

CITY OF NEWPORT

ORDINANCE NO. 2057

**AN ORDINANCE WITHDRAWING A PORTION OF THE
WOLF TREE DESTINATION RESORT SITE
FROM THE CITY OF NEWPORT**

Summary of Findings:

1. Oregon Revised Statute (ORS) 222.460 provides that the legislative body of a city may order the withdrawal of territory from the city limits when it determines that it is in the public interest to take such action.
2. ORS 222.460 further sets out procedures for withdrawing territory, including information that must be contained in city resolutions, orders, and ordinances; requirements for public hearings; thresholds for when elections are required; and disposition of taxes and assessments.
3. The Newport Municipal Code 14.52.030(A)(6) identifies the withdrawal of territory from the city limits as a land use action and requires the City Council to hold a public hearing prior to taking such action.
4. On January 25, 2013, the city received a letter from Terry Lettenmaier requesting that the property that he and his wife, Laurie Weitkamp, purchased in July of 2011 be withdrawn from the City of Newport. The property is approximately 71.39 acres in size and is identified as Tax Lot 801, Section 5, T12S, R11W, W.M.
5. The Lettenmaier property is part of the Wolf Tree Destination Resort that was brought into the Newport Urban Growth Boundary in July of 1987 and annexed in September of 1988.
6. The City Council adopted Resolution No. 3632, on June 3, 2013, initiating the withdrawal of the Lettenmaier property from the City of Newport, and set a public hearing at 7:00 pm, on July 1, 2013 to take input on the issue of withdrawal of this property.
7. In electing to initiate the withdrawal of the Lettenmaier property, the City Council determined that the public interest is furthered because the subject site is not critical to the orderly development of the Wolf Tree Destination Resort provided an arrangement can be made to allow utilities to be extended across the property if needed to serve the resort in the future.
8. On July 1, 2013, the public was provided an opportunity to testify on the question of the withdrawal proposal. After taking testimony, the City Council adopted Order No. 2013-3 setting out that the City still favors the withdrawal of territory, as originally presented, and set August 19, 2013 at 7:00 pm as the date and time for a final hearing.

9. ORS 222.460 provides a period of time between the two required hearings for electors within the affected area to request, in writing, that the withdrawal proposal be put to an election. No written requests of this nature were submitted to the City.

10. An easement has been prepared acceptable to the Lettenmaiers' and Steel String, Inc., the owner of the balance of the Wolf Tree Destination Resort, which provides for the extension of utilities across the Lettenmaier property if such an extension is needed for the resort site to be developed. This satisfies the City Council's lone concern regarding whether or not the withdrawal proposal is in the public interest.

11. Information in the record, including affidavits of mailing and publication, demonstrate that appropriate public notification was provided for both City Council hearings.

THE CITY OF NEWPORT ORDAINS AS FOLLOWS:

Section 1. The following real property in the County of Lincoln, State of Oregon is hereby withdrawn from the corporate limits of the City of Newport:

“U.S. Lot 3 and that portion of the southeast quarter of the northwest quarter lying northerly of S.E. 98th Street (Thiel Creek Road and County Road 601), all in Section 5, Township 12 South, Range 11 West of the Willamette Meridian, in Lincoln County, Oregon.

Excepting therefrom any portion falling within S.E. 98th Street (Thiel Creek Road and County Road 601).

Together with that portion of U.S. Lot 2 described as follows:

Beginning at the northwest corner of U.S. Lot 2; thence easterly along the north line of said lot to the northwest corner of U.S. Lot 1; thence south along the west line of said Lot 1, 655 feet; thence westerly, parallel with the north line of U.S. Lot 2 to the west line of said Lot 2; thence northerly along said west line to the point of beginning, all in Section 5, Township 12 South, Range 11 West of the Willamette Meridian, in Lincoln County Oregon.

Excepting that portion, if any, of the Tract described in Volume 261, Page 844, of the Lincoln County Film Records.”

The territory is further illustrated on the Lincoln County Assessors Cadastral Map attached as Exhibit A.

Section 2. The property described in Section 1 shall, from the effective date of this ordinance, be free from assessments and taxes levied thereafter by the city. However, the withdrawn area shall remain subject to any bonded or other indebtedness existing at the time of the order. The proportionate share shall be based on the assessed valuation, according to the assessment roll in the year of the levy, of all of the property contained in the city immediately prior to the withdrawal.

Section 3. This ordinance shall take effect 30 days after the date an easement is recorded against the subject property to the benefit of Steel String, Inc., for the purpose of extending utilities to the Wolf Tree Destination Resort.

Date adopted and read by title only: 8/19/13

Signed by the Mayor on 8/23, 2013.

Sandra Roumagoux
Sandra Roumagoux, Mayor

ATTEST:

Margaret M. Hawker
Margaret M. Hawker, City Recorder

Lincoln County, Oregon
09/18/2013 8:15:49 AM
DOC-E

2013-09149

Cnt=1 Pgs=17 Stn=19

\$85.00 \$11.00 \$15.00 \$10.00 \$7.00 - Total = \$128.00



I, Dana W. Jenkins, County Clerk, do hereby certify
that the within instrument was recorded in the Lincoln
County Book of Records on the above date and time.
WITNESS my hand and seal of said office affixed.

Dana W. Jenkins, Lincoln County Clerk



WHEN RECORDED RETURN TO:
Perkins Coie LLP
1120 NW Couch St.
Tenth Floor
Portland, OR 97209
Attention: Dana L. Krawczuk

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE ONLY

UTILITY EASEMENT AGREEMENT

This UTILITY EASEMENT AGREEMENT (this "Agreement") is made and entered into as of 11 September, 2013 by and between TERRY LETTENMAIER and LAURIE WEITKAMP, individuals (individually and collectively, "Grantor") and STEEL STRING, INC., an Oregon corporation ("Grantee").

