



2021-013115

Klamath County, Oregon

08/27/2021 10:53:00 AM

Fee: \$137.00

RECORDING COVER SHEET (Please Print or Type)

This cover sheet was prepared by the person presenting the instrument for recording. The information on this sheet is a reflection of the attached instrument and was added for the purpose of meeting first page recording requirements in the State of Oregon, ORS 205.234, and does NOT affect the instrument.

THIS SPACE RESERVED FOR USE BY
THE COUNTY RECORDING OFFICE

AFTER RECORDING RETURN TO:

US DEPARTMENT OF INTERIOR FISH AND WILDLIFE

1020 NEW RIVER PARKWAY STE 305

FALLON NV 89406

1) TITLE(S) OF THE TRANSACTION(S) ORS 205.234(a)

LEASE

2) DIRECT PARTY / GRANTOR(S) ORS 205.125(1)(b) and 205.160

FRED RONALD BARNES IV & DAWN CATHERINE BARNES

3) INDIRECT PARTY / GRANTEE(S) ORS 205.125(1)(a) and 205.160

UNITED STATES OF AMERICA DEPT. OF INTERIOR FISH AND WILDLIFE SERVICE

4) TRUE AND ACTUAL CONSIDERATION

ORS 93.030(5) – Amount in dollars or other

\$ 1,760,000.00

☐ Other

5) SEND TAX STATEMENTS TO:

NO CHANGE

6) SATISFACTION of ORDER or WARRANT

ORS 205.125(1)(e)

CHECK ONE:
(If applicable)

☐

FULL

☐

PARTIAL

7) The amount of the monetary obligation imposed by the order or warrant. ORS 205.125(1)(c)

\$

8) If this instrument is being Re-Recorded, complete the following statement, in accordance with ORS 205.244: "RERECORDED AT THE REQUEST OF _____

TO CORRECT _____

PREVIOUSLY RECORDED IN BOOK _____ AND PAGE _____, OR AS FEE NUMBER _____."

LEASE

by and between
FRED RONALD BARNES IV and DAWN CATHERINE BARNES
and the
UNITED STATES OF AMERICA
Department of the Interior
Fish and Wildlife Service
for the
KLAMATH FALLS NATIONAL FISH HATCHERY

1. THIS LEASE, made and entered into by and between FRED RONALD BARNES IV and DAWN CATHERINE BARNES, hereinafter referred to as the "Lessors," and the UNITED STATES OF AMERICA, through the Department of the Interior, Fish and Wildlife Service, hereinafter referred to as the "Lessee," acquiring title to this lease under the authorities of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f), as amended, and the Endangered Species Act of 1973 (16 U.S.C. 1534).

2. THE LESSORS hereby lease to the Lessee the following described land and premises, hereinafter referred to as the "Premises," to wit:

See Exhibits "A" and "B" attached hereto and made part hereof.

3. SAID PREMISES are being acquired by the Lessee for administration as a unit of the National Fish Hatchery System and will be used to support fish and aquatic resources, including use as a rearing facility, hatchery, refugium, scientific study or other related purposes.

4. CONSIDERATION: The Lessee shall pay to the Lessors a one-time, lump-sum payment of One Million Seven Hundred and Sixty Thousand Dollars (\$1,760,000.00) as the total consideration for this lease, the adequacy and receipt of which is acknowledged by Lessors.

5. TERM OF LEASE: The primary term of this lease is for Thirty (30) years, commencing on the date it is recorded in the official public records of Klamath County, Oregon.

6. ALLOCATION OF RENT: For purposes of 26 United States Code section 467 and the regulations thereunder, the Lessors intend for this lease to constitute a section 467 rental agreement under the Internal Revenue Code. Lessors intend for the consideration under paragraph 4 above to be allocated pursuant to Exhibit "C," attached hereto and made a part hereof.

7. ASSIGNMENT: The Lessee shall not assign this lease except to another agency of the United States, an agency of the State of Oregon, or a qualified non-profit organization, and only with the express written approval of the Lessors, their assigns or successors.

8. RUN WITH THE LAND, CONSENT TO RECORD: The parties hereto agree that this lease shall be recorded in the official public records of Klamath County, Oregon, and shall run with the Premises as an encumbrance binding upon the Lessors, Lessors' successors, heirs, assigns and any other subsequent owners of the encumbered land.

