

44571

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ASSIGNMENT AND SECURITY AGREEMENT

THIS Assignment is made and given this 18 day of December, 1984 by and between JAMES L. ECKHARDT and NELLIE R. ECKHARDT, husband and wife, ("Assignors") of 723 East Karcher Road, Nampa, Idaho and ENGINEERED STRUCTURES, INC., an Idaho corporation, ("Assignee") of 723 East Karcher Road, Nampa, Idaho.

RECITALS

A. Assignors are the lessees under a ground lease dated August 10, 1984 between Carleton Brothers, a general partnership, and Richmond J. Carleton and Margaret F. Carleton, husband and wife, as ground lessors and Assignors herein as ground lessees which ground lease or memorandum thereof was recorded on October 17, 1984 at Volume M84, page 17880, records of Klamath County, Oregon ("Ground Lease"). The Ground Lease leases the real property described on Schedule I attached hereto, which real property is hereafter referred to as "Subject Property".

B. Assignors have subleased Subject Property together with improvements constructed thereon to Carleton Brothers, a general partnership between George A. Carleton and Richmond J. Carleton, under a sublease dated August 10, 1984. A memorandum of the sublease was recorded on October 17, 1984 at Volume M84, page 17873, records of Klamath County, Oregon ("Sublease").

C. Assignors are indebted to Assignee for monies used in constructing improvements on Subject Property and desire to assign the Ground Lease and the Sublease to Assignee as security for the payment of such sums.

AGREEMENTS

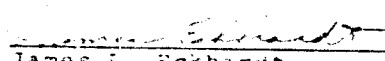
NOW, THEREFORE, it is agreed:


1. Assignors hereby assign to Assignee all of Assignors' right, title and interest in and to the Ground Lease and the Sublease, in and to the rights to receive monies thereunder, and in and to Subject Property.

2. This Assignment is for security purposes, and until such time as Assignors are in default in the payment of monies due Assignee, Assignors shall be entitled to receive all payments due under the Ground Lease and Sublease, and shall be entitled to exercise all rights, and shall perform all obligations originally vested in Assignors under the Ground Lease and the Sublease.

3. Assignors hereby sell, transfer, assign, convey and grant to Assignee a security interest in and to the Ground Lease, the Sublease, all of Assignors' right, title and interest in and to either (including but not limited to the right to receive payments thereunder), and in and to all improvements, fixtures, personal property and other property of any kind or nature whatsoever used on or in connection with Subject Property or relating to arising out of the Ground Lease, the Sublease, or improvements constructed on Subject Property.

IN WITNESS WHEREOF, Assignors have executed this Assignment and Security Agreement the day and year first above written.


James L. Eckhardt


Nellie R. Eckhardt

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STATE OF IDAHO)
County of Canyon) ss:

On this 18 day of December, 1984, before me, the undersigned, a Notary Public in and for said State, personally appeared JAMES L. ECKHARDT and NELLIE R. ECKHARDT, husband and wife, known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

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

John E. Habueck
NOTARY PUBLIC for Idaho
Residing at Meridian, Idaho

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SCHEDULE I

A piece or parcel of land situated in the Northwest-quarter of the Southwest-quarter (NW1/4-SW1/4) of Section 1, Township 41 South, Range 10 East, Willamette Meridian, in Klamath County, Oregon, being more particularly described as follows:

Beginning at the Southwest corner of the Northwest-quarter of the Southwest-quarter (NW1/4-SW1/4) of Section 1, Township 41 South, Range 10 East., Willamette Meridian as the same is now marked by a steel monument at the intersection of the centerlines of Main Street and Fourth Street in the City of Merrill, Oregon; thence East along the southerly boundary of the said NW1/4-SW1/4 873.0 feet to a point which is the true point of beginning of this parcel; thence North 395.0 feet to a point; thence East 240.0 feet to a point; then South 395.0 feet to a point; thence West 240.0 feet to the true point of beginning; containing two acres, more or less, and being subject to all rights-of-way and/or easements of record or apparent on the premises.

RETURN:

JAMES L ECKHARDT
723 EAST KARCHER RD.
NAMPA, ID 83651

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record . . . Mountain Title Co
this 31 day of Dec A.D. 1984 at 9:57 o'clock P.M., and
duly recorded in Vol. 1184, of Deeds on Page 21792
Fee 17.00
By EVELYN BEHN, County Clerk
Evelyn Behn