RECITALS

A. Grantor is the owner of that certain real property located in Lincoln County, Oregon, as more particularly described on Exhibit A attached hereto and made a part hereof (the "Burdened Property"). The Burdened Property is currently used as forest land.

B. Grantee is the owner of certain real property also located in Lincoln County, Oregon and consisting of two parcels, with one parcel located to the south and west of the Burdened Property and the other parcel located northeast of the Burdened Property, all as more particularly described on the Exhibit B attached hereto and made a part hereof (the "Benefited Property").

C. Grantor has requested that the City of Newport, Oregon (the "City"), by and through its City Council, withdraw the Burdened Property from the corporate limits of the City to permit re-zoning of the Burdened Property and construction of a single dwelling by Grantor thereon.

D. Grantee desires to preserve the ability to develop the Benefited Property.

E. To facilitate development of the Benefited Property, Grantee has requested an easement for public and/or private utilities over the Burdened Property. The Burdened Property and Benefited Property are depicted on Exhibit C attached hereto and made a part hereof.

F. Grantor now desires to grant such public and/or private utility easements over, across, under and through the Burdened Property.

NOW, THEREFORE, for Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and in consideration of the above recitals, the parties hereby agree as follows:

AGREEMENT

1. **Grant of Authority.** Grantor hereby grants to Grantee, its successors and assigns, a perpetual, non-exclusive, thirty (30) foot wide easement for the construction, installation, inspection, maintenance, operation, repair and replacement of public and/or private utility facilities (the "**Easement**") over, across and under the Burdened Property, including, without limitation, electricity, gas and sanitary sewer services, which Easement includes a reasonable right of access over, across and through the Burdened Property. Any such public and/or private utilities shall be located within an area of the Burdened Property reasonably designated by Grantee and reasonably acceptable to Grantor (the "**Easement Area**"), provided that Grantee's exercise of the rights granted hereunder shall not materially interfere with Grantor's development, use or occupancy of the Burdened Property, it being understood that, subject to Section 3 below, Grantee shall be permitted to trench such utilities as needed in the Easement Area and complete construction, installation, inspection, maintenance, operation, repair and replacement of any such public and/or private utility facilities. Notwithstanding the foregoing, if Grantee's designation of the Easement Area calls for installation of above-ground utility lines, or if the Easement Area would be in a location other than adjacent to then-existing roadways, Grantee shall compensate Grantor for the "fair market value" (as defined in Section 2.3 below) of the Easement Area pursuant to the appraisal procedure set forth in Section 2 below. Upon determination of the precise location of the Easement or any subsequent relocation thereof, which relocation shall be completed at the sole cost and expense of the party requiring the relocation, Grantor and Grantee shall execute, acknowledge and record an amendment to this Agreement making of record such precise location (such amendment, an "**Easement Area Amendment**").

2. **Appraisal Procedure.**

2.1 Procedure for Determining Fair Market Value. If Grantee's designation of the Easement Area calls for installation of above-ground utility lines, or if the Easement Area would be in a location other than adjacent to then-existing roadways then, within fifteen (15) days following Grantee's designation of the Easement Area, Grantor shall advise Grantee of the fair market value of the Easement. Grantee, within fifteen (15) days after the date on which Grantor advises Grantee of the fair market value of the Easement, shall either (i) give Grantor written notice (the "**Acceptance Notice**") of Grantee's determination of fair market value, or (ii) if Grantee disagrees with Grantor's determination, provide Grantor with written notice of rejection (the "**Rejection Notice**"). If Grantee provides Grantor with an Acceptance Notice, Grantor and Grantee shall enter into an Easement Area Amendment. If Grantee provides Grantor with a Rejection Notice, Grantor and Grantee shall work together in good faith to agree upon the fair market value of the Easement. When Grantor and Grantee have agreed upon the fair market value for the Easement, Grantor and Grantee shall enter into an Easement Area Amendment. Notwithstanding the foregoing, if Grantor and Grantee are unable to agree upon the fair market value of the Easement within 15 days after the date Grantee provides Grantor with the Rejection Notice, either party, by written notice to the other (the "**Arbitration Notice**") within 5 days after the expiration of such 15-day period, shall have the right to

have the fair market value of the Easement determined by "baseball" arbitration in accordance with the procedures described in Section 2.2 below.

2.2 Arbitration Procedure. The party desiring such arbitration shall give an Arbitration Notice to the other party, specifying in such notice the name, address and professional qualifications of the person designated to act as appraiser on its behalf. Within ten (10) days after service of the Arbitration Notice, the other party shall give written notice to the party desiring such arbitration, specifying the name, address and professional qualifications of the person designated to act as appraiser on its behalf. The two (2) appraisers shall, within ten (10) days after selection of the second appraiser, select an arbitrator. All appraisers and the arbitrator appointed hereunder shall be MAI members of the Appraisal Institute (or its successor organization, or in the event there is no successor organization, the organization and designation most similar) with not less than ten (10) years of experience in the appraisal of easements, with working knowledge of current easement appraisal practices, and be devoting substantially all of their time to professional appraisal work at the time of appointment, and be in all respects impartial and disinterested. The fair market value of the Easement as determined by each appraiser shall be given within a period of twenty (20) days after the appointment of the arbitrator. Each party shall pay the fees and expenses of the appraiser appointed by or on behalf of such party and the fees and expenses of the arbitrator shall be borne equally by both parties. If the party receiving a request for arbitration fails to appoint its appraiser within the time above specified, or if the two (2) appraisers so selected cannot agree on the selection of the arbitrator within the time above specified, then either party, on behalf of both parties, may request such appointment of such second appraiser or the arbitrator, as the case may be, by application to any Judge of the Circuit Court of Lincoln County, Oregon, upon ten (10) days' prior written notice to the other party of such intent. If the appraisers do not agree as to the fair market value of the Easement, then the arbitrator shall determine the fair market value of the Easement by selecting the fair market value of the Easement proposed by one of the two appraisers. Any determination by the arbitrator shall be made no later than twenty (20) days following delivery of each appraisal. When the fair market value for the Easement has been determined by the arbitrator, Grantor and Grantee shall enter into an Easement Area Amendment. The determination of the fair market value of the Easement shall be binding on both Grantor and Grantee.

