

**After recording please send to:
Salishan Leaseholders, Inc.
P.O. Box 219
Gleneden Beach, OR 97388**

Uniform Lease

SALISHAN

GLENEDEN BEACH, OREGON

L E A S E

From

SALISHAN LEASEHOLDERS, INC.

Lessor,

To

John and Mary Doe

Address:

**P.O. Box XXX
Gleneden Beach, OR 97388**

Lessees,

of

Homesite: 000

123 Salishan Drive

**Salishan
Lincoln County, Oregon**

Date: February 1, 2010

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LEASE

THIS LEASE, made as of **February 1, 2010**, by and between SALISHAN LEASEHOLDERS, INC an Oregon corporation, hereafter referred to as Salishan, Inc., the lessor, and the Lessees named above, hereinafter called "Lessees",

WITNESSETH

Salishan, Inc. is the owner of an unspoiled wooded wilderness lying between the Pacific Ocean and Siletz Bay in Lincoln County, Oregon, known as Salishan. Salishan, Inc. has developed Salishan into a fine community of a distinctive character suitable for family living. Salishan, Inc intends to maintain, insofar as possible, the natural character of this scenic land and to require that all man-made structures blend into the natural background rather than stand out against it.

Salishan, Inc. is willing to lease to Lessees on a long-term basis a homesite in Salishan, provided that Lessees will agree to certain conditions and restrictions on the use of such site designed to protect Salishan and other Salishan Lessees.

Lessees wish to lease a homesite. LESSEES AGREE THAT THEIR RIGHT TO USE THE HOMESITE WILL BE SUBJECT TO THE COVENANTS, RESTRICTIONS, AND CONDITIONS HEREIN SET FORTH AND THAT THE SAME WILL BE STRICTLY ENFORCED.

Now, therefore, Salishan, Inc., for and in consideration of the agreements, conditions, and stipulations of Lessees herein expressed, does hereby lease unto Lessees the premises described in Section 30. under the caption "Description of Leased Premises".

IT IS AGREED BETWEEN THE PARTIES AS FOLLOWS:

Section 1. Lease Term.

The term of this lease is ninety-nine years and shall commence on the date set forth above and shall automatically renew for successive ninety-nine year terms thereafter.

Section 2. Maintenance Fee

- 2.1 Lessees shall pay to Salishan, Inc. the current sum of \$ 83.75 per month for each calendar month during the term of this lease commencing with the calendar month succeeding the month in which this lease is dated, which fee shall be payable in advance on or before the first day of each calendar month. Such fee is the maintenance fee. Each year, the monthly maintenance fee may be increased by the percentage increase in the Portland Consumer Price Index or five percent, whichever is less. The maintenance fee for an entire calendar year may be paid in advance at a five percent discount, provided it is paid on or before January 1st of the next calendar year. Salishan, Inc. shall place the entire amount of the maintenance fee reserved in this Section in a maintenance fund to be used as provided in Section 6.
- 2.2 Salishan, Inc. will charge the same sum as maintenance fee to each Lessee and will place all such sums in the maintenance fund referred to in Section 6. If Salishan, Inc. or Lessees at any time shall deem such maintenance fund, as set forth in section 2.1, to be inadequate for the purposes set forth in Section 6, Salishan, Inc. may increase the amount of the maintenance fee, provided that the maintenance fee of all Lessees is increased in a uniform amount at the same time and provided that Salishan, Inc. has first obtained the consent in writing of Salishan Lessees holding leases of 75 per cent of the homesites in Salishan. When a particular homesite has been leased to more than one person it will be sufficient for the purpose of obtaining consent pursuant to this Section if Salishan, Inc. shall obtain the consent in writing of any one of the persons named as lessee in such lease.

Section 3. Definitions.

