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Klamath County, Oregon



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## COVER SHEET

**DOCUMENT:** Memorandum of Lease

**GRANTOR:** Quentin L. Breen, Trustee of the Train Mountain Foundation, an Oregon charitable trust ("TMF"), Train Mountain, Inc., an Oregon Corporation ("TMI"), and Train Mountain Railroad Museum, an Oregon Corporation ("TMRM").

**GRANTEE:** Friends of Train Mountain, Inc., an Oregon Corporation

#96-A

After recording, return to:  
Justin E. Throne  
280 Main Street  
Klamath Falls, OR 97601

### MEMORANDUM OF LEASE

*August* This is the memorandum of that certain unrecorded lease dated ~~September 2~~, 2007, between Quentin L. Breen, Trustee of the Train Mountain Foundation, an Oregon charitable trust ("TMF"), Train Mountain, Inc., an Oregon corporation ("TMI"), and Train Mountain Railroad Museum, an Oregon corporation ("TMRM"). Throughout this Agreement, TMF, TMI, and TMRM shall be referred to collectively as "Lessor". AND Friends of Train Mountain, Inc., an Oregon corporation ("Lessee"),

concerning the real property consisting of the parcels or portions of parcels which are specifically listed in Exhibit M, shown in the map in Exhibit L and whose legal descriptions may be found in Exhibit C (together, the "Premises"), all of which are attached to and made part of this instrument by reference.

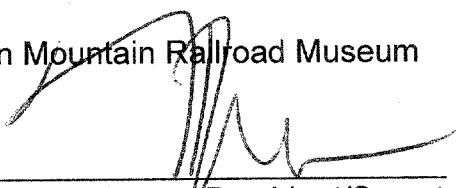
For \$1.00 and other good and valuable consideration, Lessor leases the Premises to Lessee, for the term and under the provisions contained in the above-mentioned unrecorded lease, which unrecorded lease is incorporated into this memorandum by reference.

This memorandum is not a complete summary of the lease. Provisions in the memorandum shall not be used in interpreting the lease provisions. In the event of conflict between this memorandum and the unrecorded lease, the unrecorded lease shall control.

In witness, each party to this memorandum has caused it to be executed at Klamath Falls, Oregon, on the 24 day of ~~September~~, 2007.

Train Mountain Railroad Museum

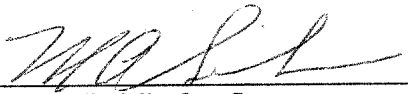
Friends of Train Mountain, Inc.

  
Quentin L. Breen, President/Secretary

  
John C. Black, President

STATE OF OREGON       )  
                                      ) ss.  
County of Klamath       )

SUBSCRIBED AND SWORN TO before me this 24 day of ~~September~~ *October*, 2007, by Quentin L. Breen and John C. Black, who personally appeared.

  
Notary Public for Oregon

My commission expires 3/10/09

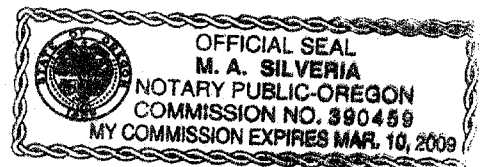


Exhibit C

PARCEL 1:

That portion of the SE 1/4 of the SW 1/4 of Section 20, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying Southerly of State Highway #422; EXCEPT the West 660 feet thereof. AND EXCEPT that portion conveyed to the State of Oregon for highway purposes by deed recorded July 17, 2002 in Volume M-02 on Page 40625, records of Klamath County, Oregon.

CODE 138 MAP 3407-02000 TL 00602 KEY #794162

PARCEL 2:

That portion of the SW 1/4 of the SE 1/4 of Section 20, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying Southwesterly of State Highway #422. EXCEPT that portion conveyed to the State of Oregon for highway purposes by deed recorded July 17, 2002 in Volume M-02 on Page 40625, records of Klamath County, Oregon.

