

MEETING MINUTES  
FALCON HEIGHTS CONDO ASSOCIATION  
REGULAR BOARD MEETING  
Jan 9, 2025

Meeting was called to order at 6:09 pm

Roll call of current Board members present:

John Stanton  
Tony Anghinetti  
Mark Teel  
Gene Hurst  
Dave Tatge  
Robert Stroope  
Samantha Mitchell

Tony Anghinetti Chairman of the Board gave a report on the new maintenance contract with NDN Construction the contract is for 30 hours of a work week. Running from January to December, the slow months will carry over when they are busy during the summer. A work order task system has been put in place. It will cover maintenance of Falcon Heights on a priority basis and is available as an app on the maintenance crew and administrations phones. Key coded locks were installed on the office doors at the HOA office as a security measure.

Financial report given by Board Treasurer, John Stanton. See attached reports

The minutes were approved for the November 2024 regular meeting and the December 2024 budget meeting.

A land lease agreement with the Falcon Heights Water and Sewer District was approved. See attached

An MOU with the Falcon Heights Water and Sewer District was approved.

Resolution 2024-4 the structures and trailers used as dwellings resolution has been tabled. The board members agreed that we should follow the Klamath County rules regarding the length of stay and how often a trailer could be parked in a yard without a permit.

Comments by the homeowners were few. It was mostly about why we switched landscaping companies and why the fall cleanup had not been done on all of the homes.

Adjourned at 7:11 PM

Respectfully submitted Robert Stroope Board Secretary

2:52 PM  
01/08/25  
Cash Basis

**Falcon Heights Condominium Assn.**  
**Profit & Loss**  
January through December 2024

	Jan - Dec 24
<b>Ordinary Income/Expense</b>	
Income	
4000 · Condominium Fees	714,338.90
4001 · Late Fees Collected	1,427.44
4002 · RV Lot Fees	7,905.00
4003 · Community Hall Rental	1,550.00
4004 · Events Donations	1,473.07
4005 · Returned Check Charges	75.00
4006 · Excess Garbage Fees	188.38
4007 · Transfer Fees	6,000.00
4010 · Interest Income	13,958.53
4013 · Filing Fees	2,666.87
4017 · Miscellaneous Income	21,590.72
4018 · Fines Collected	145.00
<b>Total Income</b>	<b>771,318.91</b>
<b>Gross Profit</b>	<b>771,318.91</b>
Expense	
1000 · Administrative Expenses	
1001 · Liab. Ins., D&O, Bond	10,675.99
1002 · Managing Agent Fees	50,000.00
1003 · Security Gate	4,703.08
1004 · Postage	664.43
1005 · Professional Services	
1005a · Legal Fees	20,042.53
1005b · Accounting Fees	850.00
1005 · Professional Services - Other	200.00
<b>Total 1005 · Professional Services</b>	<b>21,092.53</b>
1006 · Merchant deposit fees	10,771.17
1008 · Fees & Dues	255.00
1010 · Office Supplies	1,572.89
1011 · Events	2,296.96
1014 · Bank Service Charges	-61.98
1015 · Reconciliation Discrepancies	0.65
1016 · Print, Flyers, Deliver	183.38
1018 · Misc Admin Expense	844.60
<b>Total 1000 · Administrative Expenses</b>	<b>102,998.70</b>
1100 · Repairs & Maintenance Expenses	
1101 · General Repair	4,159.46
1102 · Painting	29,000.00
1103 · Maint. Supplies	4,304.83
1105 · Buidling Maintenance	-656.94
1106 · Park Maint and Supplies	2,295.19
1107 · Snow Removal	2,925.00
1108 · Contract Labor	6,840.00
1100 · Repairs & Maintenance Expenses - Other	7.96
<b>Total 1100 · Repairs &amp; Maintenance Expenses</b>	<b>48,875.50</b>