As used herein the terms set forth below shall have the following meanings:

- 3.1 "The Site Plan of Salishan" shall mean the map of certain property located in Sections 9 and 10, Township 8 South, Range 11 West of the Willamette Meridian, Lincoln County, Oregon.
- 3.2 "Salishan" shall mean the property owned by Salishan, Inc. shown on the Site Plan of Salishan, Inc.
- 3.3 "Common Areas" shall mean all areas within Salishan designated by Salishan, Inc. to the common use of Salishan Lessees and shall include the private ways referred to in Section 5, the office building, the community house, the swimming pool and tennis courts.
- 3.4 "The maintenance fee" shall mean the fee provided for in Section 2.1.

- 3.5 The "architectural committee" shall mean the committee appointed in accordance with the provisions of Section 15.1 herein.
- 3.6 "Homesite" shall mean the areas numbered I through 368 on the Site Plan of Salishan, together with other sites leased by Salishan, Inc. for residential purposes within Salishan.
- 3.7 "Mortgagee" shall mean any individual or others described in Section 7.2 to whom Lessees shall assign or otherwise pledge their interest in this lease for security purposes.
- 3.8 "Mortgage" shall mean any assignment, mortgage, or other instrument by which Lessees shall assign their interest in this lease as security.

Section 4. Recreational Facilities.

Salishan, Inc. maintains a swimming pool, tennis court, and a community house within the area of Salishan. Salishan, Inc. will permit Lessees and their guests to use such facilities subject to such rules and regulations as Salishan, Inc. may adopt for the purpose of regulating the use of such facilities for the benefit of all entitled to use the same.

Section 5. Easements.

- 5.1 Salishan, Inc. does hereby grant unto Lessees an easement and right of way across the private ways described or referred to in Section 30.2 under the caption "Description of Premises Over Which Easement is Given Pursuant to Section 5", for the purpose of walking thereon or traveling thereon by bicycle or motor vehicle. The easement and right of way herein granted shall be nonexclusive and use thereof shall be subject to such reasonable rules and regulations as Salishan, Inc. may establish for safety purposes, for the purpose of protecting the private ways and for the purpose of protecting the peace and quiet of Salishan. Such rules and regulations may include, but need not be limited to, traffic regulations in general, speed limits, limits as to the size of vehicles which may use the private ways and the prohibition or limitation of parking. Lessees shall have the right to permit their guests and invitees to use the easement and right of way, however such right shall not be assignable. Salishan, Inc. may permit patrons of nonresidential facilities, including the golf course, and Salishan, Inc. invitees to use the private ways.
- 5.2 By granting the use of such private ways, Salishan, Inc. does not intend to dedicate such private ways to the public but rather intends to preserve the private character of such ways. Salishan, Inc. shall be deemed to have dedicated such ways to the public only if it shall file in the records of Lincoln County an instrument clearly evidencing its intention to dedicate such ways to the public.
- 5.3 Salishan, Inc. reserves unto itself, its successors and assigns, an easement and right of way over the leased premises for the purpose of constructing and maintaining thereon:
- (a) Wires and conduits for the transmission of electricity, power, and telephone, and telecommunication messages and signals;
 - (b) Pipes and mains for water, gas, heat, sewers, storm drains and land drains; and
 - (c) Any facility necessary or useful for the purpose of furnishing any other public or quasi public utility.
- 5.4 If the leased premises are adjacent to the golf course in Salishan, Lessees will extend to the owners of errant golf balls the courtesy of entering the leased premises to retrieve the same.

Section 6. Maintenance of Common Areas and Maintenance Fund.

