

96-001009
Cabin #9 Government Mineral Springs

AFTER RECORDING, RETURN TO:

CARL IIAMS
835 NE 52nd
Portland, OR 97213

JOINT OWNERSHIP AGREEMENT
OPTION TO PURCHASE

This Joint Ownership Agreement among the following (the "Parties":

R E C I T A L S

1. **The Property.** The Parties to this Agreement own a cabin upon property leased from the U.S. Forest Service in Skamania County, Washington, described on the attached Exhibit "A", hereinafter referred to as, "the Property."

2. **Ownership and Term.** Each party (consisting of husband and wife) owns a one-third interest in the Property. The provisions of this Agreement will expire on January 10, 2029, unless renewed in writing, signed by all the Parties.

A G R E E M E N T

In consideration of the Recitals above, the mutual promises set forth below, and other valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree as follows to allocate the financial and other obligations associated with the ownership, management, and operation of the Property. These obligations are binding upon the parties and the subsequent owners of their property interests.

3. **USE OF THE PROPERTY.**

3.1 **Reasonable Use.** Each Party to this Agreement is entitled to reasonable use of the Property. A party may allow use by a guest, referred to below as "designee".

3.2 **Commercial Advertisement and Rental Prohibited.** The Property will not be advertised or rented out commercially, unless all parties agree in writing.

3.3 **Reservations.** Use of the cabin to be divided equitably between parties by a method agreed upon by a majority of parties. Trading of reserved dates may be done through agreement between the party who has dates reserved and the second party.

3.4 **Care of the Property by Users.** Each Party using or permitting its designee to use the Property will be personally responsible to assure that:

(A) The premises are clean and neat at the conclusion of each use. All dishes, linen, and other household items will be clean and properly stored before the user's departure;

(B) The premises are in good repair, and any routine maintenance and repairs or emergency repairs have been completed, or that arrangements with competent and reputable entities have been made for the timely completion of the repairs. The Party charged with ordering maintenance or repair services under the provisions of this subparagraph will do so in its own name, arranging for service personnel to be admitted to the premises, and paying for the services rendered on presentation of a statement in good order. Any Party incurring expenses for routine maintenance and repairs, or for emergency repairs, must, within 10 days, report the expenses in writing, with copies of the receipts for them, to the designated record keeper;

(C) All refuse is properly disposed of in a safe and sanitary manner;

(D) The lights, heat, and water are turned off; and,

(E) The premises are secure on the user's departure.

4. **LIENS.**

No Party will permit any construction or other lien to be placed on the Property, except as authorized under this agreement.

5. **INSURANCE.**

The Parties agree to procure and maintain replacement value fire and other hazard insurance on the Property. In addition, the Parties agree to maintain minimum liability insurance of \$200,000 in force at all times. If insurance proceeds are paid

on account of any damage or destruction to the Property, those proceeds will be used to restore the Property, unless otherwise agreed by Parties holding a majority ownership interest in the Property.

6. EXPENSES OF THE PROPERTY.

The Parties will share in proportion to their ownership interests in the Property, the following expenses:

(A) Expense incurred annually to maintain fire and other hazard and liability insurance on the Property;

(B) Real property or other taxes assessed annually against the Property;

(C) Utility expenses incurred monthly at the Property;

(D) Routine maintenance and repair, emergency repair, authorized remodeling, construction, refurnishing, and equipment expenses incurred; and,

(E) Lease payments to the U.S. Forest Service.

7. RECORD KEEPING

The designated record-keeper must accurately keep the following records regarding the Property on behalf of the Parties, and must furnish copies of the information contained in the records on the request in writing of any Party:

7.1 Use and Reservation Record. A record of the full and partial days on which the Parties or their designees used or have reserved the Property during each calendar year.

7.2 Expense Record. An ongoing record of each of the following expenses and the payments made by each Party for them:

(A) All expenses incurred to insure the Property against fire and other hazards, and to provide liability coverage;

(B) The real property and other taxes assessed on the Property during each tax year;

(C) The cost of all utilities incurred at the Property;

(D) All routine maintenance and repair expenses incurred at the Property;

(E) All emergency repair expenses incurred at the Property;

(F) All authorized remodeling or other construction expenses incurred at the Property; and,

(G) The cost of any authorized furnishings or equipment.

8. BILLING.

8.1 Annual Statements. The designated record-keeper will prepare and deliver by mail, email, or in person to each Party annually the following billing statements:

(A) For the Party's share of expenses incurred to insure the Property against fire and other hazards, and to provide liability coverage; and,

(B) For the Party's share of the real property and other taxes assessed on the Property.

(C) Utilities and routine maintenance and repair; emergency repair expenses; authorized remodeling or other construction expenses; authorized furnishings or equipment; and agreed reserve fund.

8.2 Payment of Expenses. The record keeper may maintain a separate account for payment of expenses and deposit of funds from the Parties. The Parties will remit payment for their shares of expenses to the designated record-keeper within 10 days of the date of any statement therefor. The designated record-keeper will promptly record payments emitted, and pay the insurance, tax, and utility expenses of the Property. The designed record-keeper will make necessary reimbursements to Parties having incurred expenses for maintenance, repairs, authorized remodeling, construction, furnishings, or equipment, from the payments remitted by the other Parties for their respective shares of such expenses.

