

A38-16059

ING REQUESTED BY

58266

Vol. ^M78 Page 25531

EN RECORDED MAIL TO

Oregon Trail Savings & Loan Assn.
236 N. E. Roberts
Gresham, Oregon 97030

TITLE ORDER No. 38-16059

ESCROW OR LOAN No. 10-45394

SPACE ABOVE THIS LINE FOR RECORDER'S USE

ASSIGNMENT OF LESSOR'S INTEREST IN LEASE

This assignment made the 10th day of November, 1978, by
S.T.H., INC., an Oregon Corporation

hereafter referred to as assignor, (which term as here and hereinafter used shall be construed to include the plural thereof if the context so requires) to OREGON TRAIL SAVINGS & LOAN ASSOCIATION

hereafter referred to as assignee;

WITNESSETH

That assignor for good and valuable consideration, receipt whereof is hereby acknowledged, hereby grants, transfers and assigns to assignee the entire lessor's interest in and to a certain lease (which term as here and hereinafter used shall be construed to include the plural thereof if the context so requires), described as follows:

Date Of Lease

August 10, 1977

Lessor

S. T. H., INC., inchoate
Oregon Corporation.

Lessee

BLT ENTERPRISES, INC., an
Oregon Corporation

Together will all rents, income and profits arising from said lease and renewals thereof and together with all rents, income and profits for the use and occupation of the premises described in said lease or in the mortgage hereinafter referred to and, at the option of assignee, from all leases upon said premises which may be executed in the future during the term of this assignment.

This assignment is made for the purpose of securing:

A. The payment of principal sum, interest and indebtedness evidenced by a certain note, including any extensions or renewals thereof, in the original principal sum of Two Hundred Forty Thousand and No/100ths---DOLLARS (\$ 240,000.00) made by S. T. H. , INC.

to OREGON TRAIL SAVINGS & LOAN ASSOCIATION

and dated the 10th day of November, 1978, and secured by a mortgage on real property situated in the county of Klamath, state of Oregon, described as follows: See attached Exhibit "A".

B. Payment of all other sums with interest thereon becoming due and payable to assignee under the provisions of this assignment or of said note and mortgage.

C. The performance and discharge of each and every obligation, covenant and agreement of assignor contained herein or in said note and mortgage.

Assignor warrants that assignor is the sole owner of the entire lessor's interest in said lease; that said lease is valid and enforceable and has not been altered, modified or amended in any manner whatsoever save as herein set forth; that the lessee named therein is not in default under any of the terms, covenants or conditions thereof; that no rent reserved in said lease has been assigned or anticipated and that no rent for any period subsequent to the date of this assignment has been collected in advance of the time when the same became due under the terms of said lease.

Assignor covenants with assignee to observe and perform all the obligations imposed upon the lessor under said lease and not to do or permit to be done anything to impair the security thereof; not to collect any of the rent, income and profits arising or accruing under said lease or from the premises described in said mortgage in advance of the time when the same shall become due; not to execute any other assignment of lessor's interest in said lease or assignment of rents arising or accruing from said lease or from the premises described in said mortgage, not to alter, modify or change the terms of said lease or cancel or terminate the same or accept a surrender thereof without the prior written consent of assignee; at assignee's request to assign and transfer to the assignee any and all subsequent leases upon all or any part of the premises described in said lease or said mortgage and to execute and deliver at the request of assignee all such further assurances and assignments in the premises as assignee shall from time to time require.

This assignment is made on the following terms, covenants and conditions:

1. So long as there shall exist no default by assignor in the payment of the principal sum, interest and indebtedness secured hereby and by said note and mortgage or in the performance of any obligation, covenant or agreement herein or in said note and mortgage or in said lease contained on the part of assignor to be performed, assignor shall have the right to collect at the time of, but not prior to, the date provided for the payment thereof, all rents, income and profits arising under said lease or from the premises described therein and to retain, use and enjoy the same.

