

94548

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L E A S E

Lease made June 1, 1982, between PORT OF SKAMANIA COUNTY, a corporation organized under the laws of the State of Washington, having its principal office at Stevenson, County of Skamania, State of Washington, herein referred to as Lessor, and PHILIP A.B. WOODFALL and JUDITH A. WOODFALL, husband and wife, d/b/a SOLDER-CRAFT, of M.P. 0.45L Anchor Mountain Road, Stevenson, County of Skamania, State of Washington, herein referred to as Lessee.

Recitals

1. Lessor is the sole owner of the premises described below, and desires to lease said premises together with a 40' x 40' portion of a general purpose building located thereon and together with a right of reasonable access thereto to lessee for lessee's use to conduct a business of assembling electrical components.

2. Lessee desires to lease the premises for the purpose of conducting a business of assembling electrical components.

3. The parties desire to enter a lease agreement defining their rights, duties, and liabilities relating to the premises.

In consideration of the mutual covenants contained herein, the parties agree as follows:

SECTION ONE

Subject and Purpose

Lessor leases the following described premises together with a 40' x 40' portion of a general purpose building located thereon and together with a right of reasonable access thereto to lessee for lessee's use to conduct a business of assembling electrical components:

(See Exhibit "A" attached hereto and made a part hereof.)

SECTION TWO

Term and Rent

Lessor desires the above premises for a term of ten (10) years commencing the 1st day of June, 1982. Lessee shall pay Lessor for the use and occupancy of the demised premises \$370.00 per month, payable in advance without demand on the first day of each and every calendar month; Provided, however, that said monthly rental payments shall be reviewed by Lessor four years from the date of the first payment under this lease and every four years thereafter for the duration of this lease. If the average of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers,

Portland, Oregon - Washington all Items (1967 = 100) for the preceding four years deviates from the Base Index, the yearly rental shall be subject to adjustment of \$44.40 per year for each increment of 1% of such deviation; Provided, that in no event shall such adjustment reduce the monthly rental payments below \$370.00 per month.

The term "Base Index" shall mean the average Consumer Price Index for All Urban Consumers, Portland, Oregon - Washington All Items (1967 = 100) for the 1982 calendar year as compiled by the United States Department of Labor, Bureau of Labor Statistics.

If payment for rent is not received by Lessor within thirty (30) days of the due date, Lessee agrees to pay to Lessor an additional sum equal to ten percent (10%) of the amount in default, said sum being liquidated damages and not a penalty.

#### SECTION THREE

##### Repair

Lessee shall, at all times during the lease and at their own cost and expense, repair, replace, and maintain in a good, safe, and substantial condition, the building and any improvements, additions, and alterations thereto, on the demised premises, and shall use all reasonable precaution to prevent waste, damage, or injury to the demised premises. Excluding acts of God, not covered by insurance, Lessor shall not be liable for any collapse, or failure of ceiling, insulation or gilding.

#### SECTION FOUR

##### Taxes

Lessee shall pay to the proper authority on or before the last day on which payment may be made, without penalty or interest, all taxes, including any household tax due the State of Washington, assignments, or other governmental charges that shall or may during the term be imposed on, or arise in connection with the use or the demised premises or any part thereof. It is the intention of both parties that the rent herein is net rental, and Lessor shall receive the same free from all taxes that are made payable by Lessee.

#### SECTION FIVE

##### Utilities

All applications and corrections for necessary utility services on the demised premises shall be made in the name of Lessee only, and Lessee shall be solely liable for all utility charges as they become due, including taxes for sewage, water, gas, electricity, and telephone services.

#### SECTION SIX

##### Security Deposit

Lessee shall deposit with Lessor an irrevocable letter of credit from a banking institution acceptable to Lessor, or other

security satisfactory to Lessor, in the amount of \$9,000.00 which shall be held by Lessor for the full term of this lease as security for the full and timely performance by Lessee of the terms and conditions herein and for the payment of any final judgment that may be rendered against Lessee for a breach of those terms and conditions. The rights of Lessor against Lessee for a breach of this lease shall in no way be limited or restricted by this security deposit, but Lessor shall have the absolute right to pursue any available remedy to protect its interests herein, as if this security deposit had not been made. The deposit shall be returned to Lessee at the expiration of this lease provided that all the terms and conditions herein contained have been fully performed by Lessee. Should the demised premises be sold, Lessor may transfer or deliver this security deposit to the purchaser of the interest, and Lessor shall then be discharged from any further liability with respect to the security deposit.

