

**AFTER RECORDING MAIL TO:**

Wayne and Laurel Lease  
c/o PMB 123 PO Box 50  
White Salmon, WA 98672-0050

**DOCUMENT TITLE:**

Cabin Site Lease  
Exhibits

Amendments

**Date or Description of Document:**

July 1, 1993

Exhibit "A"

Exhibit "B"

Road Exhibit-Private Lake Road

July 18, 1997

July 9, 1998

**PROPERTY SITE ADDRESS:** 41 Private Lake Road  
Northwestern Lake  
Skamania County, Washington

**ASSESSOR'S PROPERTY TAX PARCEL NUMBER:** 43-10-02-0-0-0441-00

**GRANTOR(s):**

Pacific Power and Light Company  
PacifiCorp

**GRANTEE(s):** (Last Name first, then first name and Middle initial)

Lease, Wayne D.

Lease, Laurel O.

The document to which this certificate is annexed is

# **CERTIFIED**

A TRUE, CORRECT, AND COMPLETE COPY  
of the original. Signator is Holder in due course of original.

Louise Lesse

Signator Name (Printed)

[Signature]

Signator Signature

11-12-10

Date

Convention de La Haye du octobre 1961

**PACIFIC POWER • UTAH POWER**  
**• PACIFICORP**

## CABIN SITE LEASE

### DECLARATION:

WHEREAS, PACIFICORP, an Oregon corporation, doing business as **PACIFIC POWER & LIGHT COMPANY** (the "Company"), is the owner and developer 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

WHEREAS, the Lessee desires to lease from the Company certain property in proximity to the Reservoir as described hereinafter, and to construct and/or maintain thereon one recreational cabin, and to use the Reservoir for fishing, boating, swimming, and other recreation purposes; 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,

[Signature]  
shl

and;

WHEREAS, the Company is committed to 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, as well as the following Lease conditions to use and protect these resources.

NOW THEREFORE, the Company hereby grants to:

Wayne D. and Laurel O. Lease  
3002 E. 2nd Street  
The Dalles, OR 97058

hereinafter referred to as "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. 41

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

This Lease shall be upon and subject to the following terms and conditions, which Lessee will faithfully observe and perform. The Lease may be transferred in accordance with Section 11 only with prior written Company approval:

1. The Premises and its Use.

a. The above described 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 extent 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's designated representative 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. Lessee may not prohibit, by such methods as posting signs or erecting fences, free public access, on foot, across the Premises for recreational purposes except as noted in subarticle 1(c) hereof. However, Lessee has the exclusive right to use all existing or future Company approved manmade improvements located on the Premises. It is not the Company's intent to advertise the Premises to public access, nor shall it require Lessee to advertise the Premises as open to the general public or to encourage such use by others. Except for docks, piers and utilities, 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.

c. All land within the Premises, except for an area extending no more than ten (10) feet from the exterior walls of any cabin, which may be landscaped at Lessee's option (the "Landscape Band"), is designated a "Native Growth Protection Area." The Native Growth Protection Area has been established for habitat protection and enhancement, and, subject to the nonconforming uses provisions of this Lease in subarticle 1(e) hereof, shall remain in an undisturbed condition unless the Company specifically approves modification or improvement to the area in writing. The Company shall protect the Native Growth Protection Area consistent with its operating requirements, and operation of the Project.

d. If new manmade improvements, or utility or access improvements, are necessary on the Premises, the Company shall review and approve their placement, the material used, and the installation method prior to Lessee's installation.

e. All existing manmade improvements located within the Premises but outside of the ten (10) foot Landscape Band, as described in subarticle 1(c) hereof and inventoried on Exhibit "B," attached hereto and made a part of this Lease, 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. Unless specifically approved by Company on Exhibit "B," nonconforming uses located within a wetland area must be removed by Lessee within one year after the execution of this Lease, and the wetland restored to Company satisfaction. All other nonconforming uses described on Exhibit "B," except for outhouses or toilets unattached to the cabin which are governed by section 7(a), are permitted so long as they are maintained to Company's satisfaction and the area they occupy is not increased. If Exhibit "B" nonconforming uses are not adequately maintained or no longer continue in portions of the area during the term of this Lease, or if it is determined by the Company that a nonconforming use is no longer appropriate to the Project, the unmaintained area or portions of the area where nonconforming uses no longer continue, shall revert to Native Growth Protection Area status, the nonconforming use shall cease, and Exhibit "B" shall be amended accordingly. The Company reserves the right at any time in its sole discretion to redraw, redefine, or replace Exhibit "B," as necessary for the Project or pursuant to business management decisions of the Company.

