CARIN SITE LEASE

WATER FRONT RECREATION, INC., a Washington corporation, hereinafter called Leasur, in

confideration of the rents to be paid and covenants to be performed by ROBERT D. MITCHELSON,

heralnatter cartel Lesses, leases to Lesses the following described cabin site on the terms and condition: chated herein:

of the North Woods as shown in red on Exhibit "A" atterned Cabin site number 80 hereto (all distances being approximations), being part of Government Lots 4 and 8, Section 126, Township 7, North, Range 8 East, W.M., Skamania County, Washington, SUBJECT, however to an easement for right of way for access road acquired by the united States of America, United States Forest Service.

SECTION 1. OCCUPANCY

f.01 Tenm. This Leave is granted for the period beginning __ terminating on June 1, 2025, unless sooner terminated as hereinafter provided.

1.02 Meste. Lease. Lessor holds the above described premises under a lease, hereinafter referred to as the "master lease," daied August 11, 1970, from the State of Washington, acting by and through the Department of **Matural Resources.**

1.03 Maite: Lease incorporated. The master lease is on file with Lessor and is available for inspection. Lesse's rights hereunder are subject to all the terms, provisions, except ins and nervations set forth in said master lease (as to which Lessee is a sub-lessee) and incorporated herein by reference, including, without limiting the foregoing an assement for right of way for an access road acquired by the United States of America, United States Forest Service and the right of the State of Washington to inspect the premises at reasonable times.

SECTION 2. RENTAL

2.01 Besic Rental. As rental for each lease year, the Lossee shall pay the sum of FOUR HUNDRED

THE TY-PTVB - Dollar. (\$ 125.00 -----). Rent shall be paid in advance, on the first day of September in each year, hereinafter referrer to as the "anniversary date." All payments shall be made to Excess a 1850 (1921 - 1932 - 1932). Portland, Oregon, or at such other place at which the Lessor may notify the Lesse in writing. Hent for the fraction or any Jesse year shall be prorated. The lease year shall be from September 1 through the succeeding August.

2.02 Rent Adjustments. Lessor may, as of any anniversary date, increase the annual rental as follows:

(a) "I, der the marter lease, Lessor's rental to the State of Washington may be increased on June 1, 1980, and at intervals of no. Less than tan (10) years thereafter. Lessor may increase Lessee's rental increase that the Lessee shall be responsible for any rental to the shall be responsible for any required to pay shall equal the total rental increase under the master lease to Lessor multiplied by the Lessee's annual rental to the Lessee's rental increase that the Lessee is required to pay to the total rent lessee is required to pay to Lessor multiplied by the Lessee's annual rental as used herein shall mean the total rent the Lessee is required to pay to Lessor for the year immed ately preceding the year of the for tase. The afore old formula is illustrated as follows:

Lessed's hare of increase

Increase under master lease no Lerson

Lessee's innual rantal
Total annual rentals of sites

(b) In addition to the increase permitted under subparagraph (a) above, Lessur may as of any anniversary date, increase the annual rental hereunder on account of taxes and assessments arginst said real property in an amount, which together with prior increases on account of taxes and assessments, shall not exceed the total of the amount by which taxes and assessments on the land covered by the master lease exceeds such taxes for 1970, divided by the number of improved cabin sites on said anniversary date.

(c) Finally, every ten years beginning September 1, 1980, the annual rental shall, at the option of the Lessor, be adjusted to reflect the percent of increase from September 1, 1970, in the Consumer Price Index is published by the Bureau of Labor Statistics, U.S. Department of Labor; that is, the annual rental each year for the succeeding ten years shall be increased as compared with the arrival rental as set forth herein by the same remands as the increase in said Consumer Price Index differs from said index for September 1, 1970.

SECTION 3, LESSOR'S CONVENANTS

3.01 Declaration. In order to preserve the natural beauty of the North Woods, to provide for the control of stirctures proceed thereon, improvements to be made thereon, and for the purpose of extending to the residents therein the greatest possible peake, enjoyment, privedy, health, comfort, safety, and preservation of property values, Lessor does hereby cartify and declare that with the sole exception of ito 19, which is the North Woods Sales Office, the following resemblions, conditions, covering a part of all leases of property within the plat of the North Woods as the Panel appears on the map survey recorded in the office of the County Auditor of Skemania County, Washington.