#### SECTION SEVEN

##### Insurance

1. [Fire Insurance.] At all times during the term of this lease and for any further time that Lessee shall hold the demised premises, Lessee shall obtain and maintain at their expense fire insurance on all buildings and improvements on the demised premises, including all alterations and additions thereto, in an amount equal to the current full replacement cost of the demised premises, excluding the cost of excavation and foundations. Minimum limits - replacement value.

2. [Personal injury and property damage insurance.] During the term of this lease and for any further time that Lessee shall hold the demised premises, Lessee shall obtain and maintain at their expense personal injury and liability insurance in amounts and in forms of insurance policies as may from time to time be required by Lessor. Minimum limits - \$200,000.00 per person, \$500,000.00 per occurrence and \$100,000.00 property damage.

3. [Other Insurance.] Lessee shall provide and keep in force other insurance in amounts that may, from time to time, be required by Lessor against other insurable hazards as are commonly insured against for the type of business activity that Lessee will conduct; provided, said insurance is either required by law or customarily required by public lessors.

4. All insurance provided by Lessee as required by this section shall be carried in favor of Lessor and Lessee as their respective interests may appear, and in the case of insurance against damage to the demised premises by fire or other casualty, shall provide that loss, if any, shall be adjusted with and be payable to Lessor. All insurance shall be written with responsible companies that Lessor shall approve, and the policies

shall be held by Lessor. All policies shall require 30 days' notice by registered mail to Lessor of any cancellation or change affecting any interest of Lessor.

#### SECTION EIGHT

##### Unlawful or Dangerous Activity

Lessee shall neither use nor occupy the demised premises or any part thereof for any unlawful, disreputable, or ultrahazardous business purpose nor operate or conduct their business in a manner constituting a nuisance of any kind. Lessee shall immediately, on discovery of any unlawful, disreputable, or ultrahazardous use, take action to halt such activity.

#### SECTION NINE

##### No Liens and Indemnity

Lessee will not cause or allow any liens to attach to said property. Lessee shall indemnify Lessor against all expenses, liabilities, and claims of every kind, including reasonable counsel fees, by or on behalf of any person or entity arising out of either (1) a failure by Lessee to perform any of the terms or conditions of this lease, (2) any injury or damage happening on or about the demised premises; (3) failure to comply with any law of any governmental authority, or (4) any mechanic's lien or security interest filed against the demised premises or equipment, materials, or alterations of buildings or improvements thereon.

#### SECTION TEN

##### Default or Breach

Each of the following events shall constitute a default or breach of this lease by Lessee:

1. If Lessee, or any successor or assignee of Lessee while in possession, shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors.

2. If involuntary proceedings under any bankruptcy law or insolvency act shall be instituted against Lessee, or if a receiver or trustee shall be appointed of all or substantially all of the property of Lessee, and such proceedings shall not be dismissed or the receivership or trusteeship vacated within 90 days after the institution or appointment.

3. If Lessee shall fail to pay Lessor any rent when the same shall become due and shall not make the payment within 14 days after notice in writing by Lessor to Lessee.

4. If Lessee shall fail to perform or comply with any of the conditions of this lease and if the nonperformance shall continue for a period of 14 days after notice thereof by Lessor to Lessee or, if the performance cannot be reasonably had within the 14-day period, Lessee shall not in good faith have commenced performance within the 14-day period and shall not diligently proceed to completion of performance.

5. If Lessee shall vacate or abandon the demised premises.

6. If this lease or the estate of Lessee hereunder shall be transferred to or shall pass to or devolve on any other person or party, except in the manner herein permitted.

7. If Lessor fails to take possession of the demised premises on the term commencement date, or within 60 days after notice that the demised premises are available for occupancy.

#### SECTION ELEVEN

##### Effect of Default

In the event of any default hereunder, as set forth in Section Ten, the rights of Lessor shall be as follows:

1. Lessor shall have the right to cancel and terminate this lease, as well as all of the right, title, and interest of Lessee hereunder, by giving to Lessee not less than 30 days' notice of the cancellation and termination. On expiration of the time fixed in the notice, this lease and the right, title, and interest of Lessee hereunder, shall terminate in the same manner and with the same force and effect, except as to Lessee's liability, as if the date fixed in the notice of cancellation and termination were the end of the term herein originally determined.

