

## CABIN SITE LEASE

WATER FRONT RECREATION, INC., a Washington corporation, hereinafter called Lessor, in consideration of the rents to be paid and covenants to be performed by FRANK G. and REBECCA J. HURT BUTT, 7955 S.W. 185th, Beaverton, Oregon 97006, hereby after called Lessee, leases to Lessee the following described cabin site on the terms and conditions stated herein.

Cabin site number 5 of the North Woods as shown in red on Exhibit "A" attached hereto (all distances being approximations), being part of Government Lots 4 and 5, Section 26, Township 7 North, Range 6 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

1.01 Term. This Lease is granted for the period beginning September 15, 1973, and terminating on June 1, 1978, unless sooner terminated as hereinafter provided.

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

1.03 Master Lease Incorporated. The master lease is on file with Lessor and is available for inspection. Lessor's rights hereunder are subject to all the terms, provisions, exceptions and reservations set forth in said master lease (to which Lessee is a sub-lessee) and incorporated herein by reference, including, without limiting the foregoing, easement 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 Basic Rental. As rental for each lease year, the Lessee shall pay the sum of Four Hundred Seventy-Five Dollars (\$475.00). Rent shall be paid in advance, on the first day of September in each year, hereinafter referred to as the "anniversary date." All payments shall be made to Lessor at Beaverton, Oregon, or at such other place at which the Lessor may notify the Lessee in writing. Rent for the fraction of any lease 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) Under the master lease, Lessor's rental to the State of Washington may be increased on June 1, 1980, and at intervals of not less than ten (10) years thereafter. Lessor may increase Lessee's rental hereunder at such times as Lessor's rental under the master lease is increased. The amount of such increase that the Lessee shall be responsible for and required to pay shall equal the total rental increase under the master lease to Lessor multiplied by the Lessee's annual rental to the Lessor divided by the total annual rental of the Lessees of the sites in the North Woods. Annual rental as used herein shall mean the total rent the Lessee is required to pay to Lessor for the year immediately preceding the year of the increase. The aforesaid formula is illustrated as follows:

Lessee's share of increase =  $\frac{\text{Increase under master lease to Lessor} \times \text{Lessee's annual rental}}{\text{Total annual rentals of sites}}$

(b) In addition to the increase permitted under subparagraph (a) above, Lessor may as of any anniversary date, increase the annual rental hereunder on account of taxes and assessments against 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 to the Consumer Price Index as 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 or compared with the annual rental as set forth herein by the same percentage as the increase in said Consumer Price Index differs from said index for September 1, 1970.

## SECTION 3. LESSOR'S COVENANTS

3.01 Declaration. In order to preserve the natural beauty of the North Woods, to provide for the control of structures erected thereon, improvements to be made thereon, and for the purpose of extending to the residents therein the greatest possible peace, enjoyment, privacy, health, comfort, safety, and preservation of property values, Lessor does hereby certify and declare that with the sole exception of lot 19, which is the North Woods Sales Office, the following reservations, conditions, covenants, agreements and restrictions shall become and are hereby made a part of all leases of property within the plat of the North Woods as the same appear on the map survey recorded in the office of the County Auditor of Skamania County, Washington.

3.02 Boat Dock. Lessor shall construct a boat dock for the common use of residents of the North Woods. In 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 \$5,000.00 to the North Woods Association, hereinafter described in paragraph 5.09, for construction of such dock.

## SECTION 4. USE OF SITE

4.01 Permitted Use. The cabin site shall be used only for residential purposes. No building shall be erected, altered, placed, or permitted to remain on the cabin site other than one detached single family dwelling and building incidental to residential use, and the cabin site shall not be further subdivided into building lots.

4.02 Condition of Site. The premises hereby leased have been inspected by Lessee and are accepted in their present condition.