3.02 Boat Yock. Lessor shall on struct a boat dock for the common use of residents of the North Woods. Its the event construction of said boat dock is not completed by September 1, 1972, it is hereby agreed that in lieu of such construction, Lessor shall contribute \$4,000,00 to the North Woods Association, hereinafter described in paragraph 5.09, for construction of such dock.

SECTION 4. USE OF SITE

4.0) Permitted Use. The cabin situ shall be used only for resident at purposes. To building shall be secred, altered, placed is permitted to remain on the cabin site of the than one detached single family distilling and shall be subjected in residential use, and the cabin site shall not be further subdivided into building lots.

4.02 Condition of Site. The premises hereby like dinate been inspected by Lassee and an accepted in

4.03 Vehicles. No vehicles shall be parked in readways. Vehicles shall not be operated darelessly or in excess of pusted speeds. No vehicle shall be operated at any time with hit a muffler in good working order. Excessive strotch noise or ennoying smoke are forbidden.

4.04 Maintenance. All lots shall et all times be kept in a clien, signally, and wholesome shoulding and no trash, garbaily, litter, junis, boxes, conteiners, bottles, cens, much nerv, implements, lumber, or other building materials stall be permitted to be, or remain apposed on any jot and visited from any street or adjoining or nearby is smiss.

A 05 Signs. No signs. Lany kind shall be displayed to the public view on any lot in the tract except one professional sign, or for sale or rent; and except one professional sign, or for sale or rent; and except was a superior of a level of a signs used by a building a level of a deep the property during the bonst used by a building it also deep to advert be the property during the bonst used by a building it is supported and except the formal section of upon any lot in the tract was stall any long by tone thereon which may be a building an annoyance or interest in the area.

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PAGE ONE -- CA//IN/ /LITE LEASE

61) P.O. BOX 603/(Elaperton, Oregon 1700)

V CABIN SITE LEASE continued

SECTION 5. IMPROVEMEN /S continued

- 4.07 Animais. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot, except that cats, dogs, or other household pets may be kept, but not for any commercial purpose. House hold pets shall not be allowed to hecome an annoyance or nuisance to the neighborhood.
- 4.08 Incineration. Because of unpleasant odors and unsightliness, no individual incinerator will be permitted on any lot.
- 4.08 Fires and Cireptaces. Interior fireplaces, stoves, or other type burner must be fireproofed by use of sparkproof screens. All fires must be extinguished before legying cabin. No fires shall be lit or maintained cutside of any cabin.
- 4.10 Firearms and Fireworks. Discharging firearms, firecrackers, rockets or any other fireworks with in the North Woods area shall be prohibited.
- 4.11 Commercial Jap. No platted lot shall be used for any commercial purpose, except that a Lassee may rent his cabin from time to time, and in such case shall be responsible that his tenants abide by these covenants.
- 4.12 Motorbikes. No motorbike or motorcycle riding of any nature shall be allowed except for ingress and egress.
 - 4.13 Fire Extinguisher. One fire extinguisher (minimum two quart capacity) must be kept in every cabin.
- 4.14 Trailers and Tents. No tent, house trailer, or mobile home, whether the same be on wheels or not, hall be permitted on any lot except during the period of cabin construction and for guests over a weekend period.
- 4.15 Solicitation. There shall be no solicitation or distriction of handbills or circulation of any kind without the written consent of Lessor.
- 4.16 Hose Bibs. One hose bib shall be installed on outside wall of each cabin for the protection on or before completion of the cabin.

SECTION 5. IMPROVEMENTS

- 5.01 Plans Approved. No building shall be erected, placed, or altered on the cabin site until the construction plans showing the location of the structure have been approved by the Lessor as to conformity with plan of development, quality of work manship and materials, harmony of extern "lesign and color with existing structures, and as to location with respect to topography and finish grade elevation. Such
- 5.02 Building Materials. All building construction shall be of wood frame. Wood frame stucco or simulated bric veneer construction is expressly prohibited. All roofs shall be of wood shingle or shake, or of an acceptable composition -- color to be approved prior to application by the Lessor or such person or persons designated by Lessor.
- 5,03 Completion. Cabins must be completed from all outward appearance within one (1) year from the time such construction is started. Cabin construction must be started within three years from the date of the signing of Cabin Site Leas
- 5.04 Tree Removal. The Lessee of each cabin site may remove from said site all trees, shrubs, and foliage necessary to prepare the property for building subject to the following conditions:

 As required by the State of Washington in the master lease, any tree whose diameter is

at chest height must be marked by Leszee for Lessor's inspection. Lessor will then notify the Washington State Departmen. of Natural Resources and request their then notify the washington state Department of Natural Resources and request their standard appraisal of value. Lesses will then pay Lestor for the value of the tree before removal. Any additional clearing beyond that necessary for the construction of improvements shall be prohibited. The intent is to remove as few trees as possible to the end that the community remain natural and rustic.

