

2007-020923

Klamath County, Oregon



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12/14/2007 10:09:39 AM

Fee: \$121.00

After recording, return to:

JUSTIN TITMUS
280 MAIN ST.
KFO, 97601

EASEMENT AGREEMENT

This agreement is made this 2 day of ~~August~~ ^{SEPTEMBER}, 2007, among the Brooks Living Trust, Lee F. Brooks trustee and Toni K. Brooks trustee ("Brooks"), and the William James Shepherd Trust, Mary Regina Shepherd & William James Shepherd, trustees ("Shepherd"), together as the first party (collectively referred to as "Neighbors"), and Friends of Train Mountain, Inc., an Oregon corporation ("FTM"), and 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, Inc., an Oregon corporation ("TMRM"). Throughout this Agreement, TMF, TMI, and TMRM shall be referred to collectively as "Train Mountain" or "TM".

RECITALS

A. WHEREAS, Brooks owns a parcel of real property (the "Brooks Property") in Klamath County, Oregon, which is listed on Exhibit A as Parcel 44, mapped on Exhibit B, and legally described on Exhibit C;

B. WHEREAS, Shepherd owns a parcel of real property (the "Shepherd Property") in Klamath County, Oregon, which is listed on Exhibit A as Parcel 43, mapped on Exhibit B, and legally described on Exhibit C

C. WHEREAS, TM owns in fee simple the parcels of real property on the west, south, and east boundaries of the Brooks Property, and on the west, north, and east boundaries of the Shepherd Property which is listed on Exhibit A as Parcels 1-3, 5-24, 26-31, 33-35, and 37-41, mapped on Exhibit B, and legally described on Exhibit C; and

D. WHEREAS, FTM has agreed to buy real property which is listed on Exhibit A as Parcel 4, mapped on Exhibit B, and legally described on Exhibit C, and has agreed to lease for a long-term certain parcels of real property from TM, and FTM has further agreed to acquire trackage rights from TM under an agreement dated 9/2/07 and

E. WHEREAS, both TM and FTM have property rights they wish to protect and enhance by acquiring certain easements through the Brooks Property and the Shepherd Property in order to operate a facilities for miniature railroads; and

F. WHEREAS, the property in and for which both TM and FTM own or have rights and that will be benefited by the easements in this agreement is listed on Exhibit A, mapped on Exhibit B, and legally described on Exhibit C.

Handwritten initials/signature

NOW THEREFORE, in consideration of Train Mountain paying to Neighbors the sum of \$1.00 and other valuable consideration, the receipt of which is hereby acknowledged, Neighbors grant to Train Mountain easements according to the terms and conditions set forth below.

1. Nature of Easements: The occupancy and use of the property owned by Neighbors is for access for ingress, transit, and egress upon the said property to operate 7-1/2" gauge miniature railroad equipment and to walk along the track or an area ten feet (10') on either side of the centerline of said track for a total of twenty feet (20') of width. The easements created by this agreement are unrestricted as to time of day or night

2. Location of Easements: The easements granted by this agreement are to follow the new track approximately mapped on Exhibits D & E which shall be located partially on Brooks property (Parcel 44) and partially on the Shepherd property (Parcel 43). The route of the new track will be located by Bill Shepherd on a route approved by Brooks, FTM and TM. The new tracks will be designed to connect Farmerville Circle at less than a 2% grade to Aspen Grove Loop, Schubert Circle and Hope Circle shown on Exhibit E. The total easement areas shall not exceed one (1) acre in size (collectively referred to as the "Easement Areas").

3. Easements Run with Land: The easements created by this agreement are permanent and perpetual in nature, shall run with the land, and bind the heirs, successors in title, and assigns of the parties to this agreement. The easements created by this agreement burden the Brooks Property and Shepherd Property, and benefit the parcels of land and property rights owned by Train Mountain. The parties agree that one purpose for and function of the easements granted by this agreement is to preserve existing cultural aspects of miniature railroading as that hobby pertains to the activities of Train Mountain.

