

WARRANTY ASSIGNMENT OF LANDLORD'S INTEREST IN
LEASEBACK LEASE AND GUARANTY

KNOW ALL MEN BY THESE PRESENTS, that WOODCLIFF EQUITIES, INC., a Texas corporation ("Assignor"), does hereby grant, bargain, transfer, sell, convey and assign to METVAN CIRCLE K ASSOCIATES, a Tennessee general partnership composed of Metropolitan Life Insurance Company, a New York corporation, and Vantage Properties, Inc., a Texas corporation ("Assignee"), all of Assignor's right, title, interest and estate in and to the following:

1. The interest of Landlord in, to and under that certain Leaseback Lease dated as of the 1st day of November, 1985, by and between Woodcliff Equities, Inc., as "Landlord", and Circle K Convenience Stores, Inc., as "Tenant", a Memorandum of which in Clerk's Ofc., Klamath Co., OR Leaseback Lease is of record Vol. M85, pg. 17757-17767, which Leaseback Lease demises the land described on Exhibit "A" attached hereto and the improvements located thereon and including all amendments, extensions and renewals of said Leaseback Lease, and all rents, rentals, income and profits which may now or hereafter be or become due or owing under said Leaseback Lease, on or account of the use of the premises, and all rental and security deposits in connection with the foregoing; and

2. All rights and interests of Assignor in, to and under that certain Guaranty dated as of the 1st day of November, 1985, executed and delivered to Assignor by and on behalf of The Circle K Corporation ("Guarantor") for the benefit of Assignor, its successors and assigns, wherein the obligations of the Tenant under the above described Leaseback Lease were and are unconditionally guaranteed by Guarantor. A copy of said Guaranty

25 MAY 1 11 08 32

is attached hereto and incorporated herein by reference as Exhibit "B". This Assignment of Landlord's rights and interests in, to and under said Guaranty is limited to those guaranties of Tenant's duties and obligations under the Leaseback Lease described hereinabove.

Assignor, as an inducement to Assignee to close the purchase of the property described on Exhibit "A" hereto, does hereby represent and warrant to Assignee:

A. That Assignor is the owner of all the rights and property described above and has full right and title thereto and authority to sell and dispose of the same.

B. That the above described rights and property are free and clear of all liens, claims, security interests and encumbrances of every kind.

C. That Assignor will warrant and defend the title to the rights and property described above unto Assignee and to its successors and assigns forever against the lawful claims of all persons whomsoever.

D. That Assignor is not in default in the performance of any covenants, conditions and obligations of Assignor contained in the Leaseback Lease assigned hereby.

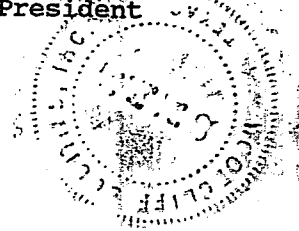
E. That neither the Tenant under the Leaseback Lease or the Guarantor has any defense or offset to any action brought for collection of rents accruing under the Leaseback Lease.

F. That as of the date hereof, the Leaseback Lease and the Guaranty hereby assigned to Assignee are valid, legal and enforceable according to the terms thereof.

By acceptance of the Leaseback Lease and Guaranty hereby assigned and in consideration thereof, Assignee assumes and agrees to be bound by all obligations of Assignor becoming due on or after the date hereof under such Leaseback Lease.

DATED: April 24, 1986

WOODCLIFF EQUITIES, INC.

BY: [Signature]
Jeff P. Howle
Vice PresidentSTATE OF TEXAS)
COUNTY OF DALLAS)

I, Nancy Fields, a Notary Public in and for said County and in said State, hereby certify that Jeff P. Howle, who is named as Vice President of Woodcliff Equities, Inc., a Texas corporation, and who signed the foregoing document and who is known to me, acknowledged before me on this day that, being informed of the contents of the document, he, as such officer and with full authority, executed the same voluntarily for and as the act of the corporation.

WITNESS my hand and Official Seal at office, this 24th day of April, 1986.

My Commission Expires:

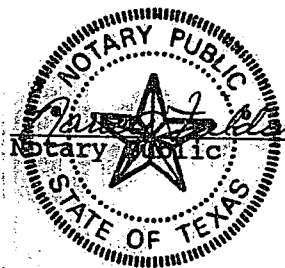
8/2/88

EXHIBIT "A"
Store No. 1301

7477
17769

A tract of land situated in Lot 1 Block 1 of the Subdivision of Blocks 2B and 3 Homedale, being in the E 1/4 NE 1/4, Section 11, T 39 S, R 9 EWM, Klamath County, Oregon, more particularly described as follows:

Beginning at the Northeasterly corner of said Lot 1 Block 1 as marked by a P.K. Nail; thence N 66°42'00" W, along the Northerly line of said Lot 1, 154.30 feet to a 5/8" iron pin; thence S 07°14'30" W 149.30 feet to a fence corner; thence S 84°34'00" E 90.00 feet, 5/8" iron pin not found; thence S 05°26'00" W 16.00 feet to a 5/8" iron pin; thence S 84°34'00" E 72.66 feet to a 1 1/4" iron pin on the Easterly line of said Lot 1; thence N 00°03'41" E 118.41 feet to the point of beginning, containing 20,430 square feet.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____
of _____ November _____ A.D., 19 85 at 10:42 o'clock A.M., and duly recorded in Vol. M85
Mortgages on Page 17768

FEE

\$9.00

Evelyn Biehn

By

County Clerk

[Signature]

GUARANTY

7478

THIS GUARANTY dated as of this 1st day of November, 1985, by The Circle K Corporation, a Texas corporation (the "Guarantor"), for the benefit of Woodcliff Equities, Inc., a Texas corporation ("Woodcliff"), and its respective successors and assigns.