- 5.05 Los Markers. Lessae will use all reasonable care to make certain that the lot markers, as established by Lessor, are not moved and ratroyed.
- - 5.07 Ownership of improvements. The master lease provides as follows:
 - 6.07 Ownership of Improvements. The master lease provides as follows:

 "8.04 Ownership of Sub-lessee Improvements. All buildings and improvements, excluding removable personal property and trade fixtures on the leased site. [North Woods] effected by Sub-lessee [Lessee Iberein] will remain on said site of the lease dite. [North Woods] effected by Sub-lessee [Lessee Iberein] will remain on said site of the lease of this lease [master lease] or termination prior to the term of this lease [master lease] of this lease] held by the State under the provisions of paragraph 5.03 provided, however, upon the expiration of the lease [master lease], if the State is unsuccessful in re-leasing the leased site [North Woods], as at it, then each sub-lessee [Lessee herein] shall have a preferential right as allowed by law to rulessee from the State its sub-leased area; provided, further, upon the termination or expiration of this lease [master leave] or a sub-lease this lease] assigned under paragraph 5.09 that as a condition of any re-lease of the leased site or sub-leased site to any other party made during the three year period following the State shall require the subsequent Lessee to purchase the Sub-lessee's [Lassee herein] interest in the improver site as allowed by law, Expiration, as used in this paragraph, shell mean the expire* on of the lesse as of May 31, 2025."

 In agree that the terms and conditions of the above quoted paragraph shall be applicable provided:

The parties hereto agree that the terms and conditions of the above quoted paragraph shall be applicable provided:

(a) That Lessee is not in default under any of the terms and conditions of this lease; and (b) That Lesses's lesse expires May 31, 2025. In the event of earlier expires on of this lesse, all buildings and improvements located upon the premises shall be the property of Lessor.

The parties here to further agree that the benefits of paragraph 8.04 of the master lease shall be enforceable tolely agains: the State of Washington.

- B.08 Taxos and Assessments. The Lessee shall pay in annual payments all taxes and assessments that are now charged or may become phargeable against the improvements placed upon the cable site, now or in the future, commercing with the taxes first becoming due and payable after the date hereof, all before such taxes and assessments that due to the date hereof.
- 5.09. North Woods Association. The rouds in the plat and certain other common areas shall be held in the name of The North Worlds Association, a non-profit association, of which the Lesses of lots in the plat shall be responsible for the maintenance and repair of roads, the online water system including but not limited to water systems serving the cubins on the premises, dooks and common areas and improvements the read (if any), as well as other community functions which may be giften it by its marm, are: The owners (Lesses) of lots in the tractically a required to pay, dues of not less than one and one half dollars (113) per month and assossments to said. Association for their reasonable share of the costs of the functions and duties of the Association. Said dues thall commence, at the 10.26 to lots are leased. It is understood and agreed that Lessor shall all it is hereby delegated to fulfill all duties responsibilities and functions of the North Woods Association until fifty. (20) lots in the North Woods are leased. At the time Lessor shall call a meeting of all Lessess for the purpose of forming said Association.

SECTION 6. UTILITIES

6.01 Sewage. Individual sawage disposal systems installed by Lessee must be designed, locatest, and constructed in accordance with the legal regulations, laws and ordinances of Skemania County and the State of Weshington.

6.02 Reservation. Lessor reserves to itself and to its successors and assigns easyments in, under, and along all roads and other common areas in the plat for any utilities whether presently installed or not. In addition, an easyment is reserved in an area five (5) feat by ten (10) feat in one currier of each indition is selected by Lessor adjoining the road, for electric transformer vault and/or telephone and power service pederals if any. And the assignment of the leave as to each individual lot shall be subject to the right to cross over or under the same along the lot these, with utility lines if such may be necessary in the development of this subdivision or adjoining, subdivisions.

