AFN #2010174650 Recorded 01/06/10 at 09:19 AM DocType: BOS Filed by: Kathleen

Butcher Page: 1 of 20 Auditor Timothy O. Todd Skamania County, WA

After recording return to:

Barbara Van Abel Windemere Glenn Taylor P.o. Box 773 Bingon, WA 98605

REAL ESTATE EXCISE TAX

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JAN -6 2010

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KAMANIX COUNTY TREASUR

White Salmon, Washington 98672

December 3, 2009

KNOW ALL MEN BY THESE PRESENTS:

That **Grantor**, ELLEN TASSINARI, a single person, of Beverly, Massachusetts, for and in consideration of the sum of FORTY THOUSAND DOLLARS AND NO CENTS (\$40,000.00), receipt of which is hereby acknowledged in the form of \$\frac{15,000.00}{25,000.00}\$, cash received and a promissory note dated December \$\frac{3}{2}\$, 2009, in the amount of \$\frac{25,000.00}{25,000.00}\$, do by these presents grant, bargain, sell and deliver unto, **Grantees**, ALLISON B. EHLE, a single person, and MATTHEW J. LOW, a single person, the following described personal property now located in the County of Skamania and State of Washington, to-wit:

All improvements located on the lease hold interest in the following described real property located in said Skamania County, State of Washington:

Cabin Site No. 12, Northwestern Lake, White Salmon, Washington, located at 2 Creekside Place, White Salmon, Washington.

C. S.

Skamania County Personal Property Tax Parcel No. 43-10-0200-0412-00.

TO HAVE AND TO HOLD the same unto the parties of the second part, their heirs, executors, administrators and assigns forever. And said party of the first part, for themselves, their heirs, executors, administrators, covenant and agree to and with the said parties of the second part, their executors, administrators and assigns that said party of the first part have an interest in said property, goods and chattels and have good right and full authority to convey its interest in same, and that they will warrant and defend the conveyance hereby made unto the said parties of the second part, their executors, administrators and assigns, against all and every person or persons, whomsoever, lawfully claiming or to claim the same;

Skamania County Assessor

Skamania County Assessor 63

Date 1/6/10 Parcell 4/3-10-2-4/2

SUBJECT TO Grantees executing an underlying lease agreement with PacifiCorp, an Oregon corporation, a copy of which is attached hereto as Exhibit A and incorporated here by reference and

BILL OF SALE Tassinari-Ehle/Low - Page 1 AFN #2010174650 Page: 2 of 20

any interest arising in another or any of the subject property through any action or inaction of the Purchaser.

Seller has not given or made any warranty or representation whatsoever concerning the physical condition thereof or the uses or purposes to which the same may now or hereafter be placed, a disclosure statement will not be provided, and said property is sold []As Is.[]

IN WITNESS WHEREOF, the said ELLEN TASSIANRI has hereunto set her hand this 8th day of Mecenter, 2009.

Ellen Tassinari, Grantor

STATE OF MASSACHUSETTS

County of Essign) so

Witness my hand and official seal hereto affixed the day and year first above written

[Print] Doceso L. Lucido

Notary Public in and for the

State of Massachusetts
Residing at Revelle

My commission expires: 10/15/20

NOTARY PUBLIC

My commission expires Oct. 15, 2010

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EXHIBIT A

PacifiCorp Assigned Customer #:10004730

PacifiCorp Parcel #: WNL-0012

CABIN SITE LEASE

RECITALS

WHEREAS, PACIFICORP, an Oregon corporation, doing business as PACIFIC POWER (the "Company"), is the owner and operator of the Condit Hydroelectric project (the "Project") on the White Salmon River in Skamania and Klickitat Counties, Washington, consisting of a dam known as Condit Dam (the "Dam"), and a reservoir known as Northwestern Lake (the "Reservoir"), licensed by the Federal Energy Regulatory Commission ("FERC") as Project No. 2342; and certain lands in proximity to the Reservoir; and

WHEREAS, MATT LOW and ALLISON EHLE ("Lessee") desire to lease from the Company certain real property in proximity to the Reservoir as described hereinafter, and to construct and/or maintain thereon one recreational cabin; and