4.03 Vehicles. No vehicles shall be parked in roadways. Vehicles shall not be operated carelessly or in excess of posted speeds. No vehicle shall be operated at any time without a muffler in good working order. Excessive motor noise or annoying smoke are forbidden.

4.04 Maintenance. All lots shall at all times be kept in a clean, tidy, and wholesome condition and no trash, garbage, litter, junk, boxes, containers, bottles, cans, machinery, implements, lumber, or other building materials shall be permitted to be or remain exposed on any lot and visible from any street or adjoining or nearby premises.

4.05 Signs. No signs of any kind shall be displayed to the public view on any lot in the tract except one professional sign, of not more than 18 inches by 24 inches in size, advertising the property for sale or rent, and except signs used by a builder or developer to advertise the property during the construction and sales period.

4.06 Nuisance. No noxious or offensive trade or activity shall be carried on or upon any lot in the tract nor shall anything be done thereon which may be or become an annoyance or nuisance in the area.

NEW ADDRESS:  
P O BOX 603  
BEAVERTON, ORE 97005



## SECTION 4. ENVIRONMENTAL CONTROLS

4.07 **Antennas.** No cables, livestock, or poultry of any kind shall be placed, hung, or kept on any lot, except that cats, dogs, or other household pets may be kept, but not for any commercial purpose. Household pets shall not be allowed to become overgrown, loose or nuisance to the neighborhood.

4.08 **Installation.** No use of unlicensed radio and any facilities, no individual ham radio will be permitted on any lot.

4.09 **Fires and Fireplaces.** Interior fireplaces, stoves, or other type burner must be fireproofed by use of sparkproof screens. All fires must be extinguished before leaving cabin. No fires shall be lit or maintained outside of any cabin.

4.10 **Firearms and Fireworks.** Discharging firearms, firecrackers, rockets or any other fireworks within the North Woods area shall be prohibited.

4.11 **Commercial Use.** No platted lot shall be used for any commercial purpose, except that a Lessee may rent his cabin from time to time, and in such case shall be responsible that his tenants abide by these covenants.

4.12 **Motorcycles.** No motorcycle 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, shall be permitted on any lot except during the period of cabin construction and for guests over a weekend period.

4.15 **Collection.** There shall be no solicitation or distribution of handbills or circulation of any kind without the written consent of Lessor.

4.16 **Hose Bids.** One hose bid shall be installed on outside wall of each cabin for fire 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 workmanship and materials, harmony of external design and color with existing structures, and as to location with respect to topography and finish grade elevation. Such approval shall be in writing.

5.02 **Building Materials.** All building construction shall be of log or wood frame. Wood frame stucco or simulated brick 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 an 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 Lease.

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 over 8" at chest height must be marked by Lessee for Lessor's inspection. Lessor will then notify the Washington State Department of Natural Resources and request their standard appraisal of value. Lessee will then pay Lessor 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 **Lot Markers.** Lessee will use all reasonable care to make certain that the lot markers, as established by Lessor, are not moved or destroyed.

5.06 **Improvements Other Than On Cabin Site.** No improvements of any kind shall be constructed or placed upon any area covered by the master lease without Lessor's prior written consent.

5.07 **Ownership of Improvements.** The master lease provides as follows:

"8.04 **Ownership of Sub-lease Improvements.** All buildings and improvements, excluding removable personal property and trade fixtures on the leased site (North Woods) erected by Sub-lessee (Lessee herein) will remain on said site after expiration of this lease (master lease) or termination prior to the term of this lease (master lease) of any sub-lease (this lease) held by the State under the provisions of paragraph 5.09; provided, however, upon the expiration of the lease (master lease), if the State is unsuccessful in re-leasing the leased site (North Woods), as a unit, then each sub-lessee (Lessee herein) shall have a preferential right as allowed by law to re-lease from the State its sub-leased area; provided, further, upon the termination or expiration of this lease (master lease) 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 (Lessee herein) interest in the improvements as allowed by law. Expiration, as used in this paragraph, shall mean the expiration of the lease as of May 31, 2025."

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 Lessee's lease expires May 31, 2025. In the event of earlier expiration of this lease, all buildings and improvements located upon the premises shall be the property of Lessor.

The parties hereto further agree that the benefits of paragraph 8.04 of the master lease shall be enforceable solely against the State of Washington.

5.08 **Taxes and Assessments.** The Lessee shall pay in annual payments all taxes and assessments that are now charged or may become chargeable against the improvements placed upon the cabin site, now or in the future, commencing with the taxes first becoming due and payable after the date hereof, all before such taxes and assessments become past due.

5.09 **North Woods Association.** The roads in the plat and certain other common areas shall be held in the name of The North Woods Association, a non-profit association, of which the Lessees of lots in the plat shall be members. Said Association shall be responsible for the maintenance and repair of roads, the entire water system including but not limited to water systems serving the cabins on the premises, docks and common areas and improvements thereon (if any), as well as other community functions which may be given it by its members. The owners (Lessees) of lots in the tract shall be required to pay dues of not less than one and one-half dollars (1½) per month and assessments to said Association for their reasonable share of the costs of the functions and duties of the Association. Said dues shall commence at the time 50 lots are leased. It is understood and agreed that Lessor shall and it is hereby delegated to fulfill all duties, responsibilities and functions of the North Woods Association (until fifty (50) lots in the North Woods are leased). At that time Lessor shall call a meeting of all Lessees for the purpose of forming said Association.



001 College Industries, Inc. was created and formed by local men to design, locate, and construct a College campus, from the ordinance of Albemarle County and the State of Washington.

[illegible][illegible]

**044-Maintenance.** The lessee shall bear the responsibility of a complete renovation including, but not limited to, painting, carpeting, and other interior improvements, and shall be responsible for any utility hook-ups and disconnections.

[illegible]

7.6.3 Indemnification. Lessee hereby agrees to defend, hold harmless, and indemnify Lessor from and against all claims, damages, losses, costs, and expenses, including reasonable attorneys' fees, incurred by Lessor as a result of or arising out of the use of the Equipment, whether or not caused in whole or in part by the negligence of Lessor, and to reimburse Lessor for any loss, cost, or expense resulting from Lessor's failure to comply with the provisions of this Indemnification Agreement. Lessee's obligation to indemnify Lessor shall survive the termination or expiration of this Agreement. Lessee shall not be obligated to indemnify Lessor for any loss, cost, or expense resulting from Lessor's failure to comply with the provisions of this Indemnification Agreement.

7.03 Insurance. Lessor shall obtain fire, casualty and liability insurance as follows:

(a) Fire and casualty insurance in a sufficient amount to cover the replacement cost of any or all improvements upon the leased premises. Such insurance shall be carried by a reputable company or companies satisfactory to Lessor and the policy or policies shall be endorsed and delivered to Lessor, with provision for thirty (30) days' notice, to cancellation by Lessor.

(b) Liability and property insurance insuring Lessor and Lessee against all liability for damages to person or property caused by the maintenance, use or occupancy of the leased premises or by reason of the conduct of any activity carried on therein. Such insurance shall be carried by a responsible company or companies satisfactory to Lessor in amounts not less than the following limits, namely:

- (1) 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, \$10,000.00; and  
(3) property damage, \$1,000.00.

Lessor shall deliver to Lessee 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.

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

7.15 **Waiver.** Any waiver by the Lessor of any provisions hereof must be in writing, and any of the covenants, 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.

7.01. Attorneys' Fees. In the event any action, suit, proceeding or appeal therefrom is brought to collect the rent due or to become 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' fees to be allowed in said suit, action, proceeding or appeal, therefrom in addition to such other relief granted by the Court.

**7.07 Condemnation.** The parties hereto shall receive any sum or damages paid or awarded by reason of any taking, condemnation or acquisition during the existence of this lease as their interest therein shall then appear, whether or not by litigation, by any authority, person or corporation, whether public or private, of any title 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 fluctuate the waters of Swift Reservoir at any time within the provisions of Federal Power Commission License No. 21-1 or as amended. The Lessee shall waive all claims for damage and shall indemnify Pacific Power and Light Company, the State of Washington, Lessor or their successors, if any, against any claim of damage arising from any part of the operations.

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, covenants hereof, the Lessor or any lessee of land in the tract, shall have the right to compel performance of or compliance with the provisions hereof, to abate and remove, at the expense of an offending lessee or lessors of the property, any buildings or structures in violation of the provisions hereof, or to recover damages for any such violation or attempted violation of the provisions hereof and to prosecute any proceedings at law or in equity to further any of the aforesaid.

7.1.1. Restraints on Land. All of the reservations, conditions, covenants, agreements and restrictions that run with the land and shall be binding on the holder of all property covered hereby and all parties and persons claiming

7.3.2 Assignment. Without limiting Lessor's right to sell or assign this lease or land, Lessor may assign this lease to a corporation, and if said corporation assumes the obligations of Lessor hereunder, Lessor shall thereby be released of and relieved from any and all obligations under this lease.



## SECTION 9: TERMINATION

9.01 Default and Remedies. If a default shall be made in the part of the Lessee in the observance or performance of any of the terms, covenants, conditions, or provisions of this lease by him or his assignee or agent, then the Lessor, at his option, may, at his option, terminate this lease, but the Lessee shall nevertheless be liable to the Lessor for all liabilities incurred hereunder prior to such termination. Failure of the Lessee to pay under shall not constitute a waiver of any subsequent default. Service of any notice provided for herein by the Lessor may be made by depositing such notice in the United States mails addressed to the Lessee at

7855 S. W. 185th, Beaverton, Oregon 97005

9.02 Termination. It is expressly understood that the 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 terminated for any reason at whatever time in the term of termination date, such termination shall operate as an assignment to the State of Washington of this lease together with the unrecited right of the State to receive payment of the rents herein provided from the date of such assignment.

9.03 Failure to Provide Property Report. Lessee shall have the option to void this lease if he does not receive a property report prepared pursuant 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 this lease; and Lessee shall have the right to rescind this lease within 48 hours after signing the lease if he did not receive 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 leased in advance of signing this lease and acknowledges by his signature that he 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 a 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 it is to so shall bind and shall inure to the benefit of the respective heirs, heirs, successors, assigns and assigns of the parties. In the event Lessee is more than one person, the liability of such persons hereunder shall be joint and several.

9.04 Easements. As shown on the plat of "The North Woods", 20 foot easements are reserved to the Lessor and its assigns on the water front portions of Lots 16, 17, 18, 19, 20, 21, 22, and 23 for purposes of a community boat docks. Said easements shall not prevent Lessee of the above lots from developing their own shoreline 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 water fronted by Lessee that additional boat docks are needed to serve "The North Woods" community.

IN WITNESS WHEREOF the parties have executed this lease, in duplicate, this 15th day of

September, 1973

WATER FRONT RECREATION, INC.

By Patricia Curry  
Vice President

By James E. Dick  
Secretary

LESSOR

Francis C. Hurdette  
Rebecca J. Hurdette

LESSEE



I (we) hereby acknowledge that prior to the signing of this lease, I (we) have received, read, and understand the PROPERTY REPORT prepared pursuant to the rules and regulations of the U.S. Department of Housing and Urban Development (Office of Interstate Land Sales Regulations) and the PROPERTY REPORT prepared pursuant to rules and regulations of the Oregon Subdivision Control Law ORS 92.210 - 92.990. I (we) also acknowledge that I (we) have inspected the lot to be leased.

Francis C. Hurdette  
Rebecca J. Hurdette

LESSEE