2. Upon or at any time after default in the payment of the principal sum, interest and indebtedness secured hereby and by said note and mortgage or in the performance of any obligation, covenant or agreement herein or in said note, mortgage or lease contained on the part of assignor to be performed, assignee without in any way waiving such default may, at its option, without notice and without regard to the adequacy of the security for the said principal sum, interest and indebtedness secured hereby and by said note and mortgage, either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, take possession of the premises described in said lease and/or mortgage and have, hold, manage, lease and operate the same on such terms and for such period of time as assignee may deem proper and either with or without taking possession of said premises in its own name, sue for or otherwise collect and receive all rents, income and profits of said premises, including those past due and unpaid with full power to make from time to time all alterations, renovations, repairs or replacements thereto or thereof as may seem proper to assignee and to apply such rents, income and profits to the payment of:

(a) All expenses of managing the premises including, without being limited thereto, the salaries, fees and wages of the managing agent and such other employees as assignee may deem necessary or desirable and all expenses of operating and maintaining the premises, including without being limited thereto, all taxes, charges, claims, assessments, water rents, sewer rents and any other liens and premiums for all insurance which assignee may deem necessary or desirable, and the cost of all alterations, renovations, repairs or replacements, and all expenses incident to taking and retaining possession of the premises; and (b) the principal sum, interest and indebtedness secured hereby and by said note and mortgage together with all costs and attorneys' fees in such order of priority as to any of the items mentioned in this paragraph numbered "2" as assignee in its sole discretion may determine, any statute, law, custom or use to the contrary notwithstanding. The exercise by assignee of the option granted it in this paragraph numbered "2" and the collection of the rents, income and profits and the application thereof as herein provided shall not be considered a waiver of any default by assignor under said note or mortgage or under said lease or this assignment.

3. Assignee shall not be liable for any loss sustained by the assignor resulting from assignee's failure to let the premises after default or from any other act or omission of assignee in managing the premises after default unless such loss is caused by the willful misconduct and bad faith of assignee. Nor shall assignee be obligated to perform or discharge nor does assignee hereby undertake to perform or discharge any obligation, duty or liability under said lease or under or by reason of this assignment and assignor shall, and does hereby agree, to indemnify assignee for, and to hold assignee harmless from, any and all liability, loss or damage which may or might be incurred under said lease or under or by reason of this assignment and from any and all claims and demands whatsoever which may be asserted against assignee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said lease. Should assignee incur any such liability under said lease or under or by reason of this assignment or in defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees shall be secured hereby and assignor shall reimburse assignee therefor immediately upon demand and upon the failure of assignor so to do assignee may, at its option, declare all sums secured hereby and by said note and mortgage immediately due and payable. And it is further understood that this assignment shall not operate to place responsibility for the control, care, management or repair of said premises upon assignee, nor for the carrying out of any of the terms and conditions of said lease; nor shall it operate to make assignee responsible or liable for any waste committed on the property by the tenants or any other parties or for any dangerous or defective condition of the premises, or for any negligence in the management, upkeep, repair or control of said premises resulting in loss or injury or death to any tenant, licensee, employee or stranger.

4. Upon payment in full of the principal sum, interest and indebtedness secured hereby and by said note and mortgage this assignment shall become and be void and of no effect but the affidavit, certificate, letter or statement of any officer, agent or attorney of assignee showing any part of said principal, interest or indebtedness to remain unpaid shall be and constitute conclusive evidence of the validity, effectiveness and continuing force of this assignment and any person may, and is hereby authorized to, rely thereon. Assignor hereby authorizes and directs the lessee named in said lease or any other or future lessee or occupant of the premises described therein or in said mortgage upon receipt from the assignee of written notice to the effect that assignee is then the holder of said note and mortgage and that a default exists thereunder or under the assignment to pay over to the assignee all rents, income and profits arising or accruing under said lease or from the premises described therein or in said mortgage and to continue so to do until otherwise notified by assignee.