CODE 138 MAP 3407-02000 TL 00701 KEY #705295

PARCEL 3:

The NE 1/4 of the NW 1/4; EXCEPT the West 660 feet thereof; AND that portion of the N 1/2 of the NE 1/4 lying Southwesterly of State Highway #422; ALL in Section 29, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3407-02900 TL 00102 KEY #729769

PARCEL 4:

A parcel of land situated in the SW 1/4 of the NW 1/4 of the NW 1/4 of Section 29, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Southwest corner of said parcel, from which the North 1/16 corner of Sections 29 and 30, Township 34 South, Range 7 East of the Willamette Meridian bears Westerly 330.00 feet along the South line of the NW 1/4 of the NW 1/4 of Section 29; thence Northerly and parallel to and 330.00 feet from the West section line of Section 29 - 330.00 feet to a point; thence Easterly and parallel to and 330.00 feet from the South line of the NW 1/4 of the NW 1/4 of Section 29 to a point at the intersection of the East line of the SW 1/4 of the NW 1/4 of the NW 1/4 of Section 29; thence Southerly along the East line of the SW 1/4 of the NW 1/4 of the NW 1/4 of Section 29 to a point at the intersection of the South line of the NW 1/4 of the NW 1/4 of Section 29; thence Westerly along the South line of the NW 1/4 of the NW 1/4 of Section 29 to the point of beginning.

TOGETHER WITH a non-exclusive easement, 30 feet wide, for ingress and egress over and across the following property:

Beginning at the North 1/16 corner of Sections 29 and 30, Township 34 South, Range 7 East of the Willamette Meridian; thence Northerly along the West section line of Section 29 to a point at the intersection of the Southerly right of way line of Highway #422; thence Northeasterly along the Southerly right of way line of said Highway #422 to a point at the intersection of the East line of the W 1/2 of the NW 1/4 of the NW 1/4 of Section 29, being the Northeast corner of said parcel, the true point of beginning; thence Southerly along the East line of the W 1/2 of the NW 1/4 of the NW 1/4 of Section 29 to a point at the intersection of a line running parallel to and 330.00 feet Northerly from the South line of the NW 1/4 of the NW 1/4 of Section 29; thence Westerly and parallel to and 330.00 feet Northerly from the South line of the NW 1/4 of the NW 1/4 of Section 29 - 30.00 feet; thence Northerly and parallel to and 30.00 feet from the East line of the W 1/2 of the NW 1/4 of the NW 1/4 of Section 29 to a point at the intersection of the Southerly right of way line of Highway #422; thence Northeasterly along the Southerly right of way line of Highway #422 to the true point of beginning.

CODE 138 MAP 3407-02900 TL 00401 KEY #875540

PARCEL 5:

The S 1/2 of the NW 1/4; AND that portion of the S 1/2 of the NE 1/4 lying Southwesterly of State Highway #422; ALL in Section 29, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3407-02900 TL 00701 KEY #17617

PARCEL 6:

The SW 1/4 of Section 29, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3407-02900 TL 00800 KEY #196415

PARCEL 7:

That portion of the N 1/2 of the NE 1/4 of the SW 1/4 of Section 28, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying Southerly of State Highway #422. EXCEPT that portion conveyed to the State of Oregon for highway purposes by deed recorded July 17, 2002 in Volume M-02 on Page 40625, records of Klamath County, Oregon.

CODE 138 MAP 3407-02800 TL 00101 KEY #18028

**PARCEL 8:**

The S 1/2 of the N 1/2 of the SE 1/4 AND the S 1/2 of the SE 1/4; ALL in Section 29, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon; EXCEPT that portion described as follows:

Commencing at the section corner common to Sections 28, 29, 32 and 33 All in said Township and Range; thence North 80° 54' 10" West, 614.85 feet to the true point of beginning of the parcel of land to be described; thence South 52° 29' 30" West 150.00 feet; thence North 37° 30' 30" West, 150.00 feet; thence North 52° 29' 30" East, 150.00 feet; thence South 37° 30' 30" East, 150.00 feet to the true point of beginning.