8.3 Enforcement. In addition to any other remedies that are or may be available against it in equity or at law, any Party not current on the payment of its share of expenses under this Agreement will not be permitted to use or reserve the Property for itself or its designees.

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9. **REMODELING, NEW CONSTRUCTION, OR ACQUISITION OF NEW EQUIPMENT OR FURNISHINGS.**

Except as provided in Paragraph 10.3, the Parties agree that a majority vote of ownership interests of all the Parties will be required before any Party incurs remodeling, construction, furnishing, or equipment costs for the Property, or indebtedness for same. Any Party proposing such expenditures or indebtedness will do so either at a business meeting of the Parties or in writing, and will obtain the written approval therefor of a majority of the Parties to be consulted before incurring the expense. If indebtedness is to be incurred to pay for the proposed remodeling, construction, furnishings, or equipment, a majority of the Parties to be consulted must first agree on acceptable terms therefor. Any Party incurring authorized expenses for remodeling, construction, furnishings, or equipment will report such expenses in writing, furnishing copies of its receipts, within 10 days, to the designated record-keeper.

10. **MOVING.**

If any of the Parties moves its principal residence, that party will provide notice in writing of his or her new residence address to the other parties and to the record keeper.

11. **BUSINESS MEETINGS-DESIGNATION OF RECORD-KEEPER**

Any Party may request a business meeting of all Parties by giving at least 10 days' notice. Annually, during the month of January, a business meeting of all Parties will be called by the designated record-keeper for the purpose of reviewing expenses, to consider other matters regarding the management of the Property and to elect one party as record-keeper for the following year commencing in February by majority vote.

Any business meeting of the Parties may be held by teleconference, on prior arrangement and notice.

12. **INITIAL RECORD KEEPER.**

Until a successor is elected, the record keeper will be TAMI MOORE.

13. **SALE OF THE PROPERTY.**

The Property will be sold if approved in writing by the Parties holding a majority ownership interest in the Property. After approval of a sale is obtained from a majority of ownership

interests, all parties will cooperate to sell the Property, and any party may then obtain an Order compelling sale of the Property. If the parties sell the Property, the proceeds of sale will be applied as follows:

(A) To pay expenses authorized under this agreement relating to the Property; and,

(B) Any remaining proceeds from the sale of the Property will be allocated proportionally to the Parties according to their respective ownership interests.

14. PROPERTY INTEREST TRANSFERS/OPTION TO PURCHASE.

14.1 Gift. The interest of any Party in the Property may be conveyed by gift, subject to the rights and obligations of this agreement.

14.2 Right of First Refusal Before Sale. If any Party wishes to sell his or her one-third interest in the Property and finds a purchaser, or purchasers, who are ready, able, and willing to purchase the Property, each of the remaining Parties will first have an option to purchase the interest at the price and terms offered by the third-party purchaser or purchasers. The option to buy will extend for a period of 21 days after notice of the offer and proposed purchaser is communicated in writing to the remaining Parties by the Party wishing to sell subject to the rights and obligations of this agreement. The remaining parties (if they both agree) may within 21 days after receiving notice, elect in writing to purchase at the stated price and terms; and, if they so elect, will close within forty-five days after electing to purchase. If the option to purchase at that price is not promptly closed by the remaining Parties, then the Party wishing to sell may sell his or her interest in the Property to the third-party purchaser or purchasers, as proposed, subject to the rights and obligations of this agreement.

14.3 In the Event of Death. On the death of one spouse, the interest of the deceased spouse in the Property will pass to the surviving spouse. In the event of the death of a Party (both spouses), then the remaining parties may within six months after both spouses are deceased purchase the interest of the deceased Party for fair market value, as provided below in section 14.6.

14.4 Involuntary Transfer. If the interest of any Party (or one spouse) passes by involuntary transfer, such as garnishment, bankruptcy, writ of execution, Sheriff's sale, divorce decree or other judicial process, to a person or entity that is not a party

to this agreement, the interest transferred will be subject to this agreement. The remaining parties may, within one year after the transfer, purchase the interest transferred, for the fair market value at the time of the involuntary transfer as provided below in section 14.6.

14.5 Forest Service Lease. The parties will cooperate to renew the Forest Service lease. However, if two parties want to renew the lease and the third party does not want to renew the lease, then the two parties may renew the lease and purchase the interest of the third party for fair market value as provided below in section 14.6.

