

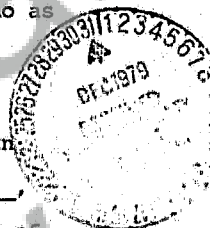
MORTGAGE OF LEASEHOLD INTEREST

THIS MORTGAGE made on the 26th day of Nov., 1979,
between J.E.D. LAND COMPANY, a partnership, and JOHN E.
LOFGREN and JULIE M. LOFGREN, husband and wife, and ELDON A.
EUBANK, a single man, and DEAN L. STERNER, a single man,
herein referred to as "mortgagor", and GEORGE LOFGREN and
THELMA A. LOFGREN, husband and wife, herein referred to as
"mortgagee",

W I T N E S S E T H

WHEREAS, mortgagor is the assignee under a certain
assignment of lease, dated the 26th day of November,
1979, under which there was assigned to mortgagor, all of
the right, title and interest of mortgagee in the premises
hereinafter mentioned and described, together with the
appurtenances and improvements existing thereon; to have and
to hold the same unto mortgagor, as lessee, and to his
executors, administrators, and assigns, until June 1, 2025,
or until subsequent assignment at option of mortgagor, said
assignment being attached hereto as Exhibit "A" and incorporated
herein by reference.

WHEREAS, mortgagor is justly indebted to mortgagee in
the sum of Twenty-Three Thousand and Five Hundred Dollars
(\$23,500.00) lawful money of the United States, evidenced by
a note dated the 11th day of Nov, 1979, conditioned on
the payment of such sum as provided for in said note, with
interest computed at the rate of 9 1/2 percent per annum, as
provided therein.



It is expressly agreed that the whole of such principal sum shall become due at the option of mortgagee after default of the payment of any installment of interest or principal, or any taxes, assessments, or rents, as hereinafter provided.

It is further agreed that mortgagor, as additional security for the payment of such sum of money mentioned in the note, a copy of which is attached hereto as Exhibit "B", and interest thereon, and also for and in consideration of the sum of Nine Thousand Five Hundred Dollars (\$9,500.00), paid by mortgagee, the receipt of which is acknowledged, does grant and release, assign, transfer and set over unto mortgagee, his heirs and assigns forever, all of mortgagor's right, title and interest to the following described real property:

Cabin Site No. 39 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 of Willamette Meridian, 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.

together with appurtenances existing thereon at the time of the execution of this mortgage and all future improvements and appurtenances constructed thereon during the life of this mortgage, and all the estate and right of mortgagor in and to the premises under the above-mentioned lease.

To have and to hold the lease and renewals, and the estate of lessee thereunder, unto mortgagee, his heirs and assigns, for and during the remainder of the unexpired term thereunder, and in any renewals thereof; subject, however,

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to the rents, covenants, conditions and provisions of the lease.

Provided that if mortgagor shall pay to mortgagee the sum of money mentioned in the note, a copy of which is attached hereto as Exhibit "B", and the interest thereon, at the time or times and in the manner mentioned in this note, then these presents and the estate hereby granted shall cease, determine and be void.

Mortgagor hereby covenants with mortgagee as follows:

1. Mortgagor will pay the indebtedness as provided in such note; and if default shall be made in the payment of any part thereof, mortgagee shall have the power to sell the leasehold interest hereinabove described according to law.

2. Mortgagor will keep the buildings on the leased premises insured against loss by fire, for the benefit of mortgagee, in a sum sufficient to cover the outstanding balance on the note, and shall provide mortgagee with a Certificate of Insurance showing mortgagee as an additional insured thereon and that mortgagee is entitled to notice of cancellation.

3. Mortgagor will pay the rents and other charges provided for and made payable in the lease within ten (10) days after such rent or charges are payable.

4. Mortgagor will at all times fully perform and comply with all agreements, covenants, terms and conditions imposed on or assumed by him as lessee under the lease, and if mortgagor shall fail to do so, mortgagee may, at its

option, take any action mortgagee deems necessary or desirable to prevent or to cure any default by mortgagor in the performance of or compliance of any of mortgagor's covenants or obligations under the lease. Upon receipt by mortgagee from the lessor under the lease of any written notice of default by the lessee thereunder, mortgagee may rely thereon and take any action as aforesaid to cure such default even though the existence of such default or the nature thereof is questioned or denied by mortgagor or by any party on behalf of mortgagor. Mortgagor hereby expressly grants to mortgagee, and agrees that mortgagee shall have the absolute and immediate right to enter in and on the encumbered premises or any part thereof to such extent and as often as mortgagee, in its sole discretion, deems necessary or desirable in order to prevent or to cure any such default by mortgagor. Mortgagee may pay and expend such sums of money as mortgagee in its sole discretion deems necessary for any such purpose, and mortgagor hereby agrees to pay to mortgagee, immediately and without demand, all such sums so paid on behalf of mortgagor and expended by mortgagee, together with interest thereon from the date of each such payment at the rate of 12 percent per annum. All sums so paid and expended by mortgagee and the interest thereon shall be added to and be secured by the lien of this mortgage.

5. Mortgagor will not surrender his leasehold interest and interest hereinabove described, nor terminate or cancel the lease, and will not without the express written consent

of mortgagee sell, transfer, encumber, modify, change, supplement, alter or amend the lease either orally or in writing, and any such termination, cancellation, modification, change, supplement, alteration, or amendment of the lease without the prior written consent thereto by mortgagee shall be void and of no force and effect. As further security to mortgagee, mortgagor does hereby deposit with mortgagee his lessee's original of the lease and all amendments thereto or certified copy thereof, to be retained by mortgagee until all indebtedness secured hereby is fully paid.

6. No release or forbearance of any of mortgagor's obligations under the lease, pursuant to the lease or otherwise, shall release mortgagor from any of his obligations hereunder, including his obligations with respect to payment of rent as provided for in the lease and the performance of all of the terms, provisions, covenants, conditions, and agreements contained in the lease, to be kept, performed and complied with the lessee therein.

7. Unless mortgagee shall otherwise expressly consent in writing the fee title to the property demised by the lease and the leasehold estate shall not merge, but shall always remain separate and distinct, notwithstanding the union of such estates either in the lessor or in the lessee, or in a third party by purchase or otherwise.

It is hereby expressly agreed that the whole of the principal sum and all accrued interest thereon shall become due at the option of the mortgagee after default in the payment of any installment or principal or interest, for 10

days, or after default of the payment of any rent or other charge made payable by the lease for 30 days, or after default in the payment of any tax or assessment for 30 days after notice and demand by the holder hereof.

The word "mortgagor" shall be construed as if it is read "mortgagors", the word "mortgagee" shall be construed as if it read "mortgagees", and the masculine gender shall include the feminine or neuter, whenever the sense of this mortgage so requires.

Any decree of foreclosure of this mortgage shall include all costs, expenses, and fees, including reasonable attorney fees and costs of title search. In case such foreclosure should be settled before judgment is recorded therein, such costs, expenses and fees shall nevertheless be paid by mortgagor.

IN WITNESS WHEREOF, mortgagor has executed this mortgage at MITCHELSON & POYFAIR, 10507 E. Mill Plain Blvd., Vancouver, Washington, the day and year first above written.

J. E. Hagan
Eldon H. Eubank
Dean L. Hagan

Notary Public

John E. Lofgren
Julie M. Lofgren

Eldon H. Eulank
Dean L. Steiner

STATE (OF WASHINGTON)

COUNTY OF CLARK

On this day personally appeared before me JOHN E. LOFGREN, to me known to be the individual who executed the foregoing instrument and acknowledged to me that he did the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS MY HAND AND OFFICIAL SEAL this 26th day of November, 1979.

Charles A. Kimmel
NOTARY PUBLIC in and for the
State of Washington, residing
at Vancouver.

STATE OF WASHINGTON)

COUNTY OF CLARK)

On this day personally appeared before me JULIE M. LOFGREN to me known to be the individual who executed the foregoing instrument and acknowledged to me that he did the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS MY HAND AND OFFICIAL SEAL this 26th day of November, 1979.

Charles A. Kimmel
NOTARY PUBLIC in and for the
State of Washington, residing
at Vancouver.

On this day personally appeared before me WILSON A. EUBANK, to me known to be the individual who executed the foregoing instrument and acknowledged to me that he did the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS MY HAND AND OFFICIAL SEAL this 26th day of November, 1979.

Charles S. Kunkin
NOTARY PUBLIC in and for the
State of Washington, residing
at Vancouver.

STATE OF WASHINGTON)

COUNTY OF CLARK)

:SS

On this day personally appeared before me DEAN L. STERNER, to me known to be the individual who executed the foregoing instrument and acknowledged to me that he did the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS MY HAND AND OFFICIAL SEAL this 26th day of November, 1979.

Charles S. Kunkin
NOTARY PUBLIC in and for the
State of Washington, residing
at Vancouver.

STATE OF WASHINGTON
COUNTY OF SKAGANAWA)

I HEREBY CERTIFY THAT THE OTHER

INSTRUMENT OF WRITING FILED

Notation Higgins
Vancouver, Wa

11/30/79 11/31/79

WAS RECORDED IN BOOK 576

OF 1157 AT PAGE 261

RECORD OF SKAGANAWA COUNTY, WASH.

W.P. Todd

COUNTY AUDITOR

D. Barrock

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1. The following information is being furnished to you for your information only. It is not intended to be used for any other purpose.

1998

THIS MAP CORRECTLY REPRESENTS A SURVEY MADE OF THE TRAIL
WHICH MY SISTER MADE IN 1871, COMPARED WITH THE "SUNNY" MAP
OF THE SAME, AND SHOWS A "V" THE REASON BEING:
THE "SUNNY" MAP WAS MADE IN 1871, AND THE "SUNNY" MAP

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

consideration of the rents to be paid and covenants to be performed by GEORGE LOGBREN,

hereinafter called Lessee, leases to Lessor the following described cabin site on the terms and conditions stated herein.

Cabin site number 39 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 June 1, 1972 -- 48 -- and terminating on June 1, 2025, 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. Lessee's rights hereunder are subject to all the terms, provisions, exceptions and reservations 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 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 rent for each lease year, the Lessee shall pay the Four Hundred

& no/100 - Dollars (\$400.00) -. Rent shall be paid in advance, on the first day of September of each year, hereinafter referred to as the "anniversary date." All payments shall be made to Lessor at Beaverton, Oregon (* 1) Portland, Oregon, or at such other place at which the Lessee may notify the Lessor 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 Adjustment. Lessor may, as of any anniversary date, increase the annual rental as follows:

(a) Under this lease, Lessor's rental to the State of Washington may be increased on June 1, 1970, and at intervals of not less than ten (10) years thereafter. Lessor may increase Lessee's rental under 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 Lessee multiplied by the fraction of the rental to the Lessor divided by the total annual rental of the Lessees of the sites in the North Woods. Annual rentals 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 formula is illustrated as follows:

Lessee's share of increase	=	Increase under master lease to Lessor	X	Lessee's total rental	÷	Total annual rentals of sites
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(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, 1970, the annual rental shall be the option of the Lessor, be adjusted, to reflect the percent of increase from September 1, 1970, in the Consumer Price Index as published by the Bureau of Labor Statistics, U.S. Department of Labor, that is, the annual rental each year shall be succeeded by ten years shall be increased as compared with the original 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 preservation of the residents there in the greatest possible peace, enjoyment, privacy, health, comfort, safety, and protection of property, value, 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 be made and are hereby made a part of the lease of property within the plot of the North Woods as the same appears 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 a 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 5.03, for construction of the 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 buildings 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, slightly, 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 sale period.

4.06 Noise. No loud 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.

SECTION 6. UTILITIES

6.01 Sewage. Individual sewage disposal systems installed by Lessee must be designed, located, and constructed in accordance with the local regulations, laws and ordinances of Skamania County and the State of Washington.

6.02 Reservation. Lessor reserves to itself and to its successors and assigns easements in, under, and along all roads and other common areas in the plat for any utilities whether presently installed or not. In addition, an easement is reserved in an area five (5) feet by ten (10) feet in one corner of each lot (to be selected by Lessor) adjoining the road, for electric transformer vault and/or telephone and power service pedestals if any. And the assignment of the lease as to each individual lot shall be subject to the right to cross over or under the same along the lot lines, 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 lessee agrees to receive water from the water system supplying the North Woods and further agrees to pay Lessor \$225.00 for the right to connect to said system.

6.04 Maintenance. The lessee 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 Lessor's Rules. 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 lease, including but not limited to, use of public or private roads, parking, fire and prevention of fire, public health, and pollution of streams or lakes, and to assume all obligations thereon imposed upon the Lessor. Lessor may inspect the cabin 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 to reimburse Lessor from and against, any claims, loss, cost, legal actions, liability or expense on account of personal injury to or death of any persons whatsoever, including but not limited to employees of the Lessor, or damage to or destruction of property of any person or persons, including but not limited to property of the Lessor, which might result from Lessee's activities on the leased premises. The Lessee further agrees to indemnify and hold harmless the Lessor from any loss, cost, and expense resulting from Lessee's failure to comply with any of the provisions of any applicable laws, rules or regulations.

7.03 Insurance. Lessee shall obtain fire, theft, and liability insurance as follows:

(a) Fire and theft insurance in a full and complete amount to cover the replacement cost of any of the premises owned upon the leased premises. Such insurance shall be carried by a responsible company or companies of national repute, and the policy or policies shall be endorsed and delivered to Lessor with proof of such coverage.

(b) Liability and property insurance insuring Lessor and Lessor against liability for damages to persons or property caused by the maintenance, use or occupancy of the leased premises or the failure of the premises or any structure thereon. Such insurance shall be carried by a responsible company or companies of national repute, and the policy or policies shall not be less than the following limits, namely:

- (1) Bodily injury to death of any one person, \$100,000.
- (2) Bodily injury or death resulting from fire or accident to two or more persons, \$100,000, and
- (3) Property damage, \$100,000.

Lessee shall deliver to Lessor a certificate of insurance, and said policies of insurance and further provide with the company or companies for such policies, notices 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 subject, or assign, execute, or otherwise transfer, or vest in bankruptcy or other assignee by operation of law shall assign or subdivide without such written consent.

7.05 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 amended, waived, changed, or modified with respect to all or any portion of said property by Lessor at any time.

7.06 Attorneys' Fees. In the event an action, suit, proceeding or appeal therefrom is brought to enforce the rent due or to enforce any covenant, condition, or restriction 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 allow as attorneys' fees to be allowed in said suit, action, proceeding or appeal therefrom in addition to such other relief as may be awarded by the Court.

7.07 Contamination. The parties hereto shall release any claims, damages, penalties or awards by reason of any taking, condemnation or expropriation 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 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 regulate the waters of Swift Reservoir at any time within the provisions of Federal Power Commission License No. 2411, as amended. The Lessee shall waive all claims or damage and shall indemnify Pacific Power and Light Company, its heirs, Washington, Lessor or their successors, if any, against any claim of damage arising from fluctuation in reservoir level, impairment of recreational use of the reservoir or shores or floating 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 covenants hereof, the Lessor or any licensee 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 the offending lessee or lessees of the property, any structures or erections in violation of the provisions hereof, to recover damages for any such violation or attempted 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 Restrictions on Land. All of the reservations, conditions, covenants, agreements and restrictions shall run with the land and shall be binding on the lessees of all property covered hereby and all parties and persons claiming under them and on all property within the tract.

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

SECTION 8. TERMINATION

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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

P.O. Box 150, Battleground, Washington 98001.

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. This 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 Lessor shall have the right to revoke this lease within 48 hours after signing of a 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 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 - 92.230 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 "The North Woods," 20 feet easements are reserved to the Lessor and its assigns on the water front property, lots 14, 15, 16, 17, 18, 19, 20, 21, 22 and 23 for the purposes of community boat docks. Such easements shall not prevent easements reserved to the Lessor from development of other boat docks within such easements do not interfere with the boat docks reserved to the community boat docks.

Each boat dock is reserved to the Lessor and its assigns for the purpose of providing boat docks for the community for the use of Lot 14 to 23 and the water front. Such docks to serve the community and are reserved to the Lessor and its assigns for the use of Lot 14 to 23 and the water front. Such docks to serve the community and are reserved to the Lessor and its assigns for the use of Lot 14 to 23 and the water front.

IN WITNESS WHEREOF, the parties have signed this lease in duplicate, this _____ day of _____, 1972.

July 1, 1972

WATER FRONT RECREATION

By _____

Secretary

By _____

Secretary

George J. Lefgren

LESSOR

LESSEE

I, the undersigned, acknowledge that prior to the signing of this lease, I 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 Secretary Leland B. English and the PROPERTY REPORT prepared pursuant to rules and regulations of the Oregon Subdivision Control Law ORS 92.210 - 92.230. I have also acknowledge that I have inspected the lot to be leased.

George J. Lefgren

LESSEE



\$23,500.00

INSTALLMENT NOTE

DATE: 11/26/79

FOR VALUE RECEIVED, I promise to pay to the order of GEORGE LOFGREN and THELMA A. LOFGREN, husband and wife, the sum of Twenty-Three Thousand and Five Hundred Dollars (\$23,500.00), in lawful money of the United States of America with interest thereon at the rate of 9% per annum from date until paid, payable in installments of Two Hundred and Fifty Dollars (\$250.00) per month, or more from which sum shall first be deducted interest due to the date of each installment, and the balance of each installment shall then be applied to the principal due and owing at the time of each monthly payment. The first payment shall be made on February 10, 1980, and each successive payment shall be made on the 10th day of each month thereafter, until the entire balance is paid in full. If any of the installments provided for herein are not so paid, the whole sum of both principal and interest will become immediately due and collectible at the option of the holder thereof. In case of suit or action being instituted to collect this note or any portion, we promise to pay such additional sum as the court may judge reasonable as attorney fees in said suit or action.

This note is made and executed under and to be construed by the laws of the State of Washington, and is secured by a leasehold mortgage and has been executed in conjunction with assignment of lease providing for termination of promisor's leasehold interest in real estate, in the event of the failure of promisor to make payments called for herein.

DATED this 26TH day of Nov, 1979.

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John E. Lofgren

Dean L. Sterner

Eldon H. Eubank

In addition to the partnership promise to pay, which is set forth in this installment note, the following individuals hereby personally guarantee payment of the obligation contained herein.

John E. Lofgren
JOHN E. LOFGREN

Eldon H. Eubank
ELDON H. EUBANK

Julie M. Lofgren
JULIE M. LOFGREN

Dean L. Sterner
DEAN L. STERNER

AFFIDAVIT

STATE OF WASHINGTON)

:ss

COUNTY OF CLARK)

JOHN E. LOFGREN, JULIE M. LOFGREN, ELDON A. EUBANK and NEAN L. STERNER,
being first duly sworn upon oath, depose and state:

That we have read the Promissory Note and Assignment of Lease with Consent of Lessor, transferring to us the leasehold interest of GEORGE LOFGREN and THELMA A. LOFGREN, husband and wife in Cabin Site #39.

We understand and agree that one provision in the Assignment of Lease provides that should we fail to make payments called for in the Promissory Note, our interest under said assignment shall terminate and all right, title and interest acquired to said leasehold shall automatically revert to and revest in GEORGE LOFGREN and THELMA A. LOFGREN, husband and wife.

We understand that this provision is given as additional security for the payment of our promissory note, and to protect GEORGE LOFGREN and THELMA A. LOFGREN, husband and wife, in the event we should abandon the property or fail to make payments called for.

John E. Lofgren
Julie M. Lofgren

Eldon A. Eubank
Neane L. Sterner

SUBSCRIBED AND SWORN TO before me this 26th day of

November, 1975.

David A. [Signature]
NOTARY PUBLIC in and for the
State of Washington, residing
at Vancouver.