9. POSSESSION: During the term of this lease, the Lessee shall have full and complete control of the Premises, and associated structures and improvements, including but not limited to, exclusive possession of all buildings, water wells, and other improvements. Lessee will provide access to said Premises, buildings, and other improvements to Lessors and Lessors' authorized personnel to facilitate collaboration, use of equipment, and other relationships, subject to such controls as Lessee shall deem necessary to secure the Premises and Lessee's operations. Lessors may also continue to use the existing driveway within the area described as "Lease Access" in Exhibit "B," attached hereto and made a part hereof, for ingress and egress to Lessors' residence and Lessors' lands adjoining the Premises.

10. WATER AND GEOTHERMAL RESOURCES: This lease conveys to Lessee the right to use all water under Permit G-13285 issued by the Oregon Water Resources Department (OWRD). This permit provides the use of water at suitable quality and quantity for propagation of fish and aquatic species and is essential to the purpose of this lease. Lessors agree to cooperate with Lessee in applications to OWRD to add Lessee as a joint owner of the permit for the lease term, change the point of diversion within the Premises, rehabilitate or relocate the existing well, as well as in filing any other forms, certificates or proofs that are required to keep the permit in good standing.

11. OWNERSHIP OF IMPROVEMENTS AND PROPERTY: All improvements, fixtures, buildings, and all other property of any nature whatsoever, made, constructed, or placed upon the Premises by the Lessee, shall remain the property of the Lessee during the term of this lease or extension thereof. However, in the event this lease expires or is terminated, the Lessee shall, at the option of the Lessee, and subject to the availability of federal appropriations, remove any part of or all of the improvements and property it makes or causes to be made on the Premises, at no cost to Lessors. To the extent such option is not exercised by the Lessee, within ninety (90) days of the expiration or termination of this lease or any renewal thereof, title to any of Lessee's improvements and property remaining on the premises will vest in the Lessors.

12. PROPERTY TAXES AND INSURANCE: The Lessee is exempt from state and local property taxes and assessments. Any taxes or assessments levied against the Premises will be the responsibility of the Lessors. The Lessee is self-insured. Any liability insurance or other coverage desired by the Lessors for the Premises will be at Lessors' sole expense.

13. UTILITIES: All costs for electric or other utilities provided at the Lessee's request to the Premises will be paid by the Lessee.

14. AMENDMENTS AND EXTENSIONS: This lease may be amended or extended upon mutual written agreement of the parties hereto.

15. SEVERABILITY: Should any provision or portion of such provision of this lease be held invalid, the remainder of this lease or the remainder of such provision shall not be affected thereby.

16. INTEREST OF MEMBERS OF CONGRESS: No member of, or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this contract or any benefit that may arise herefrom, but this provision shall not be construed to extend to this contract if made with a corporation or company for its general benefit.

17. NOTICES: All notices or official communications which may be required under this lease, given by either party to the other, shall be in writing and addressed to such party's address as follows:

TO THE LESSORS:

Dawn Catherine Barnes
Fred Ronald Barnes IV
3875 Lower Klamath Lake Road
Klamath Falls, Oregon 97603


TO THE LESSEE:

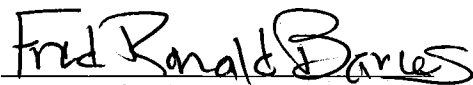
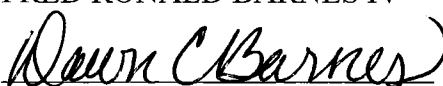
Realty Officer
U.S. Fish and Wildlife Service
California—Great Basin Region
2800 Cottage Way, W-1832
Sacramento, California 95825

Each party shall advise the other of any changes in address or point of contact.

IN WITNESS WHEREOF, the parties hereto have set their hand.

