3-16-73

7438

ADDENDUM AND CORRECTION TO LEASE

The lease dated February 13, 1970 between CONDOMINIUM LAND COMPANY and CONDOMINIUMS NORTHWEST, INC., as amended, describes the land subject to the lease and sets forth the terms of the lease. To enlarge the area subject to the lease and to more accurately set forth the agreement of the parties, said lease is amended in the following particulars:

1. Exhibit "R" attached to the original lease, and as subsequently amended, is hereby amended to read as follows: That portion of the Southeast Quarter of the Southwest Quarter (SE1/4 SW1/4) and the Southwest Quarter of the Southeast Quarter (SW1/4 SE1/4) of Section Twenty-two (22), Township Eighteen (18) South, Range Eleven (11) East of the Willamette Meridian, Deschutes County, Oregon, which is described as follows: Beginning at the Northwest corner of said Southeast Quarter of the Southwest Quarter and running thence South 89° 40' 45" East along the North line of said Southeast Quarter of the Southwest Quarter a distance of 1320.63 feet to the Northeast corner of said legal subdivision; thence South 89° 49' 30" East along the North line of the Southwest Quarter of the Southeast Quarter of said Section 22 a distance of 362.43 feet; thence South 11° 15' 45" East 200.00 feet; thence South 51° 16' 10" East 561.91 feet; thence South 0° 30' 45" East 80.00 feet; thence South 77° 44' 15" West 417.00 feet; thence South 69° 45' 45" West 413.00 feet; thence North 79° 45' 45" West 300.00 feet; thence South 73° 09' 15" West 855.00 feet; thence North 75° 35' 45" West 276.00 feet to a point in the West line of said Southeast Quarter of the Southwest Quarter of Section 22; thence North 0° 48' 25" East along said West line 995.28 feet to the point of beginning; EXCEPTING therefrom the right of way of the Century Drive Highway, formerly known as the Century Drive Market Road, as the same is now laid out and established over the Northwesterly corner of said Southeast Quarter of the Southwest Quarter of said Section 22.

2. Article III, Paragraph 8 of the lease is corrected to read as follows:

Assignments and Subleases. Subject to the further terms and provisions herein contained and to Lessee's continuing liability hereunder, Lessee, without Lessor's consent, may mortgage this lease to secure funds for the construction of the Inn of the Seventh Mountain and sell condominium units of ownership therein pursuant to the Declaration thereof; and without Lessor's consent, the individual purchasers of such units, their personal representatives, successors and assigns, may sell, mortgage, hypothecate and otherwise deal in and with their said units subject to this lease. Upon the recording of the Declaration to submit Phase III-A to the Unit Ownership Act, the Lessee's interest in this lease is automatically assigned to the Association of Unit Owners of the Inn of the Seventh Mountain as to that portion of the property subject to this lease that is included in the property submitted to the Unit Ownership Act by Phases I through III-A, except as to units and buildings constructed at the direction of Condominiums Northwest, Inc., but not sold except to a subsidiary of Condominiums Northwest, Inc. As additional phases are submitted to the Unit Ownership Act, the Lessee's

interest in this lease, except as to unsold units and buildings, shall automatically be assigned to the Association of Unit Owners of the Inn of the Seventh Mountain as to that portion of the property subject to this lease that is included in each such additional phase. That assignment shall transfer Lessee's rights and liabilities hereunder to said Association and shall relieve Lessee of all liability hereunder incurred from and after date of said assignment, except that Lessee, to better serve unit owners who may desire to sell their units, retains the right to establish and use an appropriate part of the common area for an office to handle resales of units.

In the event of conflicts or inconsistencies between the terms of the above-mentioned lease and any amendments or corrections to it, and the terms of this Addendum and Correction, this instrument shall control.

Signed this 12th day of March, 1973.

McMILLAN INNS, INC.
(Which has acquired all the right, title, and interest of Condominium Land Company)

By: _____
President

CONDOMINIUMS NORTHWEST, INC.

By: _____
President

The Association of Unit Owners of the Inn of the Seventh Mountain, acting through its Manager, hereby consents to the execution and recording of this instrument.

THE ASSOCIATION OF UNIT OWNERS OF THE INN OF THE SEVENTH MOUNTAIN

By: _____
Manager

STATE OF OREGON)
) ss.
County of Marion)

On the 12th day of March, 1972, personally appeared PETER M. GUNNAR, who, being sworn, stated that he is the President of McMILLAN INNS, INC. and CONDOMINIUMS NORTHWEST, INC., and that the foregoing instrument was voluntarily signed on behalf of said corporation by authority of its Board of Directors.

Powell W. Bergen
Notary Public for Oregon
My commission expires: 2-2-76

7428

STATE OF OREGON
County of Deschutes

INDEX

I hereby certify that the within instrument of writing was received for Record the 16 day of May A.D. 19 73 at 9:42 o'clock A M., and recorded in Book 173 on Page 419 Records of Deeds

ROSEMARY PATTERSON
County Clerk

By [signature] Deputy