2:52 PM  
01/08/25  
Cash Basis

**Falcon Heights Condominium Assn.**  
**Profit & Loss**  
January through December 2024

	<u>Jan - Dec 24</u>
1200 · Landscape Expenses	
1201a · Mowing Contract	128,750.00
1201b · Upkeep, Fertilizer	6,586.63
1201c · Alley/Gnrl Cleanup	10,052.59
1201d · Irrigation	12,529.84
1201e · Tree removal/Trim	<u>7,775.00</u>
Total 1200 · Landscape Expenses	165,694.06
1300 · Water and Sewer Expenses	
1307 · Sewer - Treatment	<u>65,924.62</u>
Total 1300 · Water and Sewer Expenses	65,924.62
1400 · Utility Expenses	
1401 · Garbage	81,598.66
1402 · Computer and Internet	2,407.03
1403 · Gas	
1403a · Gas-Community Center	986.69
1403b · Gas-Office	<u>717.91</u>
Total 1403 · Gas	1,704.60
1404 · Electricity	
1404a · Street Lights	3,955.98
1404b · Security Gate	414.86
1404c · Office	1,535.04
1404d · Community Center	<u>1,085.44</u>
Total 1404 · Electricity	6,991.32
1405 · Telephone	<u>516.21</u>
Total 1400 · Utility Expenses	93,217.82
Total Expense	<u>476,710.70</u>
Net Ordinary Income	294,608.21
Other Income/Expense	
Other Income	
Unit Assets non posting	<u>0.00</u>
Total Other Income	0.00
Other Expense	
1500 · Capital Improvement Projects	<u>28,477.05</u>
Total Other Expense	<u>28,477.05</u>
Net Other Income	<u>-28,477.05</u>
Net Income	<u><u>266,131.16</u></u>

2:50 PM  
01/08/25

Cash Basis

Falcon Heights Condominium Assn.  
Account QuickReport  
As of December 31, 2024

Type	Date	Num	Name	Memo	Split	Original Amount	Paid Amount	Balance
Ghost Ridge Roofing Contract								
Check	04/04/2024	3122	Ghost Ridge Construction	Down payment at contract signing	120 - Operating ...	-400,000.00	-400,000.00	2,877,771.94
Check	04/04/2024	3123	Ghost Ridge Construction	Payment #1	120 - Operating ...	-25,000.00	-25,000.00	2,477,771.94
Bill	05/01/2024	002	Ghost Ridge Construction	Monthly Annuity	950 - Accounts ...	-25,000.00	-25,000.00	2,452,771.94
Bill	06/01/2024		Ghost Ridge Construction	Monthly Annuity	950 - Accounts ...	-25,000.00	-25,000.00	2,427,771.94
Bill	07/01/2024		Ghost Ridge Construction	Monthly Annuity	950 - Accounts ...	-25,000.00	-25,000.00	2,402,771.94
Bill	08/01/2024		Ghost Ridge Construction	Monthly Annuity	950 - Accounts ...	-25,000.00	-25,000.00	2,377,771.94
Bill	09/01/2024		Ghost Ridge Construction	Monthly Annuity	950 - Accounts ...	-25,000.00	-25,000.00	2,352,771.94
Bill					950 - Accounts ...	-25,000.00	-25,000.00	2,327,771.94

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01/08/25

Cash Basis

Falcon Heights Condominium Assn.  
Transaction Detail By Account  
January through December 2024

Type	Date	Num	Name	Memo	Cir	Split	Debit	Credit	Original Amount	Balance
1500 - Capital Improvement Projects										
Bill	02/14/2024	1987	FYIPC LLC	new cameras...		950 - Account...	585.50		585.50	585.50
Bill	03/14/2024	19145	Sign Pro	Walking trail ...		950 - Account...	570.00		570.00	1,155.50
Check	03/22/2024		Amazon	Office securit...		120 - Operatin...	202.92		202.92	1,358.42
Bill	03/29/2024	2016	FYIPC LLC	New motion ...		950 - Account...	400.00		400.00	1,758.42
Bill	05/16/2024	24-21...	Superior Fence Co...	Dog Park Fe...		950 - Account...	2,278.63		2,278.63	4,037.05
Bill	06/12/2024	24-21...	Superior Fence Co...	Alley speedb...		950 - Account...	2,500.00		2,500.00	6,537.05
Bill	09/27/2024	2024-...	Webb Asphalt and ...	10764 Predd...		950 - Account...	3,160.00		3,160.00	9,697.05
Bill	10/02/2024	2024-...	Webb Asphalt and ...	10857 Vince...		950 - Account...	2,960.00		2,960.00	12,657.05
Bill	10/02/2024	2024-...	Webb Asphalt and ...	10855 Vince...		950 - Account...	2,770.00		2,770.00	15,427.05
Bill	10/25/2024	2024-...	Webb Asphalt and ...	repaired and ...		950 - Account...	2,200.00		2,200.00	17,627.05
Bill	11/14/2024	2024-...	Webb Asphalt and ...	repave 1057...		950 - Account...	5,000.00		10,850.00	22,627.05
Bill	12/04/2024	2024-...	Webb Asphalt and ...	repave 1057...		950 - Account...	5,850.00		10,850.00	28,477.05
Total 1500 - Capital Improvement Projects							28,477.05	0.00		28,477.05
TOTAL							28,477.05	0.00		28,477.05