CODE 118 MAP 3407-02900 TL 01100 KEY #196451

**PARCEL 9:**

The SW 1/4 of the SE 1/4 AND that portion of the S 1/2 of the SW 1/4 AND that portion of the S 1/2 of the N 1/2 of the SW 1/4; ALL in Section 28, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying Southerly of State Highway #422. EXCEPT that portion conveyed to the State of Oregon for highway purposes by deed recorded July 17, 2002 in Volume M-02 on Page 40625, records of Klamath County, Oregon.

CODE 138 MAP 3407-02800 TL 00301 KEY #18055

**PARCEL 10:**

The E 1/2 of the SE 1/4 of Section 28, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying West of the Dalles-California Highway #97 and Southwesterly of Chiloquin-Agency Highway #422. EXCEPT that portion taken by the State of Oregon for highway purposes under Klamath County Case No. 90-2779CV and recorded January 5, 1993 in Volume M-93 on Page 121, records of Klamath County, Oregon.

CODE 138 MAP 3407-028D0 TL 02500 KEY #196148

**PARCEL 11:**

The N 1/2; The E 1/2 of the NE 1/4 of the SW 1/4; The N 1/2 of the SE 1/4; AND the SW 1/4 of the SE 1/4; ALL in Section 32, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3407-03200 TL 00100 KEY #197076

**PARCEL 12:**

The N 1/2 of the NW 1/4; AND the N 1/2 of the S 1/2 of the NW 1/4; ALL in Section 33, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3407-03300 TL 00300 KEY #197352

**PARCEL 13:**

The N 1/2 of the NW 1/4 of the NE 1/4 of Section 33, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3407-03300 TL 00200 KEY #197343

**PARCEL 14:**

That portion of the N 1/2 of the NE 1/4 of the NE 1/4 AND the N 1/2 of the S 1/2 of the NE 1/4 of the NE 1/4 lying West of Highway #97; AND the N 1/2 of the S 1/2 of the NW 1/4 of the NE 1/4; ALL in Section 33, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon. EXCEPT that portion taken by the State of Oregon for highway purposes under Klamath County Case No. 90-2779CV and recorded January 5, 1993 in Volume M-93 on Page 121, records of Klamath County, Oregon.

CODE 138 MAP 3407-03300 TL 00100 KEY #197334

**PARCEL 15:**

The W 1/2 of the NE 1/4 of the SW 1/4; AND the NW 1/4 of the SW 1/4; ALL in Section 32, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3407-03200 TL 00200 KEY #197085

**PARCEL 16:**

All that portion of the S 1/2 of the N 1/2 of the SE 1/4 of the SE 1/4, AND the S 1/2 of the SE 1/4 of the SE 1/4 lying East of State Highway #62 being situate in Section 31, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3407-031D0 TL 00500 KEY #872044

**PARCEL 17:**

The N 1/2 of the SE 1/4 of the SE 1/4 of Section 32, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3407-03200 TL 00900 KEY #197156

**PARCEL 18:**

The SE 1/4 of the SE 1/4 of the SW 1/4 of Section 32, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3407-03200 TL 00800 KEY #197147

**PARCEL 19:**

All that portion of Government Lot 1 lying East of State Highway #62 being situate in Section 6, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3507-006A0 TL 00100 KEY #872045

**PARCEL 20:**

Government Lot 4 also described as the N 1/2 of the NW 1/4 of the NW 1/4 of Section 5, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3507-00500 TL 00400 KEY #218954

**PARCEL 21:**

Government Lots 2, 3, 6, 7, 11, 14 and a portion of Government Lots 12, 13, 19, 20 and 22, lying Easterly of State Highway #62 in Section 5, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3507-00500 TL 00300 KEY #218936

**PARCEL 22:**

Government Lots 3, 4, 5 and 6 in Section 4, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3507-00400 TL 00100 KEY #223323

**PARCEL 23:**

That portion of Government Lot 6 in Section 6, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying Easterly of State Highway #62.

CODE 138 MAP 3507-006A0 TL 00200 KEY #787027

**PARCEL 24:**

That portion of Government Lot 5 in Section 5, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying Easterly of State Highway #62.