2. Lessor may elect, but shall not be obligated, to make any payment required of Lessee herein or comply with any agreement, term, or condition required hereby to be performed by Lessee, and Lessor shall have the right to enter the demised premises for the purpose of correcting or remedying any such default and to remain until the default has been corrected or remedied, but any expenditure for the correction by Lessor shall not be deemed to waive or release the default of Lessee or the right of Lessor to take any action as may be otherwise permissible hereunder, in the case of any default.

3. Lessor may re-enter the premises immediately and remove the property and personnel of Lessee, and store the property in a public warehouse or at a place selected by Lessor, at the expense of the Lessee. After re-entry Lessor may terminate the lease on giving 14 days' written notice of termination to Lessee. Without the notice, re-entry will not terminate the lease. On termination Lessor may recover from Lessee all damages proximately resulting from the breach, including the cost of recovering the premises and the worth of the balance of this

lease over the reasonable rental value of the premises for the remainder of the lease term, which sum shall be immediately due Lessor from Lessee.

After re-entry, Lessor may relet the premises or any part thereof for any term without terminating the lease, at the rent and on the terms as Lessor may choose. Lessor may at any time after a reletting terminate the lease for the breach on which Lessor had based the re-entry and subsequently relet the premises.

#### SECTION TWELVE

##### Access to Premises; Signs Posted by Lessor

Lessee shall permit Lessor or his agents to enter the demised premises at all reasonable hours to inspect the premises or make repairs that Lessee may neglect or refuse to make in accordance with the provisions of this lease.

#### SECTION THIRTEEN

##### Port of Skamania County Land Standards

Lessee agrees to be bound by and comply with the Port of Skamania County Land Standards, a copy of which is incorporated herein and annexed hereto as exhibit "B".

#### SECTION FOURTEEN

##### Easements, Agreements, or Encumbrances

The parties shall be bound by all existing easements, agreements, and encumbrances off record relating to the demised premises, and Lessor shall not be liable to Lessee for any damages resulting from any action taken by a holder of an interest pursuant to the rights of that holder, the burden of which may fall upon the premises.

#### SECTION FIFTEEN

##### Mixtures

All fixtures of a permanent nature shall become realty unless a previous agreement in writing is signed by the parties and is on file with the lessor.

#### SECTION SIXTEEN

##### Quiet Enjoyment

Lessor warrants that Lessee shall be granted peaceable and quiet enjoyment of the demised premises free from any eviction or interference by Lessor if Lessee pays the rent and other charges provided herein and otherwise fully and punctually performs the terms and conditions imposed on Lessee.

#### SECTION SEVENTEEN

##### Liability of Lessor

Lessee shall be in exclusive control and possession of

the demised premises, and Lessor shall not be liable for any injury or damages to any property, or to any person on or about the demised premises nor for any injury or damage to any property of Lessee. The provisions herein permitting Lessor to enter and inspect the demised premises are made to insure that Lessee is in compliance with the terms and conditions hereof, and makes repairs that Lessee has failed to make. Lessor shall not be liable to Lessee for any entry on the premises for inspection purposes.

#### SECTION EIGHTEEN Waivers

The failure of Lessor to insist on a strict performance of any of the terms and conditions hereof, shall be deemed a waiver of the rights or remedies that Lessor may have regarding that specific instance only, and shall not be deemed a waiver of any subsequent breach or default in any terms and conditions.

#### SECTION NINETEEN

##### Notice

All notices to be given with respect to this lease shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid and return receipt requested, to the party to be notified at the address set forth herein or as such other address as either party may from time to time designate in writing.

Every notice shall be deemed to have been given at the time it shall be deposited in the United States mails in the manner prescribed herein.

Lessor:

Port of Skamania County  
PO Box 413  
Stevenson, WA 98648

Lessee:

Philip A.B. and Judith A.  
Woodfall, d/b/a "Solder-Craft"  
P.O. 458, Archer Mountain Rd.  
Stevenson, Wa. 98648

#### SECTION TWENTY Assignment, Mortgage, or Sublease

Neither Lessor nor their successors or assigns shall assign, mortgage, pledge, or encumber this lease or sublet the demised premises in whole or in part, or permit the premises to be used or occupied by others, nor shall this lease be assigned or transferred by operation of law, without the prior consent in writing of Lessor in each instance. Lessee may assign to Lessee's corporation with personal guarantee.

#### SECTION TWENTY-ONE Total Agreement; Applicable to Successors

This lease contains the entire agreement between the parties

and cannot be changed or terminated except by a written instrument subsequently executed by the parties hereto. This lease and the terms and conditions hereof apply to and are binding on the heirs, legal representatives, successors, and assigns of both parties.

