

THIS ASSIGNMENT AGREEMENT Made as of October 1, 1979, between LEO B. MORSTAD, sometimes known as Leo Morstad, dba LEO'S CAMERA SHOP, and CLARIS E. MORSTAD, his wife, hereinafter called "Assignor", and MICHAEL GREENSTREET and LEANN GREENSTREET, husband and wife, or the survivor of them, hereinafter called "Assignee";

W I T N E S S E T H:

For valuable consideration it is mutually agreed as follows:

1. Assignor does hereby assign and set over unto Assignee that certain Lease dated May 4, 1971, as renewed on April 5, 1976, between NAOMA RILEY and Assignor, a copy of which is attached hereto as Exhibit "1" and thereby made a part hereof as though fully set forth hereat. Frank J. and Carol J. Broderick are the previous owners of the property subject to said lease.

2. This Assignment is subject to the terms, covenants, and conditions of the above described Lease and the terms, covenants and conditions of the Promissory Note, Security Agreement, and Collateral Assignment of Lease dated of even date as this Assignment wherein Assignor is secured party and payee and Assignee is debtor and payor to which Note, Security instrument and Collateral Assignment reference is hereby made and thereby made a part hereof as though fully set forth hereat.

3. Assignee hereby accepts this Assignment of Lease according to the terms, covenants and conditions above set forth and covenants and agrees with Assignor to perform the terms, covenants and conditions of said Lease assigned to them by the foregoing Assignment.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

ASSIGNOR

ASSIGNEE

Leo B. Morstad
LEO B. MORSTAD

Michael Greenstreet
MICHAEL GREENSTREET

Clariss E. Morstad
CLARIS E. MORSTAD

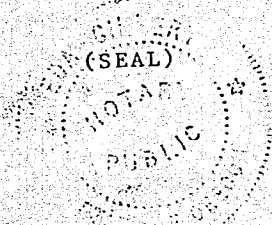
Leann Greenstreet
LEANN GREENSTREET

979 OCT 3 PM 4 45

23456

STATE OF OREGON)
) ss.
County of Klamath)

On October 2, 1979, personally appeared the
above named LEO B. MORSTAD and CLARIS E. MORSTAD and acknowledged
the foregoing instrument to be their voluntary act and deed.

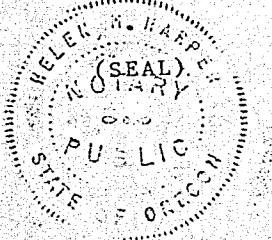


Before me:

Eda Gilbert
Notary Public for Oregon
My Commission Expires: 6/1/81

STATE OF OREGON)
) ss.
County of Klamath)

On OCTOBER 2ND, 1979, personally appeared the
above named MICHAEL GREENSTREET and LEANN GREENSTREET and acknowledged
the foregoing instrument to be their voluntary act and deed.



Before me:

Helen M. Harper
Notary Public for Oregon
My Commission Expires: 3/26/83

23457

LEASE AGREEMENT

THIS INDENTURE of lease made and entered into this 14 day of May, 1971, by and between Naoma Riley, hereinafter referred to as Lessor and Leo Morstad, dba Leo's Camera Shop, hereinafter referred to as Lessee;

WITNESSETH:

That for and in consideration of the rentals herein agreed to be paid by the Lessee, and the covenants, conditions and agreements herein agreed to be performed and kept by the Lessor and the Lessee, the Lessor hereby agrees to lease and let and does hereby lease and let to the Lessee, and the Lessee hereby takes, accepts and rents from the Lessor the real property hereinafter described.

The leased premises comprise that certain real property situated in the City of Klamath Falls, County of Klamath, State of Oregon, and more particularly described as follows:

That certain building situated at 820 Main Street, Klamath Falls, Oregon.

The term of this lease shall be for a period of five years, commencing on the first day of July, 1971, and terminating on the 30th day of June, 1976. Lessor agrees to accept and Lessee agrees to pay the sum of \$18,000.00 in monthly payments of \$300.00 on the first day of every month during the term of this lease, the first payment to be due July 1, 1971.

It is understood and agreed that Lessee shall have possession of the premises as of July 1, 1971, but shall be permitted to enter said premises as soon as vacant, to clean up, remodel and arrange furniture, fixtures and interior as desired and use for opening on July 1, 1971. All work and materials provided herein shall be at the expense of Lessee.