5. Assignee may take or release other security for the payment of said principal sum, interest and indebtedness, may release any party primarily or secondarily liable therefor and may apply any other security held by it to the satisfaction of such principal sum, interest or indebtedness without prejudice to any of its rights under this assignment.

6. The term "lease" or "said lease" as used herein means said lease hereby assigned or, at the option of assignee, any extension or renewal thereof and any lease subsequently executed during the term of this assignment covering the premises described in said lease or said mortgage or any part thereof.

7. Nothing contained in this assignment and no act done or omitted by assignee pursuant to the powers and rights granted it hereunder shall be deemed to be a waiver by assignee of its rights and remedies under said note and mortgage and this assignment is made and accepted without prejudice to any of the rights and remedies possessed by assignee under the terms of said note and mortgage. The right of the said assignee to collect said principal sum, interest and indebtedness and to enforce any other security therefor held by it may be exercised by assignee either prior to, simultaneously with, or subsequent to any action taken by it hereunder.

8. In case of any conflict between the terms of this instrument and the terms of the mortgage described above, the terms of the mortgage shall prevail.

This assignment, together with the covenants and warranties therein contained, shall inure to the benefit of assignee and any subsequent holder of the said note and mortgage and shall be binding upon assignor, his heirs, executors, administrators, successors and assigns and any subsequent owner of premises described in the mortgage.

IN WITNESS WHEREOF, the Assignor(s) (has) (have) executed this Assignment this _____

10th day of November, 19 78

S. T. H., INC.

Gerald A. Schatz, President

John A. Harper, Vice President

Margaret J. Thompson, Secretary

STATE OF OREGON)
County of Jackson)

On this 10th day of November, 19 78 personally appeared

GERALD A. SCHATZ, JOHN A. HARPER, MARGARET J. THOMPSON

who being duly sworn, each for himself, did say that the former is the president, the second is the vice president and the latter is the secretary of _____

S. T. H., INC., a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

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

Notary Public for Oregon

9-18-81

My commission Expires

The following described real property in Klamath County, Oregon:

PARCEL 1:

Lots 2, 4, 17 and 18 of the Subdivision of Lot 803, ENTERPRISE TRACTS.

PARCEL 2:

Lot 5, of the Re-Subdivision of Lot 803, ENTERPRISE TRACTS in the City of Klamath Falls, Klamath County, Oregon, according to the official records thereof on file in Klamath County, Oregon.

EXCEPTING THEREFROM a parcel of land deeded to State of Oregon, by and through its State Highway Commission, by deed dated on July 20, 1943, recorded September 18, 1943 in Vol. 158 of Deeds page 407, records of Klamath County, Oregon, as follows:

Beginning at the Southeast corner of said Lot 5; thence North 34° 11' East along the Easterly line of said Lot 5 a distance of 10.22 feet to a point opposite and 40 feet Northerly from Station 4+44.62; thence parallel to and 40 feet distance from the relocated center line of the Klamath Falls-Lakeview Highway, North 55° 50' 30" West a distance of 45.05 feet to the Westerly line of said Lot 5; thence South 34° 11' West along said Westerly line a distance of 10.20 feet to the Southwest corner of said Lot 5; thence South 55° 49' East along the South lot line a distance of 45.05 feet to the point of beginning.

PARCEL 3:

Lot 3 of the Subdivision of Lot 803, ENTERPRISE TRACTS, EXCEPT portion conveyed to the State of Oregon by instrument recorded in Volume 161, Page 42, Deed Records of Klamath County, Oregon. *KF/mm*

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Transamerica Title Co.

this 13th day of November A. D. 1978 at 8:39'clock P. M., and

is duly recorded in Vol. M78, of Deeds on Page 25531

Wm D. MILNE, County Clerk

By Bernard H. Hetsch

Fee \$12.00