4. Non-Exclusive: The easements created by this agreement are not exclusive, and Neighbors may grant to each other easements as described in Paragraph 1.

5. Indemnification: Train Mountain agree to use the easements created by this agreement at their own risk, and further covenant to indemnify and hold harmless Neighbors for and against any and all liability, arising from injury to person or property, occasioned wholly or in part by any act or omission of Train Mountain, or its "participants," which term is defined to include, but is not limited to, members, guests, invitees, licensees, permittees, owners, operators, riders, volunteers, observers, employees and staff, event organizers, purveyors, and concessionaires.

6. Insurance: Train Mountain agrees to maintain a commercial policy of general liability coverage, at all times, in an amount of not less than Two Million Dollars (\$2,000,000), which names Neighbors as an additional insured. Neighbors acknowledge receipt of a copy of TM's liability insurance policy #01-CH-426430-1, a certificate of which is attached as Exhibit F, and Neighbors accept this policy as adequate under this agreement. FTM agrees to maintain a policy of general liability coverage, at all times, in an amount of not less than Two Million Dollars (\$2,000,000), which names Neighbors and TM as an additional insured, beginning when FTM places track on Parcel 11, 21, or 17. When the policy is in force, FTM agrees to provide the other parties with a certificate of insurance. TM and FTM agree to provide parties with a copy of any change or renewal notices as they occur.

7. Construction and Maintenance of Trackage: Train Mountain covenants to construct and maintain, according to good, workmanlike, and customary standards, all of the trackage in the Easement Areas that is used by Train Mountain as easements. Neighbors agree to pay for any damage to the trackage caused by Neighbors, their agents and guests. Any trackage constructed and installed under this agreement shall become the property of Train Mountain.

THE BROOKS TRUST:

Lee F. Brooks Trustee
Lee F. Brooks Trustee

Toni K. Brooks Trustee
Toni K. Brooks Trustee

WILLIAM JAMES SHEPHERD TRUST:

Mary Regina Shepherd Trustee
Mary Regina Shepherd Trustee

William James Shepherd Trustee
William James Shepherd Trustee

FTM:

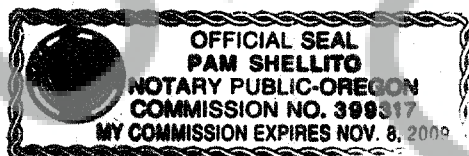
John C. Black, President

TM:

Quentin L. Breen, President

STATE OF OREGON, County of Klamath)s.

SUBSCRIBED AND SWORN TO before me this 4 day of September, 2007, by Lee Brooks, who personally appeared.



Pam Shellito
Notary Public for Oregon
My commission expires: Nov 8, 2009

STATE OF OREGON, County of Klamath)s.

SUBSCRIBED AND SWORN TO before me this 4 day of September, 2007, by Toni Brooks, who personally appeared.



Pam Shellito

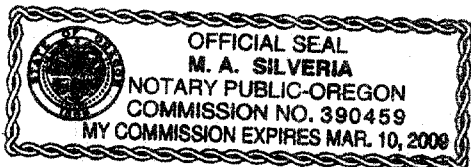
Notary Public for Oregon

My commission

expires: Nov 8, 2009

STATE OF OREGON, County of Klamath)s.

SUBSCRIBED AND SWORN TO before me this 5 day of September, 2007, by William James Shepherd, who personally appeared.



M. A. Silveria

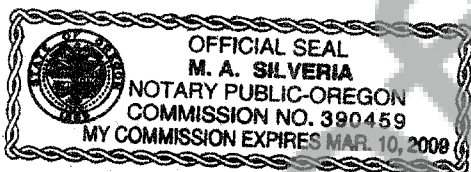
Notary Public for Oregon

My commission

expires: 3/10/09

STATE OF OREGON, County of Klamath)s.

SUBSCRIBED AND SWORN TO before me this 5 day of September, 2007, by Mary Regina Shepherd, who personally appeared.



M. A. Silveria

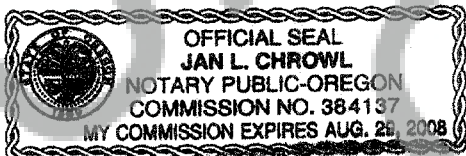
Notary Public for Oregon

My commission

expires: 3/10/09

STATE OF OREGON, County of Klamath)s.

SUBSCRIBED AND SWORN TO before me this 3rd day of September, 2007, by John C. Black, who personally appeared.



Jan L. Chrowl

Notary Public for Oregon

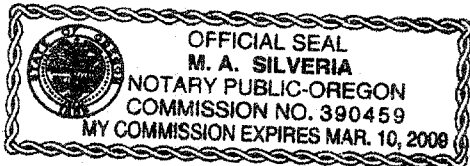
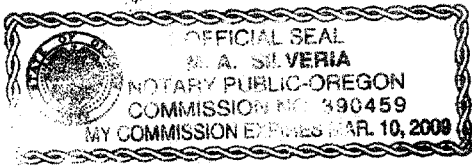
My commission

expires: 8-29-08

STATE OF OREGON, County of Klamath)s.

SUBSCRIBED AND SWORN TO before me this 6 day of September,
2007, by Quentin L. Breen, who personally appeared.

M. A. Silveria
Notary Public for Oregon
My commission
expires: 3/10/09



Unofficial Copy

Exhibit A -- List of Parcels

July 2007		Reference				Total
Parcel	Owner	Number	Parcel	Description		Acres
1	TMF	R794162	R-3407-20-602	NW Tip Steiger Butte		11.95
2	TMF	R705295	R-3407-20-701	NE Tip Steiger Butte		4.72
3	TMF	R729769	R-3407-29-102	S of Steiger Tip Piece		58.55
4	TMRM	R875540	R-3407-29-401	N Easement Piece		2.50
5	TMF	R17617	R-3407-29-701	Behind Ferguson		105.89
6	TMF	R196415	R-3407-29-800	Old Nest Site		160.00
7	TMF	R18028	R-3407-28-101	Felbers Front		2.64
8	TMF	R196451	R-3407-29-1100	Tower Site		119.49
9	TMF	R18055	R-3407-28-301	S Butte Entrance		149.13
10	TMF	R196148	R-3407-28D-2500	NE Tip 97 & 422		16.78
11	TMF	R197076	R-3407-32-100	Valley Floor		460.00
12	TMF	R197352	R-3407-33-300	NW Forest Service		120.00
13	TMF	R197343	R-3407-33-200	NW State Pit 1 Piece		20.00
14	TMF	R197334	R-3407-33-100	N & NW State Pit		17.79
15	TMF	R197085	R-3407-32-200	Cinder Pit		60.00
16	TMI	R872044	R-3407-31D-500	62 Caboose		19.93
17	TMI	R197156	R-3407-32-900	North of Farmer		20.00
18	TMI	R197147	R-3407-32-800	SE of Cinder Pit		10.00
19	TMI	R872045	R-3507-06A-100	S 62 Caboose		6.49
20	TMI	R218954	R-3507-05-400	E of 62 Caboose		22.40
21	TMRM	R218936	R-3507-05-300	Liebold Piece		180.25
22	TMI	R223323	R-3507-04-100	N End Cab Ridge		84.00
23	TMI	R787027	R-3507-06A-200	S 62 Caboose		0.29
24	TMI	R218963	R-3507-05-500	SE 62 Caboose		22.40
25	TMF	R218561	R-3507-05-900	Aspen Grove Loop		160.00
26	TMF	R223332	R-3507-04-200	SE of Brooks		20.00
27	TMF	R223341	R-3507-04-300	Caboose Ridge		117.24
28	TMI	R223412	R-3507-04-400	W of Museum Cab SP		20.00
29	TMRM	R223760	R-3507-04A-2800	Both Sides SCR@97		14.75
30	TMI	R223733	R-3507-04A-2600	E of Benson		6.39
31	TMRM	R223458	R-3507-04-1200	E of Benson		4.60
32	VERTEL			NOT PART OF TM OR 2007 CUP		
33	TMF	R223396	R-3507-04-1600	6 acre Camp		6.41
34	TMF	R223403	R-3507-04-1700	K&W Parking		2.56
35	TMF	R599711	R-3507-04-1800	K&W House		5.00
	TMF	R223387	R-3507-04-1800	Extra land by K&W ?		
36	VERTEL			NOT PART OF TM OR 2007 CUP		
37	TMF	R232073	R-3507-09-100	S End Tunnel & Backshop		123.85
38	TMF	R232064	R-3507-09A-1900	Fuel Site		2.00
39	TMF	R232037	R-3507-09A-1800	K & W Track		10.47
40	TMI	R231895	R-3507-09A-1700	Blue Cab & Central Station		8.87
41	TMI	R232135	R-3507-09A-1600	Serpentine		10.39
42	Farmer	R197165	R-3407-32-100	Farmer Property		20.00
43	Shepherd	R218543	R-3507-05-100	Shepherd Property		22.00
44	Brooks	R218552	R-3507-05-200	Brooks Property		20.00
Total Acres						2249.73

