

86-06

STATE OF OREGON)
) ss.
County of Klamath)

K-40195
AFFIDAVIT

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I, H. David Molatore, being first duly sworn on oath hereby depose and say:

I am the secretary of Molatores Motel, Inc. an Oregon corporation, which is hereinafter referred to as the "Corporation". The Corporation owns the following real property located in Klamath Falls, Klamath County, Oregon: See Exhibit "A" attached hereto and made a part hereof.

There are certain possible encumbrances on the title of the Corporation to the real property described on Exhibit A. Those encumbrances are as follows: See Exhibit "B" attached hereto and made a part hereof.

Regarding exceptions number 1 and 4, those exceptions relate to leases for the operation of a service station on part of the property owned by the Corporation. The lease set forth in exception number 4 has been assigned to the Corporation. The lease set forth as exception number 4 is an extension of the lease set forth in exception number 1. The lessee's interest in the leases set forth in exception number 1 and 4 has expired, and the lessees claim no further interest in the property owned by the Corporation.

Regarding exception number 2, the lessor's interest has been acquired by the Corporation. The lessee is entitled to no interest in the property owned by the Corporation. In fact, the real property described in exception number 2 has been used solely as a parking lot by the corporation for more than three years.

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Regarding exception number 3, the Corporation owns the the property described as being owned by the first parties and the property as being owned by the second parties in the license. The actual drain referred to in the license has been removed. Neither the first party nor the second party has any interest in the real property described on Exhibit A, which includes the real property described on exception number 3.

Regarding exception number 5, the lease described in exception number 5 is an extension of the lease described in exception number 4. The lease has terminated and the lessee has no interest in the property owned by the corporation.

Regarding exception number 6, the Corporation has acquired the lessor's interest in both the sublease and assignment. The lessees under both the sublease and assignment of lease claim no interest in the real property owned by the Corporation.

Regarding exceptions 7 and 8, the Corporation has acquired the lessor's interest in the leases, and the leases have expired.

H. David Molatore
H. DAVID MOLATORE

SUBSCRIBED AND SWORN TO before me this 8th day of April, 1988.

Maureen J. Dumble
Notary Public for Oregon
My Commission Expires: 11-30-91

EXHIBIT "A"

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DESCRIPTION OF PROPERTY

The following described real property situate in Klamath County, Oregon:

PARCEL 1:

The Southwesterly 64.5 feet of Lot 3, all of Lots 4, 5 and 6 and the Southwesterly 10 feet of Lot 7, Block 33, Original Town of Linkville, now City of Klamath Falls, Oregon.

PARCEL 2:

Lots 1, 2, 3, 4, 5, 6, 7 and 8 in Block 32, Original Town of Linkville, now City of Klamath Falls, Oregon. EXCEPTING therefrom that portion of Lot 4 in said Block 32 conveyed to the City of Klamath Falls by Deed Volume M71 on page 6243.

PARCEL 3:

All of Vacated First Street lying between Blocks 32 and 33, Original Town of Linkville, now City of Klamath Falls, Oregon.

ALSO, Beginning at a 5/8" iron pin on the Southwesterly line of Lot 4, Block 32, Original Town of Linkville which lies N. 50°55' W. a distance of 39.61 feet from the Southwesterly corner of said Lot 4; thence N. 50°55' W. along the Southwesterly line of Lots 4 and 5 in said Block 32 a distance of 120.39 feet to a point marked by a nail and lead plug; thence S. 39°05' W. a distance of 26.29 feet to a 5/8" iron pin; thence S. 63°14' East a distance of 123.23 feet to the point of beginning.

PARCEL 4:

All of Lots 1, 2 and 8, all of Lot 7, EXCEPT the Southwesterly 10 feet thereof, and the Northeasterly 1 foot of Lot 3 all in Block 33 of Original Town of Linkville, now City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

EXHIBIT "B"