6.03 Water. Each cabin site has or will be furnished water at or near the lot line. Each lessed agrees to receive water from the water system supplying the North Woods and Jurther agrees to pay Lessor \$225.00 for the right to ranneot to said system.

6.04 Maintenance. The lesses shall bear the responsibility and expense of furnishing, installing, back-filling, and maintaining each underground trench or other digging upon such cabin site which is necessary for any utility connections or facilities to serve such cabin site.

SECTION 7. MISCELLANEOUS

7.01 Lessee's Duties. Lessee agrees to comply strictly with the Lessor's rules and regulations and all applicable Federal, State, County, and Municipal laws, rules and regulations relating to all activities contemplated under this lesse, including but not limited to, use of public or private roads, parking, fire and prevention of fire, public health, and polity ion of streams or lakes, and to assume all obligations thereby imposed upon the Lessor. Lessor may inspect the cabit site and cabin at any time to determine compliance with the terms of this lease.

7.02 Indemnification. Lessee hereby agrees to assume all risk of, and indemnify and hold harmless, and at the Lessee's expense, defend the Lessor from and against, any claims, lors, cost, legal actions, Pahillity or expense on account of personal injury to or death of any persons whomsoever, including but not limited to employees of the Lessor, or damage to or destruction of property to whomsoever belonging, including but not limited to property of the Lessor which might result from Lessee's activities on the leased premises. The Lessoe further agrees to indemnify and save harmless the Lessor from arry loss, cost, suit or expense resulting from Lessee's failure to comply with any of the provisions of any applicable laws rules or regulations.

7.0? surance. Lessee shall obtain fire, casualty and liability insurance as follows:

- e and casualty insurance in a sufficient amount to cover the replacement cost of any or all improveleased premises. Such insurance shall be carried by a responsible company or companies satisfactory to Lessor an notice of ca and casualty insurance shall be endorsed and delivered to Lessor with provision for thirty (39) days' attent to Lessor.
- (b) which and property insurance insuring Lessor and Lessee against all liability for damages to persons or property on the maintenance, use or occupancy of the leased premises or by reason of the conduct of any activity opined on therein. Such insurance shall be carried by a responsible company or companies satisfactory to Lessor in amounts not less than the following fimits, namely:
 - Bodily injury to or death of any one person, \$5,000.00;
 - (2) Bodily injury or death resulting from any one accident to two or more persons, \$10,000.60; and
 - (3) property damage, \$1.000.00.

Lessee shall deliver to Lessor certificates and receipts evidencing said policies of insurance and further provide with the company or companies for thirty (30) days' notice of cancellation to Lessor.

7.04 Assignment. Without the prior written consent of Lessor, Lessee shall not assign this lease or any interest therein, or sublet, and no heir, executor, administrator, receiver, trustee in bankruptcy or other assignue by operation of law shall assign or sublease without such written consent.

7.05 Waiver. Any waiver by the Lessor of any provisions hereof must be in writing, and any of the coverants, conditions, restrictions, in this lease may be annulled, waived, changed, or modified with respect to all or any portion of said property by Lessor at any time.

7.08 Attorneys' Fezs. In the event any action, suit, proceeding or appeal therefrom is brought to collect the rent due or to becone due hereunder, or any portion thereof, or to get possession of said premises, or to enforce compliance with this lease, or for failure to observe any of the covenants of this lease, the prevailing party shall be entitled to recover such sum as the Court may adjudge reasonable as attorneys' fess to be allowed in said suit, action, proceeding or appeal therefrom in addition to such other relief granted by the Court.

7.07 Co condemnation or acquisition during the existence of this lease as their interests therein shall then appear, whether or not by litigation, by any authority, person or corporation, whether public or private, of any title to or interest in all or any part of the premises.

7.08 Reservoir Level. The Lessee acknowledges by signing this lease that Pacific Power and Light Company has the right to flucture the waters of Swift Reservoir at any time within the provisions of Federal Power Commission License No. 2111 or as amended. The Lessee shall waive all claims or damage and shall indemnify Pacific Power and Light Company, the State of Washington, Lessor or their successors, if any, against any claim of damage prising from fluctuation in reservoir level or impairment of recreational use of the reservoir or shoreside or shating facilities.