SECTION TWENTY-TWO

Applicable Law

This agreement shall be governed by and construed in accordance with the laws of the State of Washington.

SECTION TWENTY-THREE

Time of the Essence

Time is of the essence in all provisions of this lease.

IN WITNESS WHEREOF, the parties have executed this lease at Stevenson, Washington, the day and year first above written.

Lessor:

PORT OF SKAMANIA COUNTY

By:

Robert H. Tichenor President

*Olae Sams*

Eldon Sims, Secretary

*16-118*

Albert H. McKee, Commissioner

STATE OF WASHINGTON

County of Skamania

On this day personally appeared before me ROBERT H. TICHENOR, ELDON SIMS and ALBERT H. MCKEE, the President, Secretary and Commissioner, respectively, of the Port of Skamania County, who are known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes thereintended.

GIVEN under my hand and official seal this 10th day of Aug., 1882.

*J. R. Finch*  
Notary Public in and for the  
State of Washington, residing  
at Stevenson.

STATE

94548

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STATE OF WASHINGTON )  
County of Skamania ) ss.

On this day personally appeared before me PHILIP A.B. WOODFALL and JUDITH A. WOODFALL, husband and wife, d/b/a SOLDER-CRAFT, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 10th day of Aug., 1982.

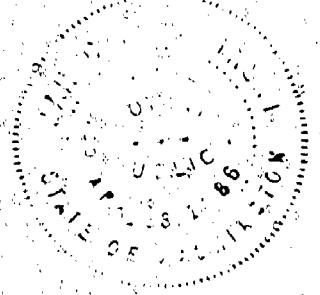
  
Notary Public in and for  
the State of Washington,  
residing at Stevenson.

EXHIBIT "A"

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A parcel of land located in Section 20, Township 21 N., Range 7 E., Clallamette Division in Skamania County, Washington, having the boundaries described as follows.

Commencing at a point on the Southerly right-of-way line of the Northern Pacific Railroad, South 00-55-45 West a distance of 3122.75 feet from the intersection of the North line of the S. N. Hamilton D.L.C. Number 40 with the west line of said Section 20; thence South 84-11-45 East along said Southerly right-of-way a distance of 64.52 feet; thence along the arc of a 750.00 foot radius, bearing Right, (the chord of which bears South 75-22-51 East a distance of 75.50 feet), a distance of 75.62 feet to the point of beginning of said following described property; thence continuing along the arc of said 750.00 foot radius, Curved Right, (the chord of which bears South 72-46-34 East a distance of 75.90 feet), a distance of 75.07 feet; thence South 23-44-13 East a distance of 942.25 feet, to the Northerly right-of-way of the Northern Pacific Railroad; thence North 33-41-22 West along said right-of-way a distance of 50.00 feet; thence North 05-45-15 East a distance of 104.21 feet to the point of beginning.

Contains 6.164 square feet more or less.

T.D.A# 61409-03

EXHIBIT "A"

EXHIBIT "B" 6 612

PORT OF SKAMANIA COUNTY LAND REQUIREMENTS

All buildings, structures or improvements, advertising or display areas, or any part or projection thereof, at any time constructed or maintained and extended above the ground surface on lands leased or purchased from the Port of Skamania County, shall conform with the following:

1. SETBACKS: This minimum setback shall be 30 feet from the street property line to the building and 10 feet from side or rear property lines to the building.

2. LANDSCAPING: The minimum landscaping shall be 100% of the area between the building line and the street property line. The minimum landscaping shall be located on the street side of all walls, barriers, fences and other screening. In addition to this minimum there shall be at least four major trees per acre on the site. All areas unpaved or reserved for future expansion shall be either entirely landscaped or screened from public view. Landscaping may consist of shrubs to recognizable screen at the time of planting such fixtures as undeveloped ground, parking areas, railroad spurs, storage or loading areas. When such fixtures are not present, low ground covers, shrubs and lawns will be acceptable. Remaining landscaped yard areas may include the use of flagpoles, decorative balls, statues, fountains, pools and other water arrangements and various types of trees and shrubs.

All landscape development should be designed particularly to enhance the building scale and form; and be compatible with other nearby landscaping. New plantings shall be of such size and density that they are initially effective. The plantings shall be so maintained that they will merge into the industrial area in the shortest possible time.

3. WALLS AND FENCES: Walls and fences may be located anywhere within the sites except in the 30 foot front yard setback area.

4. SITE COVERAGE: The maximum area that may be covered by the principal building, accessory buildings, and future additions to either shall not exceed sixty (60) percent of the total area of the site.