2. Term. This Lease shall be effective for a period commencing with the date hereof and continuing until the expiration of the FERC license on the Project, estimated to be approximately 2023, unless earlier terminated as hereinafter provided in articles 8 or 12. Company shall notify Lessee of the exact ending date in writing upon receipt of the new FERC license, and such notice shall thereupon become part of this Lease.

3. Rental.

a. On or before July 1, 1993, Lessee will pay to Company as rental for the Premises the sum of \$1,000.00 for the first full year or part thereof ending on June 30, 1994, then \$1,350.00 for the second year beginning July 1, 1994, \$1,650.00 for the third year, \$2,000.00 for the fourth year, and \$2,000.00 per year thereafter for each twelve months ending June 30

during this Lease, subject to any adjustment as hereinafter provided. Lessee may, at its option, pay annually, or semi-annually in two equal installments due July 1 and January 1. Lessee agrees that effective with the year 2000, and thereafter during any year ending in "5" or "0," Company, at its option, and upon ninety (90) days written notice to Lessee, may adjust the amount of said rental for subsequent years of this Lease to reflect market value of like property. Once established, rental rates shall remain in force and shall not be increased except in years ending in "5" or "0." Market value may be determined either by the Company or by an independent appraisal secured by the Company, considering both benefits of and restrictions on Lessee's use of the Premises. Any rental increase greater than 7 percent of the rate in place for the previous period must be secured by appraisal. If Company elects to adjust using an appraisal, Company will use the procedures described in Section 3b, c, d and e, below.

b. Starting with the year 1999, and thereafter in any year ending in "4" or "9," the Company shall secure an independent appraisal to be completed no later than June 30th, using practices generally accepted in the appraisal industry, from a licensed appraiser with experience in valuing recreational property in Washington and Oregon, to determine current market value of the Company's cabin sites at Northwestern Lake. The appraiser shall hold a current certification of competence from a nationally recognized professional appraisal organization. The appraisal shall consider the benefits of and restrictions on Lessee's use imposed by this Lease and applicable governmental laws, ordinances and policies; comparable recreational cabin sites located on or near water on public and private land in Washington and Oregon; the remaining term of the Lease; and any other factors which a reasonable and prudent appraiser valuing recreational cabin sites would normally consider. With the consent of the appraiser, a copy of the appraisal report may be made available for review by Lessee.

c. If the appraisal indicates an increase of 25% or greater in the rental value of the Company's cabin sites at Northwestern Lake over the then current rental, and the Company desires to increase the rental rate, the Lessees of this cabin site and other Northwestern

Lake cabin site Lessees, acting in common, may acquire a second independent appraisal according to the same standards and conditions set forth in subarticle 3(b) hereof. If these two appraisers cannot agree on the rental rate within 45 days after the written opinion of the second appraiser is received, the two appraisers shall appoint a third appraiser with similar experience to act as mediator. If they cannot agree on a third appraiser, that appraiser shall be appointed by the presiding judge of the Multnomah County Circuit Court, if requested by either Company or the Lessees acting in common. The third appraiser shall then select either the fair market rate proposed by the appraiser appointed by Company or that proposed by the appraiser appointed by all the cabin owner Lessees. The decision of the appraisers shall be binding on Lessee and Company as provided in ORS 36.300, et. seq. Each party shall bear the expense of the appraiser they appoint and one-half the cost of the third appraiser.

d. If the amount of said rental adjustment exceeds a 50% increase over the then current rental, the Company's notification to Lessee of rental increase shall include a plan to phase in said increase equally over a period of four years.

4. Landscaping. Any new landscaping in the Landscape Band must be approved by Company prior to installation or enlargement. New landscaping includes, without limitation, removal of vegetation, including trees, and preparation of the Premises for construction or other land disturbing activities. Lessee may use fallen trees for firewood only upon Company's approval.