Salishan Inc. agrees that it will keep the moneys collected in Section 2.1 herein, and fines collected pursuant to Sections 21.1 and 24 herein separate and apart from its other moneys and shall use such moneys only for the following purposes:

- (a) Payment of the cost of maintaining private ways, entrance and other signs, common areas, hiking trails, the office building, the swimming pool, tennis courts, basketball half-court, the community clubhouse, recreational facilities and other facilities designed to serve Lessees;
- (b) Payment of taxes assessed against private ways and other common areas within Salishan and the improvements thereon;
- (c) Payment of the cost of providing patrol service;
- (d) Payment of the cost of casualty insurance on common areas, facilities and assets of Salishan, Inc. and insurance protecting Salishan, Inc. against liability;
- (e) Payment of the cost of enforcing restrictions on the use of property in Salishan;
- (f) Payment of the costs and fees of the professional members of the architectural committee;
- (g) Payment for other services which Salishan, Inc. deems to be of general benefit to Salishan lessees; and
- (h) Salishan, Inc. shall have no obligation to provide the services set forth above except to the extent those moneys are available in the maintenance fund.

Section 7. Assignment.

- 7.1 This Section shall not be construed to prevent the assignment of this lease for security purposes.
- 7.2 Lessees may assign their interest in this lease only after first notifying Salishan, Inc., in writing, of such assignment and it is properly documented with Salishan, Inc.
- 7.3 This lease may not be assigned to more than four individuals, however for purposes of this provision, a married couple shall be deemed an individual. If the assignee is a partnership, a copy of the partnership agreement must accompany the notice of assignment under 7.2. If the assignee is a corporation, the assignee must be formed solely for the purpose of owning this leasehold. A corporate assignee cannot have more than four individuals as shareholders, the corporation cannot be a subsidiary of another corporation and a copy of the articles of incorporation must accompany the

- notification under 7.2. If the assignee is a limited liability company (LLC), the assignee must be formed solely for the purpose of owning this leasehold. A LLC assignee cannot have more than four members, it cannot be a subsidiary of another corporation or LLC and a copy of the articles of organization must accompany the notification under 7.2.
- 7.4 Lessees may sublet or rent the leased premises only after first obtaining the written consent of Salishan, Inc to such subletting or rental. No dwelling unit may be rented or sublet for a term of less than thirty (30) consecutive days.

- 7.5 If Lessees borrow against the lease, whether by mortgage or trust deed, and if the mortgagee or trustee commences a foreclosure of its interest, written notice of the foreclosure, including the date, time and place of any sale of the Lessee's interest in the lease, shall be given to Salishan, Inc. by the mortgagee or trustee at least 30 days before the sale.
- 7.6 The provisions of Section 7.2 shall not be deemed to prevent the transfer of Lessees' interest in this lease to a parent, spouse, child or grandchild of any of Lessees, to any individual to whom a Lessee shall leave such interest by provision in a will or to any individual who may receive such interest by operation of law upon the death of one of the Lessees.

Section 8. Notices to Lessees.

Any notice which Salishan, Inc. or the architectural committee shall desire to give to Lessees shall be sufficient if deposited in the United States mails in an envelope with postage prepaid addressed to Lessees at the address set forth above unless Lessees have notified Salishan, Inc. in writing of some other address to which notices should be sent. In the latter event notices will be sufficient if so mailed to the Lessees at the address which they have so furnished to Salishan, Inc.

Section 9. Warranty of Title.

Salishan, Inc. warrants that it is the owner of the leased premises in fee simple, free from all liens or encumbrances having priority over Lessees' interest herein. Salishan, Inc. warrants that Lessees upon paying the maintenance fee herein reserved and performing the other covenants and agreements on their part to be performed hereunder, shall and may peaceably and quietly have, hold and enjoy the leased premises during the entire term of this lease.

Section 10. Real Property Taxes and Liens.

- 10.1 Lessees will pay all ad valorem real property taxes assessed against the leased premises and the improvements thereon for all years during the term of this lease.
- 10.2 Lessees will pay all special assessments against the leased premises which become liens thereon during the term of this lease.
- 10.3 Lessees shall have the right to contest the validity of any tax or special assessment against the leased premises which they deem to have been illegally assessed or levied and for that purpose shall have the right to institute such proceeding or proceedings in the name of Salishan, Inc. as it may deem necessary provided that the expenses incurred by reason thereof shall be paid by Lessees.