CODE 138 MAP 3507-00500 TL 00500 KEY #218963

**PARCEL 25:**

Government Lots 9, 10, 15, 16, 17, 18, 23 and 24, situate in Section 5, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3507-00500 TL 00900 KEY #218561

**PARCEL 26:**

The W 1/2 of Government Lot 14; The W 1/2 of Government Lot 15 in Section 4, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3507-00400 TL 00200 KEY #223332

**PARCEL 27:**

The E 1/2 of Government Lots 14 and 15; The W 1/2 of Government Lots 16 and 22; All of Government Lots 23, 24, 25, 32 and 35; ALL in Section 4, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying North of State Highway #422.

EXCEPTING THEREFROM the following:

Beginning at a 5/8" iron pin marking the Northwest corner of Government Lot 31; thence from said point of beginning South 89° 36' 32" East along the North line of said Government Lot 31, 666.29 feet to a 5/8" iron pin on the Westerly right of way of Oregon State Highway #422; thence Southerly and Westerly along the Westerly and Northerly right of way of said Oregon State Highway #422 the following eight bearings and distances: along the arc of a 2620.91 feet radius curve to the left (Delta = 06° 13' 43" long chord = South 10° 40' 32" East 284.78 feet) 284.93 feet; thence South 13° 47' 26" East 116.10 feet; thence along the arc of a 326.07 feet radius curve to the right (Delta = 44° 29' 20" long chord = South 08° 27' 14" West 246.87 feet), 253.18 feet; thence South 30° 41' 54" West 80.61 feet; thence along the arc of a 260.93 feet radius curve to the right (Delta = 53° 22' 15" long chord = South 57° 23' 02" West 234.36 feet) 243.06 feet; thence South 84° 04' 09" West 939.83 feet; thence along the arc of a 821.14 feet radius curve to the left (Delta = 23° 05' 07" long chord = South 72° 31' 36" West 328.62 feet) 330.85 feet; thence South 60° 59' 02" West 0.61 feet; thence leaving said State Highway #422 right of way North 29° 00' 58" West 10.55 feet; thence along the arc of a 70.00 feet radius curve to the right (Delta = 24° 22' 31" long chord = North 16° 49' 43" West 29.36 feet) 29.78 feet; thence North 04° 38' 27" West 114.16 feet; thence along the arc of a 470.00 feet radius curve to the right (Delta = 16° 24' 46" long chord = North 03° 33' 56" East 134.18 feet) 134.64 feet; thence North 11° 46' 19" East 193.60 feet; thence along the arc of a 1030.00 feet radius curve to the left (Delta = 03° 00' 05" long chord = North 10° 16' 16" East 53.95 feet) 53.96 feet; thence North 08° 46' 14" East 221.33 feet; thence along the arc of a 81.00 feet radius curve to the right (Delta = 64° 10' 39" long chord = North 40° 51' 33" East 86.06 feet) 09.73 feet; thence North 72° 56' 53" East 165.58 feet; thence along the arc of a 530.00 feet radius curve to the left (Delta = 17° 47' 22" long chord = North 64° 03' 12" East 163.90 feet) 164.56 feet; thence North 55° 09' 31" East 178.68 feet to a point on the North line of Government Lot 32; thence South 89° 43' 28" East along the North line of said Government Lot 32, 200.01 feet to the point of beginning.

CODE 138 MAP 3507-00400 TL 00300 KEY #223341

**PARCEL 28:**

Government Lot 13 in Section 4, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3507-00400 TL 00400 KEY #223412

**PARCEL 29:**

That portion of Government Lot 17 in Section 4, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying between Chiloquin Secondary Highway #422, also known as the South leg of the Chiloquin Cut-over on the West and the new Dalles-California Highway #97 on the East. EXCEPT that portion taken by the State of Oregon for highway purposes under Klamath County Case No. 90-492CV and recorded May 21, 1991 in Volume M-91 on Page 9622, records of Klamath County, Oregon.