5. Taxes, Assessments and Charges.

a. Lessee will pay, before delinquency, 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 buildings or other Lessee owned property on the Premises. Such taxes, assessments or charges include those assessed for any part of the term of this Lease, but which are due and payable after the termination of this Lease. If statements for such taxes, assessments or charges are rendered directly to Company, Lessee promptly upon receipt of Company's billing therefor, shall reimburse Company. In the event



of any failure on the part of Lessee to fully or timely discharge any of its obligations under this article, Company may pay said obligations and Lessee shall immediately reimburse Company. The Company shall pay all real estate taxes assessed against the land.

b. In the event of any failure on the part of Lessee to fully and in timely fashion discharge any of Lessee's obligations under this paragraph, Company may forthwith terminate this Lease or, if it elects to continue the Lease, Company may pay and discharge such taxes, assessments or charges and thereupon Company shall have a lien upon any property of Lessee located on said Premises for the amount of any such payments, together with the amount of any cost or expense thereby incurred by Company plus interest upon such amounts at the highest rate per annum permitted by law until such time as Lessee shall have reimbursed such amounts plus the interest thereon to Company.

6. Compliance with Laws. Lessee shall comply with all federal, state, county and local laws, ordinances, plans or regulations relating to occupancy or use of the Premises. In addition, Lessees' whose Premises lie within the White Salmon National Wild and Scenic River Management Plan boundary shall comply with all applicable criteria of said 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.

7. Environmental, Health and Safety Compliance. Lessee shall cause outhouses or toilets unattached to the recreational cabin on the Premises to be removed and the site restored to Native Area Protection Status on or before June 30, 1995. Initial \_\_\_\_ Initial \_\_\_\_

8. Construction Deadline. If the recreational cabin allowed by this Lease is not constructed or existing on the Premises as of the date of execution of this Lease, Lessee shall have until June 30, 1994 within which to acquire all necessary governmental permits and approvals, have its plans accepted by the Company, and commence construction, or this Lease shall



automatically terminate. Construction must be completed before June 30, 1994 or this Lease shall automatically terminate, unless the construction deadline is extended in writing by Company prior to the deadline. This provision shall not prevent the Company from allowing improvements, enlargements, or new construction on existing cabin sites.

9. Maintenance of Premises and Compliance with Applicable Regulations. 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 "B" in a clean, attractive and sanitary condition, satisfactory to Company; not to make or permit any offensive, unlawful or improper use of the Premises; and not to cut, mutilate or injure any trees or natural vegetation on or in the vicinity of said Premises without the consent of Company. Lessee shall not allow the Premises to be used in such a manner as to endanger health or safety, 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. 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 in Company provided dumpsters, on Company land or in wetland areas. Lumber or other building materials shall not remain exposed on any site visible from the Reservoir, any road or adjoining or nearby Premises.

10. Domestic Water Use. This Lease grants Lessee the right to use the existing domestic water supply, if any, up to 5,000 gallons per day on the Premises during the term of this Lease, so long as that existing use complies with health and safety laws and regulations. Nothing in this Lease shall be construed as Company's representation of water quality or that any domestic water supply, whether existing or to be developed in the future, is safe for human consumption. Lessee shall comply with other rules and regulations of Company related to water use.

**11. Assignment of Lease -- Transfer of Lessee's Personal Property on Premises --**

**Subletting Prohibited.**

a. During the term of this Lease, Lessee may transfer its property located on the Premises to a third person if that person will simultaneously assume this Lease in accordance with this Section 11, and if Company first approves such assignee in writing. Any assignment or other such transfer of this Lease without Company's prior written approval shall be voidable at the option of the Company. At all times during the term of this Lease, Lessee must own or be in lawful possession pursuant to a contract to purchase the property located on the Premises.

b. Prior to Lessee's offering its 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 promptly review Lessee's description of its property for sale, the Premises, its cabin management plan and its objectives with regard for the Project and inform Lessee within thirty (30) days of any changes it will make to the description or use of the Premises as a condition of sale. Lessee shall incorporate Company's 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, which shall not be unreasonably withheld. 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. 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 sublease, mortgage or otherwise transfer this Lease. Lessee may not list or advertise the Premises for rent, nor any part thereof, except with express prior written consent of Company. Any renter shall comply with the terms of this Lease and Company may enforce the terms of this Lease directly against such persons or any assignee without notice to Lessee, and such actions will be binding upon Lessee. Long-term rentals (over 14 days) are expressly prohibited.