Whereas, Woodcliff (the "Landlord") has entered into a Leaseback Lease dated as of October 31, 1985 (the "Lease") with Circle K Convenience Stores, Inc., a Texas corporation (the "Tenant"), covering the Property (as defined in the Lease) at certain convenience stores referred to in the Lease; and

Whereas, as a condition precedent to and inducement for the Landlord to execute and deliver the Lease, the Landlord has required the Tenant, which is a wholly owned subsidiary of the Guarantor, to cause the Guarantor to execute and deliver this Guaranty to the Landlord;

Now, Therefore, in consideration of the foregoing and to induce the Landlord to execute and deliver the Lease to the Tenant, the Guarantor agrees as follows:

1. **Statement of Guaranty.** Guarantor hereby unconditionally guarantees to Landlord, its successors and assigns, the punctual payment of all rents, including additional rent, and the prompt performance of all terms, conditions, covenants and agreements contained in the Lease, together with payment of any and all interest, collection costs and other items of expense as may be provided for in the Lease, and payment and satisfaction of any other claim, loss or liability whether fixed or contingent, incurred incident to, resulting from or in any other way arising out of said Lease. This is a continuing guaranty and shall apply to and cover all indebtedness and obligations arising pursuant to the Lease and any and all renewals and extensions of the Lease or of any obligation thereunder.

2. **Waivers by Guarantor.** Guarantor expressly waives diligence on the part of Landlord in the collection of any sums due under any term, covenant, condition or provision of said Lease or in the enforcement of any other right, power or remedy provided for in the Lease or now or hereafter existing at law, in equity, by statute or otherwise. Guarantor waives the benefit of notice and all extensions that may be granted to the Tenant, and Landlord shall be under no obligation to notify Guarantor of its acceptance hereof, nor of any advances made, extensions granted or credit extended on the faith hereof, nor

of the failure of Tenant to pay any sums due under the Lease or to perform any of the terms, covenants, conditions or agreements contained in the Lease, nor to use diligence in preserving the liability of any person under said Lease, or in bringing suit to enforce performance of any of the covenants contained in the Lease or the collection of any sums due under the Lease or this Guaranty. Guarantor further agrees to pay the Landlord's reasonable attorneys' fees should this Guaranty be placed in the hands of any attorney for collection or enforcement or should it be collected or enforced through any court.

3. **No Waiver; Remedies Cumulative.** Landlord shall not be required to pursue any other remedies before invoking the benefits of this Guaranty. No failure by Landlord to insist upon the strict performance of any provision hereof or of the Lease or to exercise any right, power or remedy consequent upon a breach of the Lease, and no submission by Guarantor or Tenant or acceptance by Landlord of full or partial rent or performance during the continuance of any such breach shall constitute a waiver of any such breach or of any such provision. No waiver of any breach of the Lease or this Guaranty shall affect or alter this Guaranty or the rights of Landlord with respect to any other then existing or subsequent breach. Each right, power and remedy of Landlord provided for herein or in the Lease or now or hereafter existing at law, in equity, by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power or remedy of Landlord and the exercise or commencement by Landlord of any one or more of the rights, powers or remedies of Landlord shall not preclude the simultaneous or subsequent exercise by Landlord of any or all such other rights, powers or remedies.

4. **Additional Obligations of Guarantor.**

4.1 In the event a court of competent jurisdiction shall find that Tenant is not liable under the Lease because the act of creating the obligations thereunder is ultra vires, or the officers or persons creating same acted in excess of their authority, and for these reasons, any sums due to Landlord or obligations required to be performed pursuant to the Lease cannot be enforced against Tenant, such fact shall in no manner affect Guarantor's liability hereunder, but Guarantor shall be liable to the same extent as Guarantor would have been if all of the terms, conditions, covenants and agreements of said Lease had been enforceable against Tenant.

4.2 In the event any payment by Tenant to Landlord is held to constitute a preference under the bankruptcy laws, or if for any other reason Landlord is required to refund any payment or pay the amount thereof to any other party, such

payment by Tenant to Landlord shall not constitute a release of Guarantor from any liability hereunder, but Guarantor agrees to pay such amount to Landlord upon demand.

4.3 Guarantor's liability hereunder shall be primary and shall be the same as if it were the Tenant named in the Lease, and Guarantor's obligations hereunder shall be unaffected by the reorganization, arrangement, liquidation, involuntary dissolution, or any other proceeding under present or future provisions of Federal or state bankruptcy laws by or against the Tenant, or Tenant's adjudication as a bankrupt or insolvent, or the appointment of a receiver of the property of Tenant.

5. Renewals, Extensions or Modifications. Any renewals, extensions and/or modifications of the Lease may be made by Landlord upon such terms and conditions and with such modifications and changes as Landlord may see fit and they may be made at any time and from time to time without further notice to or consent from Guarantor.

6. Assignment. No assignment or subletting of the leased premises shall in any way affect the obligations hereunder.

7. Governing Law. This Guaranty is governed by and shall be construed in accordance with the laws of Arizona.

EXECUTED as of the day, month and year first above written.

THE CIRCLE K CORPORATION

By: Bill Farmer
Bill Farmer
Senior Vice President
Finance and Treasurer

Return to: American Title Insurance Co.
4415 N. Buckboard Trail, #3
Scottsdale, AZ. 85251

- 3 -

STATE OF OREGON: COUNTY OF KLAMATH ss.

Filed for record at request of
of May

A.D., 19 86 at 8:32
Deeds

the 1st day
and duly recorded in Vol. M86
on Page 7474

By Evelyn Biehn, County Clerk
Ann Smith

FEE \$29.00