DEPARTMENT OF THE INTERIOR
U.S. FISH AND WILDLIFE SERVICE

By: 
RICHARD P. GRIMES
Acting Realty Officer
California—Great Basin Region

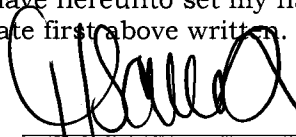

FRED RONALD BARNES IV

DAWN CATHERINE BARNES

Date: 6/25/21

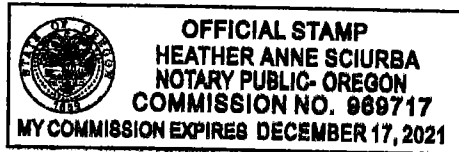
Date: 8/26/21

State of Oregon } ss
County of Klamath }

On this 26 day of August 2021 before me, Heather Sciorba a Notary Public in and for said state, personally appeared Fred Ronald Barnes IV and Dawn Catherine Barnes known or identified to me to be the person(s) whose name(s) is/are subscribed to the within Instrument and acknowledged to me that he/she/they executed same.
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



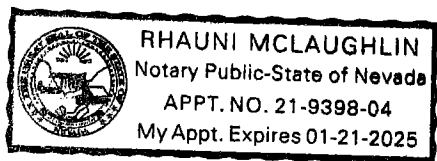
Notary Public for the State of Oregon
Residing at: Klamath Falls OR
Commission Expires: 12/17/2021



State of Nevada

County of Churchill

This instrument was acknowledged before me on June 25, 2021, by RICHARD P. GRIMES.



A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

(Signature of Notarial Officer)

Exhibit "A"

Lease Parcel 1

A portion of that property interest conveyed to Fred Ronald Barnes IV and Dawn Catherine Barnes, as recorded under Statutory Warranty Deed dated December 21st, 2017, and recorded December 28th, 2017, as document 2017-014738, records of Klamath County.

A portion of land in the southeast quarter of Section 27 and the northeast quarter of Section 34, Township 40 South, Range 9 East, Willamette Meridian, in Klamath County, Oregon, located within "Parcel 2" identified in Klamath County Land Partition 16-97; said land being more particularly described as follows:

Beginning at the Section Corner common to 26, 27, 34, and 35;

Thence North 00°50'38" East, a distance of 281.63 feet along the section line to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap and the true POINT OF BEGINNING;

Thence North 00°58'02" East, along the east line of said "Parcel 2" a distance of 1025.88 feet to a 5/8" steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 51°45'47" West, a distance of 808.60 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence North 68°32'50" West, a distance of 464.79 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 16°05'44" West, a distance of 332.07 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 64°07'51" East, a distance of 347.30 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 45°32'48" East, a distance of 344.82 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 55°59'02" West, a distance of 440.22 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 25°02'18" East, a distance of 302.29 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence North 56°48'23" East, a distance of 980.82 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap and the true POINT OF BEGINNING. Said Lease Area containing 897991 square feet or 20.62 acres more or less.

As surveyed and monumented by the U.S. Fish and Wildlife Service in 2019. Bearings in this description are referenced to the Oregon State Plane Coordinate System, South Zone 3602, NAD 83 (2011M), International Feet. Distances given herein are grid; to convert to ground measurement multiply by 1.0001115.

Lease Parcel 2

A portion of that property interest conveyed to Fred Ronald Barnes IV and Dawn Catherine Barnes, as recorded under Statutory Warranty Deed dated December 21st, 2017, and recorded December 28th, 2017, as document 2017-014738, records of Klamath County.

A portion of land in the southeast quarter of Section 27 and the northeast quarter of Section 34, Township 40 South, Range 9 East, Willamette Meridian, in Klamath County, Oregon, located within "Parcel 2" identified in Klamath County Land Partition 16-97; said land being more particularly described as follows:

Beginning at the Section Corner common to 26, 27, 34, and 35;

Thence South 70°27'09" West, a distance of 896.44 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap and the true POINT OF BEGINNING;

Thence South 29°35'27" East, a distance of 409.16 feet to a 5/8" steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence North 58°10'59" East, a distance of 58.79 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 30°45'03" East, a distance of 476.85 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 14°14'22" East, a distance of 164.43 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 26°49'45" West, a distance of 96.33 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 67°37'50" West, a distance of 74.81 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence North 51°29'00" West, a distance of 64.43 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence North 29°42'34" West, a distance of 1035.87 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence North 63°55'46" East, a distance of 156.07 feet to a 5/8 " diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap and the true POINT OF BEGINNING. Said Lease Area containing 205,663 square feet or 4.72 acres more or less.