**12. 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.

b. By Company: Any assignment, mortgage, sublease or other transfer of the Lease which occurs without Company's prior written consent or on terms unacceptable to Company shall be voidable at the option of the Company, and if elected, shall result in the automatic termination of this Lease.

c. By Company: If Lessee shall default 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 or has not commenced and is not diligently prosecuting to completion the curing of such default within thirty (30) days after written notice of such default, 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. During any period of default or violation, Company may suspend Company's

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.

d. **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 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 Lease, or a new lessee approved by Company within 60 days after termination, then said personal property, buildings, structures or other improvements shall, at Company's 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.

e. **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's approval of same, shall carry out said plan at Lessee's sole cost and expense to the satisfaction of Company, or Company may design and adopt a plan of restoration and revegetation, and charge Lessee for its design and implementation.

f. In the event of Lessee's default, Company may pursue any other right or remedy allowed by law.

13. **Rights Specifically Reserved by Company.** Company reserves a right of way across the Premises for free ingress and egress, on foot, of the public for recreation purposes. In addition, the Company may grant permission to cross said Premises, including the right to construct and maintain electric transmission and distribution lines, telephone lines, and water and

sewer lines, or other utility lines upon, over, beneath and across the Premises. 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 water management practice deemed desirable by Company. Lessee agrees to hold Company harmless from any physical damage to Lessee's improvements caused by the exercise of any of Company's reserved rights pursuant to this Lease, except for its or its agents negligence or intentional misconduct.

14. 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 defend and hold Company harmless from any injury or loss of life of Lessee, Lessee's family or Lessee's invitees or damage to such persons' property caused by such fluctuations.

b. The Premises is situated in forested areas distant from fire protection services. Company has no responsibility to 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 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 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's activities on the Project, (2) or resulting in any way from the presence or condition of Lessee's 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.

15. 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 subarticle, including Company's costs, expenses and reasonable attorney's fees incurred by Company in connection therewith.

b. Lessee may not mortgage, or attempt to mortgage, or otherwise encumber, the Premises or Lessee's 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 is 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 Lessee to obtain from the holder of such mortgage, trust deed or security interest, or contract vendor's interest an executed acknowledgment of this section 15c on terms satisfactory to Company. In any such matters, Company may act directly with Lessee.

16. 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 I.

17. 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's representative.

18. Cooperation Among Lessees Encouraged. Company encourages Lessees in close proximity to each other to prepare for Company 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.

19. 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: Wayne D. and Laurel O. Lease  
3002 E. 2nd Street  
The Dalles, OR 97058

Company: Pacific Power & Light Company  
Attn: Property Management Department  
920 S.W. Sixth Avenue  
Portland, Oregon 97204

20. 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.

21. 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, or as necessary for Project operation.

22. Prior Agreements. 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.

EXECUTED in duplicate this 1 day of July, 1993.

PACIFICORP, doing business as  
PACIFIC POWER & LIGHT COMPANY

By: \_\_\_\_\_

Vice President

COMPANY

Wayne D. Lease

Laurel O. Lease

LESSEE



The document to which this certificate is annexed is

# **CERTIFIED**

A TRUE, CORRECT, AND COMPLETE COPY  
of the original. Signator is Holder in due course of original.

Laurel Lessee

Signator Name (Printed)

[Signature]

(Signator Signature)

Date

11-12-10

## **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 35 feet, unless the natural tree canopy is lower than 30 feet, in which case the vertical dimension shall not exceed 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 into the Reservoir, stream or a wetland area, Lessee shall have no longer than three (3) months to present an acceptable disposal plan to the Company nor longer than the lesser of one (1) year to complete repairs and improvements to prevent such discharge from the Premises, or such lesser time as governmental authorities require for compliance.

2. Except as otherwise required by this Lease, Lessee shall complete improvements to the recreational cabin on the Premises to comply with existing applicable health and sanitation regulations within three (3) years from the date of the execution of this Lease. Prior to commencement of work to comply with this subarticle, Lessee shall get Company's approval of its plans. In cases of dispute, the appropriate governmental agency shall have final approval.

3. 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 article 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.

4. 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.

5. 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.

6. 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.

[Signature]  
[Signature]

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 quart capacity must be kept on the Premises, and one 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.

Miscellaneous Provisions.

