

MTCE575319AM

After recording return to:
Jordan Ramis PC
Attn: Steven L. Shropshire
360 SW Bond St., Ste. 510
Bend OR 97702

Space reserved for recorder's use

EASEMENT AGREEMENT

Parties

BETWEEN: RCR Holdings LLC, an Oregon limited liability company ("Grantor")

AND: Steven Scott Smith and Tayla R. Smith, as Tenants by the Entirety ("Grantee")

EFFECTIVE DATE: This Easement Agreement ("Easement Agreement") is effective as of the date last signed below.

Recitals

- A. Grantor owns the real property in Klamath County consisting of approximately three thousand three hundred twenty-three (3,323) acres and described on **Exhibit A** ("Grantor's Property").
- B. Grantee owns the real property in Klamath County consisting of approximately two (2) acres and described on **Exhibit B** ("Grantee's Property").
- C. Grantee accesses Grantee's Property via an existing road over Grantor's Property. The northern portion of that road is located within two separate easements created pursuant to the plat for Land Partition 10-13 and by the document recorded in the Klamath County records at Vol. 361 Pg. 284 (collectively the "Existing Easements"). The southern 383 feet of the road crosses a portion of Grantor's Property for which no easement exists.
- D. Grantee desires to acquire from Grantor an easement across Grantor's Property to enable Grantee to access Grantee's Property along the entire course of the existing road.
- E. Grantor desires to grant to Grantee an easement across Grantor's Property to enable Grantee to access Grantee's Property along the entire course of the existing road.
- F. The parties desire to release the Existing Easements and set forth their mutual rights, duties, and expectations in a new easement agreement.

Agreement

1. **Consideration.** The parties enter into this Easement Agreement in exchange for the mutual covenants and benefits derived from the terms and conditions contained in this Easement Agreement.
2. **Grant of Easement.** Grantor grants Grantee a perpetual, non-exclusive easement (the "Easement") for the exclusive purpose of accessing Grantor's Property. The "Easement Area" is a strip of land varying in width—either thirty (30) feet or sixty (60) feet—centered on the centerline of the existing road as described and depicted in **Exhibit C**.
3. **Release of Existing Easements.** The parties intend for this Easement Agreement to supersede and replace the existing easements referenced in Recital C. Grantee hereby releases the existing easements.
4. **Grantee's Use of Easement Area.**
 - a. **No Waste.** Grantee will not commit waste to Grantor's Property, including the Easement Area. Grantee will not disturb or damage any improvements located on Grantor's Property that are not within the Easement Area.
 - b. **Easement Area Maintenance.** Grantee will be responsible for keeping the road within the Easement Area in good condition and repair.
 - c. **Compliance with Law.** Grantee will comply in all material respects with all applicable federal, state, and local laws, regulations, and ordinances and with the terms and conditions of all permits and approvals.
 - d. **No Liens.** Grantee will keep Grantor's Property free and clear of all liens, charges, and other monetary encumbrances arising out of Grantee's use of Grantor's Property pursuant to this Easement Agreement.
 - e. **Dual Use of the Easement Area.** The owner of Klamath County Map Nos. 3607-B0000-00800, 3607-B0000-00900, and 3607-B0000-01000 ("Curtiss Parcels") has entered into a separate easement agreement with Grantor to use the Easement Area to access the Curtiss Parcels ("Curtiss Grantee"). Grantee and Curtiss Grantee will be jointly and severally liable for all maintenance obligations and all damages resulting from a violation or violations of this Section 4.
5. **Grantor's Use of Easement Area.** Grantor reserves the right, in common with Grantee, to use the Easement Area for any and all purposes desired by Grantor, so long as such use does not interfere with the use of the Easement for its intended purposes, or obstruct any portion of the Easement. If Grantor wishes to undertake any activity within the Easement Area that is inconsistent with this section, Grantor must enter into an easement encroachment agreement with Grantee that expressly authorizes the nature and extent of any encroachment.
6. **Appurtenant Easement.** The Easement is appurtenant to Grantor's Property. The Easement burdens and runs with the land.
7. **Duration of Easement.** The Easement is perpetual in duration.