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Cash Basis

**Falcon Heights Condominium Assn.**  
**Balance Sheet**  
As of December 31, 2025

	Dec 31, 25
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
<b>Checking and Savings</b>	
120 · Operating Checking WF	7,447.53
121 · WF Checking 4582	1,186.50
124 · WF Reserve Savings	15,470.52
<b>Total Checking and Savings</b>	24,104.55
<b>Investment Accounts</b>	
126 · Investment CDs- TD Ameritrade	
126A · Charles Schwab CD	250,023.25
126E · Cash/Cash Alternatives-CDs	-3,538.24
<b>Total 126 · Investment CDs- TD Ameritrade</b>	246,485.01
<b>Total Investment Accounts</b>	246,485.01
140 · Petty Cash	
141 · HOA Petty Cash	620.53
142 · Events Committee Petty Cash	526.40
<b>Total 140 · Petty Cash</b>	1,146.93
<b>Total Checking/Savings</b>	271,736.49
<b>Accounts Receivable</b>	
800 · Accounts Receivable	-31,208.07
<b>Total Accounts Receivable</b>	-31,208.07
<b>Other Current Assets</b>	
820 · Undeposited Funds	6,005.00
850 · Market Appr/Depr Investment CDs	84.55
<b>Total Other Current Assets</b>	6,089.55
<b>Total Current Assets</b>	246,617.97
<b>Fixed Assets</b>	
910 · Furniture & Fixtures	18,873.04
911 · Accum. Depreciation	-33,396.00
912 · Buildings	20,097.50
913 · Land	192,163.92
914 · Building Improvements	35,030.00
916 · Community Capitol Improvements	399,719.39
<b>Total Fixed Assets</b>	632,487.85
<b>TOTAL ASSETS</b>	<b>879,105.82</b>

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Cash Basis

**Falcon Heights Condominium Assn.**  
**Balance Sheet**  
As of December 31, 2025

	<u>Dec 31, 25</u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
950 · Accounts Payable	-445.32
<b>Total Accounts Payable</b>	-445.32
<b>Total Current Liabilities</b>	-445.32
<b>Long Term Liabilities</b>	
Ghost Ridge Roofing Contract	2,227,771.94
<b>Total Long Term Liabilities</b>	2,227,771.94
<b>Total Liabilities</b>	2,227,326.62
<b>Equity</b>	
1601 · Retained Earnings	1,344,457.07
3000 · 311 - Opening Balance Equity	-3,077,674.44
960 · Reserve	369,900.00
Net Income	15,096.57
<b>Total Equity</b>	-1,348,220.80
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>879,105.82</b>

# REAL PROPERTY LEASE AGREEMENT

1. **THE PARTIES.** This Commercial Lease Agreement ("Agreement") made on \_\_\_\_\_ by and between:

Landlord: **FALCON HEIGHTS CONDO ASSOCIATION**, with a mailing address of 10301 PREDDY AVE KLAMATH FALLS OR 97603 ("Landlord") who agrees to lease the Premises to:

Tenant: **FALCON HEIGHTS WATER SEWER DISTRICT**, with a mailing address of 10301 PREDDY AVE SUITE 1 KLAMATH FALLS OR 97603 ("Tenant"), who agrees to rent the Premises under the following terms:

Collectively the Landlord and Tenant shall be known as the "Parties."

2. **DESCRIPTION OF LEASED PREMISES.** The Landlord agrees to lease to the Tenant the following described space:

Tax Lot: 3909-3400-7000

Tax ID: 163-887680

Acres: 55.53

Type of Space: Unbuildable Lane

Other Description: Land contains structures and infrastructure overseen and maintained by the Water Sewer District. Land is owned by the Condo Association.