Lessor shall maintain the roof, exterior walls and water and sewer lines serving the building in event of breakdown not specifically the fault of Lessee and will keep insurance against breakage

23458

on outside windows. Lessee shall maintain the interior including the heating plant and air conditioner therein. It is understood and agreed that there shall be no liability of Lessor for damage for failure to repair unless notice of necessity shall be given in ample time to make such repairs. All interior repairs shall be left intact at the termination of this lease. Lessee may install any usual trade fixtures with the right to remove same at the termination of this lease.

Lessee agrees to pay all bills for water, heat, lights, public utilities service and city parking assessment payable during the term of this lease and to provide such fixtures and signs as they may require over and above those now in the premises.

Lessor, or those having its estate in said premises, shall have the right to enter into and upon the same at all reasonable times to examine the conditions thereof.

In the event that said premises, or any part thereof, shall at any time be destroyed or so damaged by fire as to be unfit for occupancy or use, the rental shall abate according to the nature and extent of the damage sustained and until said premises have been rebuilt and reinstated, and made fit for occupancy and use, such repairs to be made by Lessor, but if said premises shall be destroyed to the extent of fifty per cent of the value thereof, then and in that event Lessor shall be under no obligation to rebuild same, and shall have the option to rebuild or not to rebuild, and shall, within thirty days after such fire, notify Lessee of its intention either to rebuild or not to rebuild said premises, and if Lessor elects not to rebuild, this lease shall then terminate and be of no further force and effect.

Lessee covenants and agrees that they will pay the rentals herein provided for to Lessor at United States National Bank, Klamath Falls Branch, or at such other place as Lessor may later designate.

Lessee further covenants and agrees to and with Lessor that at the expiration of said term or upon any sooner termination of this lease, they will quit and deliver up the premises and all future erections or additions to or upon the same to said Lessor, or those having its estate therein, peaceably, quietly, in as good order and condition (reasonable use and wearing thereof, fire and other unavoidable casualty excepted) as the same now are or may be put in by Lessor, or those having its estate therein; that no alteration will be made without consent of Lessor; that no sale, assignment or subletting will be made or suffered, either by act of Lessee or by involuntary act or operation of law, without consent of Lessor, or those having its estate therein; that said premises shall be used only for camera shop purposes and business usually operated in connection therewith; that Lessee shall make no unlawful, improper or offensive use of the premises and will comply with all Federal, State and municipal laws and regulations in the use and occupation thereof and that they shall keep the same in repair throughout the term.

It is further understood and agreed that in the event of business failure or close of business of the Lessee for a legitimate reason, Lessor and Lessee agree that this lease may be terminated upon the giving by Lessee of a 90-day notice of such closure. Moving to another location would not be a legitimate reason for termination hereunder.

PROVIDED ALWAYS, and these presents are upon this condition, that if the said rent shall be in arrears for the space of ten days or if the said Lessee, his representatives or assigns, shall neglect or fail to do or perform and observe any or either of the covenants hereinabove contained which on their part are to be performed, then and in any of said cases, said Lessor, or those having its estate in the premises, lawfully may, immediately or at any time thereafter, and while said neglect or default continues, and without further notice

or demand, enter into and upon said premises, or any part thereof in the name of the whole and repossess the same of its former estate and expel said Lessee and those claiming under them, and remove their effects (forcibly, if necessary) without being taken or deemed guilty in any manner of trespass, and without prejudice to any remedy which might otherwise be used for arrears of rent or preceding breach of covenant.

Provided only that Lessee shall have faithfully complied with all of the agreements herein contained on their part to be kept and performed, Lessor gives and grants unto Lessee the option to extend this lease for the term of five years from July 1, 1976, until June 30, 1981, inclusive, provided that Lessee shall give Lessor written notice by registered mail not later than March 1, 1976, of their election to so extend this lease.

In the event that Lessor should be required to employ an attorney to enforce any of the provisions of this lease, including but not exclusively, collection of rent and eviction of Lessee, Lessee agrees to pay such amounts as shall be reasonable for Lessor's attorney fees in connection herewith.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first herein written.

By N. Antonio Rely Lessor

Les B. 1172015th
Lessee

ASSIGNMENT OF LEASE

23461

KNOW ALL MEN BY THESE PRESENTS: That

* * NAOMA RILEY *

hereinafter referred to as the Assignor (whether one or more), in consideration of the sum of Ten Dollars (\$10.00) and other valuable considerations paid to the Assignor by UNITED STATES NATIONAL BANK OF OREGON, a national banking association, hereby sells, assigns, transfers and sets over unto said Bank, its successors and assigns, all of said Assignor's right, title and interest in and to that certain lease dated the 4th day of May, 1971, by and between the Assignor, as Lessor, and

LEO MORSTAD, dba LEO'S CAMERA SHOP

as Lessee, an executed copy of which is attached hereto and made a part hereof, covering the following premises in the City of Klamath Falls, County of Klamath, State of Oregon, to-wit:

That certain building situated at 820 Main Street, Klamath Falls, Oregon.

together with the right to collect and receive all moneys due and to become due under the terms of said lease, or any extensions or renewals thereof.

This assignment is executed and delivered to said Bank as additional collateral security for a loan made to said Assignor by said Bank contemporaneously herewith and any renewal or renewals thereof and as security for any further advances made to said Assignor by said Bank, and it is understood and agreed that the Assignor shall continue to perform all of the obligations imposed upon the Assignor as Lessor by the provisions of said lease and that said Bank by its acceptance of this assignment and the receipt of payments from the Lessee assumes no responsibility whatsoever with respect to the performance of such obligations and the Assignor hereby agrees to hold said Bank harmless from any and all claims that may arise as a result of the Assignor's failure to comply with the obligations imposed upon said Assignor as Lessor by the provisions of said lease.

It is further understood and agreed that the Lessee shall continue to make the rental payments to the Lessor strictly at the times and in the amounts specified in said lease until such time as said Bank shall, in writing, notify the Lessee that all further rental payments are to be made to said Bank, and all rental payments made to said Bank after such notice shall constitute payments duly made under the provisions of said lease.

No prepayment of rental whatsoever shall be made by the Lessee to the Lessor nor shall any such prepayment be accepted by the Lessor, at any time without the prior written consent of said Bank.

As a further consideration for the loan hereinabove referred to, the Assignor further covenants and agrees with the Bank that while this assignment is in full force and effect the Assignor, as Lessor, will not exercise any rights to terminate said lease under and by virtue of the provisions thereof or to amend the same without first obtaining the written consent of the Bank so to do.

Executed in triplicate this 8th day of June, 19 71

Naoma Riley

STATE OF OREGON)
County of Klamath) ss.

LESSOR

THIS IS TO CERTIFY that on this 8th day of June, 19 71 before me, the undersigned, a notary public in and for said County and State appeared the within named

NAOMA RILEY

known to me to be the identical person described in and who executed the within instrument, and acknowledged to me that she executed the same freely and voluntarily for the uses and purposes therein mentioned.

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

Notary Public for Oregon
My commission expires: April 12, 1975

The undersigned, Leo Morstad, dba Leo's Camera Shop, Lessee named in the lease hereinabove referred to, hereby acknowledge receipt of an executed counterpart of the within and foregoing Assignment.

Leo Morstad

Assignment of Lease

91-900 1/64 HEAD OFFICE PORTLAND

RENEWAL AGREEMENT

THIS AGREEMENT, made this 5 day of April, 1976,
by and between Naoma Riley, hereinafter referred to as Lessor, and
Leo Morstad, dba Leo's Camera Shop, hereinafter referred to as
Lessee;

W I T N E S S E T H:

Lessor and Lessee entered into a lease agreement
dated the 4th day of May, 1971, wherein that certain building lo-
cated at 820 Main Street, Klamath Falls, Oregon, was leased by
Lessor to Lessee. That as part of said original lease agreement,
Lessee was granted the option to extend said lease for an additional
five year period, which said period was to extend from July 1, 1976
until June 30, 1981. That Lessee has in fact given notice to extend
said lease under the above referred to terms and conditions, and it
is now, therefore,

AGREED that the above lease, a copy of which said lease
is attached to this agreement and by this reference made a part here-
of, be extended for an additional five year period, which said period
is to run from July 1, 1976 until June 30, 1981, and shall be under
the same terms and conditions as the original lease agreement which
is attached hereto and by this reference made a part hereof.

Naoma Riley
Naoma Riley

Leo B Morstad
Leo Morstad

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Return To:

GIACOMINI, JONES & ZAMSKY
ATTORNEYS AT LAW
A PROFESSIONAL CORPORATION
635 MAIN STREET
KLAMATH FALLS, OREGON

BEDDOE & HAMILTON
ATTORNEYS AT LAW
296 MAIN STREET
KLAMATH FALLS, OREGON 97601
TELEPHONE (503) 882-4824

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Giacomini, Jones & Zamsky
this 3rd day of October A. D. 1979 at 4:45 clock P.M., on
July recorded in Vol. M79, of Deeds on Page 23455

Wm D. MILNE, County Clerk
By Bernetha H. Hetch

Fee \$28.00