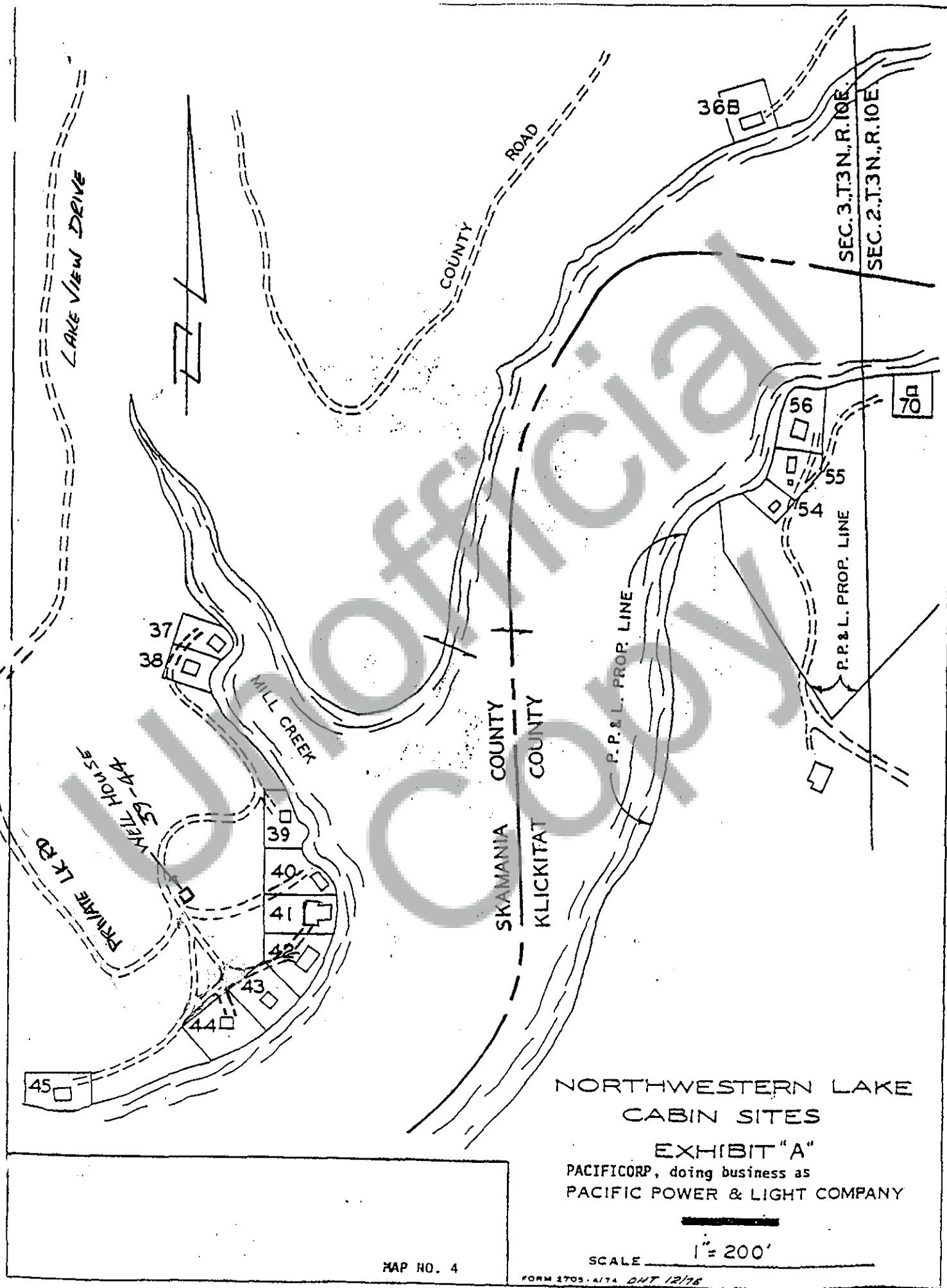
1. Signs: One identification sign, measuring not more than 12 inches x 24 inches, displaying the Lot Number, must be displayed on each cabin at a point nearest the main entrance. The Lot Number shall be preceded by the word "Cabin," e.g., Cabin 1, Cabin 57A. Postal addresses, if displayed on the cabin, 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 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.
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 and authorized, if at all, on an individual cabin basis.
7. Commercial Use: No commercial use of the Premises is allowed.

8. Motor Boats: Lessee shall not operate motorboats on the lake at speeds in excess of 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.