WHEREAS, FERC stresses and the Company acknowledges the importance of coordinating development and use of property adjacent to the Project with the most current State and local plans and policies, including, but not limited to:

the State Environmental Policy Act (SEPA),

the Shoreline Management Act,

local Shoreline Master Programs,

local Comprehensive Plans and Zoning Ordinance, and subdivision regulations,

the Lower White Salmon National Wild and Scenic River Management Plan,

the Columbia Gorge National Scenic Area Management Plan, and

the requirements of the local water and sanitation district; and

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PacifiCorp Parcel #: WNL-0012

WHEREAS, the Company is committed to the conservation of natural, scenic and historic resources and providing public recreation, and has established a Recreation, Cultural Resources, and Terrestrial Plan pursuant to its FERC license for the Project;

NOW THEREFORE, the Company hereby grants to Lessee permission to occupy and use for private, noncommercial, recreational cabin purposes only, the following described cabin site owned by the Company:

Northwestern Lake Cabin Site No. 12

as more particularly shown on Exhibit "A," attached to and made a part of this Lease by reference; said cabin site being hereafter referred to as the "Premises."

TERMS AND CONDITIONS

This Lease is granted subject to and upon the following terms and conditions, which Lessee agrees to observe and perform.

1) <u>Use of the Premises.</u>

- a) The Premises has not been surveyed and all distances shown are approximate. Other than those shown generally on Exhibit "A," there are no designated boundary lines between individual cabin sites. In the event of any errors or ambiguity in the descriptions or misunderstandings with respect to the location or boundary of the Premises, the Company may designate the area in dispute on the ground or have it marked, and in case of disagreement, the decision of the Company shall be final. The Company reserves the right at any time to redefine or mark the Premises, and to substitute and replace Exhibit "A," when required for the Project.
- b) Except as provided in paragraph 1(c), Lessee may not prohibit free public pedestrian access across the Premises for recreational purposes by any method or methods whatsoever, including but not limited to posting signs or erecting fences or barricades.

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c) Lessee has the exclusive right to use all existing or future Company-approved manmade structures constructed by the Lessee or previous Lessee upon the Premises. All approved manmade structures or improvements on structures are personal property of the Lessee.

- d) Unless specifically allowed in writing by the Company, all manmade improvements, including, but not limited to the cabin, decks, accessory buildings, storage areas, fencing, retaining walls, walkways, driveways or other access, and earthwork shall be confined to the Premises, to minimize disturbance to the Project and to adjoining lessees. Each exemption from this stipulation shall be unique and independent of any other exemption and will be granted to an individual Lessee only, and on a case by case basis.
- e) Outhouses or toilets unattached to the recreational cabin on the Premises are not permitted. Waste water and sewage disposal systems must be approved by the Company and local health and sanitation agencies.
- Landscaping. Only that land and within ten (10) feet of exterior walls of any cabin, (the "Landscape Band"), may be landscaped at Lessee's option. Any new landscaping in the Landscape Band must be pre-approved in writing by the Company. New landscaping includes, without limitation, removal of vegetation, including trees, and preparation of the Premises for construction or other land disturbing activities. New landscaping does not mean general maintenance or replacement of existing landscaping within the Landscape Band; however in no event may Lessee plant any plants that are considered noxious by the Washington State Noxious Weed Control Board (list currently available at www.nwcb.wa.gov).

3) Non-Conforming Uses of Premises.

a) All existing manmade improvements located within the Premises but outside of the ten (10) foot Landscape Band are designated as nonconforming uses. Nonconforming uses may include, without limitation, decks, accessory buildings, storage areas, waterlines and systems, septic systems, decorative fences, wood piles, retaining walls, walkways, driveways or other access, earthwork, and landscaping outside of the Landscape Band. Existing nonconforming



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PacifiCorp Parcel #: WNL-0012

uses, except for outhouses or toilets unattached to the cabin which are governed by section 1(e), may be permitted so long as they are maintained to Company's satisfaction and the area they occupy is not increased.