2.3 Definition of Fair Market Value. For purposes of this Agreement, "fair market value" shall mean the difference in fair market value of the Burdened Property unencumbered by the Easement and the Burdened Property as encumbered by the Easement.

3. Authorization; Further Assurances. Grantor hereby authorizes Grantee to enter into separate easement agreements binding upon and located in whole or in part within the Easement Area with any public or private utility provider providing utility services to the Benefited Property. To the extent any public or private utility provider requires either Grantor's joinder in any such easement agreement or a separate grant of easement from Grantor in order to provide public or private utility services to the Benefited Property, Grantor shall execute such joinder or enter into such separate grant of easement with such public or private utility provider. In connection any such joinder or separate grant of easement, Grantee shall not be required to furnish any additional consideration to Grantor.

4. Restoration and Repair. Grantee shall restore and repair (or cause to be restored and repaired) any damage to the Burdened Property caused by Grantee's use of the Easement Area. Except as expressly set forth in this Agreement, Grantee shall have no liability to Grantor in connection with Grantee's use of the Burdened Property except to the extent of Grantee's negligence

or willful misconduct and in no event shall Grantee be liable for consequential, indirect, punitive or exemplary damages or for speculative damages such as lost profits.

5. **Accessibility of Easement Area.** Grantor shall keep the Easement Area open, accessible, and passable at all times. Grantor will not erect any fence or other impediment to Grantee's access to or use of the Easement Area. Grantor will not plant any trees or large bushes or shrubs within the Easement Area. Grantee may remove any and all such fencing, impediments or plantings at Grantor's expense; provided, however, if any fencing, impediments or planting existing in the Easement Area as of the date on which the precise location of the Easement Area is established must be removed, such removal shall be at Grantee's expense.

6. **Miscellaneous.**

6.1 **Severability:** Invalidation of any provisions of this Agreement shall in no way affect any of the other provisions of this Agreement.

6.2 **Benefits and Burdens Run With The Land:** This Agreement shall run with the land as to all of the properties burdened and benefited by the easements and covenants herein and any lawful land division thereof. The rights, covenants and obligations contained in this Agreement shall bind, burden and benefit the parties, their successors, heirs, assigns, tenants, employees, guests, invitees, licensees, contractors, agents, mortgagees and beneficiaries under a deed of trust. Any reference to a party shall apply only so long as a party owns a property, and thereafter such reference shall apply to such party's successor or assign. Any transferee of any party's property shall automatically be deemed, by acceptance of title to such property, to have assumed all of the obligations set forth in this Agreement relating to such property. The party shall, when such transfer is consummated, be relieved of all liability that arises thereafter under this Agreement, but such party shall not thereby be relieved of liability that arose before such time and which remains unsatisfied.

6.3 **Waiver:** No provision of this Agreement shall be deemed to have been waived unless such waiver is in writing signed by the waiving party. No failure by any party to insist upon the strict performance of any provision of this Agreement, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach, of such provision, or of any other provision. No waiver of any provision of this Agreement shall be deemed a waiver of any other provision of this Agreement or a waiver of such provision with respect to any subsequent breach, unless expressly provided in writing.

6.4 **Entire Agreement:** This Agreement and any exhibits hereto, sets forth the entire understanding of the parties and there are no other representations, warranties, statements, or agreements between the parties except as expressly set forth in this Agreement.

6.5 **Modification and Amendment:** This Agreement may be amended, modified or terminated only by written agreement of the Grantor and Grantee and no such amendment, modification or termination shall be effective until a written instrument setting forth its terms has been executed, acknowledged and recorded by Grantor and Grantee in the real property records of Lincoln County, Oregon. In the event Grantee completes development of the Benefited Property with sufficient utility service to the Benefited Property such that Grantee does not exercise its rights hereunder upon the Burdened Property then, at any time following such completion, either party hereto may, by written notice to the other party, request that Grantor and Grantee terminate this

Agreement of record by written agreement reasonably acceptable to Grantor and Grantee, and the party making such request shall pay all costs of recording such termination agreement.

6.6 Attorney's Fees and Costs: If any suit, action, or arbitration arising out of or related to this Agreement is brought by any party, the prevailing party shall be entitled to recover the costs and fees (including without limitation reasonable attorney fees) incurred by such party in such suit, action or arbitration, including without limitation any post-trial or appellate proceeding, or in the collection or enforcement of any judgment or award entered or made in such suit or action, and including any proceedings under bankruptcy law.

6.7 Notices. All notices desired or required hereunder must be in writing and may be served by (i) depositing same in the United States mail, addressed to the party to be notified, postage prepaid and registered or certified with return receipt requested, (ii) delivering the same in person to such party, or (iii) delivering the same by FedEx or UPS or similar recognized overnight courier service to such party. Notice given in accordance herewith shall be effective upon delivery to the address, set forth below or to such other address as may be provided by any party by notice to the other parties:

If to Grantor: P.O. Box 550
South Beach, Oregon 97366

If to Grantee: 2712 SE 20th Avenue
Portland, Oregon 97202
Attn: Bonnie Serkin

6.8 Time is of the Essence. Time is of the essence in the performance of each obligation under this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, Grantor and Grantee have caused this Agreement to be executed by their respective duly authorized agents.