Hereinafter known as the "Premises."

3. **USE OF LEASED PREMISES.** The Tenant agrees to use the Premises for:

Operate and maintain 2 wells and well structures, one water storage tank and access road. Any change in the above-mentioned purposes of the Premises shall only be permitted upon the Landlord's prior written consent.

4. **TERM OF LEASE.** The term of this Agreement shall be for a period of 10 years, commencing on 01/01/2025 and expiring at midnight on 12/31/2035 ("Initial Term").

5. **RENT.** The Tenant shall be obligated to pay \$100.00 each year with the first payment due upon the commencement of this Agreement and each annual installment payable thereafter on January 1st ("Due Date") after the Initial Term ("Base Rent"). The Base Rent shall also be applied to any pro-rata period when the Tenant occupies the Premises for less than a one (1) month period.

a.) Percentage Rent. In addition to the Base Rent, Tenant shall be: (check one)

6. **LATE FEE.** If Rent has not been paid on the Due Date, there shall be: (check one)

☐ - **A Late Fee.** If the Rent is not paid within 10 days of the Due Date, the Landlord will charge a penalty in the following manner: (check one)

☒ - **Flat Fee.** The late fee shall be equal to \$25.00 and applied each ☐ occurrence ☒ day until the Rent is paid in full.

All late payments made related to Rent shall be first applied to the late fee and all remaining amounts toward the outstanding Rent amounts.

7. **EXPENSES.**

**RESPONSIBLE PARTIES.**

**Tenant** shall be responsible for the following expenses: Insure all structures and infrastructures related to the delivery of water to the Association addresses. Maintaining the access road, including grading and rock when needed. Keeping property free from weeds and combustible materials through mechanical removal or herbicides. Maintaining all buildings, equipment and fences directly related to the use of the infrastructure.

**Landlord** shall be responsible for the following expenses: Maintaining fence and gate directly adjacent to the Association property

The Landlord and Tenant agree to the following **shared** expenses: None

8. **INSURANCE**

Tenant shall maintain, at all times during the Initial Term of this Agreement, comprehensive general liability insurance in an insurance company licensed to do business in the State in which the Premises are located and that is satisfactory to Landlord, properly protecting and indemnifying Landlord with single limit coverage of not less than: (check all that apply)

- ☐ - \$5,000,000.00 for injury or death.
- ☐ - \$5,000,000.00 for property damage.
- ☐ - \$5,000,000.00 for casualty insurance.

During the Term of this Agreement, Tenant shall furnish the Landlord with certificate(s) of insurance, in a form acceptable to Landlord, covering such insurance so maintained by Tenant and naming Landlord and Landlord's mortgagees, if any, as additional insured.



have such lien removed. If the Tenant fails to have the lien removed, the Landlord shall take steps to remove the lien, and the Tenant shall pay Landlord for all expenses related to the lien and removal thereof and shall be in default of this Agreement.

- 11. DEFAULT AND POSSESSION.** In the event that the Tenant shall fail to pay said Rent, and expenses as set forth herein, or any part thereof, when the same is due and payable, or shall otherwise be in default of any other terms of said Agreement for a period of more than 15 days, after receiving notice of said default, then the parties hereto expressly agree and covenant that the Landlord may declare this Agreement terminated and may immediately re-enter said Premises and take possession of the same together with any of Tenant's personal property, equipment or fixtures left on the Premises which items may be held by the Landlord as security for the Tenant's eventual payment and/or satisfaction of rental defaults or other defaults of Tenant under this Agreement. It is further agreed that if the Tenant is in default, that the Landlord shall be entitled to take any and all action to protect its interest in the personal property and equipment, to prevent the unauthorized removal of said property or equipment which threatened action would be deemed to constitute irreparable harm and injury to the Landlord in violation of its security interest in said items of personal property. Furthermore, in the event of default, the Landlord may expressly undertake all reasonable preparations and efforts to release the Premises including, but not limited to, the removal of all inventory, equipment or leasehold improvements of the Tenant's, at the Tenant's expense, without the need to first procure an order of any court to do so, although obligated in the interim to undertake reasonable steps and procedures to safeguard the value of Tenant's property, including the storage of the same, under reasonable terms and conditions at Tenant's expense, and, in addition, it is understood that the Landlord may sue the Tenant for any damages or past Rents due and owing and may undertake all and additional legal remedies then available.