8. **Successors and Assigns.** All rights and obligations of the parties under this Easement Agreement will inure to the benefit of and will be binding upon the successors in interest, assigns, and representatives of the parties.
9. **Release from Liability.** Grantee acknowledges and agrees that, except to the extent expressly provided in this Easement Agreement, Grantor has no obligation or responsibility, under this Easement Agreement or otherwise, to protect the health, safety, or property of Grantee or others using the Easement Area. Grantee further acknowledges and agrees that Grantor has no responsibility under this Easement Agreement or otherwise to maintain or improve the road within the Easement Area, and will not look to Grantor for the payment of any maintenance- or improvement-related costs.
10. **Indemnity.** Grantee will save, protect, indemnify, forever release, defend, and hold harmless Grantor and its members, managers, lessees, contractors, employees, representatives, and agents (collectively, the "Indemnified Parties") and Grantor's Property from and against any and all claims, causes of action, losses, damages, suits, and liabilities of every kind, arising out of, having to do with, or related, directly or indirectly, to any use of Grantor's Property by or under Grantee or its members, managers, lessees, contractors, employees, representatives, or agents, including all expenses of litigation, court costs and reasonable attorney fees, and to pay off and discharge all expenses, fines, liens, claims, demands, penalties, natural resource damage assessments, damages, and liabilities of whatever character or description affecting the Indemnified Parties and Grantor's Property arising out of such use by or under Grantee, except for claims, causes of action, losses, damages, suits, and liabilities of every kind, arising out of Grantor's negligence or willful misconduct.
11. **Insurance.** During the term of the Easement, Grantee will maintain at all times a homeowners insurance policy, listing Grantor as an additional insured on such policy.
12. **Notice.** Any written notice required by this Easement Agreement will be deemed sufficient if sent by one party to the other at the address listed below for that party, or to such alternative address as may be on file with the Klamath County Assessor's office for issuing property tax statements for that party's property, or by email to the following addresses with confirmation of the email message being read by the other party.
- If to Grantor: RCR Holdings LLC
 Attention: Greg Nelson
 PO Box 5027
 Larkspur, CA 94977
 Email: gregnelson@freeflowholdings.com
- If to Grantee: Steven & Tayla Smith
 21033 W Hwy 140
 Klamath Falls, OR 97601
13. **Recording.** Grantor will record this Easement Agreement at Grantor's expense. Upon recording, Grantor will provide a copy of the recorded document to Grantee.
14. **Entire Agreement.** This Easement Agreement, including its exhibits, constitutes the entire agreement between the parties. No change to this Easement Agreement or to the rights and obligations created by this Easement Agreement is valid unless made by a written

amendment signed by both parties. There are no understandings, agreements, or representations, oral or written, regarding the subject matter of this Easement Agreement that are not specified in this Easement Agreement.

