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Westerntity		2011-010818
	, Ste 100 Bend, or 9	Klamath County, Oregon
Christa Corvi	of Sale Grantor	:
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	50.1.0	09/27/2011 03:29:38 PM Fee: \$62.
Harry C. Clark ar	of Sale Grantee	
49554		
		F SALE/Lease
consideration of the hereby grant, barg	e sum of \$108,500.00 the red	sta Corvi, hereinafter called the seller, in ceipt of which is hereby acknowledged, does nto Harry C. Clark and June Clark, Husband
the following descr 513, Klamath Cour	ibed personal property ("the protect)	roperty), now located at 19821 Hwy 58 Space
Willamette Pass	Chalets MHP, Space 513, MS	S Serial #11600, Home ID 321739 -
To include land le	ease as described in Exhibit	"A" attached hereto and made a part
successors and associated buyer and to and work of the property and that seller has a gadministrators and	signs forever. The undersigne with the buyer's successors in i I that the property is free from good right to sell the same; a	lyer and the buyer's executors, administrators, ed seller hereby covenant to and with the said interest and assigns, that the seller is the owner all encumbrances, except: NONE ; nd that seller will and seller's heirs, executors, forever defend this sale against the lawful claims
In construing this in and all grammation individuals and to e	al changes shall be made s	text so requires, the singular includes the plural to that this instrument shall apply equally to
Executed this Christa Corvi	day of September, 2011	
State of Oregon, <u>(</u>	"LACKAMA")ss	
property described	in the foregoing instrument, th	say that I/we am/are, the sole owner(s) of the at the same has been paid in full, and that on acumbrances of every kind and nature, except:
Executed this	day of September, 2011	
Time Action		
Subscribed and swo		Motary Public for OFFICE My commission expires UNE (2, 20/3



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LEASE AGREEMENT

BETWEEN:

Willamette Pass Inn, LLC, an Oregon

("Landlord")

limited liability company

AND:

HARRY Clark, June Clark

("Tenant")

EFFECTIVE DATE:

9/27/2011

Landlord leases to Tenant and Tenant leases from Landlord the following described property (the "Premises") on the terms and conditions stated below:

Lot 513 of Willamette Pass Inn, 1821 Highway 58, Crescent Lake, Klamath County, Oregon, together with the Chalet and all related improvements located thereon. The legal description of Willamette Pass Inn is attached hereto as Exhibit A and incorporated herein by this reference.

AGREEMENT:

1. OCCUPANCY.

- 1.1 Original Term. The term of this Lease shall commence on the Effective Date hereof, and continue for a term of thirty (30) years, unless sooner terminated as hereinafter provided.
- 1.2 Possession. Tenant's right to possession and obligations under the Lease shall commence as of the Effective Date hereof.
- 1.3 Renewal Option. If the Lease is not in default when each option is exercised or when the renewal term is to commence, Tenant shall have the option to renew this Lease for two (2) successive terms of thirty (30) years each, as follows:
- (1) Each of the renewal terms shall commence on the day following expiration of the preceding term.
- (2) The option may be exercised by written notice to Landlord given not less than sixty (60) days before the last day of the expiring term. Giving such notice shall be sufficient to make the Lease binding for the renewal term without further act of the parties. Landlord and Tenant shall then be bound to take the steps required in connection with the determination of rent as specified below.

(3) The terms and conditions of the Lease for each renewal term shall be identical with the original term except that Tenant will no longer have any option to renew this Lease that has been exercised.

2. RENT.

- 2.1 Base Rent. Contemporaneously with the execution of this Lease, Tenant is paying to Landlord the sum of \$350°, as base rent for the entire term of this Lease, including any renewal option(s).
- 2.2 Additional Rent. Throughout the term of this Lease, Tenant shall pay the additional sum of \$_____ per month (subject to adjustment as hereinafter set forth) as and for its pro rata share of property taxes and common area maintenance expenses relating to the maintenance and upkeep of the property described on Exhibit A attached hereto. Landlord reserves the right to increase said additional rent up to a maximum of six percent (6%) per year in order to cover increases in such taxes and maintenance expenses.

3. USE OF THE PREMISES.

3.1 Permitted Use. The Premises shall be used for secondary residence/vacation home purposes by no more than two (2) occupants, and for no other purpose without the consent of Landlord, which consent shall not be unreasonably withheld.

3.2 Restrictions on Use. In connection with the use of the Premises, Tenant shall:

- (1) Conform to all applicable laws and regulations of any public authority affecting the premises and the use, and correct at Tenant's own expense any failure of compliance created through Tenant's fault or by reason of Tenant's use, but Tenant shall not be required to make any structural changes to effect such compliance.
- (2) Refrain from any use that would be reasonably offensive to other tenants or owners or users of neighboring premises or that would tend to create a nuisance or damage the reputation of the premises.
- (3) Comply with rules and regulations generally applicable to the Willamette Pass Inn property, as may be reasonably adopted by Landlord from time to time.

