

19337

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MTC 24045

CONDITIONAL ASSIGNMENT OF LEASE

THIS ASSIGNMENT made this 15 day of September, 1988, by and between S.T.H., INC., an Oregon corporation, hereinafter "Assignor" and CLARENCE T. GRIM and CARLENE M. GRIM, husband and wife, hereinafter "Assignee".

RECITALS

1. Assignor is the Lessor of a lease dated August 10, 1977, between Assignor and BLT Enterprises, Inc., an Oregon corporation, as Lessee.

2. The Lessee's interest in said lease was assigned to Walt Stallcup Enterprises, Inc., an Oregon corporation, by an assignment recorded February 18, 1986, in M-86 on Page 2938 in the Official Records of Klamath County, Oregon.

3. The leased premises are located on the real property being purchased by Assignee by Assignor pursuant to a land sale contract between Assignor and Assignee executed contemporaneously with this assignment.

4. Assignee has received a copy of and reviewed the above referenced lease and is aware of and accepts all terms and conditions of said lease and agrees to acquire Assignor's interest in said lease and is willing to assume all of the obligations of Assignor thereunder, *but only to the extent such arise from events occurring after assignee's acquisition of the real property.*

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. Assignor hereby conditionally assigns to Assignee all of Assignor's interest in said lease;

2. Assignor warrants that said lease is in good standing according to its terms and has not been amended or modified;

3. This assignment is conditional unless and until the balance on the land sale contract between Assignor and Assignee is paid in full at which time the assignment shall become irrevocable;

4. Assignee shall indemnify Assignor and hold it harmless from all claims, losses or liability arising out of said lease as and from the date of this assignment;

5. Assignee accepts the conditional assignment herein according to all of its terms and assumes responsibility and all obligations under said lease including but not limited to the payment and performance required therein; *but only as to such responsibility obligations as arise after assignee's acquisition of the real property.*

6. A default or breach by Assignee of said lease shall also be considered a default of the land sale contract between

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Stallcup

Walt
Stallcup

Assignor and Assignee, which shall entitle Assignor to any of the remedies set forth under Section 16, entitled "Remedies on Default" in said land sale contract;

7. In the event Assignor or Assignee shall take any action, judicial or otherwise, to enforce or interpret any of the terms of this contract, including any suit for rescission, the prevailing party shall be entitled to recover from the other party all expenses which it may reasonably incur in taking such action, including but not limited to costs incurred in searching records, the cost of title reports, surveyors reports and foreclosure reports and attorney fees, including the taking and transcribing of depositions, whether incurred in a suit or action or appeal from a judgment or decree therein or in connection with nonjudicial action, including the giving by Assignors to Assignee of any notice necessitated by Assignee's failure to comply with any terms of this contract.

8. Any notice, whether required or not to be given under this agreement, shall be deemed given when actually delivered or when mailed to either party at their respective addresses given below if deposited in the U. S. Mails, Certified Mail, Return Receipt Requested.

Assignor:

c/o Gerald Schatz
3044 Levi Circle
Medford, OR 97504

Assignor's Attorney:

Carlyle F. Stout III
Attorney at Law
31 Newtown
Medford, OR 97501

Assignee:

25 Coveview Drive
Rancho Palos Verdes, CA 90274

Assignee's Agent:

Diana Scherer
DLM Investments
600 Montgomery Street, 5th Floor
San Francisco, CA 94111

9. This document is the entire, final and complete agreement of the parties and supercedes and replaces all written and/or oral agreements heretofore made or existing, if any, by and between the parties. No modification may be made of this agreement unless the same is in writing and signed by the parties hereto.

10. Assignor has been represented in this transaction by Carlyle F. Stout III, Attorney at Law, of Medford, Oregon. Said attorney has not represented Assignee and Assignee has had the full right and privilege, prior to execution of the contract herein, to obtain the advice of any attorney or attorneys of Assignee's choice pertaining hereto.

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IN WITNESS WHEREOF, the parties hereunto have executed this agreement the day and year first above written.

S.T.H. INC.

By: Gerald A. Schatz
Gerald A. Schatz, Its President

"Assignor"

Clarence E. Grim
Clarence E. Grim

Carlene M. Grim
Carlene M. Grim

"Assignee"

STATE OF OREGON)
County of Jackson) ss.

Personally appeared Gerald A. Schatz, President of S.T.H. Inc., and acknowledged the foregoing instrument to be its voluntary act and deed and with full authority of its Board of Directors. Before me this 20 day of September, 1988.

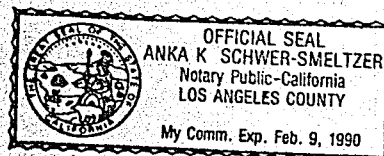
Sharon J. Budreau
Notary Public for Oregon
My Commission Expires: 12/31/90

STATE OF CALIFORNIA)
County of Los Angeles) ss.

Personally appeared Clarence E. Grim and Carlene M. Grim and acknowledged the foregoing instrument to be their voluntary act and deed. Before me this 16 day of September, 1988.

Anka K. Schwer-Smeltzer
Notary Public for California
My Commission Expires: 9-9-90

Spring Mountain Escrow
Carlsbad Branch
785 Grand Avenue
#101/Box 1151
Carlsbad, Calif. 92008
re: 11720 B



-3- CONDITIONAL ASSIGNMENT OF LEASE

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 24th day
of Aug. A.D. 19 90 at 12:33 o'clock P. M., and duly recorded in Vol. M90
of Deeds on Page 17059

FEE \$38.00

Evelyn Biehn - County Clerk

By: Pauline Mueller