- 15. Default.** A party is in default of this Easement Agreement if the party fails to cure a breach of any term within ten (10) business days after written notice specifying the default or breach with reasonable particularity. If the breach or default is one which cannot be cured within the specified deadline, the breaching or defaulting party will not be in default or breach provided the party moves with all due diligence and speed to remedy the breach and default and cures the breach or default promptly and adequately.
- 16. Remedies.** Except as specifically set forth in this Easement Agreement, all rights and remedies of the parties will be construed and held to be cumulative. Upon a default under this Easement Agreement, the non-defaulting party may either: (i) proceed to cure the default by the payment of money or performance of some other action (for the account of the defaulting party); or (ii) exercise any other remedies to which the non-defaulting party may be entitled under this Agreement, in law, or in equity. The ten-day notice period provided in Section 15 will not be required in circumstances where the non-defaulting party determines immediate action is necessary for the protection of persons or property, in which event the non-defaulting party will give whatever notice to the defaulting party as is reasonable under the circumstances, if any. Within thirty (30) days of written demand, the defaulting party will reimburse the non-defaulting party for any sums expended by the non-defaulting party to cure the default, together with interest thereon, from the date when payment was due until the date the payment is made, at the default rate, defined as the lower of: (i) the highest interest rate permitted by law to be paid on such type of obligation; or (ii) United States Prime Rate last publicly announced by *Wall Street Journal* or its successor.
- 17. Dispute Resolution; Venue.** In the event of a dispute regarding the interpretation or enforcement of this Easement Agreement, the parties will first work in good faith to meet and resolve the dispute. If, after exhausting such efforts, the dispute cannot be resolved, the parties have the right to seek judicial relief. The venue for civil suit will be the Oregon State Circuit Court for Klamath County, or the United States District Court for the District of Oregon.
- 18. Waiver.** Failure of either party at any time to require performance of any provision of this Easement Agreement will not limit the party's right to require performance of such provision at any future time, nor will any waiver of any breach of any provision be a waiver of any succeeding breach of the provision or a waiver of the provision itself, or any other provision.
- 19. Attorney Fees and Costs.** In the event suit or action is instituted to enforce or interpret any of the terms of this Easement Agreement or to enforce any right arising out of or in any way connected with this Easement Agreement, the prevailing party will be entitled to recover from the other party its actual attorney fees both at trial and on appeal of such suit or action, in addition to all other sums provided by law, including actual paralegal fees and expert witness fees. The parties will each bear their own costs and attorney fees for the negotiation of this Easement Agreement.
- 20. Governing Law.** This Easement Agreement will be governed by and construed under the laws of the State of Oregon without regard to principles of conflict of laws.

21. Severability. In the event any phrase, clause, sentence, paragraph, section, article, or other portion of this Easement Agreement becomes illegal, null, or void, or against public policy, for any reason, or is held by any court of competent jurisdiction to be illegal, null, or void, or against public policy, the remaining portions of this Easement Agreement will not be affected thereby and will remain in force and effect to the fullest extent permissible by law.

22. Interpretation of Easement Agreement.

- a. The parties declare and represent: (i) that they fully understand the terms of this Easement Agreement and voluntarily agree to it; (ii) that they have had an opportunity to retain competent, independent counsel to review the Easement Agreement; and (iii) that each party and its counsel are not relying upon any statements, representations, or omissions from the other party, except those specifically set forth in this Easement Agreement. This Easement Agreement will not be construed in favor of or against either party, but will be construed as if both parties prepared this Easement Agreement.
- b. Where the context so requires, the singular will be deemed to include the plural and the plural the singular. Nothing contained in this Easement Agreement will be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provisions contained in this Easement Agreement and any present or future statute, law, ordinance, or regulation, the provision of this Easement Agreement that is affected will be curtailed and limited only to the extent necessary to bring it within the requirements of the law.
- c. The paragraph captions of this Easement Agreement will not be deemed to interpret, define, or construe this Easement Agreement.

23. Grantor's Right to Grant Easement Subject to Encumbrances and Exceptions.

Grantor warrants and represents to Grantee that Grantor owns Grantor's Property, and that Grantor is fully empowered to grant the Easement, subject to liens, encumbrances, and exceptions of record.

24. Authority. The signatories below represent that they have the full power, right, and authority to enter into and perform their obligations under this Easement Agreement, and this Easement Agreement constitutes the legal, valid, and binding obligation of each party enforceable against that party in accordance with its terms.

25. Counterparts. This Easement Agreement may be signed in counterparts.

[Signatures and Acknowledgments Follow]

GRANTOR:

Its: Member

By:

Greg Nelson, Manager

Date:

10/19

, 2023

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

[illegible]

On October 19, 2023, before me, KATHLEEN McMAHON personally appeared Greg Nelson as the Manager of PFC Resources LLC, a Delaware limited liability company, member of RCR Holdings LLC, an Oregon limited liability company, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Katalin M.

(Seal)



GRANTEE:

By: [Signature]
Steven Scott Smith

Date: 10/25, 2023

By: Tayla R. Smith
Tayla R. Smith

Date: 10/25, 2023

STATE OF Oregon)
COUNTY OF Klamath) ss.

This instrument was acknowledged before me this 25 day of Oct., 2023,
by Scott Steven Smith, who stated he is authorized to execute the foregoing instrument.



[Signature]
NOTARY PUBLIC FOR OREGON
My Commission Expires: Nov. 21 2025

STATE OF Oregon)
COUNTY OF Klamath) ss.