In the event any legal action must be instituted to enforce any terms or provisions under this Agreement, then the prevailing party in said action shall be entitled to recover a reasonable attorney's fee in addition to all costs of said action.

- 12. LICENSES AND PERMITS.** A copy of all local, state, or federal permits acquired by the Tenant which are required for the use of the Premises shall always be kept on-site and shall be readily accessible and produced to the Landlord and/or their agents or any local, state, or federal officials upon demand.
- 13. OBLIGATIONS OF TENANT.** The Tenant shall be primarily responsible whenever needed for the maintenance and general pickup of the entranceway leading into the Premises so that this is kept in a neat, safe, and presentable condition. The Tenant shall also be responsible for all repairs and maintenance of the leasehold Premises, particularly those items which need immediate attention and which the Tenants, or their employees, can do and perform on their

own, and the Tenant shall properly maintain the Premises in a good, safe, and clean condition. The Tenant shall properly and promptly remove all rubbish and hazardous wastes and see that the same are properly disposed of according to all local, state, or federal laws, rules, regulations, or ordinances.

In the event the structure of the Premises is damaged as a result of any neglect or negligence of Tenant, their employees, agents, business invitees, or any independent contractors serving the Tenant or in any way as a result of Tenant's use and occupancy of the Premises, then the Tenant shall be primarily responsible for seeing that the proper claims are placed with the Tenant's insurance company, or the damaging party's insurance company, and shall furthermore be responsible for seeing that the building is safeguarded with respect to said damage and that all proper notices with respect to said damage, are made in a timely fashion, including notice to the Landlord, and the party or parties causing said damage. Any damage that is not covered by an insurance company will be the liability of the Tenant.

The Tenant shall, during the Term of this Agreement, and in the renewal thereof, at its sole expense, keep the interior of the Premises in as good a condition and repair as it is at the date of this Agreement, reasonable wear and use excepted. This obligation would include the obligation to replace any plate glass damaged as a result of the neglect or acts of Tenant or her guests or invitees. Furthermore, the Tenant shall not knowingly commit nor permit to be committed any act or thing contrary to the rules and regulations prescribed from time to time by any federal, state, or local authorities and shall expressly not be allowed to keep or maintain any hazardous waste materials or contaminates on the Premises. Tenant shall also be responsible for the cost, if any, which would be incurred to bring her contemplated operation and business activity into compliance with any law or regulation of a federal, state, or local authority.

14. **INSURANCE.** In the event the Tenant shall fail to obtain the insurance required hereunder and fails to maintain the same in force continuously during the Term, Landlord may, but shall not be required to, obtain the same and charge the Tenant for same as additional Rent. Furthermore, Tenant agrees not to keep upon the Premises any articles or goods which may be prohibited by the standard form of fire insurance policy, and in the event, the insurance rates applicable to fire and extended coverage covering the Premises shall be increased by reason of any use of the Premises made by Tenant, then Tenant shall pay to Landlord, upon demand, such increase in insurance premium as shall be caused by said use or Tenant's proportionate share of any such increase.
15. **SUBLET/ASSIGNMENT.** The Tenant may not transfer or assign this Agreement or any right or interest hereunder or sublet said leased Premises or any part thereof without first obtaining the prior written consent and approval of the Landlord.