14.6 Purchase of Interest of Party. If purchase of the interest of a Party is elected under sections 14.3, 14.4, or 14.5 above, and if the purchaser and seller cannot agree upon fair market value, then the purchase price will be determined by a real estate appraiser selected and paid by the purchaser. The purchase price will be paid in cash at closing and the interest will be conveyed to purchaser free and clear of liens. If at closing the seller has unpaid obligations under this agreement, then the sales proceeds will be first applied to satisfy those obligations. Time is of the essence. If closing does not promptly occur because of fault of seller, then purchaser may cancel the sale or obtain a judicial order for specific enforcement of the sale. If closing does not promptly occur because of fault of purchaser, then seller may cancel the sale. These are the sole remedies under sections 14.3, 14.4, and 14.6

14.7 Termination of Rights. After a sale under this section 14, then the selling party will have no rights to the Property under this agreement.

15. ARBITRATION.

Any dispute or claim that arises out of or that relates to this agreement or the breach thereof shall be resolved by arbitration in accordance with the rules of the Arbitration Service of Portland, Inc., that are in effect at the time the arbitration is initiated, and judgment upon the award rendered pursuant to such arbitration may be entered in any court having jurisdiction thereof.

16. RIGHT TO CURE.

Each of the Parties will have the right to cure any default under the terms of this Agreement by any other Party. If a cure is effected, the curing Party's expenses therefor are due

and payable without notice within 10 days from the defaulting Party. An election to cure will not constitute any waiver of any right arising as a result of the default.

17. **NOTICES.**

Whenever any notice is required or any Party desires to give notice and/or request any other communication, that communication must be in writing and served on the Parties by personal service or United States first class mail to the address listed for the Party on the first page of this agreement. Any party (or one spouse) may designate a new address for receipt of notices by sending a written request with the new address to all other parties.

18. **ATTORNEY FEES.**

If any Party is required to employ an attorney to enforce the terms of this Agreement, to make a claim for damages arising out of this Agreement, or to obtain a declaration of rights arising out of this Agreement, the prevailing party in arbitration or at trial will be entitled to recover its reasonable attorney fees, expenses, and court costs, including, but not limited to the attorney fees, court costs, and expenses required on trial or appeal.

19. **PARTITION WAIVED.**

All parties waive rights to partition of the Property.

20. **FURTHER ASSURANCES.**

The Parties will make, execute, and deliver any documents and undertake any other and further acts as may be reasonably necessary to carry out the intent of the Parties.

21. **GOVERNING LAW.**

This Agreement will be governed by and construed in accordance with the laws of the State of Washington.

22. **MODIFICATION.**

This agreement may be recorded. This Agreement cannot be modified, except in writing, signed by all the Parties.

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Addendum #1 Attached — — — — —

23. TIME OF THE ESSENCE.

Time is of the essence in every provision of this Agreement.

24. LEGAL REPRESENTATION.

This agreement has been prepared by Kit A. Jensen, as attorney for Carl Iiams. Because the rights of other parties in the property may conflict with the rights of Carl Iiams, the other parties should consider consulting with separate attorneys before signing.

25. ENTIRE AGREEMENT.

This Agreement embodies the entire agreement between the Parties regarding the management of the Property. If any part of this agreement is declared unenforceable, the remainder of this agreement will remain in effect.

Dated: 6/26/2012

[Signature]
CARL IIAMS

Dated: 6/26/2012

[Signature]
Print Name: Jennifer W. Spencer

Dated: 1/26/2011

[Signature]
Print Name: Erin K. Thomas

Dated: 1/26/2011

[Signature]
Print Name: Craig Thomas

Dated: 4/2 2011

[Signature]
Print Name: DAVID MAYER

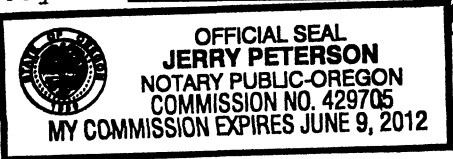
Dated: 4/2 2011

[Signature]
Print Name: SUSAN FODALL

STATE OF OR)
COUNTY OF Multnomah)

SS.

This instrument was acknowledged before me on this 26th
day of January, 2011, by Erin K. Thomas; Craig Thomas.

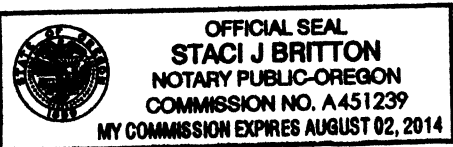


[Signature]
NOTARY PUBLIC FOR Portland, OR

STATE OF Oregon)
COUNTY OF Multnomah)

SS.

This instrument was acknowledged before me on this 2nd
day of April, 2011, by David S. Mayne & Susan Fodell.

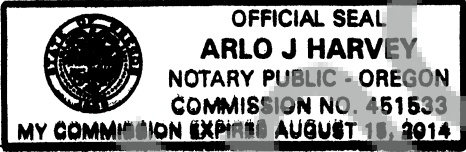


→ [Signature]
NOTARY PUBLIC FOR Oregon

STATE OF _____)
COUNTY OF _____)

SS.

This instrument was acknowledged before me on this 26
day of June, 2012, by Carl Evans.



[Signature]
NOTARY PUBLIC FOR Oregon Multnomah Co

Addendum #1 to Joint Ownership Agreement

All rights and responsibilities of forest service lessee under the terms of the US Forest Service lease governing this parcel to be shared equally by the parties of this agreement.

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