

RECORDATION REQUESTED BY:

WESTERN BANK
421 South 7th Street
P.O. Box 669
Klamath Falls, OR 97601-0322

WHEN RECORDED MAIL TO:

WESTERN BANK
421 South 7th Street
P.O. Box 669
Klamath Falls, OR 97601-0322

SEND TAX NOTICES TO:

Klamath Cold Storage, Inc.
661 Spring Street & 254 Market Street
Klamath Falls, OR 97601

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

LANDLORD'S ESTOPPEL CERTIFICATE

THIS ESTOPPEL CERTIFICATE IS DATED AUGUST 8, 1991, AMONG Klamath Cold Storage, Inc. (referred to below as "Grantor"), whose address is 661 Spring Street & 254 Market Street, Klamath Falls, OR 97601; WESTERN BANK (referred to below as "Lender"), whose address is 421 South 7th Street, P.O. Box 669, Klamath Falls, OR 97601-0322; and Modoc Lumber Co. (referred to below as "Landlord"), whose address is P.O. Box 257, Klamath Falls, OR 97601. Grantor and Lender have entered into, or are about to enter into, an agreement whereby Lender has acquired or will acquire, in addition to any other collateral, a Deed of Trust to Lender on Grantor's leasehold interest in the Property described below.

To induce Lender to extend one or more loans or other financial accommodations to Borrower against such security interest in the Property and for other valuable consideration, with knowledge that Lender is relying thereon, Landlord and Grantor hereby agree with Lender as follows:

THE LEASE. Landlord has leased the Property to Grantor pursuant to a lease (the "Lease") dated August 28, 1987.

REAL PROPERTY DESCRIPTION. The Lease covers the following described real property, together with all improvements thereon (the "Real Property") located in Klamath County, State of Oregon:

See Attached Exhibit "A".

The Real Property or its address is commonly known as **1200 So. 6th Street, Klamath Falls, OR 97601.**

ESTOPPEL. Landlord and Grantor hereby jointly and severally represent and warrant to Lender that:

- (a) **Lease In Effect.** The Lease (i) has been duly executed and accepted by Landlord and Grantor, (ii) is in full force and effect, and (iii) has not been modified or changed, either in writing or orally, except as reflected in the copy of the Lease provided to Lender.
- (b) **No Default.** As of the date of this Certificate, (i) all conditions and obligations to be performed by either Landlord or Grantor under the Lease, to the date hereof, have been satisfied; (ii) there exists no breach, default, or event or condition which, the giving of notice or the passage of time, or both, would constitute such a breach or default under the Lease; and (iii) there are no existing claims, defenses or offsets against obligations of either Landlord or Grantor under the Lease, including any against rents due or to become due under the terms of the Lease.
- (c) **Entire Agreement.** The Lease constitutes the entire agreement between Landlord and Grantor with respect to the Lease of the Property.
- (d) **No Prepaid Rent.** No deposits or prepayments of rent have been made in connection with the Lease.

AGREEMENTS. Landlord and Grantor hereby jointly and severally agree with Lender that, during all such times as Lender is the beneficiary of the security interest in the Property described above:

- (a) **Modification, Termination and Cancellation.** Landlord and Grantor will not consent to any modification, termination or cancellation of the Lease unless Lender first consents thereto in writing.
- (b) **Notice of Default.** Landlord will notify Lender in writing concurrently with any notice given to Grantor of any breach or default on the part of Grantor under the Lease, and Landlord agrees that Lender shall have the right (but not the obligation) to cure any breach or default specified in such notice within the time periods set forth below and Landlord will not declare a default of the Lease, if Lender cures such default within thirty (30) days from and after expiration of the time period provided in the Lease for the cure thereof by Grantor; provided, however, that if such default cannot with diligence be cured by Lender within such thirty (30) day period, the commencement of action by Lender within such thirty (30) day period to remedy the same shall be deemed sufficient so long as Lender pursues such cure with diligence.

MISCELLANEOUS PROVISIONS. This Certificate shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Certificate. This Certificate shall be governed by and construed in accordance with the laws of the State of Oregon. If Landlord is other than an individual, any agent or other person executing this Certificate on behalf of Landlord represents and warrants to Lender that he or she has full power and authority to execute this Certificate on Landlord's behalf. Lender shall not be deemed to have waived any rights under this Certificate unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Certificate shall not constitute a waiver of or prejudice Lender's right otherwise to demand strict compliance with that provision or any other provision.