- b) If it is determined by the Company that a nonconforming use is no longer appropriate to the Project, the nonconforming use shall be removed at Lessee's sole expense, and the area or portions of the area where nonconforming uses shall be reverted to Native Growth Protection Area status at Lessee's sole expense.
- c) Unless specifically approved by Company nonconforming uses located within a wetland area must be removed by Lessee within sixty (60) days after the execution of this Lease, and the wetland restored to Company satisfaction.
- Native Growth Protection Area. All land within the Premises, except for the ten (10) foot Landscape Band area described in Section 2, is designated a "Native Growth Protection Area."

 The Native Growth Protection Area has been established for habitat protection and enhancement, and shall remain in an undisturbed condition unless the Company specifically pre-approves modification or improvement to the area in writing.
- 5) <u>Hazard Trees and Firewood</u>. Company shall inspect trees on the Premises on a periodic basis to determine if trimming, cutting, or removal is deemed necessary by Company. Lessee may not use fallen or trimmed trees unless the Company specifically pre-approves such use in writing.
- 6) Approval for Improvements or Changes to Premises. Lessee shall obtain written approval from the Company for any improvements made to the Premises, including cabin and accessory structures.

7) Construction on Existing Cabins and Premises.

a) Any improvements, enlargements, or new construction on existing cabins must be pre-approved, in writing, by the Company. Lessee shall obtain all necessary permits and

Initials ACM

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authorizations for building before the Company will grant construction approval, and provide copies of such permits and authorizations to the Company.

- b) Improvements, enlargements, or new construction commenced without approval of the Company, regardless of any other permits or permissions from other agencies, shall automatically terminate this Lease.
- 8) Construction Deadline. Intentionally Omitted.
- 9) Maintenance of Premises and Compliance with Applicable Regulations.
- a) Lessee agrees at all times during the continuance of this Lease at its expense to keep and maintain the cabin and the improvements described on Exhibit "A" in a clean, attractive and sanitary condition, satisfactory to the Company; not to make or permit any offensive, unlawful or improper use of the Premises; and not to damage or remove any trees or natural vegetation without the express written consent of the Company.
- b) Lessee shall not allow the Premises to be used in such a manner as to endanger the health or safety of others, or create a nuisance or annoyance, or be incompatible with overall Project uses. No noxious, offensive or illegal activity or trade shall be carried on upon the Premises.
- c) Lessee shall, at its own cost and expense, properly dispose of all garbage, refuse and waste. Lessee may not dispose of garbage, refuse or waste on Company lands or in dumpsters provided by the Company for recreation park use. Lumber and other building materials shall not remain exposed on any site visible from the Reservoir, any road or adjoining or nearby Premises.
- 10) Term. The term of this Lease shall commence on the date hereof and terminate on December 31, 2014. At the end of the term this Lease may be renewed on a year-to-year basis provided that Lessee gives the Company notice of its intent to renew no later than November 1 of each year. The Company reserves the right, at its sole and absolute discretion, to refuse renewal of this Lease if Lease provisions have been violated, or for Company business purposes.



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11) Rental.

a) Beginning on January 1, 2010 and for each subsequent year of the Lease term, Lessee shall pay rent in advance for the following year, payable no later than January 1, except that Lessee may pay one-half of the annual payment due on January 1, provided that the balance is paid no later than July 1. Payment schedule is as follows:

January 1, 2010 to December 31, 2010: \$6,000.00

January 1, 2011 to December 31, 2011: Fair market value, as determined by Company

appraisal, but not to exceed \$7,293.00

January 1, 2012 to December 31, 2012: Fair market value, as determined by Company

appraisal, but not to exceed \$7,658.00

January 1, 2013 to December 31, 2014: Fair market value, as determined by Company

appraisal, but not to exceed \$8,041.00

b) A late fee of Fifty Dollars (\$50.00) will be charged for any payment not made within ten (10) days of the due date.

c) Payments shall indicate the customer number assigned to the executed Lease (10004730) and shall be sent to:

PacifiCorp
Attn: Central Cashiers
P.O. Box 5504
Portland, Oregon 97228-5504

12) Rental Adjustments.

a) At the beginning of any calendar year, the Company, at its option, may increase the amount of said Lease payment to reflect market value of the Premises. In the event of an increase in the Lease payment Lessor shall notify Lessee of its intent to increase the Lease payment no later than ninety (90) days prior to the expiration of the current Lease term. The Company may terminate this Lease unless Lessee shall agree to pay said rental as so adjusted by Company. Market value shall be determined by the Company.

b) If Lessor increases the Lease payment by an amount greater than fifty percent (50%), the increase shall be phased in equally over a period of four (4) years.

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13) Taxes, Assessments and Charges.

- a) Lessee will pay, when due, all taxes, assessments or charges of any nature or kind whatsoever (including, but not limited to, water, fire protection, sanitary facilities, local improvement or service charges) assessed against Lessee's structures and improvements on the Premises or any increase in taxes assessed against Lessor which are directly or indirectly attributable to such structures of improvements. Lessee's obligations shall extend to those taxes, assessments or charges that may be assessed for any part of the term of this Lease, including those due and payable after the termination of this Lease. If statements for such taxes, assessments or charges are submitted directly to the Company, Lessee promptly upon receipt of Company billing shall reimburse the Company. In the event of any failure on the part of Lessee to fully or timely discharge any of its obligations under this Section 13, the Company may pay said obligations and Lessee shall immediately reimburse the Company. The Company shall pay all real estate taxes assessed against the land.
- b) In the event Lessee fails to fully discharge any of Lessee's obligations under this Section 13, the Company may terminate this Lease or, if it elects to continue the Lease, the Company may pay and discharge such taxes, assessments or charges and thereupon the Company shall have a lien upon any real or personal property of Lessee located on the Premises for the amount of any such payments, together with the amount of any cost or expense incurred by the Company plus interest upon such amounts at the highest rate permitted by law until such time as Lessee shall have reimbursed the Company for such amount plus interest. The provisions of Section 13 shall survive termination, transfer, or expiration of this Lease.
- 14) Future Use and Operation of Condit Dam. By the acceptance of this Lease, Lessee acknowledges that the Company has made certain agreements concerning the future use and operation of Condit Dam, including removal of the dam in its entirety at such time as the Company is given final approval for such action. Lessee hereby releases the Company from any and all liability, actions, or claims arising from the operation, maintenance, and removal of the



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Condit Dam and the Reservoir and any other action relating thereto which may have an affect on the recreational uses associated with this Lease or the use or future values of this Lease and any property of Lessee located upon the Premises. Lessee further acknowledges that the Company may sell or assign all or part of the demised Premises, subject to the terms of this Lease, and agrees to release the Company from any claims relating to such transfer or sale.

- Compliance with Laws. Lessee shall comply with all federal, state, county and local laws, ordinances, plans and regulations relating to the occupancy or use of the Premises. In addition, Lessee shall comply with the White Salmon National Wild and Scenic River Management Plan to the extent the Premises fall within the jurisdictional boundaries of such plan. Lessee and the Company shall use best efforts and all necessary precautions to protect the environmental features of the Project including, without limitation, cooperating with each other and all governmental authorities having jurisdiction over the Project in taking measures to prevent soil erosion, to protect existing vegetation cover and the native growth, and to protect water quality.
- 16) Assignment of Lease. Transfer of Lessee's Personal Property on Premises. Subletting Prohibited.
- a) During the term of this Lease, and subject to Company's consent, Lessee may transfer its personal property located on the Premises to a third person. Such consent may be withheld or conditioned at Company's sole and absolute discretion. Company specifically reserves the right, without limitation, to change, amend or augment the terms of this Lease as a condition of such consent. Any assignment or other such transfer of this Lease without the Company's prior written approval shall be null and void and shall not be binding upon the Company. At all times during the term of this Lease, Lessee must own or be in lawful possession of all personal property located on the Premises.
- b) Prior to Lessee's offering its personal property located on the Premises for sale, Lessee shall notify Company of its intent to sell and submit to Company its description of property for sale. Company shall review Lessee's description of its personal property for sale, the



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Premises, its cabin management plan and its objectives with regard for the Project and inform Lessee of any changes it will make to the description or use of the Premises as a condition of sale. Lessee shall incorporate Company response into its sale offering. Lessee's sale offering shall inform potential buyers that only Lessee's interest in this Lease and improvements, buildings and structures are offered for sale, and that assignment of the Lease may occur only upon prior written approval of Company. The Company shall notify Lessee in writing of any objections it has to the assignment of this Lease to any particular individual within thirty (30) days of being advised in writing of the name and address of the potential assignee of the Lease. Approval of a new lessee may be contingent on the review of financial records or referrals from previous Lessors. In connection with assignment, Company may require Lessee and the assignee to execute documentation submitted by Company, including release of interest in the Lease by Lessee, assumption by Assignee, acknowledgement of new lease terms or rules and regulations or a substitute standard lease form. In the event of assignment on terms approved by Company, Company may thereafter deal exclusively with the assignee, without notice to Lessee, including enforcement and termination of this Lease and Lessee shall have no reversionary or other remaining interest in this Lease.

- c) Lessee may not rent, sublease, mortgage or otherwise transfer or encumber this Lease or Lessee's interest therein. Lessee may not list or advertise the Premises for rent, nor any part thereof.
- 17) One Recreation Residence Only Limitation. The Premises covered by this Lease has been designated for one recreation cabin only, and any attempt at evasion of such limitation, including use of the cabin as a primary residence, shall result in the immediate cancellation of this Lease.
- 18) Default, Termination, Expiration and Removal of Property.
- a) By Lessee: This Lease may be terminated by Lessee upon sixty (60) days' written notice to Company, but such termination will not relieve Lessee of obligations under this Lease incurred prior to the date of termination.



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- b) By Company: In addition to any other provision herein contained for termination of this Lease by the Company, Company may, without cause, terminate this Lease upon one hundred eighty (180) days' written notice to Lessee. Furthermore, if Lessee defaults in the performance of or violates any of the terms, covenants and conditions of this Lease including without limitation, rules and regulations attached hereto as Appendix I, and fails to cure such default within thirty (30) days after written notice of such default, the Company may by written notice to Lessee declare this Lease terminated, and may thereupon immediately and without other or further notice re-enter and repossess itself of said Premises and expel Lessee, without being guilty of trespass and without prejudice to any other remedy or remedies which the Company may have at law or in equity on account of such default or violation. If Lessee defaults in the performance of or violates any of the terms, covenants and conditions of this Lease (including the payment of rent) more than two (2) times within any twelve (12) month period regardless of whether Lessee has cured such defaults, the third (3rd) default, at election of Company in its sole and absolute discretion, may be deemed a non-curable default and the Company may, by written notice to Lessee, declare this Lease terminated and exercise the rights of entry and repossession set forth above. During any period of default or violation, the Company may suspend Company performance of any of its obligations under this Lease without liability to Lessee. Termination will not relieve Lessee of obligations under this Lease incurred prior to the date of termination.
- c) Removal of Lessee's Personal Property: Upon expiration or termination of this Lease for any reason and provided Lessee is not in default of the provisions hereof, Lessee may, within sixty (60) days after the date of such termination, remove its property, including buildings, structures and improvements, from said Premises; provided further however, that if Lessee (1) does not remove said property, including buildings, structures or other improvements within such sixty (60) day period, or (2) if ownership of said personal property, structures or other improvements is not transferred on terms acceptable to Company to an approved assignee of this



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Lease, or a new lessee approved by Company within sixty (60) days after termination, then said personal property, buildings, structures or other improvements shall, at Company option, either become the sole property of Company as an appurtenance to the Premises which Company may transfer, demolish or otherwise dispose of as it chooses, or, at Lessee's sole cost and expense, be removed by Company from said Premises.

- d) Restoration Plan. Upon termination of this Lease, for any reason and irrespective of whether the property, buildings, structures or other improvements of Lessee are removed, Lessee shall submit to Company a restoration and revegetation plan, and upon Company approval of same, shall carry out said plan at Lessee's sole cost and expense to the satisfaction of the Company, or Company may design and adopt a plan of restoration and revegetation, and charge Lessee for its design and implementation.
- e) In the event of Lessee's default, Company may pursue any other right or remedy allowed by law.

19) Rights Specifically Reserved by Company.

- a) Company reserves a right of way across the Premises for free pedestrian access for recreation purposes. In addition, the Company may grant permission to others to cross the Premises for purposes such as constructing and maintaining electric transmission and distribution lines, telephone lines, and water and sewer lines, or other utility lines upon, over, beneath and across the Premises. The Company and its authorized agents and contractors may enter upon the Premises at any time for any purposes deemed necessary by the Company in carrying out the requirements of this Lease or the Project license, including but not limited to, inspections, removing or thinning trees or engaging in any forest, land or any water management practice deemed desirable by the Company.
- b) Lessee agrees to hold the Company harmless from any physical damage to Lessee's improvements caused by the exercise of any of Company reserved rights pursuant to this Lease, except for its or its agents negligence or intentional misconduct.