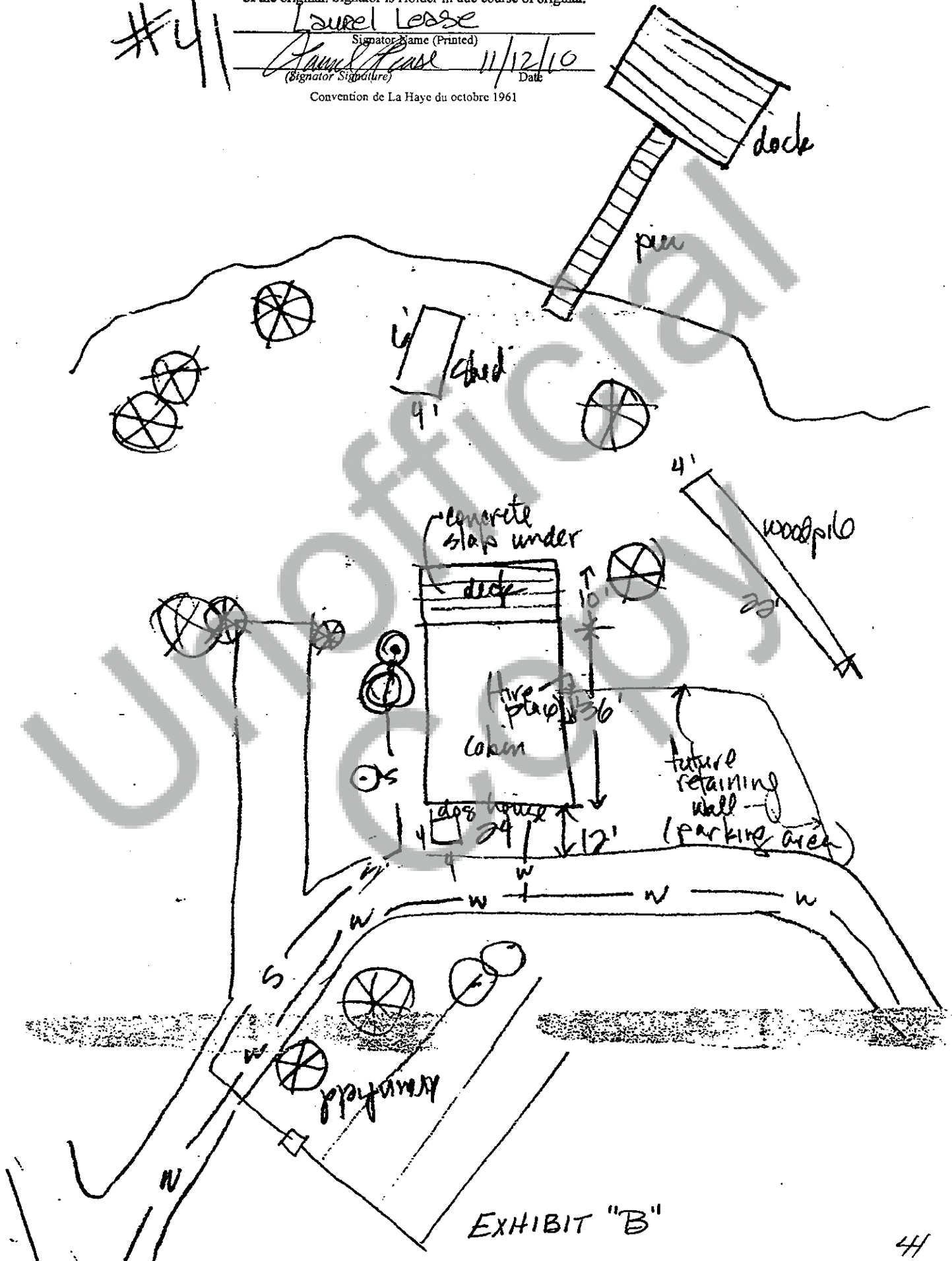
A handwritten signature in black ink, appearing to be "J. L. F.", is written over the "Initials" label.

