

CONSENT OF ASSIGNMENT OF LEASE

On June 23, 1978, under a written agreement (hereinafter "Lease"), KLAMATH COUNTY, a political subdivision (hereinafter "Lessor"), leased certain real property described in Exhibit "A" attached hereto in Klamath Falls, Klamath County, Oregon, (hereinafter "the Property") to KLAMATH BASIN SENIOR CITIZENS COUNCIL, (hereinafter "Assignor").

Assignor desires to assign by a document entitled "Assignment of Lease" its interest in the Lease to UNITED STATES NATIONAL BANK OF OREGON, a national banking association (hereinafter "the Bank") to secure present and future obligations and liabilities of Assignor to Bank. Lessor recognizes that the Bank, in making advances, will rely upon the following agreements by Lessor:

1. Notice. Lessor will send the Bank, Klamath Falls Branch, P.O. Box 789, Klamath Falls, Oregon 97601, written notice setting forth any default or prospective default of Assignor under the Lease whether or not any such notice need be sent to Assignor.

2. Curing Default.

2.1 If the default is in the payment of rent, the Bank shall have 30 days from the receipt of the notice to bring the rental payments current and may thereafter pay rent as it becomes due, and so long as it does so Lessor shall not terminate the Lease nor accelerate payments due under the lease.

2.2 If the default is for the breach of any other covenant and is curable or preventable by the Bank, the Bank shall have 60 days after receipt of notice within which to (a) prevent or cure the default set forth in the notice, if preventable or curable within such period, or (b) commence and thereafter

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continue with diligence to prevent or cure said default, if not preventable or curable within such period. So long as the Bank causes the Lease covenants to be performed, Lessor shall not terminate the Lease or accelerate payments due under the Lease.

2.3 Lessor agrees not to exercise any right it may have to terminate the Lease or accelerate payments due under the Lease by reason of bankruptcy or insolvency of the Assignor, or by reason of any private or judicial sale of the leasehold interest by the Bank, or for any other reason which cannot be cured by the Bank so long as the Bank causes all curable covenants of the Lease to be kept, including all payments required to be made by Assignor.

3. Possession and Sale. In the event of default by Assignor under the Lease or in the event of default by Assignor under any note or agreement with the Bank, the Bank may, in addition to paragraph 2:

3.1 Take possession of the Property. Although the Bank may take possession of the Property, it may later abandon it. Bank's liability to Lessor in such case is limited to rent for the period it is in actual possession of the Property.

3.2 Reassign, sell and/or sublet Assignor's interest in the Lease and/or the Property subject to the written approval of Lessor, unless the Bank determines in good faith in its sole discretion that it has no suitable alternative in order to realize on its security. Lessor agrees not to unreasonably withhold its consent. It is recognized that the Lease between KLAMATH COUNTY and the SENIOR CITIZENS COUNCIL, provides that the premises shall be used as a Senior Citizens Center and in the event that it is not so used, the premises shall revert to KLAMATH COUNTY. Any sale of Assignors interest in the Lease

and/or the Property shall contain this provision, and in the event it does not, then this Consent to Assignment shall be null and void and Property shall revert to KLAMATH COUNTY.

4. General Provisions.

4.1 Subject to paragraphs 2 and 3, Lessor may exercise any and all rights it may have on default under the Lease.

4.2 Subject to 3.1, neither this agreement, the Assignment of Lease, nor any action taken under either agreement shall be construed as giving rise to any duty, responsibility or liability on the part of the Bank to Lessor.

4.3 This agreement shall bind the successors, assigns, heirs, personal representatives and administrators of the parties.

4.4 Lessor shall not terminate (except as provided above), amend, or modify the Lease without the written consent of the Bank.

Lessor acknowledges receipt of an executed counterpart of the Assignment of Lease, and hereby consents thereto.

DATED this 19th day of March, 1981.

KLAMATH COUNTY, A Political Subdivision

By: Neil Kuonen
COMMISSIONER

By: Lloyd L. Myrnes
COMMISSIONER

By: Alvin A. Chayne
COMMISSIONER

STATE OF OREGON)
) ss.
County of Klamath) MARCH 19, 1981

Personally appeared NELL KUONEN, CHAIRMAN OF THE BOARD;
FLOYD L. WYNNE, COUNTY COMMISSIONER; AND ALVIN A. CHEYNE, COUNTY COMMISSIONER,

who being duly sworn, stated that they are the Commissioners of the polictical subdivision that executed this Consent of Assignment of Lease and that the seal affixed hereto is its seal; and that this Consent of Assignment of Lease was voluntarily signed and sealed in behalf of the polictical subdivision by authority of its Board, and they acknowledged said instrument to be their voluntary act and deed.

Before me:

Virginia Richey
NOTARY PUBLIC FOR OREGON
My Commission Expires: SEPT. 23, 1984

EXHIBIT A

Attached to Consent to Assignment of Lease

Beginning at the Northwest corner of Lot A a Sub-Division of ENTERPRISE TRACT NO. 24; thence South along the West line of said Lot, 75 feet; thence East 299.5 feet; thence North 75 feet; thence West 299.5 feet to the point of beginning.

Subject to:

1. Regulations, levies, assessments of Klamath Irrigation District,
2. Reservations as shown in Deed recorded June 24, 1940, in Book 130 at page 135.

State of OREGON: COUNTY OF KLAMATH: ss.

I hereby certify that the within instrument was received and filed for record on the

1st day of April A.D., 1981 at 2:24 o'clock P M., and duly recorded in

Vol M 81 of DEEDS on page 5854.

EVELYN BIEHN
COUNTY CLERK

Fee \$ 4.00

By Gayle Drazil deputy