CODE 118 MAP 3507-004A0 TL 02800 KEY #223760

**PARCEL 30:**

That portion of Government Lot 12 in Section 4, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying Westerly of U.S. Highway #97; EXCEPT that portion conveyed to the State of Oregon by Deed recorded in Volume M-90 of Official Records, Page 2680; AND EXCEPT that portion lying within the right of way of Chiloquin Highway (SH No. 422).

CODE 138 MAP 3507-004A0 TL 02600 KEY #223733

**PARCEL 31:**

That portion of Government Lot 21 in Section 4, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying between Chiloquin Secondary Highway No. 422, also known as the South leg of the Chiloquin Cut-over on the West and the new Dalles-California Highway #97 on the East. EXCEPT that portion taken by the State of Oregon for highway purposes under Klamath County Case No. 90-492CV and recorded May 21, 1991 in Volume M-91 on Page 9622, records of Klamath County, Oregon.

CODE 118 MAP 3507-00400 TL 01200 KEY #223458

**PARCEL 33:**

That portion of Government Lot 35 lying South of the South Chiloquin State Highway, situate in Section 4, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3507-00400 TL 01600 KEY #223396

**PARCEL 34:**

A parcel of land situated in Government Lot 36 in Section 4, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8" iron pin marking the South one-quarter corner of said Section 4; thence North 89° 38' 24" East along the South line of said Section 4, 280.00 feet to a 5/8" iron pin; thence North 412.17 feet to a 5/8" iron pin on the Southerly right of way line of The South Chiloquin State Highway #421; thence South 84° 04' 09" West along said Southerly right of way 281.44 feet to a 5/8" iron pin; thence South 00° 00' 30" West 384.85 feet to the point of beginning.

CODE 118 MAP 3507-00400 TL 01700 KEY #223403

**PARCEL 35:**

A parcel of land situated in Government Lots 31 and 36 in Section 4 and Government Lots 2 and 7 in Section 9, ALL in Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point on the section line common to said Sections 4 and 9 from which the quarter corner common to said Sections 4 and 9 bears South 89° 38' 24" West a distance of 280.00 feet; thence from said point of beginning South 949.17 feet; thence East 502.11 feet to a point on the Westerly right of way line of U.S. Highway #97; thence North 04° 02' 34" East along said Westerly right of way line 2,273 feet, more or less, to a point on the North line of said Government Lot 31; thence West along said North line of Government Lot 31, 187 feet, more or less, to the Easterly right of way line of the South Chiloquin State Highway; thence Southerly and Westerly along said Easterly and Southerly right of way line of said South Chiloquin State Highway to a point that is North of the point of beginning; thence South 412 feet to the point of beginning.

SAVE AND EXCEPT that portion deeded to the State Highway.

EXCEPT that portion lying within said Section 9, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 & 118 MAP 3507-00400 TL 01800 TL 599711  
CODE 118 & 138 MAP 3507-00400 TL 01800 TL 223387

**PARCEL 37:**

All of Government Lots 6, 11 and 14 and that portion of Government Lots 3, 4, 5, 12 and 13 lying East of State Highway #422 being situate in Section 9, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 118 MAP 3507-00900 TL 00100 KEY #232073

**PARCEL 38:**

A parcel of land situated in Government Lot 2, Section 9, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Northwest corner of said Government Lot 2, said point of beginning, also being the North one-quarter corner of said Section 9; thence North 89° 38' 24" East along the North line of said Section 9, 280.00 feet; thence South 311.14 feet; thence South 89° 38' 24" West 280.05 feet, more or less, to the West line of said Government Lot 2; thence North 00° 00' 30" East along the West line of said Government Lot 2, 311.14 feet to the point of beginning.

