

**2022-009982**

Klamath County, Oregon

08/16/2022 03:30:01 PM

Fee: \$137.00

**After Filing Please Return To:**  
Key Equipment Finance  
1000 S. McCaslin Blvd  
Superior, CO 80027  
Attn: Toni Stenvold

**GROUND LEASE**

**Grantor(s):**

1. **T&W LAND HOLDING LLC**, an Oregon limited liability company

☐ Additional names on page \_\_\_\_ of document

**Grantee(s):**

1. **SELCO SERVICE CORPORATION**, an Ohio corporation

☐ Additional names on page \_\_\_\_ of document

**Abbreviated Legal Description** (lot, block and plat name, or section-township-range):

Additional legal description is on Exhibit B of document

**Assessor's Property Tax Parcel Account Number(s):**

421109 3808-0800-00700 and 5818555 3808-00800-00700

**Reference Numbers of Documents Assigned or Released (if applicable):**

☐ Additional reference numbers on page \_\_\_\_ of document

## GROUND LEASE

THIS GROUND LEASE (the "Ground Lease") is made as of August 16, 2022 by and between T&W LAND HOLDING LLC, an Oregon limited liability company (the "Ground Lessor"), and SELCO SERVICE CORPORATION, an Ohio corporation having an address at c/o Key Equipment Finance, 1000 S. McCaslin Blvd, Superior, CO 80027 ("Ground Lessee").

### INTRODUCTION:

- A. Together with the execution and delivery of this Ground Lease, Ground Lessee, as lessor, and Ground Lessor as lessee (the "Equipment Lessee"), have entered into that certain Master Equipment Lease Agreement dated as of August 11, 2022 (such Master Equipment Lease Agreement, together with all Schedules (as defined therein) now or hereinafter entered into in connection therewith, the "Equipment Lease"), pursuant to which Ground Lessee did lease to Equipment Lessee, and Equipment Lessee did lease from Ground Lessee, the equipment (the "Equipment") described on Exhibit A attached hereto and made a part hereof. It is a condition to Ground Lessee's entering into the Equipment Lease that Ground Lessor executes this Ground Lease and delivers it to Ground Lessee.
- B. Ground Lessor is the fee owner of the real property (the "Premises") described on Exhibit B attached hereto and made a part hereof free and clear of all liens and encumbrances ("Liens") other than those Liens described in Exhibit C hereto ("Permitted Liens"). In connection with the financing of the Equipment as described above, Ground Lessor, as fee owner of the Premises, is leasing the Premises to Ground Lessee in accordance with the provisions hereof, and Ground Lessee is subleasing the Premises to Equipment Lessee pursuant to a Ground Sublease dated as of the date hereof (the "Ground Sublease").

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to induce Ground Lessee to enter into the Equipment Lease, Ground Lessor and Ground Lessee hereby agree as follows:

1. **Lease of Premises.** Ground Lessor hereby leases to Ground Lessee, and Ground Lessee does hereby lease from Ground Lessor, the Premises for the Ground Lease Term (as hereinafter defined). It is the intention of the parties that the title to the Premises will remain distinct and separate from the title to the Equipment and that the Equipment remain personal property. Ground Lessor hereby waives and disclaims any interest it may have or which may arise in the Equipment by reason of its being the fee owner of the Premises or by reason of the attachment of the Equipment to, or the operation of the Equipment within, the Premises. Ground Lessor hereby acknowledges and covenants that the Equipment is situated on the Premises.
2. **Ground Lease Term.** The "Ground Lease Term" shall commence on August 16, 2022 and shall expire on the later to occur of the date on which all of the following shall have occurred: (a) (i) Ground Lessee has received all sums due and owing by Equipment Lessee under all Schedules entered into under the Equipment Lease, (ii) no claim can be made that any payments under the Equipment Lease constitute a preference under applicable bankruptcy law and (iii) Ground Lessee has no remaining interest in the Equipment and (b) the date which is twenty (20) years after the Rent Commencement Date (as defined in the Equipment Lease). It is hereby acknowledged that Ground Lessee, its successors and assigns, and permitted users or sublessees shall have full right of ingress and egress to and from the Premises, and Ground Lessor shall take any action reasonably requested by Ground Lessee to facilitate the foregoing, including without limitation causing easements to be placed of record.
3. **Ground Lease Rent.** Ground Lessee shall pay to Ground Lessor as rental for the Ground Lease Term the sum of one hundred dollars (\$100) which amount shall be payable in advance within 90 days after Ground Lessee's receipt of an invoice and this Ground Lease duly executed by Ground Lessor.
4. **Ground Lessee's Election to Terminate Ground Lease.** At any time during the Ground Lease Term, Ground Lessee may terminate this Ground Lease upon thirty (30) days' prior notice to Ground Lessor. Effective as of the date of such termination, Ground Lessee's obligations hereunder shall terminate.
5. **Assignment and Subletting.** Ground Lessee may sublease the Premises, or may assign this Ground Lease, provided that any such sublease or assignment is made in connection with the utilization of the Equipment on the Premises for its intended purpose. In accordance with and subject to the foregoing, Ground Lessee shall have the right to:

- (a) sublease the Premises pursuant to the Ground Sublease or any other ground sublease entered into between Ground Lessee and any other lessee of the Equipment; and
  - (b) assign this Ground Lease or any rights hereunder to any transferee of any Ground Lessee's interest in the Equipment Lease or the Equipment and such assignee or transferee (and any subsequent assignees or transferees) shall be entitled to all of the benefits granted or derived by the Ground Lessee hereunder.
6. **Quiet Enjoyment.** Ground Lessor covenants and warrants that it has full right and authority to lease the Premises pursuant to the terms of this Ground Lease, and Ground Lessor represents, covenants and warrants that: (a) through the Ground Lease Term, Ground Lessee and its successors and assigns and benefited parties shall have the peaceable and quiet enjoyment of the Premises; and (b) Ground Lessee, its successors and assigns and all benefited parties shall have legal access to the Premises from public dedicated roadways, which access is adequate for the efficient operation and use of the Equipment.
7. **Nature of Ground Lease; Ground Lessor's Obligations.** (a) Ground Lessor and Ground Lessee acknowledge that:
- (i) this Ground Lease is being entered into as collateral security for Equipment Lessee's performance of all obligations under the Equipment Lease;
  - (ii) notwithstanding the lease of the Premises to Ground Lessee hereunder, Equipment Lessee and/or Ground Lessor and not Ground Lessee shall (at all times during the Ground Lease Term) occupy the Premises and operate the Equipment thereon, except for (A) any period following a default by the Equipment Lessee under the Equipment Lease, (B) the return of the Equipment to Ground Lessee;
  - (iii) Ground Lessee shall not be deemed to be occupying the Premises and operating the Equipment thereon until such time as Ground Lessee physically takes possession of the Premises after (A) a default has occurred and is continuing under the Equipment Lease or during the Ground Lease Term, or (B) the Equipment has been returned to Ground Lessee, and
  - (iv) simultaneously with the execution of this Ground Lease, and as a condition of the making hereof, Ground Lessee has entered into the Ground Sublease (which is a net sublease imposing upon Ground Lessor and/or Equipment Lessee all obligations to be performed during the Ground Lease Term (other than payment of rent hereunder which has been paid for the entire Ground Lease Term) with respect to the Premises to the extent not herein specifically retained by Ground Lessor hereunder.)
- (b) Ground Lessor acknowledges that Ground Lessee has paid in full on execution hereof all rent required to be paid to Ground Lessor for the entire Ground Lease Term, and all obligations (including, without limitation, the payment of taxes and insurance) with respect to the Premises are either retained by Ground Lessor hereunder, or imposed on Equipment Lessee pursuant to the provisions of the Ground Sublease (to which Ground Lessor hereby consents). **ACCORDINGLY, IT IS THE INTENTION OF THE PARTIES THAT DURING THE GROUND LEASE TERM, GROUND LESSEE SHALL HAVE NO OBLIGATIONS OR RESPONSIBILITIES WITH RESPECT TO THE PREMISES, AND THAT GROUND LESSOR DURING THE GROUND LEASE TERM SHALL PERFORM ALL OBLIGATIONS WITH RESPECT TO THE PREMISES, WHETHER RETAINED BY GROUND LESSOR HEREUNDER, IMPOSED BY LAW OR IMPOSED UPON OR PASSED THROUGH TO GROUND LESSOR, AND GROUND LESSOR SHALL NOT LOOK TO GROUND LESSEE FOR THE PERFORMANCE OF SUCH OBLIGATIONS OR RESPONSIBILITIES.** In addition, this Ground Lease may not be terminated by Ground Lessor for any reason during the Ground Lease Term. Notwithstanding the foregoing provisions of this Section, Ground Lessor agrees to indemnify and hold harmless Ground Lessee from any claims, damages and expenses arising out of this Ground Lease, the Ground Sublease, the Equipment or the Premises, except arising solely from the willful misconduct or gross negligence of Ground Lessee during the Ground Lease Term (and thereafter, until the premises are surrendered to Ground Lessor), except to the extent that any such willful misconduct or gross negligence of Ground Lessee was imputed to it solely by virtue of its acting as the sublessor