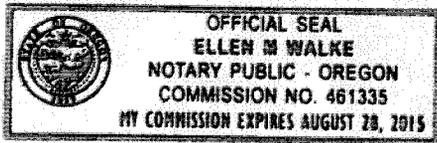
DATED this 13th day of September 2013.

GRANTOR

By: [Signature]
Terry Lettenmaier

STATE OF OREGON)
) ss.
COUNTY OF LINCOLN)

The foregoing instrument was acknowledged before me this 13th day of Sept, 2013, by Terry Lettenmaier, an individual, personally known to me.



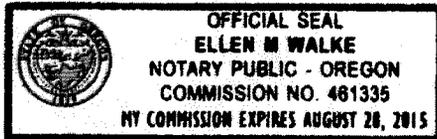
[Signature]
Ellen M Walke
Notary Public for Oregon
My commission expires: Aug 28, 2015

GRANTOR

By: [Signature]
Laurie Weitkamp

STATE OF OREGON)
) ss.
COUNTY OF LINCOLN)

The foregoing instrument was acknowledged before me this 13th day of Sept, 2013, by Laurie Weitkamp, an individual, personally known to me.



[Signature]
Ellen M Walke
Notary Public for Oregon
My commission expires: Aug 28, 2015

[Signatures continue on following page]



GRANTEE

STEEL STRING, INC.,
an Oregon corporation

By: [Signature]
Name: Bonnie Serkin
Title: Chief Operating Officer

STATE OF OREGON)
) ss.
COUNTY OF Multnomah)

The foregoing instrument was acknowledged before me this 11 day of September, 2013 by Bonnie Serkin, as Chief Operating Officer of Steel String, Inc., an Oregon corporation, , on behalf of said corporation.

Liane Brakke-Pound
Liane Brakke-Pound
Notary Public for Oregon
My commission expires: July 21, 2015

EXHIBIT A

Burdened Property

U.S. LOT 3 AND THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER LYING NORTHERLY OF THIEL CREEK COUNTY ROAD, ALL IN SECTION 5, TOWNSHIP 12 SOUTH, RANGE 11 WEST OF THE WILLAMETTE MERIDIAN, IN LINCOLN COUNTY, OREGON.

EXCEPTING THEREFROM ANY PORTION FALLING WITHIN S.E. 98TH STREET (THIEL CREEK ROAD AND COUNTY ROAD 601).

TOGETHER WITH THAT PORTION OF GOVERNMENT LOT 2 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF GOVERNMENT LOT 2; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT TO THE NORTHWEST CORNER OF GOVERNMENT LOT 1; THENCE SOUTH ALONG THE WEST LINE OF SAID LOT 1, 655 FEET; THENCE WESTERLY, PARALLEL WITH THE NORTH LINE OF GOVERNMENT LOT 2 TO THE WEST LINE OF SAID LOT; THENCE NORTHERLY ALONG SAID WEST LINE TO THE POINT OF BEGINNING, ALL IN SECTION 5, TOWNSHIP 12 SOUTH, RANGE 11 WEST OF THE WILLAMETTE MERIDEIAN, IN LINCOLN COUNTY, OREGON.

EXCEPTING THAT PORTION, IF ANY, OF THE TRACT DESCRIBED IN VOLUME 261, PAGE 844, FILM RECORDS.

EXHIBIT B

Benefited Property

PARCEL I:

Beginning at the Southwest corner of the tract described by deed recorded in Microfilm Volume 108, Page 1648, Lincoln County Records, said corner being 296.68 feet North 89°54'13" East along the section line from the intersection of the East line of U.S. Highway 101 and the South line of Section 31, Township 11 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon; thence North 9°31'55" East 364.58 to the Northwest corner of said tract; thence South 79°43' East along the South line of Thiel Creek Road 123.00 feet; thence South 9°49'12" West 342.40 feet to the South line of said section; thence South 89°54'13" West 123.00 feet to the point of beginning.

ALSO: Beginning at a point 419.68 feet North 89°54'13" East along the Section line from the intersection of the East line of U.S. Highway 101 and the South line of Section 31, Township 11 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon; thence North 9°49'12" East 342.40 feet to the South Line of Thiel Creek Road; thence South 79°43' East along the South line of said road 123.00 feet; thence South 10°08'53" West 320.23 feet to said section line; thence South 89°54'13" West 123.00 feet to the point of beginning.

ALSO: Beginning at a point 542.68 feet North 89°54'13" East along the section line from the intersection of the East line of U.S. Highway 101 and the South line of Section 31, Township 11 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon; thence North 10°08'53" East 320.23 feet to the South line of Thiel Creek Road; thence South 79°43' East along the South line of said road 124.00 feet to the West line of the old Spruce Production Railroad right of way; thence along said West line South 11°26'03" West 180.56 feet and 117.39 feet along a 1462.41 foot radius curve left, the chord of which bears South 9°08'05" West 117.39 feet to the South line of said Section; thence South 89°54'13" West 124.00 feet to the point of beginning.

PARCEL II:

Beginning at a point 150.00 feet North 10°17' East along the East line of U.S. Highway 101 from the intersection of said East line and the South line of Section 31, Township 11 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon; thence North 10°17' East along the East line 168.00 feet; thence South 75°43' East 125.00 feet; thence North 10°17' East 100 feet to the South Line of Thiel Creek Road; thence South 79°43' East along the South line of said road 25.00 feet; thence South 10°17' West 240.52 feet; thence South 89°54'13" West 152.50 feet to the point of beginning.