5. BUILDING DESIGN AND FINISH: In general, buildings shall be kept simple in form. Special consideration shall be given in the design of each building to the surrounding environment such as adjacent buildings, lawns, trees, landscaping, etc. Exterior walls of all buildings shall be of exposed concrete aggregate, stucco, glass, architectural metal, brick or other prefinished material. Concrete, concrete block or wood siding are also acceptable materials for exterior walls, but they shall be finished by painting, staining or other processing. The type, style and color of all exterior walls shall be approved by the Port.

6. SIGNS: No advertising signs or billboards are permitted except those identifying the names and business of the persons or firms occupying the sites. Signs on roofs, fences, in front yard setbacks, or painted on exterior sides of buildings are prohibited. Signs are permitted to be placed upon the outside walls of the buildings, but shall not extend above the line of the roof meeting that wall. Flashing, moving, or internally illuminated signs will not be permitted, and signs shall not be placed or externally illuminated in a manner which is detrimental to neighboring occupancies or to the safe movement of traffic. Sign colors and details shall be submitted to the Port for approval prior to installation.

7. UTILITIES: All electrical and telephone service shall be brought underground into the sites and to the buildings. The purchaser or lessee will be responsible for the cost of such underground service. Pedestrian electrical transformers shall be located and screened so as to minimize viewing from any public area.

8. OUTSIDE STORAGE: All storage shall be visibly screened by landscaping, barriers, walls or coverings.

9. LOADING: All loading must be on site and no on-street loading is permitted. All truck loading docks and other loading areas shall be paved with a dust-free all-weather surface, be well drained and of a strength adequate for the truck traffic expected.

PORT OF SKAMANIA COUNTY LAND STANDARDS

103. PARKING: All vehicles must be parked in the garage or on-street parking is permitted. Employee parking shall be at the ratio of one space for every two employees. Spaces shall be provided for all employee vehicles. Visitor parking spaces shall be provided at the ratio of ten percent (10%) that of the total employee parking spaces. Minimum parking stall width shall be eight feet six inches (8' 6").

All parking areas shall be paved with asphaltic concrete or other surface of a strength adequate for the traffic expected. Parking areas are to be well drained but shall not exceed a ground slope gradient of four percent (4%).

104. AIR AND WATER POLLUTION: Discharge of smoke, particulates, odors and other pollutants into the air shall conform to standards of the Southwest Washington Pollution Control Authority. Airports responsible for a suspected source of air pollution shall provide the Authority with quantitative and qualitative information regarding the discharge that will adequately and accurately describe operating conditions.

The emission of offensive odors in such quantities as to be readily detectable at any point beyond the property line is prohibited. No open burning shall be permitted.

The discharge of any effluent, other than normal storm runoff, into either the Columbia River or any stream is prohibited unless prior permission has been received from the Port and the Washington State Department of Ecology.

105. NOISE: The leases or purchases of Port property will conform to the 1972 Federal Health and Safety Act. Any discharge of sound over 100 decibels above the property line will not be allowed. Non-combustion devices which contain compressed air utilized solely to serve as warning devices and being driven by hydraulic vehicles or trains are excluded.

106. OTHER UNDESIRABLES: No vibration disturbance caused by heavy vehicles or trains shall be permitted unless discernible at the property line of the lessor or lessee.

Except for exterior lighting, exterior paint and exterior wall insulation conducted entirely within an enclosed building, exterior insulation will be insulated away from adjacent properties.

All materials including wastes, trash, stored and piled materials will be maintained in a manner which will not distract or aid the propagation of insects or rodents or create a hazard.

No noxious or offensive trade, business or activity shall be conducted within the industrial, commercial, or recreational areas of the Port of Skamania County nor shall anything be done therein which may be or become a nuisance.

107. VARIANCES: If any of the standards set forth in this or any other bylaws or leases or purchases of Port property, varies as may be granted by a majority vote by the Board of Commissioners of the Port of Skamania County at their regularly scheduled monthly meeting. There will be no variance in listed articles eleven (11), twelve (12), or thirteen (13) of these Port of Skamania County Land Standards.

108. REVIEW AND APPROVAL: It is the responsibility of the Board of Commissioners of the Port of Skamania County, or their designee, to see that all of these standards are observed, and that proper review and approval is given for items one (1) through ten (10) prior to the commencement of any construction covered by these articles.

109. SEVERABILITY: If any provision of these land standards is held invalid, the remainder of these standards shall not be affected.