

CABIN SITE LEASE

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

do hereby lease to the Lessee, the following described cabin site on the terms and conditions stated herein:

Cabin site number 120 of the North Woods as shown in red on Exhibit "A" attached hereto (distances being approximations), being part of Government Lots 4 and 8, Township 7 North, Range 6 East, W.M., Skamania County, Washington, subject 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 term beginning on June 1, 1970, and terminating on June 1, 1972, 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, 1961, from the State of Washington, acting by and through the Department of Natural Resources.

1.03 Master Lease. The Master Lease is on file with Lessor and is available for inspection. Lessee's rights hereunder are subject to the terms, provisions, exceptions and reservations set forth in said Master Lease (to which Lessee is a sub-lessee) and hereby incorporated herein by reference, including, without limiting the foregoing, the terms and conditions of the Master Lease as amended by the United States of America, United States Forest Service and the State of Washington to protect the premises at reasonable times.

SECTION 2. RENTAL

2.01 Base Rental. As rental for each lease year, the Lessee shall pay the sum of ONE HUNDRED AND NO/100 Dollars (\$100.00). Rent shall be paid in advance, on the first day of September in each year, interest thereon to be at the rate of one percent per annum. All payments shall be made to Lessor at the office of the Lessor or at such other place as the Lessor may notify the Lessee in writing. Rent for the fraction of any year shall be proportionate. The term "lease year" shall mean the period from September 1 through the succeeding August.

2.02 Rent Adjustments. (a) Under the Master Lease and no increase of not less than ten (10) percent shall be paid to Lessor under the Master Lease. The amount of such increase shall be equal to the total annual rental to the Lessor divided by the total annual rental of the Lessee's sites in the North Woods. The amount of such increase shall be the total rental to the Lessee divided by the total annual rental of the Lessee's sites in the North Woods. The amount of such increase shall be the total rental to the Lessee divided by the total annual rental of the Lessee's sites in the North Woods. The amount of such increase shall be the total rental to the Lessee divided by the total annual rental of the Lessee's sites in the North Woods.

(b) In addition to the increase in the annual rental hereunder of one percent per annum, the annual rental shall be increased by the amount of taxes and assessments on the land covered by the lease, divided by the number of sites. The amount of such increase shall be the total amount of taxes and assessments on the land covered by the lease, divided by the number of sites. The amount of such increase shall be the total amount of taxes and assessments on the land covered by the lease, divided by the number of sites.

(c) Finally, every ten years the annual rental shall be adjusted to reflect the percent of increase in the Consumer Price Index, U.S. Department of Labor, 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 as compared with the annual rental for the year ending 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 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 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 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 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, sightly, 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 premise.

4.05 Signs. No sign of any kind shall be displayed to the public view on any lot in the tract except one professional sign, of not more than 10 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.