ALSO: Beginning at a point 150.00 feet North 10°17' East along the East line of U.S. Highway 101 and 152.50 feet North 89°54'13" East of the intersection of said East line and the South line of Section 31, Township 11 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon; thence north 10°17' East 240.52 feet to the South line of Thiel Creek Road; thence South 79°43' East along the South line of Thiel Creek Road 137.04 feet to the Northeast corner of the tract described by deed recorded in Microfilm Volume 108, Page 1650, Lincoln County Records; thence South 9°31'55" West along the East line of said tract 214.93 feet; thence South 89°54'13" West 142.18 feet to the point of beginning.

ALSO: Beginning at the intersection of the East line of U.S. Highway 101 and the South line of Section 31, Township 11 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon; thence North 10°17' East along said East line 150.0 feet; thence North 89°54'13" East 294.68 feet to the East line of the tract described by deed recorded in Microfilm Volume 108, Page 1650, Lincoln County Records; thence

South 9°31'55" West 149.65 feet to the South line of said Section; thence South 89°54'13" West 296.68 feet to the point of beginning.

PARCEL III:

Beginning at a point where the North line of Section 6, Township 12 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon intersects the Easterly line of the abandoned U.S. Spruce Production Railroad right of way; thence North along the East line of said railroad right of way to the South line of Thiel Creek Road; thence Westerly along the South line of Thiel Creek Road to a point where the South line of said Thiel Creek Road intersects the Westerly line of the abandoned Spruce Production Railroad right of way; thence South along the West line of said right of way to the North line of Section 6; thence East along said North line to the point of beginning.

PARCEL IV:

All that part of the Southeast quarter of the Northwest quarter and the Southwest quarter of the Northwest quarter and U.S. Government Lot 4, Section 5, Township 12 South, Range 11 West, of the Willamette Meridian, Lincoln County, Oregon, which lies Southerly and Westerly of the Thiel Creek Road No. 601. SAVE AND EXCEPT therefrom the following property:

Beginning at a point which is the Southwest corner of the Southwest quarter of the Northwest quarter of said Section 5; thence East 660 feet; thence North 480 feet; thence West 660 feet; thence South 480 feet to the place of beginning in Lincoln County, Oregon.

PARCEL V:

A tract of land adjoining Block 44 of the subdivision of the Town of FOR FAR, on the North side of For Far, more particularly described as follows: That portion of the Southwest quarter of the Northwest quarter of Section 5, Township 12 South, Range 11 West, Willamette Meridian, in Lincoln County, described as follows: Beginning at the most Northerly Northwest corner of subdivision of Block 39 to 46, inclusive to the Town of FOR FAR, as shown on plat recorded in Book 4, Page 35, Plat Records of Lincoln County, Oregon, said point being on the North line of the North Street, in said FOR FAR and also being the Northwest corner of the Southwest quarter of said Section 5; thence East, along the North Line of said North Street, 660 feet; thence North 480 feet; thence West 660 feet; thence south 480 feet to the point of beginning.

PARCEL VI:

A tract of land in the East one-half of the Southwest quarter of Section 32, Township 11 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon, described as follows:

Beginning at the Southwest corner of the East one-half of the Southwest quarter of said Section 32; thence. North 0°02'20" East along the West line of said East one-half of the Southwest quarter, 1637.37 feet to the North line of the South one-half of the South one-half of the Northeast quarter of the Southwest quarter of said Section 32; thence South 89°33'40" East along said North line 667.88 feet to an iron rod set in County Survey #5558; thence South 0°39'30" West 1641.30 feet along the line surveyed in said County Survey #5558 to the South line of said Section 32; thence West along the said South line 658.75 feet to the point of beginning.

TOGETHER WITH any and all interest which the parties now have or might have hereafter acquire in and to the South 50 of the East 300 feet of the Southwest quarter of the Southwest quarter of Section 32, Township 11 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon.

PARCEL VII:

Commencing at a point 309.28 feet South and 396.99 feet East of the Northwest corner of Section 5, Township 12 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon, said point being the true point of beginning of the following described tract; thence South 79°12' East 166.30 feet; thence South 3°41' East 93.99 feet; thence South 40°10' West 160.31 feet; thence North 70°00' West 214.88 feet and thence North 38°00' East 220.77 feet to the true point of beginning.

EXCEPTING any portion thereof falling Southerly of the Northerly line of the Thiel Creek County Road.

PARCEL VIII:

All that portion of U.S. Government Lot 4, in Section 5, Township 12 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon, lying Northerly, Northeasterly and Easterly of Thiel Creek County Road No. 601.

EXCEPTING THEREFROM Commencing at a point 309.28 feet South and 396.99 feet East of the Northwest corner of Section 5, Township 12 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon, said point being the true point of beginning of the following described tract; thence South 79°12' East 166.30 feet; thence South 3°41' East 93.99 feet; thence South 40°10' West 160.31 feet; thence North 70°00" West 214.88 feet and thence North 38°00" East 220.77 feet to the true point of beginning.

PARCEL IX:

Beginning at a point on the East right of way line of Oregon Coast Highway 101, said point being 3,960.0 feet North of the South line of Section 6, Township 12 South, Range 11 West of Willamette Meridian, Lincoln County, Oregon; running thence East parallel to the North line of the platted subdivision of For Far a distance of 2,800.0 feet, more or less, to the East line of said Section 6; thence North along the East line of said Section 6 to the South line of Thiel Creek Road; thence Westerly along the Southerly line of Thiel Creek Road to a point where said Southerly line intersects the North line of said Section 6; thence West along the North line of said Section 6 to the East line of Highway 101; thence Southerly following the Easterly line of said Highway 101 to the place of beginning.