This instrument was acknowledged before me this 25 day of Oct., 2023,
by Tayla R. Smith, who stated she is authorized to execute the foregoing instrument.



[Signature]
NOTARY PUBLIC FOR OREGON
My Commission Expires: Nov. 21 2025

EXHIBIT A

Grantor's Property

PARCEL 1:

Parcel 1 of Land Partition 43-01 in Sections 28, 32, 33, and 34 in Township 36 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon and Sections 3, 4, and 9, including Government Lot 4 in Section 4, in Township 37 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 2:

Township 37 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon:

Section 4: Government Lots 2, 3, 7, 8, 12, 13 and 14; SE1/4 NW1/4; NE1/4 SW1/4 and Government Lot 9 lying Southerly and Westerly of the Lake of the Woods Highway.

ALSO Government Lot 1 EXCEPT that portion thereof heretofore conveyed to Weyerhaeuser Timber Company to the State of Oregon by deed dated September 13, 1951, recorded October 3, 1951 in Volume 250, page 175, Deed Records of Klamath County, Oregon.

Section 8: NW1/4 SW1/4; S1/2SW1/4; NE1/4 SW1/4; SE1/4

Section 9: Government Lots 1, 2, 3, 4, 5, 6, 7, 8, and 9; N1/2 SW1/4; NW1/4 SE1/4

ALSO that part of the SW1/4 SW1/4 described as follows:

Beginning at the Southwest corner of said SW1/4 SW1/4; thence North along the West line of said SW1/4 SW1/4 to the Northwest corner thereof; thence East along the North line of said SW1/4 SW1/4 to the Northeast corner thereof; thence Southwesterly along a straight line to the point of beginning.

Section 17: N1/2 NW1/4

EXCEPTING THEREFROM that portion conveyed to the State of Oregon by and through its Department of Transportation by Warranty Deed recorded December 5, 2003 in Volume M03, page 89160, Microfilm Records of Klamath County, Oregon.

PARCEL 3:

Township 36 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon:

Section 21: Government Lot 1

Section 27: Government Lots 1, 2, 3, 4 and 5, SW1/4, SW1/4 SE1/4

Section 28: Government Lots 1 and 2, NE1/4, E1/2 SE1/4, and NW1/4 SE1/4

EXCEPTING the following: Beginning at the Northwest corner of said NW1/4 SE1/4; thence South along the West line of said NW1/4 SE1/4 to the Southwest corner thereof; thence East along the South line of said NW1/4 SE1/4 to the Southeast corner thereof; thence Northwesterly along a straight line to the point of beginning.

Section 33: That portion of Government Lot 1, more particularly described as follows:

Beginning at the Northeast corner of said Section 33; thence West along the North line thereof to the Southwest corner of the SE1/4 SE1/4 of Section 28; thence Southeasterly along a straight line to the Southeast corner of said Government Lot 1; thence North along the East line of said Section 33 to the point of beginning.

Section 34: Government Lot 6, NW1/4 NE1/4, N1/2 NW1/4, SW1/4 NE1/4, SE1/4 NW1/4, The East 60 feet of the E1/2 SW1/4, that portion of the SW1/4 NW1/4, more particularly described as follows:

Beginning at the Northwest corner of said SW1/4 NW1/4; thence Southeasterly along a straight line to the Southeast corner of said SW1/4 NW1/4; thence North along the East line of said SW1/4 NW1/4 to the Northeast corner thereof; thence West along the North line of said SW1/4 NW1/4 to the point of beginning.