CODE 138 MAP 3507-009A0 TL 01900 KEY #232064

**PARCEL 39:**

A parcel of land situated in Government Lots 31 and 36 in Section 4 and Government Lots 2 and 7 of Section 9, ALL in Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point on the section line common to said Sections 4 and 9 from which the quarter corner common to said Sections 4 and 9 bears South 89° 38' 24" West a distance of 280.00 feet; thence from said point of beginning South 949.17 feet; thence East 502.11 feet to a point on the Westerly right of way line of U.S. Highway No. 97; thence North 04° 02' 34" East along said Westerly right of way line 2,273 feet, more or less, to a point on the North line of said Government Lot 31; thence West along said North line of Government Lot 31, 187 feet, more or less, to the Easterly right of way line of the South Chiloquin State Highway; thence Southerly and Westerly along said Easterly and Southerly right of way line of said South Chiloquin State Highway to a point that is North of the point of beginning; thence South 412 feet to the point of beginning.

SAVE AND EXCEPT that portion deeded to the State Highway.

EXCEPT that portion lying within said Section 4, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

CODE 138 MAP 3507-009A0 TL 01800 KEY #232037

**PARCEL 40:**

A parcel of land situated in Government Lots 2, 7 and 10, Section 9, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Commencing at the Northwest corner of said Government Lot 2 (said point also being the North one-quarter corner of said Section 9); thence South 00° 00' 30" West along the West line of said Government Lot 2, 311.14 feet, to the true point of beginning of this description; thence from said point of beginning North 89° 38' 24" East 280.05 feet; thence South 638.03 feet; thence East 502.11 feet, to a point on the Westerly right of way line of U S Highway #97; thence South 04° 02' 34" West along the Westerly right of way of said U S Highway #97 1020.29 feet, to a point on the South line of said Government Lot 10; thence North 89° 59' 02" West along the South line of said Government Lot 10, 710.46 feet, to the Southwest corner of said Government Lot 10; thence North 00° 00' 30" East along the West lines of Government Lot 10, Government Lot 7 and Government Lot 2, 1653.82 feet to the true point of beginning.

TOGETHER WITH an easement as disclosed by instrument recorded in Volume M84 at Page 20462 and TOGETHER WITH an easement as disclosed by instrument recorded in Volume M86 at Page 14044.

EXCEPT that portion lying within said Government Lot 10.

CODE 118 & 138 MAP 3507-009A0 TL 01700 KEY #231895

**PARCEL 41:**

A parcel of land situated in Government Lots 2, 7 and 10, Section 9, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Commencing at the Northwest corner of said Government Lot 2 (said point also being the North one-quarter corner of said Section 9); thence South 00° 00' 30" West along the West line of said Government Lot 2, 311.14 feet, to the true point of beginning of this description; thence from said point of beginning North 89° 38' 24" East 230.05 feet; thence South 638.03 feet; thence East 502.11 feet, to a point on the Westerly right of way line of U S Highway #97; thence South 04° 02' 34" West along the Westerly right of way of said U S Highway #97 1020.29 feet, to a point on the South line of said Government Lot 10; thence North 89° 59' 02" West along the South line of said Government Lot 10, 710.46 feet, to the Southwest corner of said Government Lot 10; thence North 00° 00' 30" East along the West lines of Government Lot 10, Government Lot 7 and Government Lot 2, 1653.82 feet to the true point of beginning.

EXCEPT that portion lying within said Government Lots 2 and 7.

CODE 138 MAP 3507-009A0 TL 01600 KEY #232135

**PARCEL 42:**

The S 1/2 of the SE 1/4 of the SE 1/4 of Section 32, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

TOGETHER WITH a non-exclusive easement for ingress and egress over and across the Westerly 30 feet of Government Lots 4 and 5 in Section 4, township 35 South, Range 7 East of the Willamette Meridian, as described in "General Easement Agreement" recorded January 18, 2005 in Volume M-05 at Page 3542, Records of Klamath County, Oregon.

AND TOGETHER WITH a non-exclusive easement for ingress and egress 30 feet in width, over and across a portion of the NW 1/4 of Section 9 and a portion of the W 1/2 of Section 4, ALL in Township 35 South, Range 7 East of the Willamette Meridian, as described in "General Easement Agreement" recorded January 18, 2005 in Volume M-05 at Page 3547, Records of Klamath County, Oregon.