PARCEL X:

The Southeast quarter of the Northeast quarter of Section 6, Township 12 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon.

PARCEL XI:

That portion of Government Lot 3, Section 6, Township 11 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon, lying East of the Oregon Coast Highway 101.

EXCEPT that portion in the U.S. Spruce Production Railroad right of way and EXCEPTING that portion conveyed to Irene J. Williams in Deed recorded January 3, 1963 in Book 231, Page 60, Deed Records,

and FURTHER EXCEPTING that portion lying within property conveyed to William Grant in Deed recorded October 8, 1890 in Book J, Page 250, Deed Records.

PARCEL XII:

Blocks 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45 and 46, FOR FAR, in Lincoln County, Oregon. TOGETHER WITH the vacated streets as set forth in Ordinance No. 1523, recorded September 14, 1988 in Microfilm Volume 196, Page 2012, Lincoln County Records, said streets being all of the streets lying adjacent to the above described blocks with the exception of that portion of "C" Street, East Street and 13th Street lying adjacent to Block 46, and 9th Street lying adjacent to the West line of Blocks 35 through 38, and West Street lying adjacent to Block 43.

PARCEL XIII:

That portion beginning at the Southeast corner of Section 6, Township 12 South, Range 11 West, in Lincoln County, Oregon; running thence Northerly along the East section line of said Section 6, a distance of 1319 feet to the Northeast corner of the Southeast quarter of the Southeast quarter of Section 6; thence Westerly along the North line of the Southeast quarter of the Southeast quarter of said Section 6, a distance of 800 feet; thence South 9°06' West 1346.6 feet to the South line of said Section 6; thence Easterly along said South line of said Section 6, 1062 feet to the Southeast corner of said Section 6 and the point of beginning.

PARCEL XIV:

The East one-half of the Northeast quarter of Section 7, Township 12 South, Range 11 West, Willamette Meridian, Lincoln County, Oregon, excepting therefrom any portion lying within Lost Creek Park and Lost Creek Park Addition No. 2. Also excepting therefrom the parcel conveyed to Kenneth D. Rogers, et al, by Deed recorded October 27, 1980 in Microfilm Volume 118, Page, 453, Lincoln County Records, described as follows:

A parcel of land adjoining Lot 4, Block 4, Lost Creek Park Addition No. 2, in Section 7, Township 12 South, Range 11 West, Willamette Meridian, Lincoln County, Oregon, being more particularly described as follows: Beginning at a 5/8 inch iron rod at the North corner of Lot 4; thence North 77°22'53" East 149.41 feet to a 5/8 inch iron rod; thence South 55°40'54" East, 107.06 feet to a 5/8 inch iron rod on the Northerly right of way of Chittum Drive; thence Southwesterly on said right of way on a 1025.042 foot radius curve left (the long chord of which bears South 60°48'59" West 194.239 feet) a distance of 194.533 feet to a 5/8 inch iron rod at the Southeast corner of Lot 4; thence North 21°31'17" East, 88.00 feet to a 5/8 inch iron rod; thence North 67°16'37" West 105.00 feet to the point of beginning.

PARCEL XV:

The Northwest quarter of the Northwest quarter of Section 8, and the Southwest quarter of the Southwest quarter and the Southwest quarter of the Southwest quarter of Section 5, all in Township 12 South, Range 11 West, of the Willamette Meridian, in Lincoln County, Oregon.

PARCEL XVI:

All of the following described property situated in the County of Lincoln, State of Oregon and being described as follows to-wit:

Beginning at the Northeast corner of the Roy G. Gosso tract or described in Book 228, page 355, Lincoln County Deed Records, said point being North 79°43' West 10.0 feet and North 10°17' East 94.0 feet from a point that is 981.0 feet South and 39.1 feet West of the quarter corner set on the North line of Section 6, Township 12 South, Range 11 West of the Willamette Meridian; thence North 10°17' East along the Westerly right of way of the Coast Highway, 306.0 feet to a point opposite and 50.0 feet Westerly from (when measured at right angles to) Engineer's Centerline Station 851 + 50; thence South 79°43' East 10.0 feet to a point 40 feet Westerly of said Station; thence North 10°17' East 292.39 feet to the Southeast corner of the George E. Marshall tract as described in Book 259, page 615, Lincoln County Deed Records; thence South 52°47' West along a small creek and the Southerly boundary of said tract, 146.35 feet to the South line of said tract; thence West along the South line of said tract and along the South line of the Herbert De Salms tract as described in Book 251, page 461, Lincoln County Deed Records, 196 feet, more or less, to the mean high water line of the Pacific Ocean; thence Southerly along said mean high water line to an intersection with the North line of the Roy E. Gosso tract; thence South 79°43' East along said Gosso tract, 170 feet, more or less, to the point of beginning.

EXCEPT portion sold to Oregon State Highway Commission by deed recorded in Book 192, Page 394, Deed Records.