PARCEL 4:

A parcel of land situated in the N1/2 of the N1/2 of Section 3, Township 37 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point which bears North 89° 10' 48" West 60.00 feet from the N1/4 corner of said Section 3; thence South 01° 12' 43" East 699.28 feet to the North line of Eagle Ridge Road; thence along the North line of Eagle Ridge Road 152.28 feet along the arc of a 307.03 feet radius curve to the left, the long chord of which bears North 43° 46' 29" East 150.73 feet and having a delta angle of 28° 25' 04"; thence 307.71 feet along the arc of a 480.00 foot radius curve to the right, the long chord of which bears North 47° 55' 52" East 302.47 feet and having a delta angle of 36° 43' 51"; thence 64.33 feet along the arc of a 110.00 radius curve to the right, the long chord of which bears North 83° 03' 05" East 63.42 feet and having a delta angle of 33° 30' 36"; thence leaving the North line of Eagle Ridge Road North 00° 09' 31" East 374.12 feet to a point on the North line of said Section 3; thence along the North line of said Section 3 at a bearing of North 89° 10' 48" West 407.63 feet to the point of beginning; with bearings based on County Survey 6076.

PARCEL 5:

Parcel 1 of Land Partition 10-13 situated in the SW1/4 of Section 34, Township 36 South, Range 7 East of the Willamette Meridian, and the NW1/4 of Section 3, Township 37 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, recorded August 15, 2013 in Volume 2013-009390, Microfilm Records of Klamath County, Oregon.

EXHIBIT B

Grantee's Property

Parcel 2 of Land Partition 10-13 being situated in the SW1/4 of Section 34, Township 36 South, Range 7 East and the NW1/4 of Section 3, Township 37, Range 7 East of the Willamette Meridian, Klamath County, Oregon recorded August 15, 2013 in Volume 2013-009390, Microfilm Records of Klamath County, Oregon.

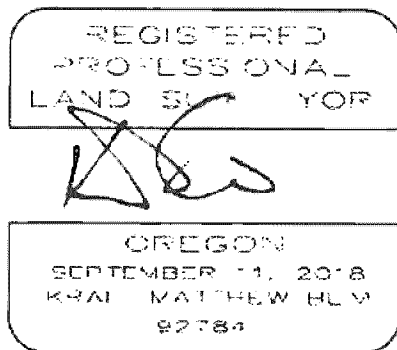
EXHIBIT C

Easement Area Legal Description

An area of land in the Northeast 1/4 of Section 33 and the West 1/2 of Section 34, Township 36 South, Range 7 East, and in the North 1/2 of Section 3, Township 37 South, Range 7 East, Willamette Meridian, Klamath County, Oregon. A 60-foot strip of land, lying 30 feet on each side of the following described centerline:

Beginning at an iron pin from which the quarter corner common to said Section 34 and Section 3 bears North 89°10'48" West 347.63'; thence South 00°09'31" West 374.12' to a 5/8" iron pin; thence 31.72 feet along a 110.00-foot radius curve to the left, the long chord of which bears North 88°31'34" West 31.61 feet to the True Point of Beginning; thence North 43°34'26" West 44.42 feet; thence North 54°16'27" West 282.39 feet; thence North 41°54'28" West 56.50 feet; thence North 14°54'10" West 130.36 feet to a point on the north line of said Section 3 which bears North 89°10'48" West 30.00 feet from said quarter corner common to Section 34 and Section 3; thence parallel with the north-south centerline of said section 34 North 0°22'12" East 824.48 feet to a point after which the strip of land is 30.00 feet wide, lying 15.00 feet on each side of the following described centerline; thence North 69°38'04" West 150.11 feet; thence North 63°18'23" West 485.41 feet; thence North 34°41'33" West 129.20 feet to the point of termination, being a point on the easterly line of Parcel 2 as shown on Land Partition 10-13.

The sidelines of said strip of land shall be extended or shortened as required to extend at angle and end points.



EXPIRES 12/31/25

Easement Area Diagram

REGISTERED
PROFESSIONAL
LAND SURVEYOR

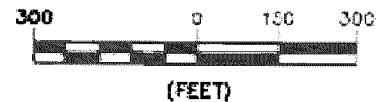
[Signature]

OREGON
SEPTEMBER 11, 2018
KRAIS MATTHEW GLEN
02784

EXPIRES: 12/31/23



SCALE: 1" = 300'