4. REPAIRS AND MAINTENANCE.

4.1 Landlord's Obligations. The following shall be the responsibility of Landlord:

- (1) Landlord shall property cultivate, care for, and adequately water the lawn, shrubbery and grounds, and shall provide periodic snow removal from roads and driveways;
- (2) Supplying and maintaining electric wiring, plumbing facilities which produce cold-running, safe drinking water, up to the point of entry to the Premises, sewage and garbage disposal;

- (3) Except as provided above, Landlord shall be under no obligation to make or perform any repairs, maintenance, replacements, alterations, or improvements on the Premises (Including any improvements located thereon).
- 4.2 Tenant's Obligations. Tenant shall be responsible for all repairs, maintenance, replacements, alterations or improvements to the Premises that Landlord is not required to perform under Section 4.1 above.

5. INSURANCE.

- **5.1 Tenant's Responsibility.** Tenant shall be responsible for providing insurance on all improvements located on the Premises.
- **5.2 Waiver of Subrogation**. Neither party shall be liable to the other (or to the other's successors or assigns) for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement, and in the event of insured loss, neither party's insurance company shall have a subrogated claim against the other. This waiver shall be valid only if the insurance policy in question expressly permits waiver of subrogation or if the insurance company agrees in writing that such a waiver will not affect coverage under the policies. Each party agrees to use best efforts to obtain such an agreement from its insurer if the policy does not expressly permit a waiver of subrogation.

6. TAXES; UTILITIES.

- **6.1 Property Taxes**. Landlord shall pay as due all real property taxes attributable to the land portion of the Premises. Tenant shall be responsible for the payment of all real and personal property taxes attributable to the improvements located on the Premises.
- 6.2 Payment of Utilities Charges. Tenant shall pay when due all charges for services and utilities incurred in connection with the use, occupancy, operation, and maintenance of the Premises, including (but not limited to) charges for "metered" propane and electricity billed to tenant monthly and is to be paid to Landlord upon receipt. Telephone service is the responsibility of the tenant.

7. LIABILITY AND INDEMNITY.

Tenant shall indemnify and defend Landlord from, and reimburse Landlord for, any cost, claim, loss, or liability suffered directly or from a third-party claim arising out of or related to any activity of Tenant, or Tenant's invitees and guests, on the Premises or any condition of the Premises in the possession or under the control of Tenant. Landlord shall have no Jiability to Tenant for any injury, loss, or damage caused by third parties, or by any condition of the Premises (except to the extent caused by Landlord's negligence or breach of duty under this Lease). Landlord shall have no liability for the failure or interruption of utilities.

8. DEFAULT

The following shall be events of default:

- **8.1 Default in Rent.** Failure of Tenant to pay any rent or other charge within 10 days after written notice that it is due.
- 8.2 Default in Other Covenants. Failure of Tenant to comply with any term or condition or fulfill any obligation of the Lease (other than the payment of rent or other charges) within 20 days after written notice by Landlord specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the 20-day period, this provision shall be complied with if Tenant begins correction of the default within 20-day period and there after proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

9. REMEDIES ON DEFAULT.

In the event of a default the Lease may be terminated at the option of Landlord by written notice to Tenant. Whether or not the Lease is terminated by the election of Landlord or otherwise, Landlord shall be entitled to recover damages from Tenant for the default, and Landlord may reenter, take possession of the premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages and without having accepted a surrender.

10. SURRENDER AT EXPIRATION.

On expiration of the lease term or earlier termination on account of default, Tenant shall surrender the Premises to the Landlord. Tenant shall be entitled to remove its personal property and fixtures from the Premises within a reasonable time following such expiration or termination, subject to Landlord's lien rights under ORS Chapter 87.

11. ASSIGNMENT AND SUBLETTING

Tenant shall not sublet the premises to a third party. If said premises are sold to a third party the lease may be assigned to said party with written permission from Landlord.

12. MISCELLANEOUS.

12.1 Nonwaiver. Waiver by either party of strict performance of any provision of this Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or any other provision. The acceptance of a late payment of rent shall not waive the failure to perform an obligation under this Lease except for the failure to pay

the rent so accepted when due and shall not affect Landlord's remedies for failure to perform such other obligations.

- 12.2 Attorney Fees. If suit or action is instituted in connection with any controversy arising out of this Lease, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees at trial, on petition for review, and on appeal.
- 12.3 Notices. Any notice required or permitted under this Lease shall be given when actually delivered or 48 hours after deposited in United States mail as certified mail addressed to the address first given in this Lease or to such other address as may be specified from time to time by either of the parties in writing.
- 12.4 Succession. Subject to the above-stated limitations on transfer of Tenant's interest, this Lease shall be binding on and inure to the benefit of the parties and their respective successors and assigns.
- 12.5 Recordation. This Lease shall not be recorded without the written consent of Landlord. Landlord shall execute and acknowledge a memorandum of this Lease in a form suitable for recording, and Tenant may record the memorandum.
- 12.6 Time of Essence. Time is of the essence of the performance of each of Tenant's obligations under this Lease.

LANDLORD:

Willamette Pass Inn, LLC, an Oregon

Vary C. Charl 9-14-11 V Jane Clark 9-14-11

limited liability company

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Its: OWNER

TENANT: