

ASSIGNMENT OF LEASE

This agreement made and entered into this 26th day of October, 1977, by and between JAMES V. GIPE and NAOMI A. GIPE, husband and wife, hereinafter referred to as assignor and VIRGIL F. NELSON and BEATRICE B. NELSON, husband and wife, hereinafter referred to as assignee.

In consideration of the mutual covenants contained herein and for other good and valuable consideration, JAMES V. GIPE and NAOMI A. GIPE, husband and wife, of North Woods Cabin Sites, Cougar, Washington, assignor herein and lessee of those certain premises described as follows:

Water recreational cabin and other appurtenances located on and mortgagors interest in cabin site No. 181 of the North Woods as shown in red on Exhibit "A" attached hereto (all distances being approximations), being part of Government Lots 4 and 8, 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.

which were demised by Water Front Recreation, Inc, a Washington corporation, to JAMES V. GIPE and NAOMI A. GIPE, husband and wife, under that certain lease agreement entered into on the 26th day of September, 1976, a copy of said lease being attached hereto as Exhibit "B" and incorporated herein by this reference, do hereby assign said lease to the assignee subject to all the terms and conditions thereof and assignee accepts the assignment and shall perform all the terms and conditions thereof, including payment of all rent required by the provisions of said lease.

In witness whereof, the parties have executed this assignment the day and year above written.

James V. Gipe
James V. Gipe, assignor

Virgil F. Nelson
Virgil F. Nelson, assignee

Naomi A. Gipe
Naomi A. Gipe, assignor

Beatrice B. Nelson
Beatrice B. Nelson, assignee

STATE OF WASHINGTON)
COUNTY OF Clallam :ss

This is to certify that on October 10, 1977, personally appeared before me JAMES V. GIPE and NAOMI A. GIPE, his wife, to me known to be the individuals who executed the foregoing instrument, and they acknowledged the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

Witness my hand and official seal the day and year in this certificate first above written.

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

STATE OF _____)
COUNTY OF _____ :ss

This is to certify that on _____, 1977, personally appeared before me VIRGIL F. NELSON and BEATRICE B. NELSON, his wife, to me known to be the individuals who executed the foregoing instrument and they acknowledged the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

Witness my hand and official seal the day and year in this certificate first above written.

Notary Public
Notary Public in and for the State
of _____, residing at _____

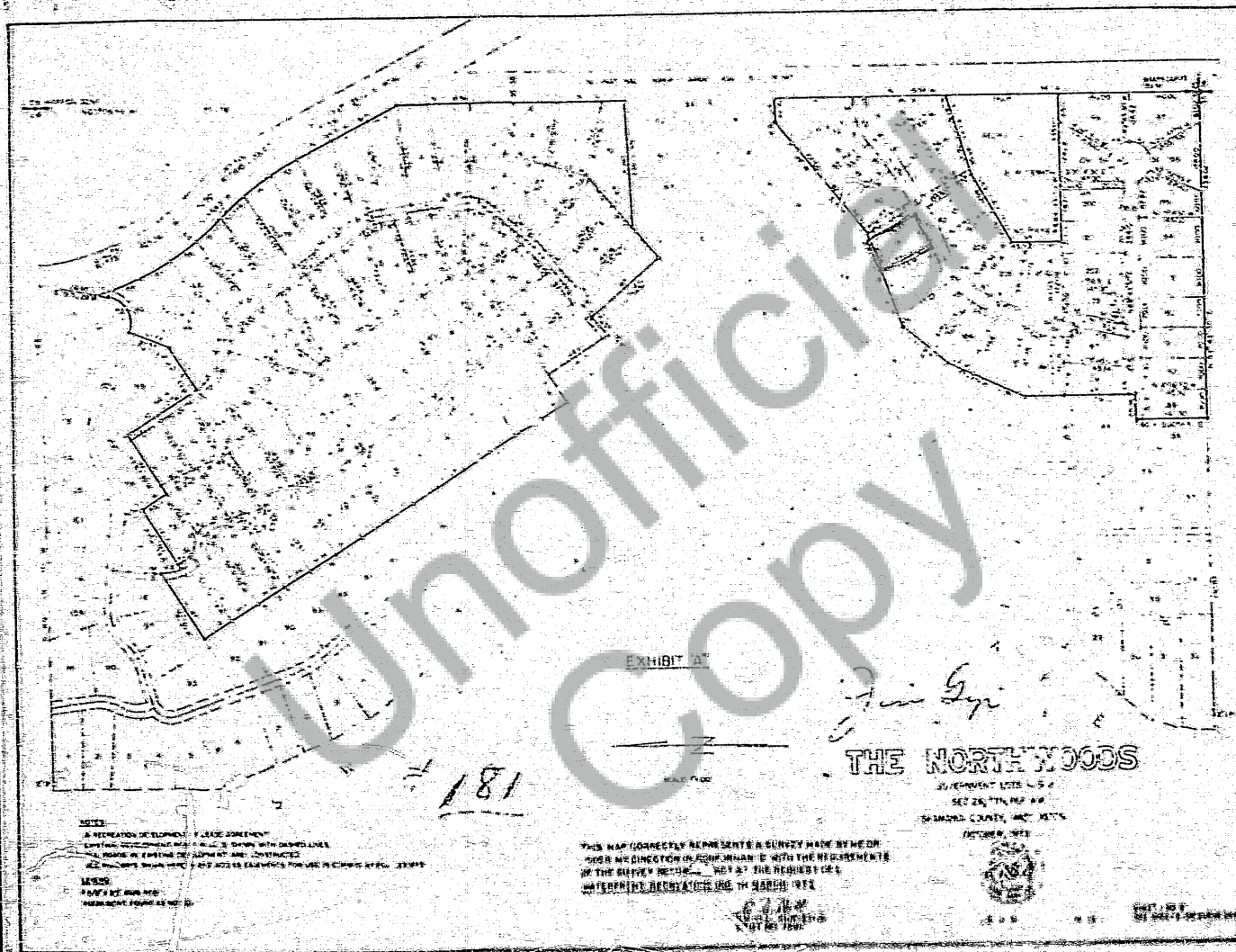


EXHIBIT A

THE NORTH WOODS

SUBDIVISION OF LAND IN THE NORTH WOODS, SECTION 26, T4N, R10W, S4M, MINN.

JANUARY, 1928

NOTES:
 1. RECREATION DEVELOPMENT - 1/2 ACRES PER LOT
 2. LANDS DEVELOPED FOR A L.L.C. IS SHOWN WITH DASHED LINES
 3. TRAILS IN A RECREATION DEVELOPMENT ARE CONTINGENT
 4. ALL TRAILS SHOWN HEREON ARE ACCESS EASEMENTS FOR USE IN CLOSING BY FILE 33889

LESS:
 1/2 AC. PER LOT
 RECREATION EASEMENT AS NOTED

THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR
 UNDER MY DIRECTION IN ACCORDANCE WITH THE REQUIREMENTS
 OF THE SURVEY ACT OF MAY 27, 1908, AND THE REQUIREMENTS OF
 THE MINN. STATUTES AND THE RECORDS

J. W. G. & SONS
 SURVEYORS
 ST. PAUL, MINN.



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~~CONFIDENTIAL~~

CASIN OFF LEASE

CONFIDENTIAL

CABIN SITE LEASE continued

SECTION 8 TERMINATION

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, or provisions of this lease by him, to be observed or performed and such default continues for sixty (60) days after written notice, the Lessor may, at its option, immediately terminate this lease, forfeit Lessee's interest therein, and forthwith exclude the Lessee from the premises and from all rights hereunder, but the Lessee shall nevertheless be liable to the Lessor for all liabilities incurred hereunder prior to such termination. Waiver of any default hereunder 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

8.02 Master 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 terminated for any reason whatsoever, prior to the lease termination date, such termination shall operate as an assignment to the State of Washington of this lease together with the unrestricted right of the State to receive payment of the rents herein provided from the date of said assignment.

8.03 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 the lease, and Lessee shall have the right to revoke 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 the lease and acknowledge 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 92.230 - 92.235 in advance of his signing this lease.

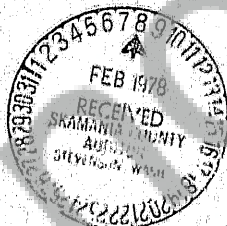
Each and every provision of this lease shall bind and shall inure to the benefit of the respective heirs, representatives, successors and assigns of the parties. In the event Lessee is more than one person, the liability of such persons hereunder shall be joint and several.

8.04 Easements. As shown on the plat of "Port Woods", 20 foot easements are reserved to the Lessor and its assigns on the water front portions of Lots 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, and 23 for purposes of community boat dock. Said easements shall not prevent access of the above lots from developing their own shore side dock system, and such facilities do not interfere with the boat dock system of the community dock system.

Five foot easements are reserved to the Lessor and its assigns on the westerly lot line of Lot 10, and the northerly lot line of Lot 11 for access to the water front boat dock. A concrete pathway to boat dock if it is determined by Lessor that additional boat docks are needed to serve the "Port Woods" community.

IN WITNESS WHEREOF, the Lessor has hereunto set his hand and seal this 15th day of

September, 1976



INTERSTATE REGISTRATION INC

By _____
President

By _____
Secretary

LESSOR

LESSEE

YOU HAVE THE OPTION TO VOID YOUR CONTRACT OR AGREEMENT BY NOTICE TO THE SELLER IF YOU DID NOT RECEIVE A PROPERTY REPORT PREPARED PURSUANT TO THE RULES AND REGULATIONS OF THE OFFICE OF INTERSTATE LAND SALES REGISTRATION, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, IN ADVANCE OF, OR AT THE TIME OF YOUR SIGNING THE CONTRACT OR AGREEMENT. IF YOU RECEIVED THE PROPERTY REPORT 48 HOURS PRIOR TO SIGNING THE CONTRACT OR AGREEMENT, YOU HAVE THE RIGHT TO REVOKE THE CONTRACT OR AGREEMENT BY NOTICE TO THE SELLER UNTIL MIDNIGHT OF THE THIRD BUSINESS DAY FOLLOWING THE CONSUMMATION OF THE TRANSACTION. A BUSINESS DAY IS ANY CALENDAR DAY EXCEPT SUNDAY AND THE FOLLOWING BUSINESS HOLIDAYS: NEW YEAR'S DAY, MARTIN LUTHER KING, JR. DAY, MEMORIAL DAY, INDEPENDENCE DAY, LABOR DAY, COLUMBUS DAY, VETERANS' DAY, and CHRISTMAS DAY.

Lessee hereby acknowledges that prior to the signing of this lease, Lessee has received, read, and understand the PROPERTY REPORT prepared pursuant to the rules and regulations of the U.S. Department of Housing and Urban Development (the Office of Interstate Land Sales Registration) and the PROCEPRT (P) 1111 prepared pursuant to rules and regulations of the Oregon Subdivision Control Law, ORS 92.230 - 92.235. Lessee acknowledges that Lessee has inspected the lot to be leased.

in Sign

LESSEE