Section 11. Repairs and Maintenance

Lessees shall have the sole obligation to repair, maintain and otherwise preserve the leased premises according to the requirements set forth in this lease and the rules and regulations of Salishan, Inc.

Section 12. Compliance with Law

Lessees will comply with all lawful orders and regulations of the County of Lincoln, State of Oregon, and any other governmental agency having jurisdiction over the premises with respect to the maintenance of, occupation of and construction upon the leased premises, all at Lessees' sole expense.

Section 13. Indemnity.

During the term of this lease or any extension thereof or any occupancy hereunder Lessees will indemnify and hold harmless Salishan, Inc. from all liability and claims for damages by reason of any injury to any person or persons or any damage to property of any kind whatsoever and to whomsoever belonging, including the property of Lessees, resulting from or in any way connected with Lessees' occupation of the leased premises or the occupation by any tenant or guest of Lessees of such premises. Lessees further will indemnify and hold harmless Salishan, Inc. from all demands of whatever nature resulting from noncompliance with any laws, ordinances or regulations respecting the condition, use, occupancy, sanitation or safety of the leased premises or any part thereof.

Section 14. Waiver.

Any waiver by Salishan, Inc. of the performance or observance of any of the covenants and conditions contained in this lease on the part of Lessees to be performed, or any leniency shown to Lessees in respect thereto or to any other Lessees, shall not be deemed to constitute a waiver of the right of Salishan, Inc. to proceed against the Lessees upon any subsequent breach by Lessees of the same or any other covenant or condition of this lease.

Section 15. Architectural Committee.

- 15.1 The architectural committee shall at all times consist of as many persons, not less than five, as Salishan, Inc. shall appoint. Salishan, Inc. shall have the right to terminate the term of office of any member of the architectural committee at any time and to appoint new or additional members to the architectural committee at any time. Salishan, Inc. shall keep on file at its principal office a list of the names and addresses of the members of the architectural committee.
- 15.2 The committee may act only by written instrument setting forth the approval by at least three members of the Committee of any action taken by the Committee.
- 15.3 If at any time the architectural committee for any reason shall fail to function, the board of directors of Salishan, Inc. shall serve as the architectural committee.

Section 16. Approval of Plans by Architectural Committee.