TRAIN MOUNTAIN LAND ID MAP

Exhibit B
Parcel
ID Map

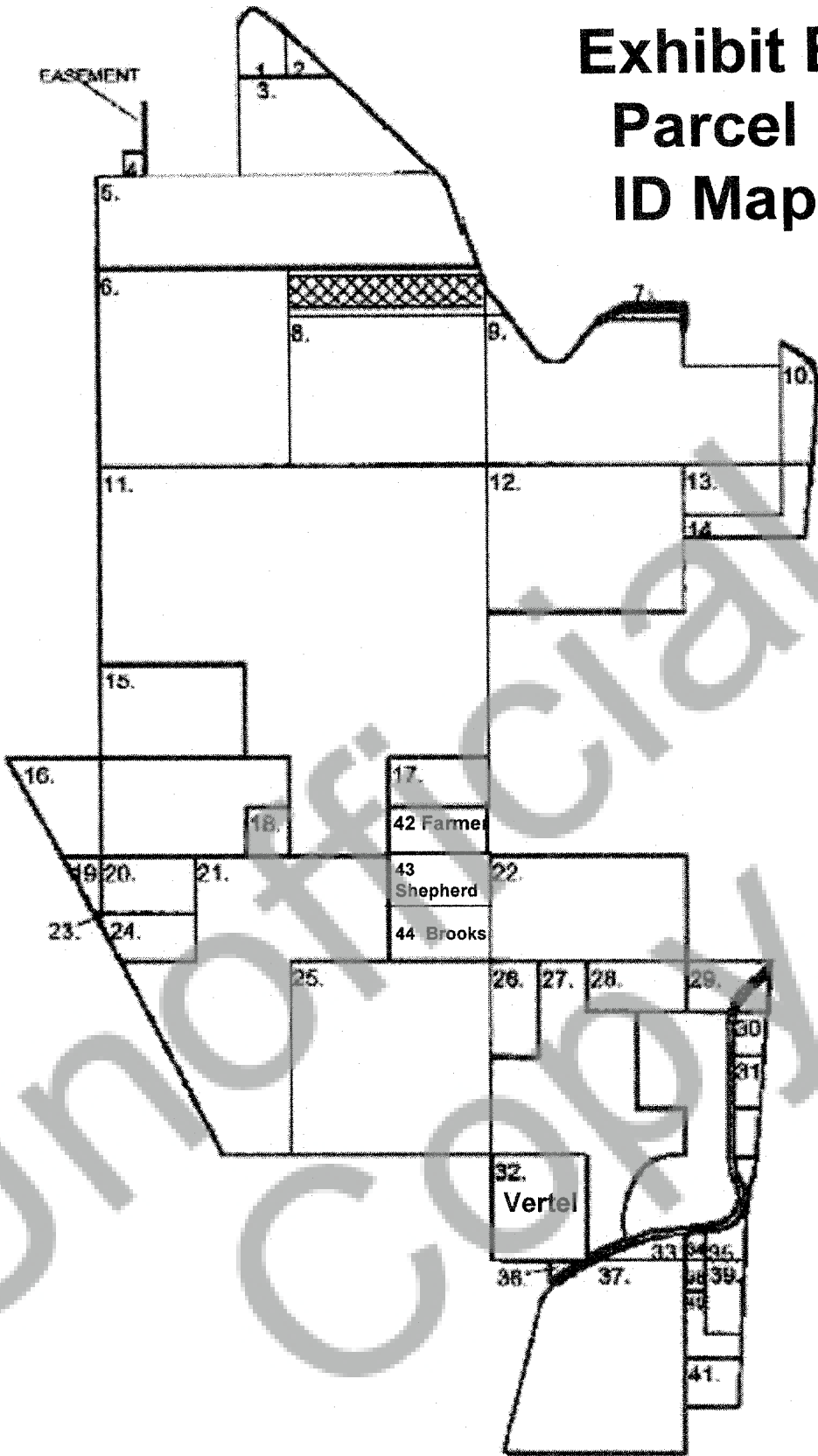


Exhibit C

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 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.

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

Unofficial
Copy

Tracks North

Farmer

Shepherd

Brooks

Aspen Grove Loop

Farmerville Circle

Elizabeth River Loop

R-3487-32-1000 20.00 AC

R-3507-05-100 22.00 AC

R-3507-05-200 20.00 AC

R-3507-04-100 84.00 AC

R-3507-04-200 20.00 AC

4290 4280 4270 4260 4250 4240 4230 4220 4210 4200 4190 4180 4170 4160 4150 4140 4130 4120 4110 4100 4090 4080 4070 4060 4050 4040 4030 4020 4010 4000

1333 1332 1331 1330 1329 1328 1327 1326 1325 1324 1323 1322 1321 1320 1319 1318 1317 1316 1315 1314 1313 1312 1311 1310 1309 1308 1307 1306 1305 1304 1303 1302 1301 1300 1299 1298 1297 1296 1295 1294 1293 1292 1291 1290 1289 1288 1287 1286 1285 1284 1283 1282 1281 1280 1279 1278 1277 1276 1275 1274 1273 1272 1271 1270 1269 1268 1267 1266 1265 1264 1263 1262 1261 1260 1259 1258 1257 1256 1255 1254 1253 1252 1251 1250 1249 1248 1247 1246 1245 1244 1243 1242 1241 1240 1239 1238 1237 1236 1235 1234 1233 1232 1231 1230 1229 1228 1227 1226 1225 1224 1223 1222 1221 1220 1219 1218 1217 1216 1215 1214 1213 1212 1211 1210 1209 1208 1207 1206 1205 1204 1203 1202 1201 1200 1199 1198 1197 1196 1195 1194 1193 1192 1191 1190 1189 1188 1187 1186 1185 1184 1183 1182 1181 1180 1179 1178 1177 1176 1175 1174 1173 1172 1171 1170 1169 1168 1167 1166 1165 1164 1163 1162 1161 1160 1159 1158 1157 1156 1155 1154 1153 1152 1151 1150 1149 1148 1147 1146 1145 1144 1143 1142 1141 1140 1139 1138 1137 1136 1135 1134 1133 1132 1131 1130 1129 1128 1127 1126 1125 1124 1123 1122 1121 1120 1119 1118 1117 1116 1115 1114 1113 1112 1111 1110 1109 1108 1107 1106 1105 1104 1103 1102 1101 1100 1099 1098 1097 1096 1095 1094 1093 1092 1091 1090 1089 1088 1087 1086 1085 1084 1083 1082 1081 1080 1079 1078 1077 1076 1075 1074 1073 1072 1071 1070 1069 1068 1067 1066 1065 1064 1063 1062 1061 1060 1059 1058 1057 1056 1055 1054 1053 1052 1051 1050 1049 1048 1047 1046 1045 1044 1043 1042 1041 1040 1039 1038 1037 1036 1035 1034 1033 1032 1031 1030 1029 1028 1027 1026 1025 1024 1023 1022 1021 1020 1019 1018 1017 1016 1015 1014 1013 1012 1011 1010 1009 1008 1007 1006 1005 1004 1003 1002 1001 1000 999 998 997 996 995 994 993 992 991 990 989 988 987 986 985 984 983 982 981 980 979 978 977 976 975 974 973 972 971 970 969 968 967 966 965 964 963 962 961 960 959 958 957 956 955 954 953 952 951 950 949 948 947 946 945 944 943 942 941 940 939 938 937 936 935 934 933 932 931 930 929 928 927 926 925 924 923 922 921 920 919 918 917 916 915 914 913 912 911 910 909 908 907 906 905 904 903 902 901 900 899 898 897 896 895 894 893 892 891 890 889 888 887 886 885 884 883 882 881 880 879 878 877 876 875 874 873 872 871 870 869 868 867 866 865 864 863 862 861 860 859 858 857 856 855 854 853 852 851 850 849 848 847 846 845 844 843 842 841 840 839 838 837 836 835 834 833 832 831 830 829 828 827 826 825 824 823 822 821 820 819 818 817 816 815 814 813 812 811 810 809 808 807 806 805 804 803 802 801 800 799 798 797 796 795 794 793 792 791 790 789 788 787 786 785 784 783 782 781 780 779 778 777 776 775 774 773 772 771 770 769 768 767 766 765 764 763 762 761 760 759 758 757 756 755 754 753 752 751 750 749 748 747 746 745 744 743 742 741 740 739 738 737 736 735 734 733 732 731 730 729 728 727 726 725 724 723 722 721 720 719 718 717 716 715 714 713 712 711 710 709 708 707 706 705 704 703 702 701 700 699 698 697 696 695 694 693 692 691 690 689 688 687 686 685 684 683 682 681 680 679 678 677 676 675 674 673 672 671 670 669 668 667 666 665 664 663 662 661 660 659 658 657 656 655 654 653 652 651 650 649 648 647 646 645 644 643 642 641 640 639 638 637 636 635 634 633 632 631 630 629 628 627 626 625 624 623 622 621 620 619 618 617 616 615 614 613 612 611 610 609 608 607 606 605 604 603 602 601 600 599 598 597 596 595 594 593 592 591 590 589 588 587 586 585 584 583 582 581 580 579 578 577 576 575 574 573 572 571 570 569 568 567 566 565 564 563 562 561 560 559 558 557 556 555 554 553 552 551 550 549 548 547 546 545 544 543 542 541 540 539 538 537 536 535 534 533 532 531 530 529 528 527 526 525 524 523 522 521 520 519 518 517 516 515 514 513 512 511 510 509 508 507 506 505 504 503 502 501 500 4