under the Ground Sublease). This indemnity shall survive the expiration or early termination of this Ground Lease.

**8. Obligations of Ground Lessor.** Ground Lessor hereby covenants and agrees as follows:

- (a) Ground Lessor will comply with all environmental laws, and will not, and will not permit any person (including, without limitation, Equipment Lessee) to dispose of any hazardous materials into or onto the Premises and will not allow any Lien imposed pursuant to any law, regulation or order relating to hazardous materials or the disposal thereof to remain on the Premises.
  - (b) During the Ground Lease Term, Ground Lessor shall pay or cause to be paid before delinquency all taxes, assessments and governmental charges levied with respect to the Premises. If Ground Lessor shall fail to make any payment as herein provided, Ground Lessee, at its option may pay the same and any moneys so paid by Ground Lessee shall be repaid by Ground Lessor to Ground Lessee on demand, together with interest at the Late Payment Rate (as defined in the Equipment Lease) from the date such payment is made by Ground Lessee until the date repaid by Ground Lessor. Ground Lessor shall pay or cause to be paid all charges for water, gas, heat, electricity, power and other like services used in connection with the Premises.
  - (c) During the entire Ground Lease Term, Ground Lessor shall, without cost to Ground Lessee, maintain or cause to be maintained in effect casualty insurance and liability insurance coverage with respect to the Premises, with insurance companies of recognized standing, in such form and amounts, with such self-insurance arrangements and deductibles, and covering such risks, as are consistent with that maintained by Ground Lessor in respect of its other similar properties, and in any event consistent with prudent industry practice and by companies similarly situated with Ground Lessor. The liability insurance maintained by Ground Lessor shall name Ground Lessee as an additional insured and all such insurance shall not be cancelable without thirty (30) days prior written notice to Ground Lessee.
  - (d) During the Ground Lease Term, Ground Lessor shall pay all charges for water, gas, heat, electricity, power and other like services used in connection with the Premises.
  - (e) Ground Lessor agrees to indemnify and hold harmless Ground Lessee from any claim, demand, litigation, damages or suit including attorney, accountant or other experts' fees that might arise from Ground Lessor's use, possession or operation of the Premises. In addition, Ground Lessor shall indemnify, defend and hold harmless Ground Lessee from any and all claims, damages, fines judgments, penalties, costs, liabilities or losses (including, without limitation, any and all sums paid for settlement or claims, attorneys' fees, consultant and expert fees) arising during or after the term as it may be extended, from or in connection with the presence or suspected presence of Hazardous Substances (as hereinafter defined) in the Premises or in or under the land unless, subject to Section 7(a) hereof, the Hazardous Substances are present solely as a result of the gross negligence or wilful misconduct of Ground Lessee, or its assignee or sublessee (other than Ground Lessor under the Ground Sublease), during the period, if any, in which Ground Lessee, or such assignee or sublessee (other than Ground Lessor under the Ground Sublease), has taken physical possession of the Premises. This indemnification shall specifically include, but shall not be limited to, any and all costs due to Hazardous Substances that flow, diffuse, migrate or percolate into, onto or under the land after the Ground Lease Term commences. The term "Hazardous Substances" shall mean any flammable or explosive materials, petroleum or petroleum products, oil, crude oil, natural gas or synthetic gas usable for fuel, radioactive materials, asbestos, radon, lead, hazardous wastes or substances or toxic wastes or substances, including, without limitation, any substances now or hereafter defined as or included in the definition of 'hazardous wastes', 'hazardous materials', 'toxic materials' or 'toxic substances' under any applicable federal, state or local laws or regulations now or hereafter in effect. This indemnity shall survive the expiration or earlier termination of this Ground Lease.
- 9. Liens.** During the Ground Lease Term, Ground Lessor shall not directly or indirectly create, incur, assume or suffer to exist any Lien other than Permitted Liens on the Premises or the Equipment, title thereto or any interest therein. In this regard, Ground Lessor shall promptly, at its own expense, take such action as may be necessary duly to discharge or eliminate or bond in a manner satisfactory to Ground Lessee (in its reasonable discretion) any Lien other than Permitted Liens if Ground Lessor's failure to take such action would adversely affect Ground Lessee, the Equipment or the operation of the Equipment at the Premises.

10. **Mortgages.** Ground Lessor shall have the right at any time during the Ground Lease Term, with prior notice to and consent of Ground Lessee, to subject the fee interest of Ground Lessor in the Premises, but not improvements or other property of Ground Lessor or Equipment Lessee on the Premises, to one or more mortgages on said fee estate and to renew, modify, consolidate, replace, extend and/or refinance said mortgage ("Fee Mortgage"). Ground Lessor shall be entitled to all of the proceeds from any such Fee Mortgage at any time effected pursuant hereto. Notwithstanding the foregoing, any and all Fee Mortgages shall at all times be subordinate to this Ground Lease (by means of a subordination agreement in form and substance satisfactory to Ground Lessee) as it may be amended or supplemented and to any replacement hereof and to any and all subleases hereunder. Ground Lessee shall not be required to subordinate Ground Lessee's leasehold interest to the lien of any such Fee Mortgage, nor shall Ground Lessee's estate, or any of its rights or the rights of any assignee or mortgagee hereto, be subject to defeasance or the reduction or interference with any of Ground Lessee's rights under this Ground Lease as a result of the foreclosure of any such Fee Mortgage. All such Fee Mortgages affecting the Premises shall recognize this Ground Lease and any and all of the rights of Ground Lessee and its successors and assigns hereunder.
11. **Performance by Ground Lessor.** Notwithstanding anything to the contrary contained herein, if Equipment Lessee fully complies with and performs its obligations under the Ground Sublease, such compliance and performance shall be deemed to satisfy all obligations of Ground Lessor under this Ground Lease including, without limitation, the obligations of Ground Lessor under Sections 7 and 8 hereof.
12. **Miscellaneous.** This Ground Lease may not be amended except by a writing signed by Ground Lessor and Ground Lessee. This Ground Lease shall be binding upon, and inure to the benefit of, the parties hereto, their permitted successors and assigns. **THIS AGREEMENT IS BEING DELIVERED IN, AND SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF, THE STATE OF NEW YORK, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICT OF LAWS (OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW). ANY ACTION BETWEEN THE PARTIES ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, INCLUDING NON-CONTRACTUAL CLAIMS, SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT LOCATED IN THE STATE OF NEW YORK; PROVIDED, THAT AT GROUND LESSEE'S SOLE OPTION, GROUND LESSEE MAY BRING AN ACTION IN THE STATE WHERE GROUND LESSOR OR THE EQUIPMENT IS LOCATED. GROUND LESSOR IRREVOCABLY WAIVES OBJECTIONS TO THE JURISDICTION OF SUCH COURTS AND WAIVES ANY ARGUMENT THAT VENUE IN ANY SUCH FORUM IS NOT CONVENIENT. GROUND LESSOR AND GROUND LESSEE HEREBY EACH WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THE GROUND LEASE. THIS WAIVER IS MADE KNOWINGLY, WILLINGLY AND VOLUNTARILY BY GROUND LESSOR AND GROUND LESSEE WHO EACH ACKNOWLEDGE THAT NO REPRESENTATIONS HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THE GROUND LEASE.**
13. **More than One Ground Lessor.** If more than one person or entity executes this Ground Lease as "Ground Lessor," the obligations of "Ground Lessor" contained herein shall be deemed joint and several and all references to "Ground Lessor" shall apply both individually and jointly.
14. **Entire Agreement.** This Ground Lease constitutes the entire understanding or agreement between Ground Lessor and Ground Lessee with respect to the leasing of the Premises, and there is no understanding or agreement, oral or written, which is not set forth herein.
15. **Execution in Counterparts.** This Ground Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
16. **Representations and Warranties.** Ground Lessor hereby makes the following representations and warranties, which representations and warranties shall be continuing:
- (a) Ground Lessor has full authority to own and lease its properties and to carry on its business as currently conducted and as anticipated to be conducted.