16. **DAMAGE TO LEASED PREMISES.** In the event the building housing the Premises shall be destroyed or damaged as a result of any fire or other casualty which is not the result of the intentional acts or neglect of Tenant and which precludes or adversely affects the Tenant's occupancy of the Premises, then in every such cause, the Rent herein set forth shall be abated or adjusted according to the extent to which the leased Premises have been rendered unfit for use and occupation by the Tenant and until the demised Premises have been put in a condition at the expense of the Landlord, at least to the extent of the value and as nearly as possible to the condition of the Premises existing immediately prior to such damage. It is understood, however, in the event of total or substantial destruction to the Premises that in no event shall the Landlord's obligation to restore, replace or rebuild exceed an amount equal to the sum of the insurance proceeds available for reconstruction with respect to said damage.
17. **INDEMNIFICATION.** The Tenant hereby covenants and agrees to indemnify, defend, and hold the Landlord harmless from any and all claims or liabilities which may arise from any cause whatsoever as a result of Tenant's use and occupancy of the Premises, and further shall indemnify the Landlord for any losses which the Landlord may suffer in connection with the Tenant's use and occupancy or care, custody, and control of the Premises. The Tenant also hereby covenants and agrees to indemnify and hold harmless the Landlord from any and all claims or liabilities which may arise from any latent defects in the subject Premises that the Landlord is not aware of at the signing of the lease or at any time during the Term.
18. **BANKRUPTCY - INSOLVENCY.** The Tenant agrees that in the event all or a substantial portion of the Tenant's assets are placed in the hands of a receiver or a Trustee, and such status continues for a period of 30 days, or should the Tenant make an assignment for the benefit of creditors or be adjudicated bankrupt; or should the Tenant institute any proceedings under the bankruptcy act or any amendment thereto, then such Agreement or interest in and to the leased Premises shall not become an asset in any such proceedings and, in such event, and in addition to any and all other remedies of the Landlord hereunder or by law provided, it shall be lawful for the Landlord to declare the Term hereof ended and to re-enter the leased land and take possession thereof and all improvements thereon and to remove all persons therefrom, and the Tenant shall have no further claim thereon.
19. **SUBORDINATION AND ATTORNMENT.** Upon request of the Landlord, Tenant will subordinate its rights hereunder to the lien of any mortgage now or hereafter in force against the property or any portion thereof, and to all advances made or hereafter to be made upon the security thereof, and to any ground or underlying lease of the property provided, however, that in such case the holder of such mortgage or the Landlord under such Agreement shall agree that this Agreement shall not be divested or in any way affected by foreclosure, or other default

proceedings under the said mortgage, obligation secured thereby, or agreement, so long as the Tenant shall not be in default under the terms of this Agreement. Tenant agrees that this Agreement shall remain in full force and effect notwithstanding any such default proceedings under said mortgage or obligation secured thereby.

Tenant shall, in the event of the sale or assignment of Landlord's interest in the building of which the Premises form a part, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by Landlord covering the Premises, attorn to the purchaser and recognize such purchaser as Landlord under this Agreement.

## **20. MISCELLANEOUS TERMS.**


- a.) Usage by Tenant. Tenant shall comply with all rules, regulations, and laws of any governmental authority with respect to use and occupancy. Tenant shall not conduct or permit to be conducted upon the Premises any business or permit any act which is contrary to or in violation of any law, rules or regulations and requirements that may be imposed by any authority or any insurance company with which the Premises is insured, nor will the Tenant allow the Premises to be used in any way which will invalidate or be in conflict with any insurance policies applicable to the building. In no event shall explosives or extra hazardous materials be taken onto or retained on the Premises. Furthermore, Tenant shall not install or use any equipment that will cause undue interference with the peaceable and quiet enjoyment of the Premises by other tenants of the building.
- b.) Condition of Premises/Inspection by Tenant. The Tenant has had the opportunity to inspect the Premises and acknowledges with its signature on this Agreement that the Premises are in good condition and comply in all respects with the requirements of this Agreement. Furthermore, the Landlord makes no representation or warranty with respect to the condition of the Premises or its fitness or availability for any particular use, and the Landlord shall not be liable for any latent or patent defect therein. Furthermore, the Tenant represents that Tenant has inspected the Premises and is leasing and will take possession of the Premises with all current fixtures present in their "as is" condition as of the date hereof.
- c.) Right of Entry. It is agreed and understood that the Landlord and its agents shall have the complete and unencumbered right of entry to the Premises at any time or times for purposes of inspecting or showing the Premises and for the purpose of making any necessary repairs to the building or equipment as may be required of the Landlord under the terms of this Agreement or as may be deemed necessary with respect to the inspection, maintenance or repair of the building.