As surveyed and monumented by the U.S. Fish and Wildlife Service in 2019. Bearings in this description are referenced to the Oregon State Plane Coordinate System, South Zone 3602, NAD 83 (2011M), International Feet. Distances given herein are grid; to convert to ground measurement multiply by 1.0001115

Lease Access

A portion of that property interest conveyed to Fred Ronald Barnes IV and Dawn Catherine Barnes, as recorded under Statutory Warranty Deed dated December 21st, 2017, and recorded December 28th, 2017, as document 2017-014738, records of Klamath County.

For ingress and egress over an existing driveway located in the northeast quarter of Section 34, Township 40 South, Range 9 East, Willamette Meridian, in Klamath County, Oregon, located within "Parcel 2" identified in Klamath County Land Partition 16-97; being more particularly described as follows:

Beginning at the Section Corner common to 26, 27, 34, and 35;

Thence South 70°27'09" West, a distance of 896.44 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap and the true POINT OF BEGINNING;

Thence North 32°16'02" East, a distance of 52.71 feet to a 5/8" steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence North 25°02'18" West along the southwesterly line of FWS Lease Area 1, a distance of 45.00 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 41°51'50" West, a distance of 113.72 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 63°55'46" West, a distance of 98.26 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence South 29°42'34" East, a distance of 30.00 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap;

Thence North 63°55'46" East along the northwesterly line of FWS Lease Area 2, a distance of 156.07 feet to a 5/8" diameter steel rebar with a U.S. Fish and Wildlife 3 1/4" aluminum cap and the true POINT OF BEGINNING. Said Lease Area containing 7659 square feet or 0.18 acres more or less.

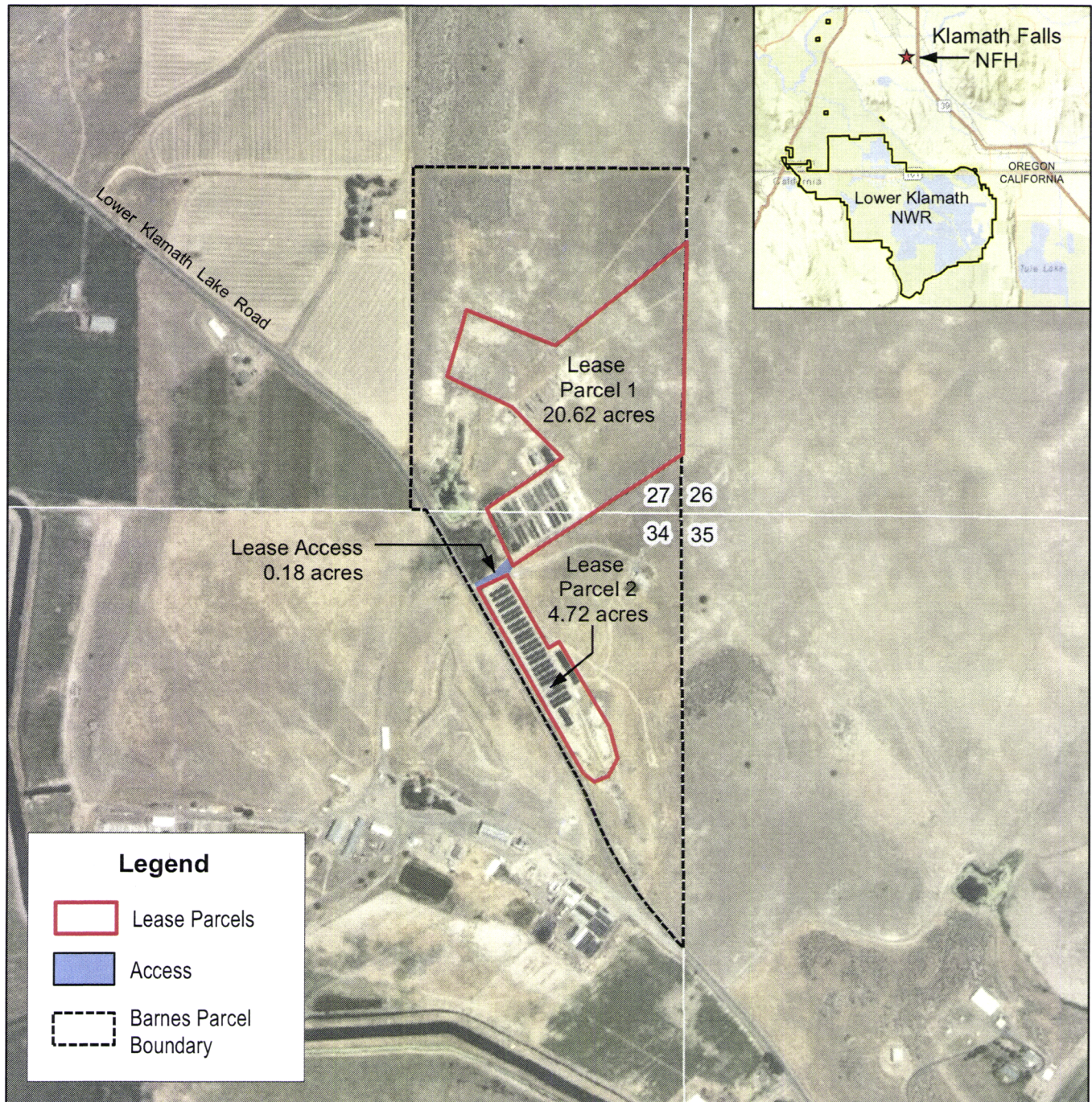
As surveyed and monumented by the U.S. Fish and Wildlife Service in 2019. Bearings in this description are referenced to the Oregon State Plane Coordinate System, South Zone 3602, NAD 83 (2011M), International Feet. Distances given herein are grid; to convert to ground measurement multiply by 1.0001115.