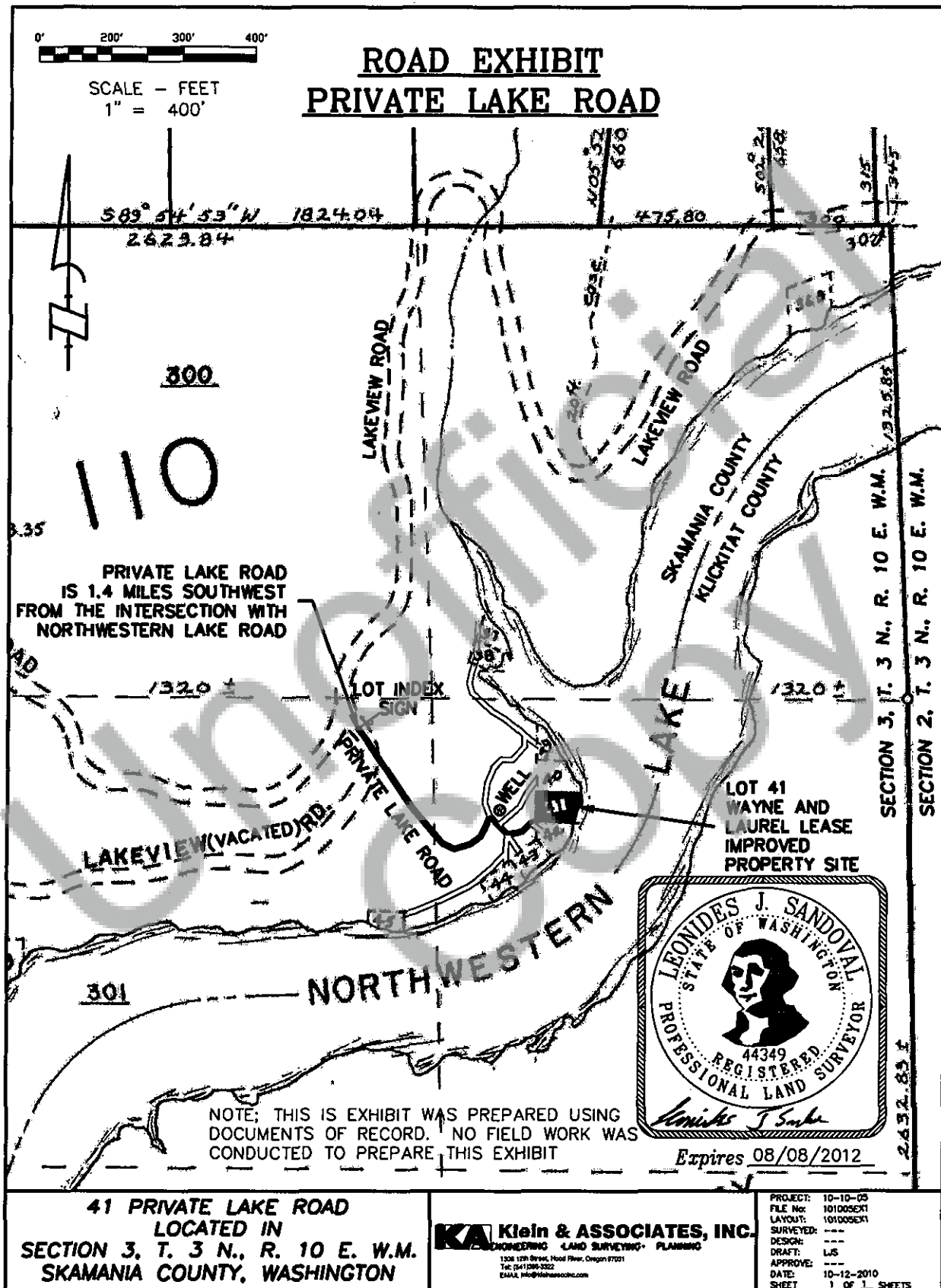


The document to which this certificate is affixed is  
**CERTIFIED**  
 A TRUE, CORRECT, AND COMPLETE COPY  
 of the original. Signator is Holder in due course of original.

#41

Laurel Lease  
 Signator Name (Printed)  
Laurel Lease 11/12/10  
 (Signator Signature) Date  
 Convention de La Haye du octobre 1961





920 S.W. Sixth Avenue  
Portland, Oregon 97204  
(503) 464-5000



July 18, 1997

Wayne Lease  
3002 East 2<sup>nd</sup> Street  
The Dalles, OR 97058

**RE: Cabin Site No. 41, Northwestern Lake**

Dear Mr. Lease:

This letter is a follow-up to our conversation regarding your request to construct a walkway around the side of your existing cabin to provide access from the parking area to the deck. After reviewing the circumstances, Pacific has decided to grant permission to accommodate this request.

Should you have any questions, please feel free to contact me at (503) 464-5505.

Sincerely,

Dana Cunningham  
Property Mgmt., Hydro Resources

cc: File





The document to which this certificate is affixed is  
**CERTIFIED**  
A TRUE, CORRECT, AND COMPLETE COPY  
of the original. Signator is Holder in due course of original.

Laurel Lease  
Signator Name (Printed)  
*Laurel Lease* 11/12/10  
(Signator Signature) Date

Convention de La Haye du octobre 1961

Wayne and Laurel Lease  
3002 East 2<sup>nd</sup> Street  
The Dalles, OR 97058

July 15, 1998

Dear Mr. and Mrs. Lease:

Enclosed for your records is the fully executed counterpart to the Amendment of  
Lease for Northwestern Cabin Site Number 41.