08-08-1991
Loan No 02-010213ESTOPPEL CERTIFICATE
(Continued)

GRANTOR AND LANDLORD EACH ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S ESTOPPEL CERTIFICATE, AND EACH AGREES TO ITS TERMS. THIS CERTIFICATE IS DATED AUGUST 6, 1991.

GRANTOR:

Klamath Cold Storage, Inc.

By: Truman Passmore

Truman Passmore, President/Secretary

LANDLORD:

X

Thomas L. Shaw

Modoc Lumber Co.

President

LENDER:

WESTERN BANK

By: Stephen J. Fulton

Authorized Officer

CORPORATE ACKNOWLEDGMENT

STATE OF Oregon)
) SS
COUNTY OF Klamath)

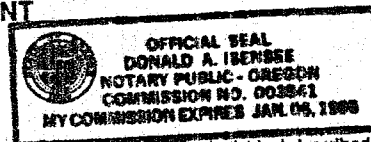
On this 23rd day of August, 19 91, before me, the undersigned Notary Public, personally appeared Truman Passmore, President/Secretary of Klamath Cold Storage, Inc., and known to me to be an authorized agent of the corporation that executed the Estoppel Certificate and acknowledged the Certificate to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Certificate and in fact executed the Certificate on behalf of the corporation.

By Barbara Wilson
Notary Public In and for the State of OregonResiding at Klamath Falls, OregonMy commission expires 7-9-93

LANDLORD ACKNOWLEDGMENT

STATE OF Oregon)
) SS
COUNTY OF Klamath)

On this day before me, the undersigned Notary Public, personally appeared Modoc Lumber Co., to me known to be the individual described in and who executed the Estoppel Certificate, and acknowledged that he or she signed the Certificate as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 10th day of September, 19 91.By Donald A. Isensee
Notary Public In and for the State of OregonResiding at Klamath Falls, OregonMy commission expires 1-6-95

LENDER ACKNOWLEDGMENT

STATE OF Oregon)
) SS
COUNTY OF Klamath)

On this 12th day of September, 19 91, before me, the undersigned Notary Public, personally appeared Stephen J. Fulton and known to me to be the Assistant Vice President/Authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By Stephen J. Thompson
Notary Public In and for the State of OregonResiding at Klamath Falls, ORMy commission expires 5-26-92

Exhibit "A"

PARCEL 3: LEASEHOLD INTEREST

Building and improvements located on a parcel of land situated in Klamath Falls, Klamath County, Oregon; said premises being included in, and made a part of, that certain Unrecorded Memorandum of Ground Lease dated August 28, 1987, between Modos Lumber Co., and Klamath Cold Storage, Inc., described as follows:

A tract of land situated in Government Lot 7, Section 33, T 38 S, R 9 EWM, Klamath County, Oregon, more particularly described as follows: Commencing at the West $\frac{1}{4}$ Corner of said Section 33; thence N $0^{\circ}01'$ W, along the west line thereof, 69.3 feet; thence S $55^{\circ}27'$ E 188.55 feet; thence S $10^{\circ}27'$ W 25.27 feet to the True Point of Beginning, on the southerly line of South Sixth Street; thence S $10^{\circ}46'30''$ W 427.39 feet to the true point of beginning of that tract of land described in Volume 80 page 562 of the Klamath County Deed Records; thence following along the westerly line of said tract S $10^{\circ}46'30''$ W 256.81 feet (259.69 feet by said Volume 80 page 562), and along the arc of a curve to the left (radius = 573.14 feet, central angle = $5^{\circ}00'57''$ and long chord bears S $08^{\circ}16'02''$ W 50.16 feet) 50.17 feet; thence S $79^{\circ}24'$ E, parallel to and 10 feet southwesterly from the southerly wall of a building, 130.50 feet; thence N $10^{\circ}36'00''$ E, parallel to and 28 feet southeasterly from the easterly face of a loading dock along said building, 387.00 feet; thence S $79^{\circ}24'00''$ E 22.00 feet; thence N $10^{\circ}36'00''$ E parallel to and 50 feet southeasterly from said loading dock, 295.00 feet, to a point on the southerly line of South Sixth Street; thence along the southerly line of South Sixth Street the following courses N $55^{\circ}46'30''$ W 97.80 feet, N $61^{\circ}41'40.5''$ W 32.28 feet and N $73^{\circ}32'01.5''$ W 32.28 feet to the True Point of Beginning, containing 100,980 square feet or 2.318 acres.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Western Bank the 23rd day
of Sept. A.D., 19 91 at 12:22 o'clock P M., and duly recorded in Vol. M91,
of Deeds on Page 19134.

Evelyn Biehn, County Clerk

By *Quilma M. Melendres*

FEE \$18.00