PARCEL XVII:

Beginning at a 3/4 inch iron rod set in the Westerly right of way line of the Oregon Coast Highway, said point being opposite and 40 feet distant from (when measured at right angles to) Engineer's Centerline Station 855+50; said point also being 981.0 feet South and 39.1 feet West of the quarter section corner in the North line of Section 6, Township 12 South, Range 11 West, Willamette Meridian; thence South 10°17' West, along said right of way, 16.0 feet to a 5/8 inch rod; thence North 79°43' West 148.27 feet to an iron pipe and continuing North 79°43' West 32 feet, more or less, to high water line of the Pacific Ocean; thence Northerly along said high water line to a point that is North 10°17' East, 110 feet from the South line as described above; thence South 79°43' East, parallel to and 110 feet at right angles to said South line, 170 feet, more or less, to the Westerly right of way of said Highway; thence South 10°17' West 94.0 feet to an iron rod set opposite and 50 feet distant Westerly from Engineer's Centerline Station 855+50; thence South 79°49' East 10 feet to the point of beginning, all being in Lincoln County, Oregon. EXCEPT portion sold to Oregon State Highway Commission by deed recorded in Book 192, Page 394, Deed Records.

PARCEL XVIII:

Commencing at a 3/4 inch iron rod set in the Westerly right of way of the Oregon Coast Highway, said point being opposite and 40 feet distant from (when measured at right angles to) Engineer's Centerline Station 855+50, said point also being 981.0 feet South and 39.1 feet West of the quarter section corner set in the North line of Section 6, Township 12 South, Range 11 West, of the Willamette Meridian, in Lincoln County, Oregon; thence South 10°17' West along the Westerly right of way line of the Oregon Coast Highway, 16.0 feet to the 5/8 inch iron rod and the true point of beginning of the tract herein to be described; thence South 10°17' West along said Westerly right of way line 225.0 feet to a 5/8 inch iron rod; thence North 79°43' West 240 feet, more or less, to the high water line of the Pacific Ocean; thence Northerly along said high water line to a point that is North 79°43' West from the true point of beginning; thence South 79°43' East 180 feet, more or less, to the true point of beginning.

PARCEL XIX:

Commencing at the quarter section corner set in the North line of Section 6, Township 12 South, Range 11 West of the Willamette Meridian, Lincoln County, Oregon; thence East, 184.6 feet to the center of the

Oregon Coast Highway; thence South 10°17' West along the center of said highway, 1627.3 feet; thence North 79°43' West, 40.0 feet to the Westerly right of way line of said highway; said point being the Northeasterly corner of a tract of land as described in Book 175, Page 440, Deed Records; said point also being the true point of beginning of the tract herein to be described; thence North 10°17' East, along said right of way, 389.24 feet to the Southeast corner of a tract as described in Book 145, Page 315, Deed Records; thence North 79°43' West along the Southerly line of said tract, 240 feet, more or less, to high water line of the Pacific Ocean; thence Southerly along said high water line to a point that is North 79°43' West from the true point of beginning; thence South 79°43' East along the North line of the tract as described in Book 175, Page 440, Deed Records, 180 feet, more or less, to the true point of beginning, in Lincoln County, Oregon.

PARCEL XX:

That part of Government Lot 2 in the Northwest quarter of Section 6, Township 12 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon, described as follows: Beginning at the quarter section corner on the North line of Section 6, aforesaid; thence East 184.6 feet to the center of the Oregon Coast Highway; thence South 10°17' West along the centerline of said Highway a distance of 1707.3 feet; thence North 79°43' West a distance of 40 feet to the West line of the Oregon Coast Highway right of way and the true place of beginning of the premises to be described, which point is also the Northeast corner of the premises conveyed by Henry D. Omlid and Elsie E. Omlid to Roy E. Boober and Florabel Boober by deed recorded January 17, 1939 in Book 80, page 243, Deed Records; thence North 79°43' West a distance of 180 feet to the shore of the Pacific Ocean; thence along the high water line of the Pacific Ocean 80 feet; thence South 79°43' East 180 feet to the West line of said highway; thence South 10°17' West 80 feet to the place of beginning.

PARCEL XXI:

Beginning at a point that is 2,858.4 feet West and 2,061.6 feet South of the Northeast corner of Section 6, Township 12 South, Range 11 West, of the Willamette Meridian, in Lincoln County, Oregon, said point being on the West boundary of the right of way of the Oregon Coast Highway; running thence North 10°17' East 400.0 feet along said West boundary; thence North 79°43' West 180.0 feet to the meander line of the Pacific Ocean; thence South 10°17' West 400 feet along the shore of said Ocean; thence South 89°43' East 180.0 feet, more or less, to the place of beginning.

PARCEL XXII:

Commencing at a point on the Westerly right of way of U.S. Highway No. 101, said point being 1318.21 feet North and 325.37 feet West of a stone set for the center of Section 6, Township 12 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon, said stone being set on the North Line of the Plat of For Far by W.T. Webber in 1889; thence North 10°28'06" East along said westerly right of way 285.26 feet to the true point of beginning of the following described tract; thence continuing North 10°28'06" East along said right of way 142.63 feet to the point of beginning of that tract conveyed from Elsie Omlid to Christine Bussard and recorded June 26, 1969 in Microfilm Volume 10, Page 825, Lincoln County Records; thence North 89°31'54" West, along the North line of said Bussard tract to the mean high water line of the Pacific Ocean; thence Southerly along said mean high water line 145 feet, more or less, to a point that is due West of the True Point of Beginning; thence East 327 feet, more or less, to the True Point of Beginning.

ALSO: Commencing at a point on the Westerly right of way of U.S. Highway No. 101, said point being 1318.21 feet North and 325.37 feet West of a stone set for the center of Section 6, Township 12 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon, said stone being set on the North line

of the Plat of For Far by W.T. Webber in 1889; thence North $10^{\circ}28'06''$ East along said westerly right of way 142.63 feet to the true point of beginning of the following described tract; thence continuing North $10^{\circ}28'06''$ East along said right of way 142.63 feet; thence West to the mean high water line of the Pacific Ocean; thence Southerly along said mean high water line 145 feet, more or less, to a point that is due West of the True Point of Beginning; thence East 327 feet, more or Less, to the True Point of Beginning.

