

When Recorded Return To:

STANDARD INSURANCE COMPANY

P.O. Box 711

Portland, OR 97207

Attn: M. Davis - V-31

ASSIGNMENT OF LESSOR'S INTEREST IN LEASES

28829

MYC 12880

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THIS ASSIGNMENT made this 15th day of September, 1983, between EDWARD T. McCLURE and RICHARD E. OTOSKI, a co-partnership hereinafter referred to as Assignor (which term shall be construed to include the plural if the context so requires), to STANDARD INSURANCE COMPANY, an Oregon corporation, hereinafter called Assignee,

WITNESSETH:

The Assignor for good and valuable consideration, receipt of which is hereby acknowledged, hereby grants, transfers and assigns to Assignee the entire Lessor's interest in and to a certain lease (which term shall be construed to include the plural if the context so requires) described as follows:

Date of Lease

Lessor

Lessee

12/1/82

McCLURE and OTOSKI, a partnership consisting of EDWARD McCLURE and RICHARD OTOSKI

EDWARD T. McCLURE, M.D., P.C.

McCLURE and OTOSKI, a partnership consisting of EDWARD McCLURE and RICHARD OTOSKI

RICHARD E. OTOSKI, M.D., P.C.

together with 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 Deed of Trust (which term shall be construed to include Mortgage, as the case may be) hereinafter referred to and from all leases upon said premises, or any part thereof, which are now executed or which may hereafter during the term of this assignment be executed.

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 ONE HUNDRED EIGHTY THOUSAND AND

NO/100

Dollars (\$ 180,000.00

) made by

EDWARD T. McCLURE and RICHARD E. OTOSKI, a co-partnership, and EDWARD T. McCLURE and RICHARD E. OTOSKI, Individually

to Assignee, dated the 15th day of September, 1983, and secured by a Deed of Trust on real property situated in the County of Klamath, State of Oregon, described as follows:

Lot 18 in Block 3, RESUBDIVISION OF McLOUGHLIN HEIGHTS ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. . . . .

Said Note may also be secured by a security agreement or agreements covering personal property located on or related to such real property, and by other security instruments. The Deed of Trust, Security Agreement(s) and other security instruments are hereinafter collectively referred to as the "security instruments."

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 or the security instruments.

C. The performance and discharge of each and every obligation, covenant and agreement of Assignor contained herein or in said Note or the security instruments.

Assignor warrants that Assignor is the sole owner of the entire Lessor's interest in said lease; that said lease is valid and enforceable, 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 the lease.



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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 profit arising or accruing under said lease or from the premises described in said Deed of Trust 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 Deed of Trust; 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 Deed of Trust 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 security instruments or in the performance of any obligation, covenant or agreement herein formed, 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 security instruments, or in the performance of any obligation, covenant or agreement herein or in said Note, security instruments or lease 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 said principal sum, interest and indebtedness secured hereby and by said Note and security instruments, 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 Deed of Trust and have, hold, manage, lease and operate the same upon 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, but not limited to, the salaries, fees and wages of managing agent and such other employees as Assignee may deem necessary or desirable and all expenses of operating and maintaining the premises, including, but not limited to, 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 security instruments, together with all costs and attorney's 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 hereof as herein provided shall not be considered a waiver of any default by Assignor under said Note or security instruments 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 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 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 attorney's fees, shall be secured hereby and Assignor shall reimburse Assignee therefor immediately upon demand and, upon failure of Assignor to do so, may, at its option, declare all sums secured hereby and by said security instruments immediately due and payable. 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 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 security instruments, 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 Deed of Trust upon receipt from the Assignee of written notice to the effect that Assignee is then the holder of said Note and security instruments 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 Deed of Trust and to continue to do so 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. Breach of any term, covenant, and condition herein contained on the part of the Assignor to be performed shall likewise constitute a default under said Note and each of the security instruments, and a default under any of said documents shall constitute a default hereunder.
  7. 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 Deed of Trust or any part thereof.
  8. 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 security instruments; 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 security instruments. The right of 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.
  9. In the case of any conflict between the terms of this instrument and the terms of the Deed of Trust described above, the terms of the Deed of Trust shall prevail.
- This assignment, together with the covenants and warranties therein contained, shall inure to the benefit of Assignee and any subsequent holder of said Note and Deed of Trust and shall be binding upon Assignor, his heirs, personal representatives, successors and assigns, and any subsequent owner of premises described in the Deed of Trust.



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IN WITNESS WHEREOF, the Assignor(s) ~~(XX)~~ (have) executed this assignment this 28th day of September, 1983

Signature of Assignor

EDWARD T. McCLURE and RICHARD E. OTOSKI  
a co-partnership

By: Edward T. McClure  
EDWARD T. McCLURE Partner

By: Richard E. Otoski  
RICHARD E. OTOSKI Partner

STATE OF OREGON

County of Klamath )

) ss.

On this 28th day of September

and for said County and State, residing therein, personally appeared Richard E. Otoski

, 1983, before me, a Notary Public in and for said County and State, residing therein, personally appeared Edward T. McClure and

and ~~he~~ acknowledged to me that ~~he~~ they executed the same.  
IN WITNESS WHEREOF, I have hereunto set my hand and affixed by official seal the day and year last above written.

Kristi L. Garrison  
Notary Public for OREGON  
My commission expires: 6/19/87

STATE OF

County of )

) ss.

On this \_\_\_\_\_ day of \_\_\_\_\_

and for said County and State, residing therein, personally appeared \_\_\_\_\_, 197

, before me, a Notary Public in

himself and not one for the other, did say that the former is the \_\_\_\_\_, who, being duly sworn, each for President and that the latter is the secretary of \_\_\_\_\_, 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 WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Notary Public for \_\_\_\_\_  
My commission expires: \_\_\_\_\_  
STATE OF OREGON, )  
County of Klamath )  
Filed for record at request of \_\_\_\_\_

on this 28th day of Sept. A.D. 19 83  
at 4:06 o'clock P M, and duly  
recorded in Vol. M 83 of Mortgages  
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EVELYN BIEHN, County Clerk  
By Tom Smith Deputy

Fee \$12.00