

ASSIGNMENT OF LEASE

38984

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In consideration of the sum of One Dollar and other good and valuable considerations, receipt of which is hereby acknowledged, O & E CORPORATION, an Oregon corporation

(hereinafter called Assignor) hereby assign/s to THE LINCOLN NATIONAL LIFE INSURANCE COMPANY (hereinafter called Assignee), an Indiana corporation, whose address is 1301 South Harrison Street, Fort Wayne, Indiana, and to its successors and assigns, all right, title and interest of the Assignor in, to and under that certain lease dated October 31, 1969, executed by O & E Corporation

as Lessor or Landlord, and by Leo and Pauline Icenbice, dba Pauline's Sports Wears

as Lessee or Tenant, together with all rents and other sums, including any penalty, any bonus and any amount to be paid upon exercise of any option to purchase, due and becoming due thereunder, with full right and authority to collect such amounts and to give receipt and acquittance therefor, which lease covers all or a portion of certain real estate situated in or near the City of Klamath Falls, County of Klamath, State of Oregon, commonly known as located in Shasta Plaza Shopping Center, Klamath Falls, Oregon

The complete legal description of said real estate is contained in the mortgage hereinafter mentioned.

This assignment shall cover and apply to any existing or future amendment, supplement, or modification of the aforesaid lease and to any short or memorandum form of said lease executed for recording purposes, which are identified as follows:

This assignment is given as additional security for payment of a mortgage loan of Three Million Three Hundred Eighty-eight Thousand and No Dollars (\$3,388,000.00), made to Assignor, represented by one note and a mortgage (or security deed or deed of trust) securing the same, each of which is dated February 25, 1970, covering the leased real estate and improvements. Acceptance of this assignment shall not impair, affect, or modify any of the terms and conditions of said note or the mortgage securing same.

This assignment is absolute and is effective immediately and includes any extensions or renewals of the said lease. However, notwithstanding that this assignment is effective immediately, still, until notified by the Assignee in writing that a default has occurred under the terms and conditions of the above described note or mortgage, Lessee shall continue to pay to the Assignor the rentals coming due under said lease as and when they accrue according to the lease terms, it being understood, however, that in no event shall Assignor collect rent for more than 45 days in advance.

Assignee shall not be liable for failure to collect rentals or failure to enforce performance by the Lessee.

Assignee may, at its option, although it shall not be obligated so to do, perform any lease covenant for and on behalf of the Assignor and may recover any money advanced for any such purpose from Assignor on demand, with interest at the maximum rate set out in the said note from date of advancement, and may reimburse itself for amounts so advanced, with interest, from any rents collected and if not so repaid then any balance shall be added to said mortgage debt and shall be secured by said mortgage. Likewise Assignee may, at its option, exercise any option or election for and on behalf of Assignor.

Assignor represents that the said lease is in full force and effect according to its terms; that it has not been amended or modified except by the instruments hereinabove identified; that Assignor is not in default thereunder; that Assignor has not sold, assigned, pledged, or encumbered the said lease or rentals; that Assignor has not heretofore given his consent that the Lessee may make alterations or improvements or his consent to an assignment of the lease by the Lessee; that Assignor holds no deposit or other security for performance by Lessee; and that rent has not been paid for more than 45 days in advance.

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Assignor further agrees that hereafter he will not amend, modify, cancel or accept surrender of the said lease nor attempt to do so, nor will he enter into, or attempt to enter into, any new lease with the Lessee above named, nor will he give his consent that the Lessee may make alterations or improvements or that the Lessee may assign, without, in each case, first obtaining the express written consent of the Assignee.

The terms, covenants, stipulations and conditions set forth in the written Assignment of Rents and Profits, dated February 25, 1970 and executed by Assignor to Assignee shall not affect this Assignment of Lease.

Rentals and other sums (if any) paid to and received by the Assignee shall be held, without allowance of interest, and shall be applied by it for the following purposes, the priority and application of such funds being within the sole discretion of the Assignee:

- (1) to the payment of principal and interest installments on the mortgage loan as and when the same become due and payable;
- (2) to the making of any required deposits in an escrow fund for the future payment of taxes, assessments and insurance premiums;
- (3) to the payment to Assignee of all other sums due it under its said note and mortgage or under this assignment;
- (4) any amount not applied as above provided and remaining in the hands of the Assignee may, at its option, on the first day of April of each year, be applied by the Assignee to one or both of the following:
 - (a) to the prepayment of principal in inverse order of its maturity; or
 - (b) be refunded to the Assignor.

Whenever used herein the singular number shall include the plural, the plural the singular, and use of any gender shall include all genders.

Executed as of this 25th day of February, 19 70.

WITNESSES:

O & E CORPORATION

BY: V. H. Otte

President

Attest: Alex Jokay

Secretary

STATE OF Oregon

COUNTY OF Klamath

SS:

On this 25th day of February, 1970, before me, a Notary Public in and for said County and State, appeared V. H. Otte and Alex Jokay, both to me personally known, who being duly sworn did say that the said V. H. Otte is the President, and he, the said Alex Jokay is the Secretary of O & E CORPORATION, an Oregon corporation, the within named corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that the said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said V. H. Otte and Alex Jokay acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Return

KLAMATH COUNTY TITLE CO.

Carolyn D. Voss
Notary Public in and for the State of Oregon
Residing at: Klamath Falls,

My commission expires: January 9, 1973

This instrument was prepared by Alex Jokay of The Lincoln National Life Insurance Company, Fort Wayne, Indiana.

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STATE OF OREGON, }
County of Klamath } ss.

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Filed for record at request of:
Klamath County Title Co.
on this 26th day of February A.D. 1970
at 11:31 o'clock A.M. and duly
recorded in Vol. M-70 of Deeds
Page 1536

WM. D. MILNE, County Clerk

Fee \$4.50

By *Charles F. Christman*
Deputy.

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