CODE 138 MAP 3407-03200 TL 01000 KEY #197165

**PARCEL 43:**

Lot 8, Block 9, FIRST ADDITION TO CHILOQUIN, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

CODE 012 MAP 3407-034DC TL 00400 KEY #202836

**PARCEL 44:**

**Lots 9, 10, 11 and 12, Block 9, FIRST ADDITION TO CHILOQUIN, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.**

**CODE 012 MAP 3407-034DC TL 00500 KEY #202827**

**PARCEL 45:**

**Lots 15 and 15A, Block 9, of the Supplemental Plat of Lots 14, 15 and 16, Block 9, FIRST ADDITION TO CHILOQUIN, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.**

**CODE 012 MAP 3407-034DD TL 02100 KEY #202809**

**Exhibit L**  
**Friends of TM**  
**Lease Area Map**

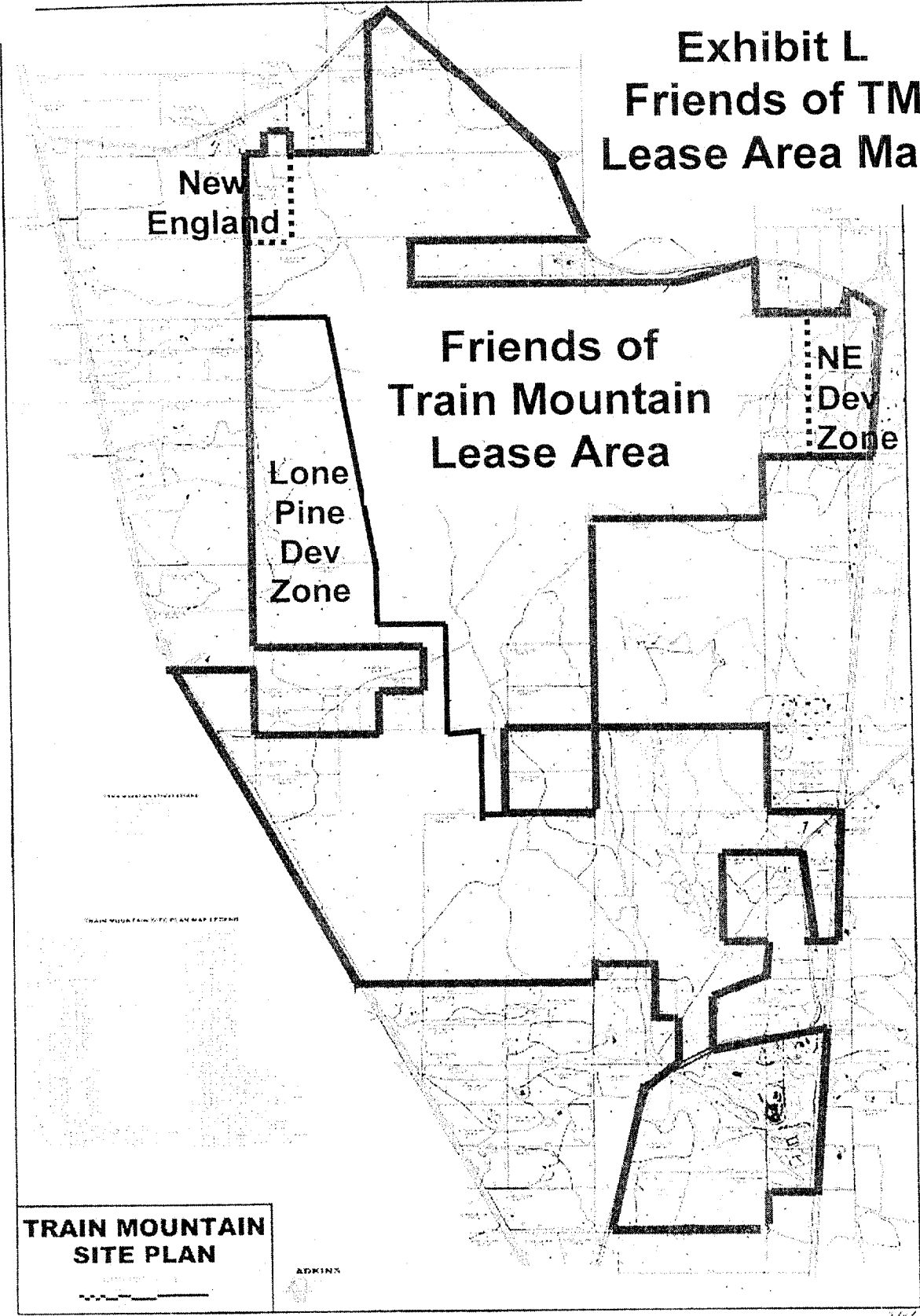


Exhibit M  
Parcels Leased to Friends of Train Mountain

July 2007		Reference					FTM Pays Real Estate Taxes	
Parcel	Owner	Number	Parcel	Acres	Description	Portion FTM Leases		
1	TMF	R794162	R-3407-20-602	11.95	NW Tip Steiger Butte	All	100%	
2	TMF	R705295	R-3407-20-701	4.72	NE Tip Steiger Butte	All	100%	
3	TMF	R729769	R-3407-29-102	58.55	S of Steiger Tip Piece	All	100%	
5	TMF	R17617	R-3407-29-701	105.89	Behind Ferguson	All, but if TM subdivides Parcel 5 then FTM lease of Parcel 5 will not cover the western 660 feet of Parcel 5 and FTM will pay 88% of the taxes and TM will pay 12% of the taxes	100%	
6	TMF	R196415	R-3407-29-800	160.00	Old Nest Site	Northern half and Southeast quarter	75%	
7	TMF	R18028	R-3407-28-101	2.64	Felbers Front	All	100%	
8	TMF	R196451	R-3407-29-1100	119.49	Tower Site	That portion below the 4710 foot contour	95%	