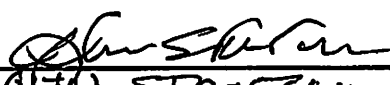
21. **ESTOPPEL CERTIFICATE.** Tenant at any time and from time to time, upon at least ten (10) days prior notice by Landlord, shall execute, acknowledge and deliver to Landlord, and/or to any other person, firm, or corporation specified by Landlord, a statement certifying that this Agreement is unmodified and in full force and effect, or if this Agreement has been modified, then that the same is in full force and effect except as modified and stating the modifications, stating the dates to which the Rent have been paid, and stating whether or not there exists any default by Landlord under this Agreement and, if so, specifying each such default.
22. **HOLDOVER.** Should Tenant remain in possession of the Premises after the cancellation, expiration, or sooner termination of this Agreement, or any renewal thereof, without the execution of a new agreement or addendum, such holding over in the absence of a written agreement to the contrary shall be deemed, if Landlord so elects, to have created and be construed to be a tenancy from month to month, terminable upon thirty (30) days' notice by either party.
23. **WAIVER.** Waiver by Landlord of a default under this Agreement shall not constitute a waiver of a subsequent default of any nature.
24. **GOVERNING LAW.** This Agreement shall be governed by the laws in the state of Oregon.

**XXVI. AMENDMENT.** No amendment of this Agreement shall be effective unless reduced to writing and subscribed by the parties with all the formality of the original.

**XXVII. BINDING EFFECT.** This Agreement and any amendments thereto shall be binding upon the Landlord and the Tenants and/or their respective successors, heirs, assigns, executors, and administrators.

IN WITNESS WHEREOF, the Parties have indicated their acceptance of the terms and conditions of this Agreement by their signatures below on the dates indicated.

Landlord's Signature:  Date: 1/9/25  
Print Name: Anthony Anglin (Chairman)

Tenant's Signature:  Date: 1/9/25  
Print Name: JOHN STANISH

## **Memorandum of understanding between Falcon Heights Condominium Association and Falcon Heights Water and Sewer District.**

The purpose of this document is to establish and define the roles each organization takes within the boundaries of Falcon Heights Condominium Association and its properties. In addition, it establishes agreements between both parties regarding the operation, maintenance, repair and responsibilities of the utility infrastructure of Falcon Heights.

Falcon Heights Condominium Association (FHCA) is a homeowners association formed for the purpose of overseeing managing and maintaining the FHCA property within the boundaries of the association.

Falcon Heights Water and Sewer District (FHWSO) is an established Oregon Special District that is funded from a portion of the property taxes assessed to each home within the association. In addition, it collects fees for service from the homeowners to help offset the expense of pumping its wastewater to the city of Klamath Falls. The district was formed with the sole purpose of operation and maintenance of the water and sewer infrastructure, exclusively serving the homeowners of Falcon Heights using the infrastructure owned by FHCA.

FHCA acknowledges that FHWSO receives revenue directly related to the infrastructure, and therefore it gives FHWSO full access and responsibility to said infrastructure, its maintenance, repair and if needed replacement.

FHCA and FHWSO have a signed, separate lease agreement for the infrastructure, buildings and property.

FHCA acknowledges that if large capital improvements are required, FHWSO is authorized to pursue said improvements and funding opportunities required, and to implement any improvements needed in order to continue to provide water and sewer service to the homeowners of Falcon Heights.

FHWSO is responsible for maintaining, repairing, upgrading and ensuring all in-ground water and sewer lines, the water storage tank, wells and well houses, sewer lift station and buildings associated with said lift station.

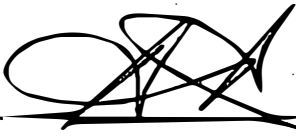
FHWSO acknowledges that these assets, those in place at the time of this agreement, and any future assets directly related to the utility infrastructure, are the property of FHCA as they are part of the real property owned by the condo association and leased to FHWSO.

FHWSD assumes responsibility for insuring all FHCA's leased assets, both current and future, that are directly related to the delivery of fresh water and the removal of wastewater to homeowners within the association.

FHWSD agrees to maintain qualified staff, licenses, testing and monitoring to ensure the infrastructure is working correctly and safely and assumes financial responsibility for all aspects of the operation.

FHWSD agrees, upon request of FHCA, to disconnect water service to a home for nonpayment of HOA fees that equal to 3 months of the current monthly dues amount. FHWSD agrees to not reconnect service until approved by the FHCA.

Agreed this 9<sup>th</sup> day of Jan 2025

A handwritten signature in black ink, appearing to read 'Anthony Anghinetti', written over a horizontal line.

Anthony Anghinetti, Board Chairman FHCA

A handwritten signature in black ink, appearing to read 'John Stanton', written over a horizontal line.

John Stanton, Board Chairman FHWSD