

10762

CONDITIONAL ASSIGNMENT OF GROUND LEASE

THIS AGREEMENT, made and entered this 17th day of January, 1990 between LARRY R. THURBER, herinafter referred to as Assignor and DONALD J. HORSLEY and HELEN E. HORSLEY, husband and wife, hereinafter referred to as Assignees.

WITNESSETH:

WHEREAS, on the 29th day of August, 1986 HOWARD C. HASSETT AND MARY A. HASSETT, as Lessors entered into a Ground Lease with LARRY R. THURBER, as Lessee covering the following described property:

"Lessors own a parcel of real property in Klamath County, Oregon, containing approximately 1.12 acres. Lessors own and operate a restaurant on said property known as Mollie's. The said property fronts on Highway 97 N.; is located on the Easterly side of said highway and is approximately one-fourth mile North of the Oregon Institute of Technology Campus".

WHEREAS, on the 30th day of December, 1983 DONALD J. HORSLEY and HELEN E. HORSLEY, as Sellers and Secured Party, entered into a Contract and Security Agreement with LARRY R. THURBER, as Buyer and Debtor for the purchase of the Union Oil Distributorship doing business in Klamath Falls and Bonanza covering certain real property more particularly described as follows:

Outlot 5 in BOWNE ADDITION To BONANZA, in the County of Klamath, State of Oregon, together with certain personal property described therein.

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WHEREAS, on February 10, 1988 LARRY R. THURBER, made, executed and delivered his promissory note to DONALD J. HORSLEY and HELEN E. HORSLEY in the sum of \$58,000.00 plus interest at the rate of 10% per annum from date to be paid in twelve monthly installments beginning April 1988 with principal and interest to be paid in full on April 1, 1989.

WHEREAS, Assignees, as a condition to making said loan has required the execution of this Assignment of the aforementioned Ground Lease by the Assignor.

NOW THEREFORE, in order to further secure the payment of the indebtedness of the Assignor to the Assignees, and in consideration of accepting the aforesaid note, and in further consideration of the sum of One Dollar paid by the Assignees to the Assignor, receipt of which is hereby acknowledged, said Assignor does hereby sell, assign, transfer and set over unto Assignees all of the right, title and interest of Assignor in and to said Ground Lease, as additional security for the payment of said Contract and Security Agreement, the Promissory Note and any agreement for further advances to which the parties may agree.

This Assignment is to become effective and operative upon any default being made by the Assignor under the terms of the aforesaid Contract and Security Agreement, Promissory Note and any future advances made pursuant to this agreement, and to remain in full force and effect so long as any default continues to exist in the matter of making any

of the payments or the performance of any of the covenants set forth in the aforesaid Contract and Security Agreement, Promissory Note and any agreements for future advances.

In furtherance of the foregoing Assignment, the Assignor hereby authorizes the Assignees, their employees or agents, to enter upon the leased property, and in the name of the Assignor, or their own name, Assignees jointly and severally assume and agree to fully pay, perform, observe and comply with all of the terms, provisions, conditions and agreements of said Ground Lease.


In the event, however, that the Assignor shall reinstate the Contract and Security Agreement, the Promissory Note and any agreements for future advances, completely and in good standing, having complied with all the terms of said Contract and Security Agreement, Promissory Note and any agreements for future advances, then the Assignees within one month after demand in writing shall re-deliver possession of the leased premises to the Assignor, who shall remain in possession unless and until another default occurs, at which time the assignees may, at their option, again take possession of the leased premises under authority of this instrument.

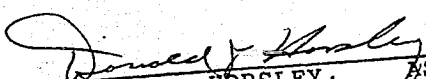
This Assignment shall remain in full force and effect as long as there are any payments due under said Contract and Security Agreement, Promissory Note or any subsequent agreement, remain unpaid in whole or in part.


The provisions of this instrument shall be binding upon the Assignor, his successors or assigns, and upon the Assignees, their successors and assigns.

It is understood and agreed that a full and complete release of the aforesaid Contract and Security Agreement, Promissory Note and any subsequent agreement shall operate as full and complete release of all of the Assignees' rights and interests hereunder, and that after said agreements have been fully released, this instrument shall be of no further effect.

IN WITNESS WHEREOF the Parties have caused Agreement to be executed as of the day and year first herein written.

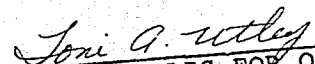

LARRY R. THURBER, ASSIGNOR


DONALD J. HORSLEY, ASSIGNEE


HELEN E. HORSLEY, ASSINGEE

STATE OF OREGON)
)ss.
County of Klamath)

The foregoing instrument was acknowledged before me this 16th day of January, 1990 by LARRY R. THURBER.


NOTARY PUBLIC FOR OREGON
My Commission Expires: 1-20-92

STATE OF OREGON)
) ss.
 County of Klamath)

The foregoing instrument was acknowledged before me
 this 16th day of January, 1990, by DONALD J. HORSELY and
 HELEN E. HORSELY.



Doni G. Utley
 NOTARY PUBLIC FOR OREGON
 My Commission Expires: 1-20-92

Klamath Falls, Oregon 97601
 January 17, 1990

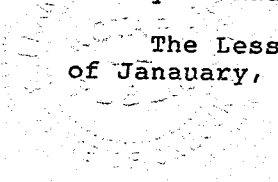
The Lessors hereby acknowledge receipt of an original
 copy of this Conditional Assignment of Ground Lease and
 hereby approve of and consent to said agreement.

Howard C. Hassett
 HOWARD C. HASSETT, LESSOR

Mary A. Hassett
 MARY A. HASSETT, LESSOR

STATE OF OREGON)
) ss.
 County of Klamath)

The Lessors hereby acknowledge before me this 17th day
 of January, 1990 by HOWARD C. HASSETT and MARY A. HASSETT.



Frank X. Leonard
 NOTARY PUBLIC FOR OREGON
 My Commission Expires: 5-13-93

Ret: D.L. Hoots
2261 S. 6th
City

STATE OF OREGON, ss.
 County of Klamath

Filed for record at request of:

D. L. Hoots
 on this 29th day of Jan. A.D., 19 90
 at 4:28 o'clock P.M. and duly recorded
 in Vol. M90 of Deeds Page 2010

Evelyn Biehn County Clerk
 By Douglas Muelndore

Fee, \$48.00

Deputy.