Sincerely,

*Sheri Fisher*

Sheri Fisher

Enclosure (1)

p.s. I will be sending you a quitclaim  
deed shortly, as requested





The document to which this certificate is affixed is  
**CERTIFIED**  
 A TRUE, CORRECT, AND COMPLETE COPY  
 of the original. Signator is Holder in due course of original.

Laurel Lease  
 Signator Name (Printed)  
[Signature]  
 Signator Signature  
11/12/10  
 Date  
 Convention de La Haye du octobre 1961

**Amendment to Cabin Site Lease  
 Northwestern Lake  
 Pacific Power & Light Company**

This Lease Amendment Agreement (Amendment), dated as of the 9<sup>th</sup> day of July, 1998, amends that certain Cabin Site Lease agreement between WAYNE and LAUREL LEASE (Lessees) and PACIFICORP, dated July 1, 1993, which Agreement conveys a leasehold interest in a cabin site located at Northwestern Lake Cabin Site Number 41 to Lessees. The capitalized terms used in this Amendment shall have the same meanings as the capitalized terms used in the Agreement. The purpose of this Amendment is to authorize and facilitate third parties to finance the acquisition of any personal property, including any premises or other improvements, located on the Site. Except as modified herein, all provisions of the Agreement shall remain in full force and effect.

Notwithstanding the provisions of Paragraphs 11(c), 12(b) and 12(c) of the Agreement, Lessees or Lessee's purchaser may mortgage or otherwise encumber the personal property, including any premises or other improvements, located on the Site after obtaining the Company's express written approval, which approval shall not unreasonably be withheld. In the event Lessees or Lessee's purchaser defaults or otherwise fails to perform any of its obligations under the Agreement, the Company shall inform the Lessees then in possession and such Lessee's lender, if any, of such default, and allow such Lessees or its lender to cure the default within thirty (30) days of the Company's notice. If the lender cures the default it may, in accordance with any arrangements it has with such Lessees assign the lease to a new Lessees upon receiving the Company's written consent to such assignment, which consent shall not be unreasonably withheld. If such Lessees or its lender (if any) fails to cure the default within the thirty (30) day period, the Company may terminate the lease and thereupon, without further notice or other proceeding, re-enter and repossess the Site and expel Lessees or those claiming under Lessees. The Company's exercise of the rights specified herein shall not prejudice the Company's exercise of other rights available to it on account of such default.

This Amendment is intended to supersede all provisions of the Agreement that restrict Lessee's right to encumber the property in a manner inconsistent with the rights recognized herein.

Executed in duplicate this 9 day of July, 1998.

PACIFICORP

By: Sheri Fisher  
Sheri Fisher, Property Agent

LESSEES

By: Wayne Lease  
Wayne Lease

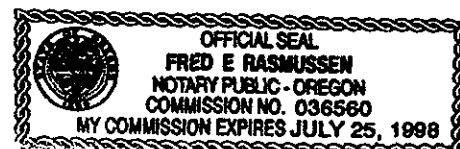
By: Laurel Lease  
Laurel Lease

STATE OF OREGON )  
 ) ss.  
County of Multnomah )

The foregoing instrument was acknowledged before me this 14<sup>th</sup> day of JULY, 1998, by SHERI FISHER, Land Use Agent of PACIFICORP, an Oregon corporation, on behalf of the corporation.

Fred E. Rasmussen

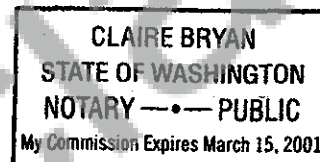
Notary Public for OREGON  
My commission expires: 7/25/98



STATE OF WASHINGTON )

) ss.

County of Skamania Klickitat )



The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of July, 1998  
by Wayne Lee

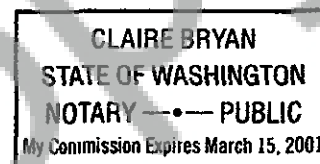
Claire Bryan

Notary Public for Washington  
My commission expires: 3-15-01

STATE OF WASHINGTON )

) ss.

County of Skamania Klickitat )



The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of July, 1998  
by Joan Lee

Claire Bryan

Notary Public for Washington  
My commission expires: 3-15-01