- (b) Ground Lessor has duly authorized the execution, delivery and performance of this Ground Lease, such Ground Lease has been duly executed and delivered and such Ground Lease constitutes the binding and enforceable obligations of Ground Lessor in accordance with its terms.
- (c) The execution, delivery and performance of this Ground Lease by Ground Lessor:
- (i) does not violate any law applicable to Ground Lessor, the Premises or its other properties;
  - (ii) does not violate or constitute a breach of, or default under, any document or agreement to which Ground Lessor is a party or to which its properties are subject; and
  - (iii) does not require any consents, filings with or notices to any party or parties which have not been obtained or made.
- (d) The execution, delivery and performance of this Ground Lease by Ground Lessor will not cause it to be insolvent and will not result in a fraudulent conveyance under any applicable laws.
- (e) Ground Lessor is the fee owner of the Premises, free and clear of all Liens other than Permitted Liens.
17. This Ground Lease may be amended or modified only in writing signed by Ground Lessor and Ground Lessee; provided, however, Ground Lessor hereby agrees to consent to any amendment in connection with the execution of a new equipment lease between Ground Lessee, as lessor thereunder, and a new lessee of the Equipment.
18. **Equipment and Improvements Located at the Premises.** The Ground Lessor and the Ground Lessee acknowledge, covenant and agree that all buildings, improvements, facilities, equipment and personal property located at or on the Premises (collectively, the "Improvements") have been conveyed to, and are owned by, the Ground Lessee and that the Ground Lessor has no right, title and interest in the Improvements and has no right, ability or authority to convey title to, or grant liens or security interests in, the Improvements.

**IN WITNESS WHEREOF,** Ground Lessor and Ground Lessee have executed this Ground Lease as of the day and year first above written.

**Ground Lessor:**

T&W LAND HOLDING LLC

**Ground Lessee:**

SELCO SERVICE CORPORATION

By: 

Name: Tricia Hill

Title: Member

By: \_\_\_\_\_

Name:

Title:

STATE OF )  
 ) ss  
COUNTY OF )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me the subscriber personally appeared \_\_\_\_\_, who being by me duly sworn, did depose and say that (s)he resides at \_\_\_\_\_ County, State of \_\_\_\_\_; that (s)he is a \_\_\_\_\_ of SELCO Service Corporation, the corporation described in and which executed the foregoing instrument; and that (s)he signed his/her name thereto by order of the Board of Directors of said corporation.

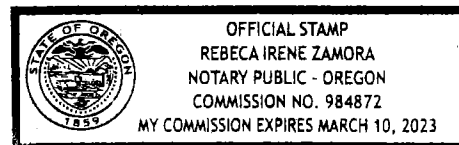
NOTARY PUBLIC

My Commission Expires:

STATE OF Oregon )  
 ) ss  
COUNTY OF Klamath )

On this 11<sup>th</sup> day of August, 2022, before me the subscriber personally appeared Tricia Marie Hill who being by me duly sworn, did depose and say that (s)he resides at Klamath County, State of Oregon; that (s)he is a Owner of T&W LAND HOLDING LLC, the limited liability company described in and which executed the foregoing instrument; and that (s)he signed his/her name thereto by order of said limited liability company.

Rebeca Irene Zamora  
NOTARY PUBLIC  
My Commission Expires: March 10, 2023



- (b) Ground Lessor has duly authorized the execution, delivery and performance of this Ground Lease, such Ground Lease has been duly executed and delivered and such Ground Lease constitutes the binding and enforceable obligations of Ground Lessor in accordance with its terms.
- (c) The execution, delivery and performance of this Ground Lease by Ground Lessor:
- (i) does not violate any law applicable to Ground Lessor, the Premises or its other properties;
  - (ii) does not violate or constitute a breach of, or default under, any document or agreement to which Ground Lessor is a party or to which its properties are subject; and
  - (iii) does not require any consents, filings with or notices to any party or parties which have not been obtained or made.
- (d) The execution, delivery and performance of this Ground Lease by Ground Lessor will not cause it to be insolvent and will not result in a fraudulent conveyance under any applicable laws.
- (e) Ground Lessor is the fee owner of the Premises, free and clear of all Liens other than Permitted Liens.
17. This Ground Lease may be amended or modified only in writing signed by Ground Lessor and Ground Lessee; provided, however, Ground Lessor hereby agrees to consent to any amendment in connection with the execution of a new equipment lease between Ground Lessee, as lessor thereunder, and a new lessee of the Equipment.
18. **Equipment and Improvements Located at the Premises.** The Ground Lessor and the Ground Lessee acknowledge, covenant and agree that all buildings, improvements, facilities, equipment and personal property located at or on the Premises (collectively, the "Improvements") have been conveyed to, and are owned by, the Ground Lessee and that the Ground Lessor has no right, title and interest in the Improvements and has no right, ability or authority to convey title to, or grant liens or security interests in, the Improvements.