7,09 Validity of Provisions. The determination of any Court that any provisions of this lease are unlawful or void shall not affect the validity of any other provision hereof.

7.10 Enforcement of Restrictions. Without in any way limiting the rights of Lessor, if the parties upon whom the provisions hereof are binding, or any of them, shall violate or attempt to violate any of the reservations, restrictions or coverants hereof, the Lessor or any lesses of land in the tract, shall hav, the right to compel performance of or compliance with the provisions hereof, to abate and remove, at the expense of the offending lesses or lesses of the property, any structures or areactions in violation of the provisions hereof and to prosecute any proceedings at law or in equity in furtherance of the aforesaid remedies in any Court having jurisdiction of such cases.

7.11. Reservations on Land. All of the reservations, conditions, expensits, expense as and restrictions shall run with the land and shall be binding on the lesses of all property covered haveby and all parties and persons cistming under them and on all property, within the tract.

7.12 Assignment. Without limiting Lessyr's right to sell of assign this was or land. Lessor may assign this less to a comporation, and it said core realion assures the obligations of Lessor thereby he released of and relieved from any and all obligations under this josse.

SECTION 8. TERMINATION

8.01 Default and Notice. If any default shall be made on the part of the Lessee in the observence or 8.01 Default and Notice. If any default shall be made on the part of the Lessee in the observance or performance of any of the terms, covenants, agreements, in provisions of this lease by him to be observed on formed and such default continues for sixty 1601 days after written notice, the lessor main, at it is option, immediately terminate this learning in the state of the state

12213 S.E. 11th Vancouver, Wn. 99999 0366

8.02 Mast r Lease Termination. It is expressly understood that Lessor has leased the premises from the State of Washington for a period ending June 1, 2025. The master lease provides that in the event it is reminated for any reason whatsorver, prior to the leas mination date, such termination shall operate as an assignment to the State of reason whatsorver, prior to the leas Washing on of this lease together with the unrestricted right of the State to receive payment of the rents herein provided from the anie of said assignment.

8.03 Failure to Provide Property Report. Lessee shell have the option to void this lease if he does not receive a property report prepared pursue it to the rules and regulations of the U.S. Department of Housing and Urban Development, in advance of or at the time of, his signing the lease; and Lesses shall have the right to revoke this lease within 48 hours after signing the lease if he did not recave the property report at least 48 hours before signing the lease. However, this option to void the lease shall not apply where Lessee has received the property report and inspected the lot or lots to be lessed in advance of slighing the lesse and reknowledges by his signal are that has made such inspection and has read and understands such report.

Lessee shall have the option to void this lease if he does not receive r property report prepared and pursuant to rules and regulations of the Oregon Subdivision Control Law ORS 92.210 -92.990 in advance of his signing this lease.

Each and every provision of this lease shall bind and shall inure to the benefit of the respective heits. representatives, successors and assigns of the partics. In the event lessee is more than one person, the liability of such persons hereunder shall be joint and several.

8.04 Earements. As shorn on the plat of "The North Woods", 20 feet easements are reserved to the Lessyr and its assigns on the water front partions of Lots 16, 17, 18, 19, 20, 21, 22, and 23 for purposes of community boat docks. Solid easements shall not prevent lesses of the above lots from developing their own shoreside docks providing such facilities do not interfere with the boat traffic pattern of the community dock system.

Five foot easements are reserved to the Lessor and its assigns on the southerly lot line of Lot 10, and the northerly lot line of Lot 11 for access to the water front. Said access to serve as pathway to boat docks if it is determined by Lessor that additional boot docks are needed to serve "The North Woods" cummunity.

IN WITNESS WHEREOF, the parties have executed this lease in duplicate, this ____

JULY, 1972, XXX

WATER FRONT RECREATION, INC.

LESSEE

I (wa) hereby acknowledge that prior to the signing of this lease, I (we) have received, read, and understand the PROPIERTY
REPORT prepared pursuant to the sules and regulations of the U.S. Department of Housing and Urban Development (office
of Interstate Land Sales Regist. Alons) and the PROPERTY REPORT of operations of the Oregon Subdivision control face ORS 92,210 — 92,390. Lawe) also of a powedge that I (we) have inspecially in the lot to be

GE FOUR - CABIN SITE LEASE