- 16.1 Salishan, Inc. recognizes that there can be an infinite number of artistic conceptions and ideas for the development of homesites consistent with its plan for Salishan. Salishan, Inc. wishes to encourage the formulation of such conceptions and ideas. Nevertheless, for the protection of all Lessees, Salishan, Inc. wishes through the architectural committee, to make certain that any development of a homesite will be consistent with its plan for Salishan. Lessees shall use the leased premises solely for residential purposes, and no building, other than a single family dwelling house and appurtenant outbuildings, including garages for private use, shall be constructed or maintained on the leased premises. Outbuildings may include a guest house, but no outbuildings shall be used by persons other than immediate family or guests of the Lessees. The architectural committee has prepared architectural guidelines setting forth general concepts for the development of Salishan which is available at the office of Salishan, Inc. Such guidelines may be modified from time to time.
- 16.2 Lessees will not construct, alter or maintain any improvement on the leased premises until:
- (a) The Lessees have submitted to the architectural committee two complete sets of plans and specifications therefore in form satisfactory to the architectural committee, showing insofar as is appropriate (i) the size and dimensions of the improvement, (ii) the exterior design, (iii) the exterior color scheme, (iv) the exact location of the improvement on the homesite, (v) the location of driveways and parking areas, (vi) the scheme for drainage and grading, and (vii) the landscaping arrangement; and
 - (b) Such plans and specifications have been approved in writing by the architectural committee and a copy of such plans and specifications as finally approved deposited for permanent record with the committee. Approval of said plans and specifications may be withheld, not only because of their noncompliance with any of the restrictions and conditions contained in this lease, but also because of the reasonable dissatisfaction of the architectural committee with the grading and drainage plan, the location of the structure on the homesite, the color scheme, the finish, design, proportions, shape, height, style, or appropriateness of the proposed improvement or alteration, the material used therein, the kind, shape, or type of roof proposed to be placed thereon or because of its reasonable dissatisfaction with any matter which, in the reasonable judgment of the architectural committee, would render the proposed improvement inharmonious or out of keeping with Salishan, Inc.'s objectives or the improvements erected on other homesites in the immediate vicinity of the leased premises.
 - (c) Temporary structures shall be permitted on the leased premises during the period of construction of a dwelling house if approved by the architectural committee, but such temporary structure shall be removed within 30 days after completion of said dwelling house or within six months after the date said temporary structure was erected, whichever period expires first.
- 16.3 In the event that Lessees shall wish to change the exterior color scheme of any improvement they shall submit to the architectural committee such information with respect to their proposed change as the architectural committee shall require and shall make such change only after approval in writing has been obtained from such committee.
- 16.4 If at any time Lessees shall have submitted to the architectural committee plans and specifications in accordance with Section 16.2 or 16.3 and the architectural committee shall have neither approved such plans and specifications with 30 days from the date of their submission nor notified the Lessees of its objections within such 30-day period, then such plans and specifications shall be deemed to have been approved by the architectural committee. Similarly, in the event that Lessees shall have filed revised plans and specifications for a dwelling house with the architectural committee after receiving objections from the architectural committee as to the plans and specifications originally filed and the architectural committee shall have neither approved nor notified the Lessees of its further objections within such 30-day period, then such revised plans and specifications shall be deemed to have been approved by the architectural committee.
- 16.5 Whenever Lessees have completed an improvement they shall promptly notify the architectural committee in writing. Within 60 days following notification, the architectural committee may inspect such improvement for the purpose of determining whether it complies with the plans and specifications approved by the architectural committee. In the event that the architectural committee shall determine that such improvement does not comply with such plans and specifications it shall notify the Lessees within such 60-day period, whereupon the Lessees within such time as the architectural committee shall specify, not less than 30 days, however, from the date of notice, either remove such improvement or alter it so that it will comply with such plans and specifications. In the event that the architectural committee shall not communicate with the Lessees within 60 days from the time that they have notified the architectural committee of the completion of the improvement, the improvement shall conclusively be deemed to be satisfactory to the architectural committee.
- 16.6 All communications to the architectural committee shall be delivered by hand or by mail to Salishan, Inc. at its principal office.

- 16.7 Salishan, Inc. may impose a building permit fee at a rate which will be uniformly applicable to all Lessees and no construction pursuant to approved plans and specifications may be commenced prior to the time such fee is paid.

Section 17. Care and Appearance of Premises.

Lessees shall maintain the improvements on the leased premises and the grounds of such premises in a neat and attractive manner, and in particular shall keep the grass and weeds cut, the shrubbery pruned and dead trees, shrubbery and plants removed. Lessees shall keep the exterior of improvements on the leased premises in a good state of repair and appearance.