Exhibit "B"

R 9 E

T 40 S

T 40 S



R 9 E



Klamath Falls National Fish Hatchery Klamath County, OR Tract (10LS) 25.52 acres +/-

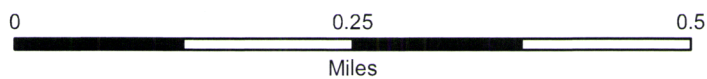


Exhibit "C"

			PV Factor at Discount Rate		
Year	Income		7.00%		P V Per Period
1	\$ 125,000.00	X	0.934579	=	\$ 116,822.43
2	\$ 125,000.00	X	0.873439	=	\$ 109,179.84
3	\$ 125,000.00	X	0.816298	=	\$ 102,037.23
4	\$ 125,000.00	X	0.762895	=	\$ 95,361.90
5	\$ 125,000.00	X	0.712986	=	\$ 89,123.27
6	\$ 125,000.00	X	0.666342	=	\$ 83,292.78
7	\$ 125,000.00	X	0.622750	=	\$ 77,843.72
8	\$ 125,000.00	X	0.582009	=	\$ 72,751.14
9	\$ 125,000.00	X	0.543934	=	\$ 67,991.72
10	\$ 125,000.00	X	0.508349	=	\$ 63,543.66
11	\$ 152,374.30	X	0.475093	=	\$ 72,391.93
12	\$ 152,374.30	X	0.444012	=	\$ 67,656.01
13	\$ 152,374.30	X	0.414964	=	\$ 63,229.92
14	\$ 152,374.30	X	0.387817	=	\$ 59,093.38
15	\$ 152,374.30	X	0.362446	=	\$ 55,227.46
16	\$ 152,374.30	X	0.338735	=	\$ 51,614.45
17	\$ 152,374.30	X	0.316574	=	\$ 48,237.80
18	\$ 152,374.30	X	0.295864	=	\$ 45,082.06
19	\$ 152,374.30	X	0.276508	=	\$ 42,132.76
20	\$ 152,374.30	X	0.258419	=	\$ 39,376.42
21	\$ 185,743.42	X	0.241513	=	\$ 44,859.47
22	\$ 185,743.42	X	0.225713	=	\$ 41,924.74
23	\$ 185,743.42	X	0.210947	=	\$ 39,182.00
24	\$ 185,743.42	X	0.197147	=	\$ 36,618.69
25	\$ 185,743.42	X	0.184249	=	\$ 34,223.07
26	\$ 185,743.42	X	0.172195	=	\$ 31,984.18
27	\$ 185,743.42	X	0.160930	=	\$ 29,891.76
28	\$ 185,743.42	X	0.150402	=	\$ 27,936.22
29	\$ 185,743.42	X	0.140563	=	\$ 26,108.62
30	\$ 185,743.42	X	0.131367	=	\$ 24,400.58

Aggregate Value \$ 4,631,177 Present Value = \$ 1,759,119

Appreciation Rate: 2%, Adjusted
every 10 yrs.