<u>(I)</u>

EASEMENT

可知识的数

Dilligaf Investments, LLC &

PremierWest Bank

P.O.Box 2869, White City, OR 97503

Sessler Metals, Inc.

6315 Climax Avenue

Klamath Falls, OR

After recording, return to (Name, Address, Zip): Sessler Metals, Inc. 6315 Climax Avenue

Klamath Falls, OR 97603

2009-004096

Klamath County, Oregon

03/23/2009 03:02:11 PM

Fee: \$41.00

SPACE RESERV RECORDER'S

March 10, 2009 THIS AGREEMENT made and entered into on March 10, 2009 between Dilligaf Investments, LLC and PremierWest Bank

hereinafter called the first party, and Sessler Metals, Inc.

hereinafter called the second party, WITNESSETH:

WHEREAS: The first party is the record owner of the following described real property in Klamath

County, State of Oregon, to-wit: Parcel 2-of LP-43-97-

A parcel of land situated in Section 3, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows: Parcel 2 of Land Partition 43-97, filed October 8, 1997, in Klamath County, Oregon. TOGETHER WI'E Easement dated August 28, 1997, recorded September 10, 1997 in TOGETHER WITH an Volume M97 page 29569, Deed records of Klamath County, Oregon, and an Easement dated August 18, 1997, recorded September 11, 1997 in Volume M97 page 29720, Deed records of Klamath County, Oregon.

[which may be referenced herein as "Parcel 2"]

and has the unrestricted right to grant the easement hereinafter described relative to the real estate; and the second party is the record owner of the following described real property in that county and state, to-wit:

Parcel 3 of LP 43-97

A parcel of land situated in Section 3, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows: Parcel 3 of Land Partition 43-97, filed October 8, 1997, in Klamath County, Oregon. TOGETHER WITH an Easement dated August 28, 1997, recorded September 10, 1997 in Volume M97 page 29569, Deed records of Klamath County, Oregon, and an Easement dated August 18, 1997, recorded September 11, 1997 in Volume M97 page 29720, Deed records of Klamath County, Oregon.

[which may be referenced herein as "Parcel 3]

other good and valuable consideration

NOW, THEREFORE, in view of the premises and in consideration of \$ 1.00 and ___ by the second party to the first party paid, the receipt of which is acknowledged by the first party, it is agreed:

The first party hereby grants, assigns and sets over to the second party an easement, to-wit:

See attached Exhibit A regarding location and Exhibit B regarding purpose, terms, conditions and limitations.

	MY COMMISSION EXPIRES OCT. 10, 2011
My commission expires Oct. 10, 2011	MODARY PUBLIC-OREGON COMMISSION NO. 419707
Motary Public for Oregon	KIM E' AIMBON
The Comme	
	of Sessler Metals,
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Metals, Inc.	Karik, Quirke, Secoundary of Sessler
sler Metals, Inc.	Charles S. Kujawski, President of Ses
	and I Suganok
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s acknowledged before me on	This instrument was
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	Po FIRST PARTY
Dilligaf Investments	Donald McLaughlin, Managing Member of
reunto set their hands in duplicate on the day and year first written above.	IN WITNESS WHEREOF, the parties have her
idividuals and to corporations. If the undersigned is a corporation, it has caused of officer or other person duly authorized to do so by its board of directors.	its name to be signed and its seal, if any, affixed by an
t so requires, the singular includes the plural and all grammatical changes shall	In construing this agreement, where the context
ns, and successors in interest.	their respective heirs, executors, administrators, assign
because of negligence or abnormal use shall repair the damage at their sole expense. This agreement shall bind and inure to the benefit of, as the circumstances may require, not only the parties hereto but also	
of an interest in the easement who are responsible for damage to the easement	During the existence of this easement, holders
or%. (If the last alternative is selected, the percentages allocated	to each party should total 100.)
parties, share and share alike; both parties, with the first party responsible	oue): I the first party; A the second party; Doth I
ural disasters or other events for which all holders of an interest in the easement are blameless, shall be the responsibility of (check	
nance of the easoment and costs of repair of the easement, if damaged by nat-	either side thereof. During the existence of this easement, mainten
described on Exhibit "A" Jidina from freet distant from with the center line and more than	and the Second party's right of way shall be parallel we
described on Exhibit "A"	
	DODOWH & DES
esess the teathe, the center tine of the easement is described as follows:-	If this casement is for a right of way over or a
onditions, or language of Exhibit B conflicts Easement, Exhibit B shall control.	with the remainder of this
ich is incorporated herein by this reference.	See attached Exhibit B, wh
Hoo attracta Surveyor are as to cause to affect of the con-	ditions, restrictions and considerations:
ual always subject, however, to the following specific con-	ond party's use of the rights herein granted. The period of this easement shall be perpet
13t party harmless from any and all claims of third parties arising from the sec-	The second party agrees to save and hold the fil
party shall have the full use and control of the above described real estate.	Except as to the rights herein granted, the first
t nobioni-cogolivirq-bas etdgir-lks-bas botasrg-ydorok tnomesso-od to-consu	Hereto- second-band a nac'-culoducur'-oberanou-aug-manue
sand egress to and from the real estate (including the right from time to lime; or line; brush, overhanging branches and other obstructions) mecessary for the	The second party shall have all rights of ingres

EXHIBIT "A" TO EASEMENT

LEGAL DESCRIPTION OF 10-FOOT WIDE UTILITY EASEMENT

A ten-foot wide strip of land over and across PARCEL 2 of LAND PARTITION 43-97 situated in the SW 1/4 SW 1/4 of Section 3, T 39 S R 9 E, W. M., Klamath County, Oregon and being five feet in width on each side of the following described centerline:

Beginning at a point on the West Line of said PARCEL 2 from which the Southwest Corner of said PARCEL 2 bears S 00° 09' 48" W, 46.00 feet; thence S 55° 18' 00" E, 37.21 feet; thence S 89° 14' 33" E parallel with the South Line of Said PARCEL 2, 298.35 feet to a point on the East Line of said PARCEL 2.

Note: At this time (March 6, 2009) there exists a 1-1/2" PVC water line that may not lie totally within the above-described 10-foot strip.

Parties Intitials:

Dilligaf Investments, LLC Premier West Sessler Metals, Inc.



EXHIBIT "B-1" TO EASEMENT

Water Line Utility Maintenance Easement - Purpose, Terms and Limitations

Whereas a 1.5-inch PVC (material) pipe for the purpose of transmitting water is currently located underground at the approximate center of the easement strip described on Exhibit "A" located on Parcel 2, and said pipe is presently used to supply water to Parcel 3:

The easement herein is 1) to provide the owner of Parcel 3 with the right (according to the terms hereof) to receive water across such easement by means of that pipe and to provide access to the water supply pipe within the Easement strip for the purpose of the repair and maintenance of the existing water pipe and for no other purpose.

No other utility is authorized to be installed within the easement by Second Party and no other purpose for access to Parcel 2 is given to Second Party;

No alteration, upgrade, improvement or change of the water pipe, including, but not limited to the size, location, capacity or type of water supply pipe is provided for by this easement; only the repair and maintenance of the existing pipe in the existing location, unless the express prior consent in writing of First Party is obtained, which consent First Party has no obligation to give.

The use of the water supplied through the water pipe over the Easement strip is for the sole benefit of Parcel 3 and shall not inure to the benefit of or be used in any manner to or for the use or benefit of any other property, person or entity.

The use of the Easement shall be for reasonably necessary maintenance and repairs to the water supply pipe. Except as provided herein below, Second Party shall give prior reasonable written notice to First Party of any intent to make use of the Easement for access to do such repair and maintenance, and such access shall be at reasonable times and dates agreeable to First Party, which do not unreasonably interfere with First Party's other use of or operations on or concerning Parcel 2. All such access, maintenance and repair shall be conducted in a manner that minimizes interference with First Party's use of and operations on or concerning Parcel 2.

- A limited exception to the "prior written notice requirement" provided for in the previous paragraph shall apply in the case of an "emergency." An emergency shall be limited to a situation substantially similar to the following: a rupture in the water line that leaves Second Party without water to their property. In the event of an emergency, Second Party shall be provided prompt access to repair and alleviate the emergency condition, but the conduct of such repair shall otherwise conform to the other requirements stated herein, including minimization of interference with First Party's other reasonable use of Parcel 2.

EXHIBIT "B-2" TO EASEMENT

All work, maintenance and repair work on the Easement shall be performed at Second Party's expense, shall be performed in a safe and workman-like manner, and shall conform to any and all applicable laws and regulations. Second Party and Parcel 3 shall indemnify and hold First Party and Parcel 2 harmless from any and all claims or liability of or arising out of the repair and maintenance of the Easement or the ownership, use or possession of the water pipe and water supply transmitted over the easement, and shall keep Parcel 2 free for any lien or encumbrance of, relating to or in any manner connected therewith.

If in the course of any such repair, maintenance or use of the Easement by, on behalf of or through Second Party, the condition of Parcel is altered, affected or damaged, then Second Party shall be responsible at Second Party's expense for returning Parcel 2 to its condition prior to such repair or maintenance. If in the course of any such repair, maintenance or use of the Easement by, on behalf of or through Second Party, any personal property upon Parcel 2 of First Party, or their guests, visitors, agents, tenants, assigns and the like is damaged or destroyed, then Second Party shall be responsible at Second Party's expense for the repair or replacement of such damaged or destroyed property.

It is understood and agreed that First Party may improve, upgrade and alter the surface material over the Easement Strip, including, but not limited to paving, repaving or resurfacing the ground over the easement and that such conduct shall not be a violation of the Easement of Second Party's rights hereunder. Thereafter Second Party's responsibility to return Parcel 2 to its condition prior to the repair/maintenance/use at Second Party's expense shall extend to the new and improved condition of the Easement made by First Party hereunder.