Section 18. Restrictions On Use of Leased Premises

- 18.1 No dwelling unit may be rented or sublet for a term of less than thirty (30) consecutive days.
- 18.2 Except with the approval of Salishan, Inc., Lessees at no time shall keep or permit to be kept on the leased premises any house trailer, truck camper or mobile home or other recreational vehicle, any commercial vehicle or commercial equipment or any other vehicles or equipment deemed unsightly by Salishan, Inc. Boat trailers shall be parked at all times on the leased premises and not on private ways.
- 18.3 No domestic animals of any kind shall be raised, kept or permitted upon the leased premises or any part thereof other than dogs, cats and birds. No dogs, cats or birds may be kept, bred or raised thereon for commercial purposes or in unreasonable numbers. Dogs and cats must be reasonably controlled to avoid their being a nuisance to other lessees.
- 18.4 No commercial activity of any kind shall be carried on in or from the leased premises; however, Lessees may use their homes for self-employment as long as they are not offering products or services that require clients or customers to visit their homesites.
- 18.5 No garbage, refuse, rubbish or cuttings shall be deposited upon or left on the leased premises unless placed in an attractive container suitably located and screened from public view.
- 18.6 No clothesline shall be located on the leased premises so as to be visible from a private way, dwelling house or another homesite, from public areas in Salishan or from the golf course.
- 18.7 Lessees shall at no time maintain any sign or other advertising device of any character upon the leased premises, except that they may maintain one sign, not larger than 400 square inches, advertising the property for rent or this lease for sale.
- 18.8 No fuel tank shall be maintained above ground on the leased premises unless screened from view in a manner satisfactory to the architectural committee.
- 18.9 Except with the permission of the architectural committee no excavation shall be made on the leased premises nor shall any dirt or sand be removed from the Salishan premises.
- 18.10 Except with the approval of the architectural committee the natural drainage on the leased premises shall not be changed.
- 18.11 Except with the approval of Salishan, Inc. no person shall reside upon the leased premises until such time as the improvements to be erected thereon in accordance with plans and specifications approved by the architectural committee have been completed.
- 18.12 Lessees shall not permit the exterior of any improvement to be constructed on the leased premises to remain incomplete for a period longer than one year from the date upon which construction of the improvement was commenced unless they have first obtained the permission in writing of Salishan, Inc.
- 18.13 The Lessees shall neither install nor maintain exterior lighting of any sort without first obtaining the permission of the architectural committee.
- 18.14 The Lessees shall not maintain any power, telephone or other utility wires or conduit serving the leased premises above ground without first obtaining the approval of the architectural committee.
- 18.15 Lessees shall be subject to and shall abide by such reasonable rules and regulations as Salishan, Inc. may establish for the purpose of controlling noise and preserving the peace and quiet of the community.

Section 19. View.

It is important that Lessees shall restrict the height of improvements on the leased premises and the height of trees and vegetation growing thereon to the end that the view of other Lessees shall be preserved to the greatest extent reasonably possible. Limitation as to the height of improvements will be accomplished through the provisions contained in Section 16. The architectural committee shall have the responsibility for determining whether trees or other vegetation on the leased premises unreasonably interfere with the view of other Lessees. In any case in which the architectural committee shall determine that there is such interference it shall send a notice in writing to the Lessees, which notice shall set forth the extent to which the trees or other vegetation shall be pruned or removed. If within 30 days after receipt of such notice the Lessees have not caused trees or other vegetation to be pruned or removed to the extent required by the architectural committee, Salishan, Inc., may, but is not required to, do such work, and may charge the cost of such work to the Lessees who have requested the pruning or removal of such trees or other vegetation.

Section 20. Landscaping.

- 20.1 It is the desire of Salishan, Inc. to preserve the natural vegetation of Salishan to the greatest extent possible and to preclude the planting of trees, shrubs, lawns and other vegetation thereon not indigenous to Salishan.
- 20.2 The Lessees shall neither remove from the leased premises any tree, shrub, or other vegetation, nor shall they plant any new tree, shrub or other vegetation, without having first obtained permission in writing from the architectural committee.

Section 21. Violation of Rules or Regulations Concerning Use of Private Ways.

- 21.1 In the event that Lessees or any member of Lessees' family or guests shall violate any rule or regulation which Salishan, Inc. may establish pursuant to Section 5.1 herein, Salishan, Inc. may impose upon Lessees a reasonable fine for each violation, which fine shall become payable at such time as Salishan, Inc. shall deliver to Lessees notice of such fine. The amount of the fine shall be added to the maintenance fund referred to in Section 6.
- 21.2 In the event that any person other than Lessees or a member of Lessee's family shall violate any rule or regulation which Salishan, Inc. may establish pursuant to Section 5.1 herein, Salishan, Inc. may bar such person from further use of the private ways in Salishan referred to in Section 5.

Section 22. Violation of Rules or Regulations Concerning Use of Common Areas.

