

EASEMENT AGREEMENT

(Common Ownership)

o/c
WHEREAS, Lund Wallace ("GRANTOR") is the owner of the following two lots (or parcels) of real property located in Klamath County, Oregon, To-wit:

Lot I:

BT-37, R-7, S-7, TH-12700
Lot 5 Block 4 Latakome Shores

Lot II:

R-3507-00 BCD-12800

Lot 6 Block 4, Latakome Shores

WHEREAS GRANTOR has applied to the State of Oregon through its Department of Environmental Quality ("State" or GRANTEE") for a report of site evaluation for the proposed construction of an individual on-site sewage disposal system ("Report") on Lot I intended to serve Lot II; and

WHEREAS Oregon Administrative Rules, 340-71-130(11)(b) and 340-71-150(4)(a) require GRANTOR to execute an easement and covenant in favor of the State as a condition precedent to issuance of a favorable report concerning the construction of a system on one lot intended to serve another lot;

NOW THEREFORE, in consideration of the issuance of the report to GRANTOR by the State, and other good and valuable consideration, receipt of which is hereby acknowledged, GRANTOR hereby conveys to the State ("GRANTEE"), Its successors and assigns, a perpetual, non-exclusive, appurtenant easement in, upon, and running with Lot I allowing the GRANTEE'S officers, agents, employees and representatives to enter and inspect, including by excavation, the on-site sewage disposal system on Lot I serving Lot II.

GRANTORS, for themselves and their heirs, successors and assigns, covenant and agree:

1. To grant or reserve, and record a utility easement, in a form approved by the GRANTEE, in favor of the owner of Lot II upon severance of the above described lots; and
2. That Lot I shall not be put to any use which would be detrimental to the permitted system or contrary to any law (including an administrative rule) applicable to the permitted system.

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IN WITNESS WHEREOF, the GRANTOR executed this easement on this 12th
day of August, 2005.

David Wallace
(Grantors)

STATE OF OREGON)

County of Klamath) ss.

August 12, 2005)
_____)

Personally appeared the above-named David Wallace

_____ and acknowledged the foregoing instrument to be
their voluntary act.

Before me:



Kate Lukkari
Notary Public For Oregon
My commission expires; May 30 2009