LEGEND

- SUBJECT PROPERTY LINES
- EASEMENT BOUNDARY LINES

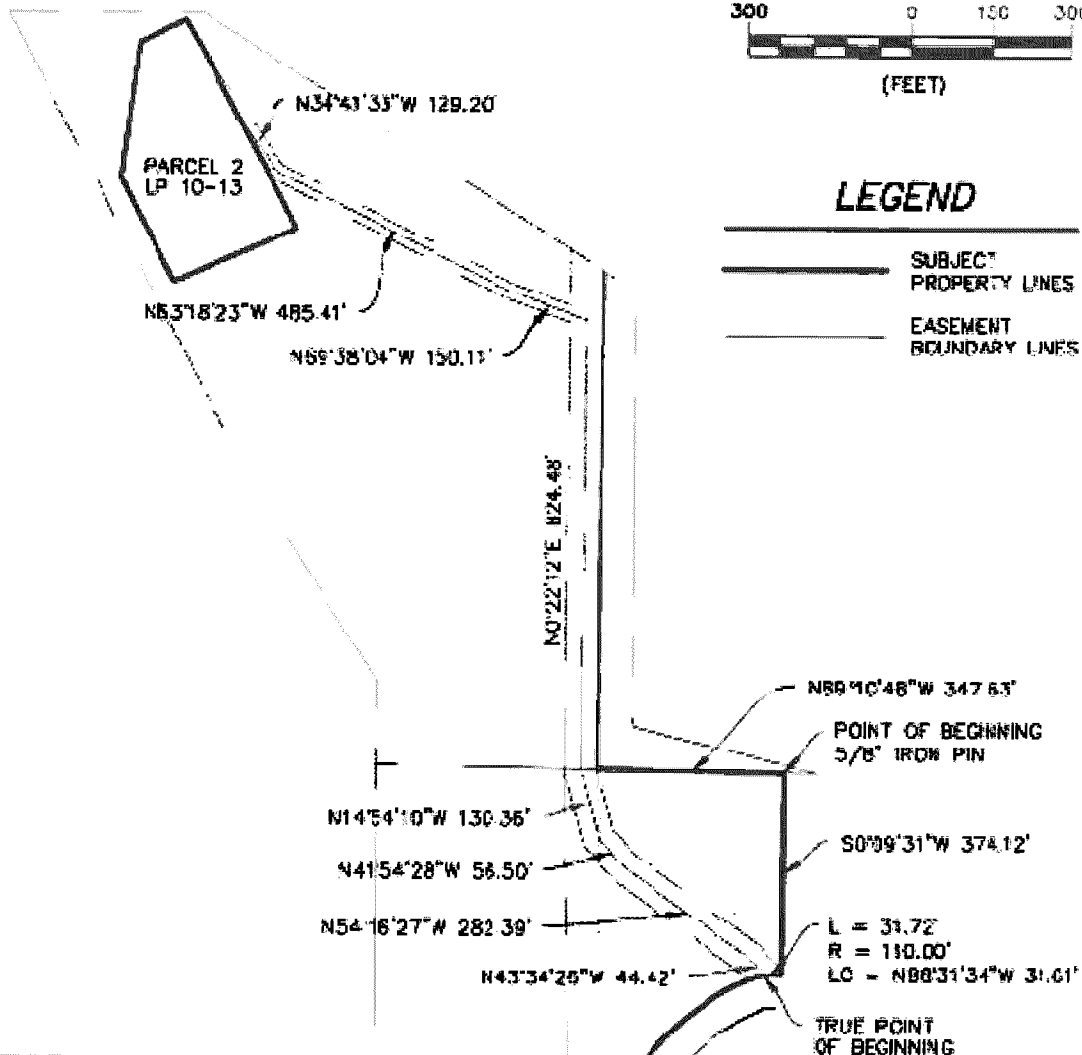


EXHIBIT A

ACCESS EASEMENT
SITUATED IN SECTIONS 33 & 34,
TOWNSHIP 36 SOUTH, RANGE 7 EAST AND SECTION
3, TOWNSHIP 37 SOUTH, RANGE 7 EAST,
WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON

AL ADKINS
ENGINEERING & SURVEYING
1435 ESPLANADE AVENUE
KLAMATH FALLS, OR 97601
c / 541.884.4555
w / AdkinsEngineering.com
ENGINEERING • PLANNING • SURVEYING

9-27-2023

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