PARCEL XXIII:

Commenting at a point on the Westerly right of way of U.S. Highway 101, said point being 1,318.21 feet North and 325.37 feet West of a stone set for the center of Section 6, Township 12 South, Range 11 West, Willamette Meridian, Lincoln County, Oregon, said stone being set on the North line of the Plat of For Far by W.T. Weber in 1889, said point being the true point of beginning of the following described tract; thence North $10^{\circ}28'06''$ East, along said Westerly right of way, 142.63 feet; thence West to the mean high water line of the Pacific Ocean; thence Southerly along said mean high water line 145 feet, more or less, to a point that is South $89^{\circ}41'02''$ West of the true point of beginning; thence North $89^{\circ}41'02''$ East, 327 feet, more or less, to the point of beginning.

PARCEL XXIV:

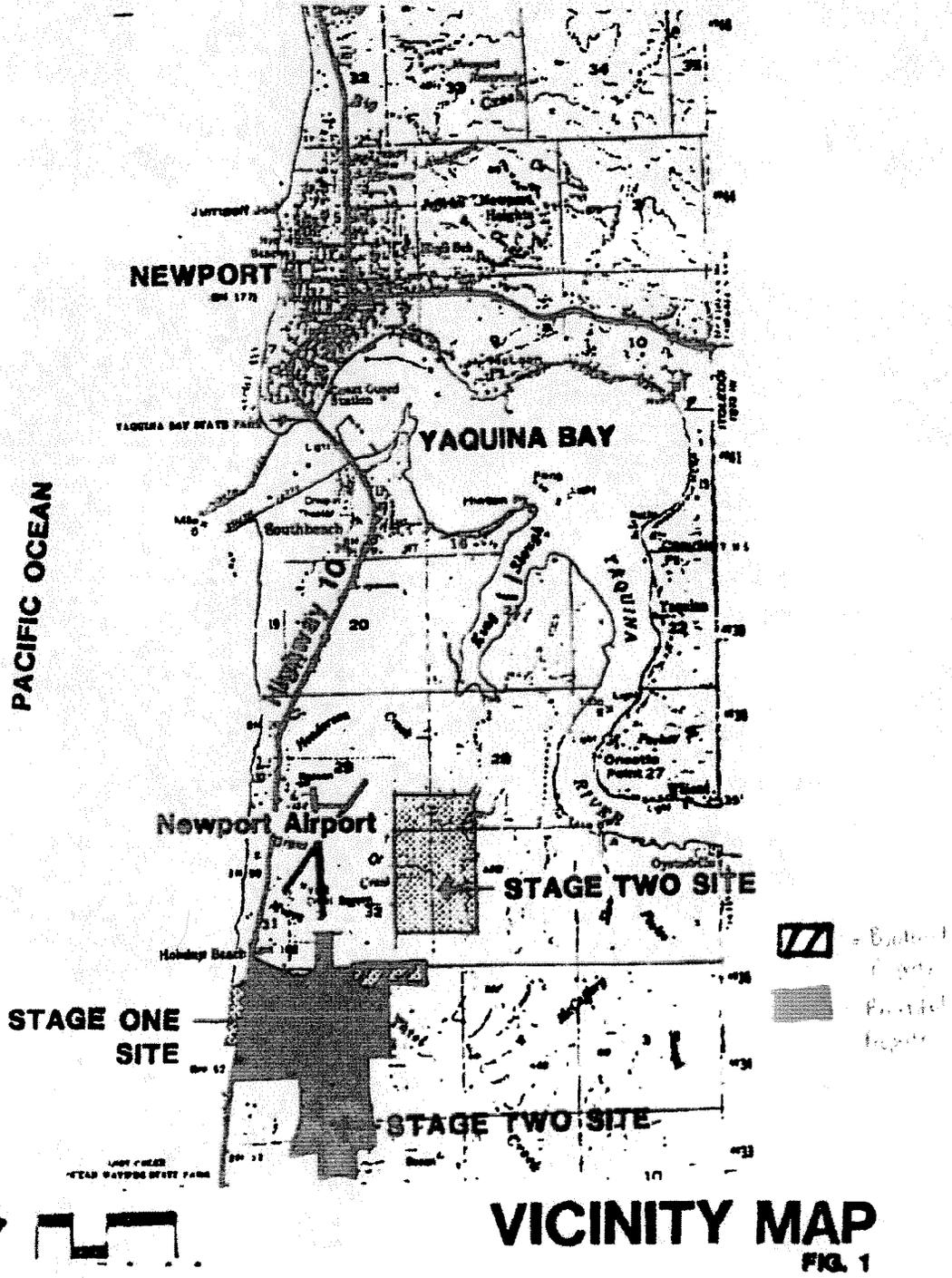
That portion of Section 6, Township 12 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon, described as follows:

Beginning at a point on the East right of way line of the Old Spruce Production Railroad that is 637.36 feet North and 328.31 feet West of a rock set for the center of said Section 6 (said rock also being on the North line of a street and the center line of Third Street in the recorded Plat of For Far); thence Northeasterly along the arc of a 2831.90 foot radius curve right (the long chord of which bears North 11 deg. 52' East 14.02 feet) a distance of 14.02 feet; thence North 12 deg. 01' East along the East right of way line of said railroad 347.48 feet; thence East 331.12 feet; thence South 353.59 feet; thence West 406.35 feet to the point of beginning.



EXHIBIT C

Benefited Property and Burdened Property



VICINITY MAP
FIG. 1