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PacifiCorp Assigned Customer #:10004730

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20) Assumption of Risk and Liability, and Indemnity.

- a) This Lease is subject to the right of the Company to operate the Reservoir now, or at any future time, as the Company deems necessary in its business as a public utility including, but not limited to, the right to raise, elevate, lower, draw down or in any way fluctuate the water surface level without notice or liability to Lessee, and Lessee agrees that Company and any related entity shall have no liability to Lessee, Lessee's family, or Lessee's invitees for injury, loss of life or property damage arising from such fluctuations, and Lessee agrees to indemnify, defend, save and hold Company harmless from any injury or loss of life of Lessee, Lessee family or Lessee invitees or damage to such person's property caused by such fluctuations.
- b) The Premises is situated in forested areas distant from fire protection services. Company has no responsibility to provide, and shall not provide, fire protection services to the Premises or the Project. Lessee has the option of insuring its improvements on the Premises. If such insurance is carried, Lessee and its insurer waive all rights of subrogation. Lessee agrees that Company shall have no liability to Lessee, Lessee's family, and Lessee's invitees for injury, loss of life, or damage to property arising from fire of any origin or cause, and agrees to indemnify, defend, save and hold harmless Company from any injury, loss of life or property damage of Lessee, Lessee's family or other invitees of Lessee arising from fire of any origin or cause including if caused in whole or in part by Company.
- c) Company shall have no liability for, and Lessee assumes all risk and shall indemnify, defend, save and hold harmless Company from any claim of injury or loss of life of persons and any and all damage to, loss or destruction of property (1) resulting from, incidental to or which would not have occurred but for Lessee activities on the Project, or (2) resulting in any way from the presence or condition of Lessee improvements on the Premises. Company shall have no responsibility to or liability for any injury, loss of life or property damage arising from the actions, negligence or presence of trespassers, invitees of Lessees, or the general public.



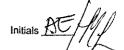
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PacifiCorp Parcel #: WNL-0012

21) Liens and Mortgages.

- a) Lessee shall do all things reasonably necessary to prevent the filing of any, liens against the Premises or this Lease. If any such lien shall at any time be filed against the Premises or this Lease, Lessee shall either cause the same to be discharged of record within ten (10) days after receipt of written notice of the date of filing of the same, or, if Lessee determines that such lien should be contested, shall furnish such security as may be necessary or required to prevent any foreclosure proceedings against the Premises or this Lease during the pendency of such contest. If Lessee fails to discharge any lien within such period or fails to furnish security, then, in addition to any other right or remedy of Company resulting from Lessee's default, Company may discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by giving security or in such other manner as is, or may be, prescribed by law. Lessee agrees to repay Company, on demand, all such sums disbursed or deposited by Company pursuant to the foregoing provisions of this sub section, including Company's fees incurred by Company in connection therewith. The provisions of this paragraph shall survive termination, transfer, or expiration of this Lease.
- b) Lessee may not mortgage, or attempt to mortgage, or otherwise encumber, the Premises or Lessee interest in this Lease. In applying for any loan to finance construction of its recreational cabin or other improvements allowed by this Lease, Lessee shall represent to the financing entity that the Premises and this Lease may not be encumbered in any way.
- c) If the personal property including without limitation cabins, fixtures and or improvements located on the Premises are encumbered by a mortgage, trust deed or security interest, or if a prior owner of the personal property has sold such property to the Lessee or assignee by contract or otherwise, the interest of the mortgage, trust deed beneficiary, or secured party or contract vendor shall be junior to the interest of the Company. Company may require



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Lessee to obtain from the holder of such mortgage, trust deed or security interest, or contract vendor interest an executed acknowledgment of this Section 15(c) on terms satisfactory to Company. In any such matters, Company may act directly with Lessee.

Rules and Regulations. Lessee shall comply with the rules and regulations issued by Company from time to time relating to Northwestern Lake cabins, and shall comply with such rules and regulations as though they were covenants of this Lease. The Lease hereby incorporates by reference such existing and future rules and regulations as adopted by Company from time to time, including without limitation those described in the attached Appendix 1.

Waiver. Failure of the Company to insist on strict performance of any provision or option hereunder shall not be deemed a waiver of such breach. No provision of this Lease shall have been deemed to be waived unless such waiver is in writing, signed by the Company authorized representative.

24) <u>Cooperation among Lessees Encouraged.</u> Company encourages Lessees in close proximity to each other to prepare, for Company written pre-approval, plans to maintain common driveways or develop for joint use facilities such as domestic water supply systems and sewage disposal systems, and to provide for garbage disposal.

Notices: Any notices to be given either to Company or to Lessee or any payments to be made to Company may be given to either party by depositing same in the United States mail, to the addresses listed below. The address of either party may be changed by written notice given to the other party.

Lessee:

Matt Low and Allison Ehle

23600 SE Shady View Lane Eagle Creek, Oregon 97022

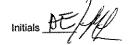
Company:

(Address for payments is different; please see Section 11)

PacifiCorp

Attn: Property Management 825 N.E. Multnomah, Suite 1700

Portland, Oregon 97232



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PacifiCorp Parcel #: WNL-0012

Mortgage Provision. The permission hereby granted to Lessee is subject to any and all mortgages or deeds of trust executed by Company and now or hereafter of record in Skamania or Klickitat Counties, State of Washington.

Modification or Amendment of the Terms Hereof. Lessee agrees that the Company may change, modify or supplement the terms, conditions, covenants and limitations herein contained to conform to such additional or modified terms, provisions and conditions as Company is required by federal, state, county and local laws, ordinances, plans, regulations and policies to make generally applicable to all Lessees in the Project area, as needed by utility regulations, business changes, or as necessary for Project operation.

28) <u>Prior Agreements.</u> This Lease shall, when executed by the parties hereto, supersede and replace any and all prior agreements between said parties pertaining to the Premises hereinabove described.

29) Rights and Responsibilities Upon Termination of this Lease.

a) At the end of the term of this Lease or upon termination or cancellation Lessee shall, within a reasonable amount of time, remove all structures and improvements on the Premises and shall return the Premises to a condition approved by the Company.

b) In the event Lessee fails to take such action, all improvement made upon the Premises shall become the property of the Company, but in such event Lessee shall remain liable for the cost of their removal and restoration of the Premises.

EXECUTED in duplicate as of the last date below.

COMPANY	LESSEE
PacifiCorp, an Oregon corporation	MATT LOW and ALLISON EHLE
Ву:	By: Manline Low
Jana Mejdell	Matt Low
Director, Real Estate Management	Date: 1/4/((f)
Date:	By: air Ehle
	Allison Ehle
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PacifiCorp Parcel #: WNL-0012

APPENDIX I

The following rules and regulations, as amended from time to time, are incorporated by reference in any Lease of any cabin site in the vicinity of Northwestern Lake, and are terms of the Lease. Company may change, amend, delete or add rules and regulations at anytime and such action will be immediately effective.

Building Limitations

1. The vertical dimension of any building on the Premises shall not exceed thirty five (35) feet, unless the natural tree canopy is lower than thirty (30) feet, in which case the vertical dimension shall not exceed thirty (30) feet. The horizontal dimensions of any buildings or structures on the Premises may not encroach upon wetland areas of the Reservoir or the White Salmon River or its tributaries.