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1. Lease, including the terms and provisions thereof, given by Lottie D. Miller, a single woman, and Willard B. Miller, Executor of the Estate of Willard D. Miller, deceased, Lessor and Standard Oil Company of California, Western Operations, Inc., dated July 11, 1958, recorded December 14, 1959, in Volume 317 page 603, Deed Records of Klamath County, Oregon. (Westerly 10 feet of Lot 7, Block 33)
2. Memorandum of Lease, including the terms and provisions thereof, given by Howard Barnhisel and Maybelle E. Barnhisel, to Standard Oil Company of California, Signal Oil Company Division, dated August 1, 1962, recorded October 23, 1962, in Volume 341 page 93, Deed Records of Klamath County, Oregon.
By Assignment of Lease, including the terms and provisions thereof, the lessee's interest was assigned to Petroleum Facilities, Inc., a Delaware corporation, dated June 30, 1963, recorded March 25, 1964, in Volume 351 page 684, Deed Records of Klamath County, Oregon.
By Quitclaim Deed recorded June 15, 1977, in Volume M77 page 10426, Deed Records of Klamath County, Oregon, Petroleum Facilities, Inc., conveyed their interest to Chevron U.S.A. Inc.
By Assignment of Lease, including the terms and provisions thereof, dated May 26, 1977, recorded June 15, 1977, in Volume M77 page 10428, Deed Records of Klamath County, Oregon, Chevron U.S.A. Inc., assigned their interest to Exxon Corporation.
By Assignment of Lease, including the terms and provisions thereof, dated June 15, 1977, recorded June 15, 1977, in Volume M77 page 10431, re-recorded May 12, 1978, in Volume M78 page 9851, Deed Records of Klamath County, Oregon, Exxon Corporation, a New Jersey corporation successor in interest by merger to Humble Oil and Refining Company, assigned their interest to Batsell Brothers' Oil Company, a partnership.
By Assignment of Lease, including the terms and provisions thereof, the lessor's interest was assigned to Molatore's Motel, Inc., an Oregon corporation, dated October 27, 1971, recorded November 3, 1971, in Volume M71 page 11506, Deed Records of Klamath County, Oregon.
3. License for Use of Drain, including the terms and provisions thereof, between J. W. Copeland Yards, first parties, and Howard Barnhisel, second party, dated August 6, 1963, recorded August 21, 1963, in Volume 347 page 423, Deed Records of Klamath County, Oregon.
4. Lease, including the terms and provisions thereof, given by Petroleum Facilities, Inc., a Delaware corporation, to Standard Oil Company of California, doing business as Signal Oil Company, dated December 1, 1963, recorded March 25, 1964, in Volume 351 page 686, Deed Records of Klamath County, Oregon.
By Assignment of Lease, including the terms and provisions thereof, said lease was assigned to Molatore's Motel, Inc., an Oregon corporation, dated October 27, 1971, recorded November 3, 1971, in Volume M71 page 11506, Deed Records of Klamath County, Oregon.
(Westerly 10 feet Lot 7, Block 33)

5. Lease, including the terms and provisions thereof, between Molatore's Motel, Inc., and Standard Oil Company of California, dated June 10, 1964, recorded April 20, 1966, in Volume M66 page 3485, Deed Records of Klamath County, Oregon.

6. Memorandum of Sublease, including the terms and provisions thereof, given by Standard Oil Company of California, a Delaware Corporation, to Humble Oil and Refining Company, a Delaware corporation, dated April 1, 1967, recorded April 13, 1967, in Volume M67 page 2626, Deed Records of Klamath County, Oregon.

By Assignment of Lease, including the terms and provisions thereof, said lease was assigned to Molatore's Motel, Inc., an Oregon corporation, dated October 27, 1971, recorded November 3, 1971, in Volume M71 page 11506, as amended by instrument dated December 11, 1978, recorded January 15, 1979, in Volume M79 page 1102, Deed Records of Klamath County, Oregon.

7. Lease, including the terms and provisions thereof, given by W. Don Miller, Executor of the Estate of Lottie M. Miller, W. Don Miller, et ux, et al, to Standard Oil Company of California, dated December 15, 1968, recorded December 17, 1969, in Volume M69 page 10500, Deed Records of Klamath County, Oregon.

By assignment recorded September 4, 1973, in Volume M73 page 11833, Deed Records of Klamath County, Oregon, said lease was assigned to Thomas J. Shaw.

8. Lease, including the terms and provisions thereof, given by W. Don Miller, Executor of the Estate of Lottie M. Miller, et al, and Standard Oil Company of California, dated December 17, 1969, recorded June 17, 1970, in Volume M70 page 4961, Deed Records of Klamath County, Oregon.

By Assignment recorded September 4, 1973, in Volume M73 page 11833, Deed Records of Klamath County, Oregon, said lease was assigned to Thomas J. Shaw.

Return to: KCTC

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County TitleCo. the 12th day
of April A.D. 19 88 at 10:03 o'clock AM., and duly recorded in Vol. M88
of Deeds on Page 5476

FFE \$25.00

Evelyn Biehn County Clerk

By Bernetha A. Heloch

EXHIBIT B

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