**IN WITNESS WHEREOF,** Ground Lessor and Ground Lessee have executed this Ground Lease as of the day and year first above written.

**Ground Lessor:**

T&W LAND HOLDING LLC

**Ground Lessee:**

SELCO SERVICE CORPORATION

By: \_\_\_\_\_

Name: Tricia Hill

Title: Member

By:  \_\_\_\_\_

Name: **Toni Stenvold**

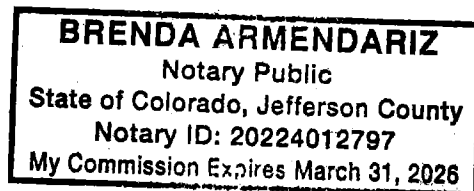
Title: **Vice President**

STATE OF Colorado )  
COUNTY OF Jefferson ) ss

On this 15 day of August, 2022, before me the subscriber personally appeared Toni Stenvold, who being by me duly sworn, did depose and say that (s)he resides at Boulder County, State of Colorado; that (s)he is a vice President of SELCO Service Corporation, the corporation described in and which executed the foregoing instrument; and that (s)he signed his/her name thereto by order of the Board of Directors of said corporation.

Brenda Armendariz  
NOTARY PUBLIC

My Commission Expires:



STATE OF )  
 ) ss  
COUNTY OF )

On this \_\_\_\_ day of \_\_\_\_\_, 2022, before me the subscriber personally appeared \_\_\_\_\_ who being by me duly sworn, did depose and say that (s)he resides at \_\_\_\_\_ County, State of \_\_\_\_\_; that (s)he is a \_\_\_\_\_ of T&W LAND HOLDING LLC, the limited liability company described in and which executed the foregoing instrument; and that (s)he signed his/her name thereto by order of said limited liability company.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

**Exhibit A**

**DESCRIPTION OF EQUIPMENT**

68'x267' Double Wide White Meridian Archwall Metal Storage Building with all attachments and accessories including but not limited to Concrete, Doors, Insulation, Air System and Ventilation Pipe, Double T Air Floor, Industrial Ventilation Equipment on Contract AAAQ6725, Winema Electric labor and materials

**Exhibit B**

**DESCRIPTION OF PREMISES**

Unsurveyed Parcel 1 of Land Partition 22-13 being a re-plat of unsurveyed Parcel 1 of Land Partition 06-12, situated in the SW1/4 of Section 6, Sections 7 and 8 and the S1/2 of Section 9, the East 1/2 of Section 16, the SW1/4 of Section 17, and Section 18, all in Township 38 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, recorded October 25, 2013 as 2013-012035.

**Exhibit C**

**PERMITTED LIENS**

There are no permitted liens except for the following:

1. Mortgage, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder, if any:

Amount: \$850,000.00  
Mortgagor: T & W Land Holding LLC, an Oregon limited liability company  
Mortgagee: KeyBank National Association  
Dated: November 20, 2017  
Grantor: T & W Land Holding LLC, an Oregon limited liability company  
Recorded: December 8, 2017  
Instrument No.: 2017-014003

2. Mortgage, including the terms and provisions thereof to secure the amount noted below and other amounts secured thereunder, if any:

Amount: \$850,000.00  
Mortgagor: T & W Land Holding LLC, an Oregon limited liability company  
Mortgagee: KeyBank National Association  
Dated: November 20, 2017  
Grantor: T & W Land Holding LLC, an Oregon limited liability company  
Recorded: December 8, 2017  
Instrument No.: 2017-014004

all of which will either be released or subordinated to the interests of SELCO Service Corporation upon the funding of the Equipment Lease.