Exhibit E Draft Future Track Plan

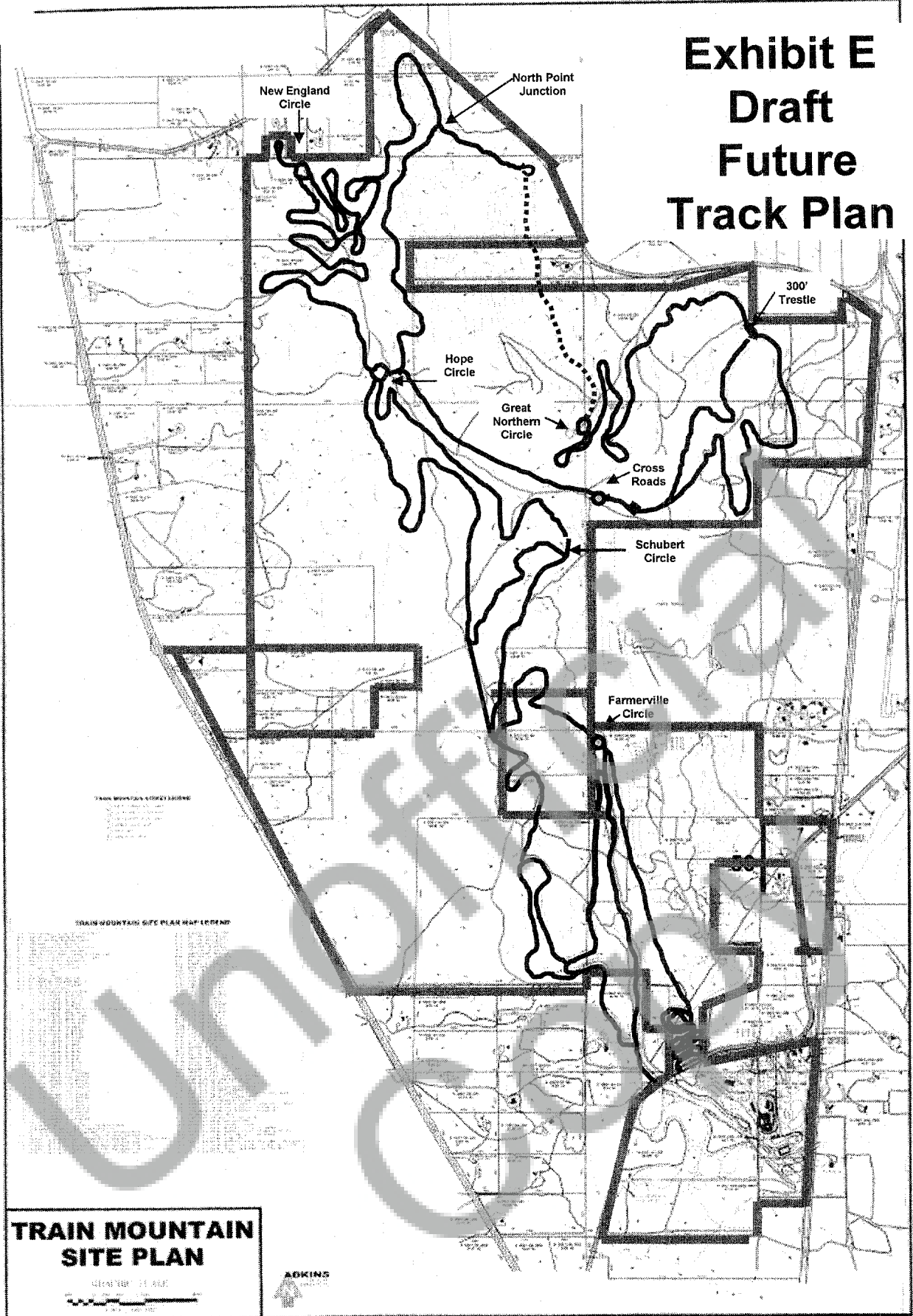


Exhibit F

TM Insurance Certificate

06/07/2007 13:23 15417832013
05-31-'07 10:33 FROM-Webb Wilson Ins

TRAINMOUNTAINRR
541-834-2649

PAGE 02
1-051 P001/002 P-003

ALLIANCE CERTIFICATE OF LIABILITY INSURANCE

03/28/2007

PRODUCER (541)884-4147 FAX (541)884-2649
Webb Wilson Insurance Agency
2839 Austin Street
P.O. Box 1300
Klamath Falls, OR 97603

INSURED Timberlake Railroad, LLC
36730 So. Chiloquin RD
Chiloquin, OR 97624

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: First National Ins. Co. of Am.

INSURER B:

INSURER C:

INSURER D:

INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	01-CH-426430-1	02/15/2007	02/15/2008	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (EA OCCUR) \$ 200,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPOUND \$ 1,000,000
AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> RENTED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (EA PERSON) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACCIDENT \$ AUTO ONLY - AGG \$
EXCESS UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
WORKERS COMPENSATION AND EMPLOYERS LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/OWNER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below Other:				WORKERS COMP. - OTHER \$ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
Certificate holder is named as additional insured.

CERTIFICATE HOLDER

Train Mountain
Train Mountain Railroad Museum
36941 So. Chiloquin Road
Chiloquin, OR 97624

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Douglas Pratt/DOUG