

WHEN RECORDED RETURN TO:

Name: Saint Helens Property, LLC  
Address: 41306 90th Avenue East  
Eatonville, WA 98328

*SPR*  
Escrow Number:

Filed for Record at Request of: *St. Helens Property, LLC*

DOCUMENT TITLE(S)

Lease Agreement

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:

GRANTOR(S):

Saint Helens Property, LLC, a Washington Limited Liability Company

GRANTEE(S):

Don Painter

ABBREVIATED LEGAL DESCRIPTION: The Northwest Quarter, Section 19, Township 10  
North, Range 1 East of the W.M., Skamania County, Washington.

*Page 1/*  
TAX PARCEL NUMBER(S): *100500002200*

*2M 11/17/08 VC*

## LEASE AGREEMENT

**THIS LEASE** is made and executed on this 11<sup>th</sup> day of September, 2008, by and between Saint Helens Property, LLC, a Washington limited liability company, hereinafter referred to as "Lessor" and Parmer, hereinafter referred to as "Lessee".

### SECTION ONE

#### DEMISE, DESCRIPTION, AND USE OF PREMISES

Lessor leases to Lessee and Lessee hires from Lessor, the real property described in Exhibit "A", attached hereto, and by this reference fully incorporated. Lessee agrees to use the premises solely for recreational purposes. Lessee agrees to comply with all covenants and restrictions recorded affecting the real property.

### SECTION TWO

TERM AP  
FOUR YE

The term of this Lease shall be for ~~two~~ years commencing on Oct 1 2008 and ending on Oct 1 2012.

### SECTION THREE

#### RENT

During the term hereof, Lessee shall pay to Lessor rent in the sum of \$ 2,466.66 per month, without deduction or offset, at a place or places as may be designated from time to time by Lessor.

### SECTION FOUR

#### WASTE AND NUISANCE PROHIBITED

During the term of this lease, Lessee shall comply with all applicable laws affecting the demised premises, the breach of which might result in any penalty on Lessor or forfeiture of Lessor's title to the demised premises. Lessee shall not commit, or suffer to be committed, any waste on the demised premises, or any nuisance. For the purpose of this paragraph, it shall be considered waste to cut or trim any trees from the subject property.

## **SECTION FIVE**

### **SUBLETTING AND ASSIGNMENT**

Lessee may sublet the premises in whole or in part without Lessor's consent, but the making of any sublease shall not release Lessee from, or otherwise affect in any manner, any of Lessee's obligations under this lease agreement. Lessee shall not assign or transfer this lease agreement, or any interest in this lease agreement, without the prior, express and written consent of Lessor, and a consent to an assignment shall not be deemed to be a consent to any subsequent assignment. Any assignment without consent shall be void, and shall, at the option of Lessor, terminate this lease agreement. Neither this lease agreement nor the leasehold estate of Lessee nor any interest of Lessee under this lease agreement in the demised premises or any buildings or improvements on the demised premises shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatever. Any such attempted involuntary assignment, transfer, or sale shall be void and of no effect and shall, at the option of Lessor, terminate this lease agreement.

## **SECTION SIX**

### **TAXES AND ASSESSMENTS**

**Taxes as additional rental.** As additional rental under this lease agreement, Lessee shall pay and discharge as they become due, promptly and before delinquency, all taxes, assessments, rates, charges, license fees, municipal liens, levies, excises, or imposts, whether general or special, or ordinary or extraordinary, of every name, nature, and kind whatever, including all governmental charges of whatever name, nature, or kind, which may be levied, assessed, charged, or imposed, or which may become a lien or charge on or against the demised premises, or any part of the demised premises, the leasehold of Lessee in and under this lease agreement, the premises described in this lease agreement, any building or buildings, or any other improvements now or hereafter on the demised premises, or on or against Lessee's estate created by this lease agreement that may be a subject of taxation, or on or against Lessor by reason of its ownership of the fee underlying this lease agreement, during the entire term of this lease agreement, excepting only those taxes specifically excepted below.

## **SECTION SEVEN**

### **INDEMNIFICATION OF LESSOR**

Lessor shall not be liable for any loss, injury, death, or damage to persons or property that at any time may be suffered or sustained by Lessee or by any person

who may at any time be using or occupying or visiting the demised premises or be in, on, or about the demised premises, whether the loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Lessee or of any occupant, subtenant, visitor or user of any portion of the premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the matters or things above set forth. Lessee shall indemnify Lessor against any and all claims, liability, loss, or damage whatever on account of any such loss, injury, death, or damage. Lessee waives all claims against Lessor for damages to the building and improvements that are now on or hereafter placed or built on the premises and to the property of Lessee in, on, or about the premises, and for injuries to persons or property in or about the premises, from any cause arising at any time. The two preceding sentences shall not apply to loss, injury, death, or damage arising by reason of the negligence or misconduct of Lessor, its agents, or employees.

## **SECTION EIGHT**

### **ATTORNEY FEES**

If any action at law or in equity shall be brought to recover any rent under this lease agreement, or for or on account of any breach of, or to enforce or interpret any of the covenants, terms, or conditions of this lease agreement, or for the recovery of the possession of the demised premises, the prevailing party shall be entitled to recover from the other party as part of the prevailing party's costs reasonable attorney's fees, the amount of which shall be fixed by the court and shall be made a part of any judgment or decree rendered.

## **SECTION NINE**

### **OPTION TO PURCHASE**

Lessor grants to Lessee the option to purchase the demised premises at any time during the term of this lease for \$370,000<sup>00</sup>, to be paid in cash at closing. In order to exercise such option, the Lessee shall give Lessor written notice of exercise at least ninety (90) days prior to the termination of the lease term. In such case, Lessor and Lessee shall execute a real estate purchase and sale agreement in the form attached as Exhibit "B". Closing shall take place within sixty (60) days of the delivery to Lessor of the notice to exercise this option to purchase.

## **SECTION TEN**

### **REDELIVERY OF THE PREMISES**

Lessee shall pay the rent and all other sums required to be paid by Lessee under this lease agreement in the amounts, at the times, and in the manner

provided in this lease agreement, and shall keep and perform all the terms and conditions on its part to be kept and performed. At the expiration or earlier termination of this lease agreement, Lessee shall peaceably and quietly quit and surrender to Lessor the premises in good order and condition subject to the other provisions of this lease agreement. In the event of the nonperformance by Lessee of any of the covenants of Lessee undertaken in this lease agreement, this lease agreement may be terminated as provided elsewhere in this instrument.

## **SECTION ELEVEN**

### **REMEDIES CUMULATIVE**

All remedies conferred on Lessor in this lease agreement shall be deemed cumulative and no one exclusive of the other, or of any other remedy conferred by law.

## **SECTION TWELVE**

### **INSURANCE**

A. Personal injury liability insurance. Lessee shall maintain in effect throughout the term of this lease, personal injury liability insurance coverage in the amount of One Million Dollars (\$1,000,000.00) for injury to or death of any one person; and, Two Million Dollars (\$2,000,000.00) for injury to or death of any number of persons in one occurrence, and property damage and liability insurance in the amount of Fifty Thousand Dollars (\$50,000.00). Such insurance shall specifically insure Lessee against all liability assumed by it under this lease agreement, as well as liability imposed by law, and shall insure both Lessor and Lessee but shall be so endorsed as to create the same liability on the part of the insurer as though separate policies had been written for Lessor and Lessee.

B. Lessor's right to pay premiums on behalf of Lessee. All of the policies of insurance referred to in this section shall be written in a form satisfactory to Lessor and by insurance companies satisfactory to Lessor. Lessee shall pay all of the premiums for insurance and deliver policies, or certificates of policies, to Lessor. In the event of the failure of Lessee, either to effect insurance in the names called for in this lease agreement or to pay the premiums for the insurance or to deliver the policies, or certificates of the policies, to Lessor, Lessor shall be entitled, but shall have no obligation, to effect such insurance and pay the premiums for the insurance, which premiums shall be repayable to Lessor with the next installment of rental. Failure to repay the same shall carry with it the same consequence as failure to pay any installment of rental. Each insurer mentioned in this section shall agree, by endorsement on the policy or policies issued by it, or by independent instrument furnished to Lessor, that it will give to Lessor thirty (30) days' written notice before the policy or policies in question shall be altered or canceled. Lessor



agrees that it will not unreasonably withhold its approval as to the form or to the insurance companies selected by lessee.

C. Cost of insurance deemed additional rental. The cost of insurance required to be carried by Lessee in this section shall be deemed to be additional rental under this lease agreement.

### **SECTION THIRTEEN**

#### **PROHIBITION OF INVOLUNTARY ASSIGNMENT; EFFECT OF BANKRUPTCY OR INSOLVENCY**

A. Prohibition of involuntary assignment. Neither this lease agreement nor the leasehold estate of Lessee nor any interest of Lessee under this lease agreement in the demised premises or in the building or improvements on the demised premises shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatever (except through statutory merger or consolidation, or devise, or intestate succession); any attempt at involuntary assignment, transfer, or sale shall be void and of no effect.

B. Effect of bankruptcy. Without limiting the generality of the provisions of the preceding Paragraph A of this section, Lessee agrees that in the event any proceedings under the Bankruptcy Act or any amendment to the act be commenced by or against Lessee, and, if against Lessee, the proceedings shall not be dismissed before either an adjudication in bankruptcy or the confirmation of a composition, arrangement, or plan or reorganization, or in the event Lessee is adjudged insolvent or makes an assignment for the benefit of its creditors, or if a receiver is appointed in any proceeding or action to which Lessee is a party, with authority to take possession or control of the demised premises or the business conducted on the premises by Lessee, and such receiver is not discharged within a period of fifteen (15) days after his or her appointment, any such event or any involuntary assignment prohibited by the provisions of the preceding Paragraph A of this section shall be deemed to constitute a breach of this lease agreement by Lessee and shall, at the election of Lessor, but not otherwise, without notice or entry or other action of Lessor, terminate this lease agreement and also all rights of Lessee under this lease agreement and in and to the demised premises and also all rights of any and all persons claiming under Lessee.

### **SECTION FOURTEEN**

#### **NOTICE OF DEFAULT**

A. Except as to the provisions of Sections Five and Thirteen of this lease agreement, Lessee shall not be deemed to be in default under this lease agreement in the payment of rent or the payment of any other moneys as required or in the

furnishing of any bond or insurance policy when required in this lease agreement unless Lessor shall first give to Lessee three (3) days' written notice of the default and Lessee fails to cure the default within three (3) days.

B. Except as to the provisions or events referred to in the preceding paragraph of this section, Lessee shall not be deemed to be in default under this lease agreement unless Lessor shall first give to Lessee three (3) days' written notice of the default, and Lessee fails to cure the default within the three-day period, or, if the default is of such a nature that it cannot be cured within three (3) days, Lessee fails to commence to cure the default within the period of three (3) days or fails thereafter to proceed to the curing of the default with all possible diligence.

## **SECTION FIFTEEN**

### **DEFAULT**

In the event of any breach of this lease agreement by Lessee, Lessor, in addition to the other rights or remedies it may have, shall have the immediate right of re-entry and may remove all persons and property from the demised premises. In the event of default by Lessee, Lessee's option to purchase shall immediately terminate.

## **SECTION SIXTEEN**

### **EFFECT OF EMINENT DOMAIN**

A. Effect of total condemnation. In the event the entire demised premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this lease agreement shall terminate and expire as of the date of the taking, and Lessee shall then be released from any liability thereafter accruing under this lease agreement.

B. Effect of partial condemnation. In the event a portion of the demised premises shall be so appropriated or taken and the remainder of the property shall not be suitable for the use then being made of the property by Lessee, or if the remainder of the property is not one undivided parcel of property, Lessee shall have the right to terminate this lease agreement as of the date of the taking on giving to Lessor written notice of termination within 60 days after Lessor has notified Lessee in writing that the property has been so appropriated or taken.

C. If there is a partial taking and Lessee does not so terminate this lease agreement, then this lease agreement shall continue in full force and effect as to the part not taken, and the rental to be paid by Lessee during the remainder of the term, subject to adjustment as provided in the rental adjustment provisions of Section Three of this lease agreement, shall be determined in the manner provided for in

the rental adjustment provisions. Any such determination shall not affect or change the times at which Lessor may require an adjustment in rent under those provisions; provided, however, that the words "which in no event shall be less than the rental then being paid by lessee" appearing in the rental adjustment provisions shall not apply with respect to such determination, but shall apply with respect to any subsequent adjustment under the rental adjustment provisions.

D. Condemnation award. In the event of the termination of this lease agreement by reason of the total or partial taking of the premises by eminent domain, then in any such condemnation proceedings, Lessor and Lessee shall be free to make claim against the condemning or taking authority for the amount of any damage done to them, respectively, as a result of the condemning or taking.

E. In the event of a partial taking of the demised premises and this lease agreement is not terminated, then Lessee shall have the right to make claim against the condemning or taking authority for only the unamortized cost of the premises at the time of the taking or appropriation, which improvements shall be deemed to amortize in equal annual amounts over the period commencing with the date of completion of the improvements and ending on OCT 31 2012.

## SECTION SEVENTEEN

### WAIVER

The waiver by Lessor of, or the failure of Lessor to take action with respect to, any breach of any term, covenant, or condition contained in this lease agreement shall not be deemed to be a waiver of such term, covenant, or condition, or subsequent breach of the same, or any other term, covenant, or condition contained in this lease agreement. The subsequent acceptance of rent under this lease agreement by Lessor shall not be deemed to be a waiver of any preceding breach by lessee of any term, covenant, or condition of this lease agreement, other than the failure of Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of a preceding breach at the time of acceptance of rent.

## SECTION EIGHTEEN

### EFFECT OF LESSEE'S HOLDING OVER

Any holding over after the expiration of the term of this lease agreement, with the consent of Lessor, shall be construed to be a tenancy from month-to-month, at the same monthly rental as required to be paid by Lessee for the period immediately prior to the expiration of the term of this lease agreement, and shall otherwise be on the terms and conditions specified in this lease agreement, so far as applicable.



## **SECTION NINETEEN**

### **PARTIES BOUND**

The covenants and conditions contained in this lease agreement shall, subject to the provisions as to assignment, transfer, and subletting, apply to and bind the heirs, successors, executors, administrators, and assigns of all of the parties to the lease agreement. All of the parties shall be jointly and severally liable under this lease agreement.

## **SECTION TWENTY**

### **TIME OF THE ESSENCE**

Time is of the essence of this lease agreement, and of each and every covenant, term, condition and provision of this lease agreement.

## **SECTION TWENTY-ONE**

### **SECTION CAPTIONS**

The captions appearing under the section number designations of this lease agreement are for convenience only and are not a part of this lease agreement and are not in any way limit or amplify the terms and provisions of this lease agreement.

## **SECTION TWENTY-TWO**

### **GOVERNING LAW**

It is agreed that this lease agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Washington.

## **SECTION TWENTY-THREE**

### **ENTIRE AGREEMENT**

This lease agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this lease agreement shall not be binding on either party except to the extent incorporated in this agreement.

## SECTION TWENTY-FOUR

## MODIFICATION OF AGREEMENT

Any modification of this lease agreement or additional obligation assumed by either party in connection with this lease agreement shall be binding only if evidenced in a writing signed by each party or an authorized representative of each party.

## SECTION TWENTY-FIVE

## ADDITIONAL DOCUMENTS

The parties agree to execute whatever papers and documents may be necessary to effectuate the terms of this lease agreement.

Eatonville **IN WITNESS**, each party to this agreement has caused it to be executed at Washington, on the date indicated below.

LESSEE:

Donald Painte

LESSOR:

SAINT HELENS PROPERTY, LLC

[Signature]

STATE OF WASHINGTON )

County of Pierce ) ss.

On this the 11 day of Sept, 2008, appeared Don Painte, to me known to be the individual who executed the within and foregoing instrument and acknowledged the signing of said instrument to be his free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and Official Seal the day and year first above written.

[Signature]

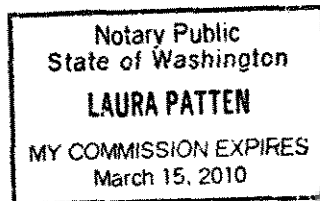
NOTARY PUBLIC in and for the State of Washington

Residing at: [Signature]My Commission Expires: 2/21/10

STATE OF WASHINGTON                    )  
  ) ss.  
County of Pierce                    )

On this the 11 day of September, 2008, appeared Kurt Erickson  
Dora Painter to  
me known to be a managing member of Saint Helens Property, LLC, who executed the within and  
foregoing instrument and acknowledged the signing of said instrument to be his free and voluntary  
act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and Official Seal the day and year  
first above written.



Candace  
NOTARY PUBLIC in and for the State  
of Washington  
Residing at: Edenville  
My Commission Expires: 3/15/10

EXHIBIT A  
TRACT 15  
LEGAL DESCRIPTION

THE NORTHWEST QUARTER, OF SECTION 19, TOWNSHIP 10 NORTH, RANGE 5  
EAST, OF THE WILLAMETTE MERIDIAN, SKAMANIA COUNTY, WASHINGTON,  
EXCEPT ANY PORTION THEREOF, LYING WITHIN GOVERNMENT LOTS 1 AND 2, OF  
SAID SECTION 19.

I HEREBY CERTIFY THIS PARCEL CONTAINS MORE THAN 75 ACRES.

Skamania County Assessor  
Date 11/17/08 Parcel# 10-5-00-2200

Ym

2/1/08

Unofficial Copy