Environmental, Health and Safety

- 1. At any time during the term of the Lease, if wastewater or sewage is escaping from the Premises, Lessee shall have no longer than thirty (30) days to present an acceptable disposal plan to the Company nor longer than forty-five (45) days to complete repairs and improvements to prevent such discharge from the Premises, or such lesser time as governmental authorities require for compliance.
- 2. At any time during the term of the Lease, if Company becomes obligated to comply or agrees to comply with additional, or more restrictive, environmental, safety or health ordinances, laws, regulations or plans, the Company shall promptly notify Lessee, and Lessee shall comply with said ordinances, laws, regulations or plans at Lessee's expense, within a reasonable time period thereafter. Nothing in this section shall excuse Lessee from compliance with ordinances, laws, regulations or plans when Lessee's compliance is required directly by an appropriate authority other than the Company.
- 3. Lessee may not appropriate or develop any new domestic water supply, from ground or surface water, without first seeking approval from Company, which approval shall not be unreasonably withheld. Any such application shall be in the name of the Company and shall be for domestic use only on the Premises. No water or water right may be distributed or transferred off Company land.
- 4. Lessee may not seek to amend or change a permit or certificate of water rights for domestic supply on the Premises during the term of this Lease without the prior written consent of Company.
- 5. Only the Lessee, or, in the case of group water systems, the Lessees, shall own and maintain facilities to develop and supply its domestic water supply for the Premises. Said facilities shall be included with Lessee's property offered for sale as described in the Lease. Whenever possible, Lessees are encouraged to purchase connections to existing domestic water supply systems.

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Fires and Fire Protection.

- 1. Interior fireplaces, stoves or other type burners must be fireproofed by use of chimney spark arrester equipment and must comply with local and state fire safety codes. All fires must be extinguished before leaving the Premises.
- 2. One fully charged fire extinguisher of at least two (2) quart capacity must be kept on the Premises, and one (1) operational smoke detector shall be maintained on each floor of each residential building on the Premises.
- 3. No outside incineration shall be allowed on the Premises without prior written consent of the appropriate governmental authority and Company.

Miscellaneous Provisions.

- 1. Signs: One (1) identification sign, measuring not more than 12 inches x 24 inches, displaying the Lot Number, must be displayed on each cabin at a point nearest the main cabin entrance. The Lot Number shall be preceded by the word "Cabin," e.g., Cabin 1, Cabin 57A. Postal addresses, if displayed on the cabin, shall include the street name, e.g., 64 Lakeview Road, 28 Big Buck Creek Road. No other signs of any kind, specifically including "No Trespassing" signs, shall be displayed to the public view on any site except one professional sign, of not more than 18 inches x 24 inches in size, advertising Lessee's personal property for sale.
- 2. Animals: No animals, livestock or poultry of any kind shall be raised, bred or kept on the Premises, except for household pets. Household pets shall not be allowed to become an annoyance or nuisance to the neighborhood or to damage the Native Growth Protection Area, and must be kept on leashes when outside the Premises.
- 3. Tents and Trailers: No tent, trailer, mobile home, whether on wheels or not, used for habitation on the Premises, shall be permitted on the Premises for more than seven (7) days without the written consent of the Company. Recreational vehicles may not be used for residential purposes on the Premises.
- 4. Vehicles: Motorized vehicles shall not be operated carelessly or in excess of ten (10) miles per hour, nor operated except on designated driveways and roads. No vehicles shall be parked in roadways, nor operated without a muffler in good working order. No ATV's, off-road vehicles, motorbikes or motorcycle riding of any nature shall be allowed except for ingress and egress to the Premises.
- 5. Access: Company does not guarantee vehicular access to the Premises. Company will maintain existing or new general access roads, but not driveways, according to standards determined by the Company. Company will determine the location of and maintain access road gates. In some instances, access to the Premises may be limited to foot or boat. No roads, driveways or parking areas shall be built, improved, rerouted or changed without the prior written consent of the Company.

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- 6. Gates and Fences: Lessee shall not place gates or fences on the Premises without prior written consent of the Company. Fences between cabins or along lot lines or elsewhere are not generally allowed and in most cases must be removed. Existing fences and gates, and requests for new fences, will be reviewed for possible Company approval on an individual cabin basis. Gates installed by the Company are intended to prevent nuisance vehicular traffic, and are not intended as impediments to public access on foot for recreation purposes.
- 7. Commercial Use: No commercial use of the Premises is allowed without prior written approval by the Company.
- 8. Motor Boats: Lessee shall not operate motorboats on the lake at speeds in excess of five (5) mph or in such a manner as to create a wake.
- 9. Firearms and Fireworks: Lessee shall not discharge firearms, firecrackers, rockets, or any other type of firework anywhere on the land owned by the Company surrounding Northwestern Lake.
- 10. Lessee shall inform guests and invitees of these rules and regulations and shall require compliance therewith.