In the event that any person shall violate any rule or regulation which Salishan, Inc. may establish in accordance with the provisions of Section 4 herein or for the use of any common areas within Salishan, Salishan, Inc. shall have the right to bar such person from further use of the recreational facilities to be provided pursuant to Section 4 and from any common areas within Salishan.

Section 23. Violation of Provisions Concerning Care and Appearance of Premises.

In the event that Lessees shall fail to comply with the provisions of Section 17 herein, Salishan, Inc. may no sooner than 30 days after it has delivered to Lessees written notice specifying the respects in which Lessees are violating such section enter upon the leased premises and take such steps as in its judgment may be necessary to remedy the violation of such section. Salishan, Inc. may charge Lessees for the entire cost of the work done by Salishan, Inc. pursuant to the provisions of this section, which sum shall become payable by Lessees to Salishan, Inc. at such time as Salishan, Inc. has delivered to Lessees notice of the amount due.

Section 24. Violation of Provisions Concerning Landscaping.

Salishan, Inc. shall have the right to impose upon Lessees a reasonable fine for each violation of the provisions of Section 20 herein for each shrub removed in violation of the provisions to such section and a reasonable amount per inch of the diameter at the stump of each tree removed in violation of the provisions of such section, which fine shall become payable at such time as Salishan, Inc. shall deliver to Lessees notice of such fine. The fine shall be added to the maintenance fund referred to in Section 6.

Section 25. Injunction.

In the event of any violation or threatened or attempted violation of any of the covenants, conditions, stipulations or restrictions herein contained either Salishan, Inc. or any Lessees affected or who may be affected by the violation or threatened or attempted violation may institute proceedings in the Circuit Court of the State of Oregon for the County of Lincoln or any other court of competent jurisdiction against the Lessees or any person occupying the leased premises to enjoin the violation.

Section 26. Interest.

If Lessees shall fail to pay to Salishan, Inc. any money due to Salishan, Inc. hereunder such sum shall bear interest from the date due until paid at the rate of 8 per cent per annum.

Section 27. Action to Collect Moneys Due and Damages.

Salishan, Inc. shall have the right to institute an action against the Lessees to recover any moneys which may be due from Lessees to Salishan, Inc. hereunder and any damages which it may sustain on account of the violation of any provision hereof.

Section 28. Expenses and Attorneys' Fees.

In the event that Salishan, inc. or any Lessees shall bring any suit or action to enforce any covenant or condition contained herein or to collect any money due hereunder, the prevailing party shall be entitled to recover costs and expenses incurred in connection with such proceeding, including reasonable attorneys' fees. Further, if Salishan, Inc. is involuntarily made a defendant or respondent in any litigation concerning this lease or the leased premises by reason of any act or omission of Lessees and not because of any act or

omission of Salishan, Inc., Lessees will pay Salishan, Inc.'s costs and expenses incurred in connection with such suit, action or proceeding, including Salishan, Inc.'s reasonable attorneys' fees.

Section 29. Remedies, Choice of

Salishan, Inc.'s election to pursue any remedy for violation of this lease provided hereunder shall not prevent it from following at the same time or any later time some other remedy provided hereunder. The remedies provided herein shall not be exclusive but shall be in addition to all other remedies provided Salishan, Inc. by law in the event of violation of this lease.

Section 30. Property Description and Easement**30.1 Description of Leased Premises:**

Property Description

Said land is known as Homesite 000, SALISHAN.

30.2 Description of Premises over which Easement is given pursuant to Section 5:

Those certain right-of-ways described in Exhibit A to the certain Memorandum of Lease between Lessor and Paul H. Hebb and Elizabeth P. Hebb recorded on November 19, 1962 in Book 230 of the records of deeds of Lincoln County at Page 114.

This Lease supersedes and replaces all prior leases from S.L.I. or Salishan Properties, Inc of the premises described in Section 30.

Notary Public for _____

My Commission expires: