW1/4 NW1/4 SW1/4 SW1/4
 Section 28: SE1/4 SE1/4
 Section 33: NE1/4 NE1/4
 Section 34: NW1/4 NW1/4

PARCEL 2:

A tract of Land in Section 28, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Section 28: NE1/4 SW1/4, SE1/4 SW1/4, SW1/4 SE1/4

PARCEL 3:

The N1/2 of the NW1/4 and the NW1/4 of the NE1/4 of Section 33, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING THEREFROM a tract of land situate in Section 33, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at an iron pipe in the fence line along the East 1/16th line of Section 33, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, from which the Northwest corner of Section 33, Township 39 South, Range 9 East of the Willamette Meridian, bears North 75° 10' 43" West 4119.43 feet distant; thence along a fence line North 41° 10' West 506.87 feet; thence South 89° 14' 20" West 1796.60 feet; thence South 10° 50' West 342.55 feet; thence South 0° 47' East 290.60 feet; thence South 89° 13' West 1292.76 feet; thence South 18° 59' East 640.20 feet; thence South 40° 11' East 387.80 feet; thence South 27° 58' 20" East 704.35 feet; thence South 82° 57' 20" East 831.95 feet; thence South 32° 08' 20" East 633.45 feet; thence South 70° 52' 40" East 384.80 feet; thence South 20° 04' 40" East 363.00 feet, more or less, to the South 1/16th line of said Section 33; thence along said South 1/16th line South 89° 48' 40" East 1052.00 feet to the fence line along the East 1/16th line of said Section 33; thence North 0° 10' West along said fence line 2918.68 feet, more or less, to the point of beginning.

ALSO EXCEPTING THEREFROM a tract of land situated in the NW1/4 of Section 33, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

(Parcel 3 continued)

Beginning at a point on the West line of said Section 33, said point being South 00° 13' 13" East 60.00 feet from the Northwest corner of said Section 33; thence along the section line South 00° 13' 13" East 1286.72 feet to the Northwest corner of that tract of land described in Book M78, page 29042, Microfilm Records of Klamath County, Oregon; thence North 88° 59' 47" East 498.68 feet to the 3/8 inch iron pipe as described in said M78, page 29042; thence generally following along an existing fence line and along the Northerly and Westerly lines of that tract of land described in Book M74, page 9920, Microfilm Records of Klamath County, Oregon. (and also shown by recorded Survey No. 973, as recorded in the office of the Klamath County Surveyor), North 89° 11' 30" East 1293.09 feet (1292.76 by deed) to a fence corner post, North 00° 55' 21" West (North 0° 47' West by deed) 244.13 feet to a 1/2 inch iron pipe, North 10° 41' 39" East 342.07 feet (North 10° 50' East 342.55 feet by deed) to a 1/2 inch iron pipe; thence North 448.37 feet; thence along the arc of a curve to the right, (radius point bears North 20° 08' 19" East 330.00 feet, central angle equals 27° 58' 36") 161.33 feet; thence along the arc of a curve to the left (radius point bears South 48° 06' 55" West 270.00 feet, central angle equals 23° 06' 55") 108.93 feet; thence North 65° 00' 00" West 133.66 feet; thence along the arc of a curve to the left, (radius equals 270.00 feet, central angle equals 25° 11' 16") 118.70 feet to the point that is 60.00 feet Southerly of, when measured at right angles to the North line of said Section 33; thence South 89° 48' 44" West 1400.97 feet to the point of beginning, with bearings based on recorded Survey No. 3028, as recorded in said Klamath County Surveyor's office.

ALSO EXCEPTING THEREFROM the C-4K lateral deeded to the U.S.B.R. and lands adjacent to said lateral deeded to Klamath Irrigation District by Book M77, page 23806 and M78, page 29044, Deed Records of Klamath County, Oregon

Tax Account No:	3909-03300-00100-000	Key No:	586501
Tax Account No:	3909-03300-00200-000	Key No:	586529
Tax Account No:	3909-02700-01600-000	Key No:	584745
Tax Account No:	3909-03400-00700-000	Key No:	586994
Tax Account No:	3909-02800-02000-000	Key No:	585101
Tax Account No:	3909-02800-02200-000	Key No:	585138

OWNERS

DENNIS ENSOR O.L.S. C.W.R.E.
SANDIE ENSOR

TRU SURVEYING, INC. LINE

2333 SUMMERS LANE
KLAMATH FALLS, OREGON 97603
PHONE: (541) 884-3691

04755

JOHN HEATON L.S.T.

JANUARY 5, 2005

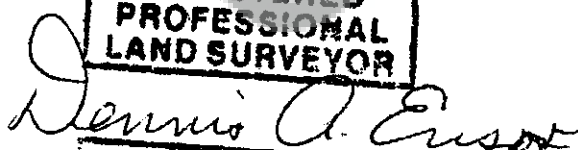
LEGAL DESCRIPTION
OF
TOWER SITE LOCATION

A TRACT OF LAND SITUATED IN THE NE1/4 SW1/4 OF SECTION 28, T39S, R9EWM, KLAMATH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID NE1/4 SW1/4 FROM WHICH THE SW1/16 CORNER OF SAID SECTION 28 BEARS S00°00'24"W 124.76 FEET; THENCE N00°00'24"E, ALONG SAID WEST LINE, 203 FEET; THENCE N45°11'42"E 100 FEET; THENCE S44°48'18"E 144.00 FEET; THENCE S45°11'42" 243.08 FEET TO THE POINT OF BEGINNING, CONTAINING 0.57 ACRES, WITH BEARINGS BASE ON RECORDED SURVEY NUMBER 6254 AS RECORDED IN THE OFFICE OF THE KLAMATH COUNTY SURVEYOR.


DENNIS A. ENSOR O.L.S. 2442

REGISTERED
PROFESSIONAL
LAND SURVEYOR


OREGON
JULY 25, 1993
DENNIS A. ENSOR
2442

EXPIRES 12/31/05

EXHIBIT "B"