9	TMF	R18055	R-3407-28-301	149.13	S Butte Entrance	All, but if TM subdivides Parcel 9 then FTM lease will cover only that portion of Parcel 9 West of a line beginning 520 feet east of the NW corner of Parcel 13 and running North to the northern border of parcel 9 and FTM will pay 85% of the taxes and TM will pay 15% taxes.	100%	
10	TMF	R196148	R-3407-28D-2500	16.78	NE Tip 97 & 422	All, but if TM subdivides Parcel 10 then FTM's lease on Parcel 10 Terminates and TM pays 100% of the taxes.	100%	
11	TMF	R197076	R-3407-32-100	460.00	Valley Floor	That portion of Parcel 11 East of a line running from the NE corner of Parcel 15 to the midpoint of the southern boundary of Parcel 6 except for that portion of Parcel 11 south and west of a line commencing at the mid point of the east side of Parcel 15 and running east 1000' and then south to the southern boundary of Parcel 11. FTM will pay 75% of the taxes and TM will pay 25% of the taxes	75%	
12	TMF	R197352	R-3407-33-300	120.00	NW Forest Service	All	100%	

Exhibit M  
Parcels Leased to Friends of Train Mountain

July 2007		Reference			FTM Pays	
Parcel	Owner	Number	Parcel	Acres	Description	Real Estate Taxes
13	TMF	R197343	R-3407-33-200	20.00	NW State Pit 1 Piece	100%
					Portion FTM Leases	
					All, but if TM subdivides Parcel 13 then FTM lease will only cover the western 520 feet of Parcel 13 FTM will pay 39% of the taxes and TM will pay 61% of the taxes	
					All, but if TM subdivides Parcel 13 then FTM lease will only cover the western 520 feet of Parcel 13 FTM will pay 20% of the taxes and TM will pay 80% of the taxes	
14	TMF	R197334	R-3407-33-100	17.79	N & NW State Pit	100%
17	TML	R197156	R-3407-32-900	20.00	North of Farmer	100%
21	TMRM	R218936	R-3507-05-300	180.25	Liebold Piece	6%
42	Farmer	R197165	R-3407-32-100	20.00	Farmer Property	100%
		TOTAL ACRES	1467.19			