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Vol. 92 Page 28370

**RECORDATION REQUESTED BY:**

United States National Bank of Oregon  
100 Main Street East, Suite B  
P.O. Box 729  
Medford, OR 97501

**WHEN RECORDED MAIL TO:**

United States National Bank of Oregon  
100 Main Street East, Suite B  
P.O. Box 729  
Medford, OR 97501

**SEND TAX NOTICES TO:**

United States National Bank of Oregon  
100 Main Street East, Suite B  
P.O. Box 729  
Medford, OR 97501

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

**LANDLORD'S CONSENT**

THIS LANDLORD'S CONSENT is entered into among Balin's Tower Drug & Gifts, Inc. ("Borrower"), whose address is 1791 Washburn Way, Klamath Falls, OR 97603; United States National Bank of Oregon ("Lender"), whose address is 100 Main Street East, Suite B, P.O. Box 729, Medford, OR 97501; and Billy J. Skillington and Melvin L. Stewart, dba Tower Enterprises ("Landlord"), whose address is 1763 Washburn Way, Klamath Falls, Oregon 97603. Borrower and Lender have entered into, or are about to enter into, an agreement whereby Lender has acquired or will acquire a security interest or other interest in the Collateral. Some or all of the Collateral may be affixed or otherwise become located on the Premises. To induce Lender to extend the Loan to Borrower against such security interest in the Collateral and for other valuable consideration, Landlord hereby agrees with Lender and Borrower as follows.

**DEFINITIONS.** The following words shall have the following meanings when used in this Agreement. Terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

**Agreement.** The word "Agreement" means this Landlord's Consent, as this Landlord's Consent may be amended or modified from time to time, together with all exhibits and schedules attached to this Landlord's Consent from time to time.

**Borrower.** The word "Borrower" means Balin's Tower Drug & Gifts, Inc..

**Collateral.** The word "Collateral" means certain of Borrower's personal property in which Lender has acquired or will acquire a security interest, including without limitation the following specific property:

**All Accounts, Contract Rights, Inventory, Equipment, Fixtures, Chattel Paper and General Intangibles**

**Landlord.** The word "Landlord" means Billy J. Skillington and Melvin L. Stewart, dba Tower Enterprises. The term "Landlord" is used for convenience purposes only. Landlord's interest in the Premises may be that of a fee owner, lessor, sublessor or lienholder, or that of any other holder of an interest in the Premises which may be, or may become, prior to the interest of Lender.

**Lease.** The word "Lease" means that certain lease of the Premises, dated March 31, 1992, between Landlord and Borrower.

**Lender.** The word "Lender" means United States National Bank of Oregon, its successors and assigns.

**Loan.** The word "Loan" means the loan, or any other financial accommodations, Lender has made or is making to Borrower.

**Premises.** The word "Premises" means the real property located in Klamath County, State of Oregon, commonly known as 1791 Washburn Way, Klamath Falls, OR 97603, and legally described as:

**A Portion of Tract 43, Enterprise Tracts, Klamath County, Oregon.**

**DISCLAIMER OF INTEREST.** Landlord hereby consents to Lender's security interest (or other interest) in the Collateral and disclaims all interests, liens and claims which Landlord now has or may hereafter acquire in the Collateral. Landlord agrees that any lien or claim it may now have or may hereafter have in the Collateral will be subject at all times to Lender's security interest (or other present or future interest) in the Collateral and will be subject to the rights granted by Landlord to Lender in this Agreement.

**ENTRY ONTO PREMISES.** Landlord and Borrower grant to Lender the right to enter upon the Premises for the purpose of removing the Collateral from the Premises or conducting sales of the Collateral on the Premises. The rights granted to Lender in this Agreement will continue until a reasonable time after Lender receives notice in writing from Landlord that Borrower no longer is in lawful possession of the Premises. If Lender enters onto the Premises and removes the Collateral, Lender agrees with Landlord not to remove any Collateral in such a way that the Premises are damaged, without either repairing any such damage or reimbursing Landlord for the cost of repair.

**MISCELLANEOUS PROVISIONS.** This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement. The covenants of Borrower and Landlord respecting subordination of the claim or claims of Landlord in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any claim or claims to which this Agreement shall apply. Lender need not accept this Agreement in writing or otherwise to make it effective. This Agreement 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 Agreement on behalf of Landlord represents and warrants to Lender that he or she has full power and authority to execute this Agreement on Landlord's behalf. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is in writing and signed by Lender. Without notice to Landlord and without affecting the validity of this Consent, Lender may do or not do anything it deems appropriate or necessary with respect to the Loan, any obligors on the Loan, or any Collateral for the Loan; including without limitation extending, renewing, rearranging, or accelerating any of the Loan obligations. 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 Agreement shall not constitute a waiver of or prejudice Lender's right otherwise to demand strict compliance with that provision or any other provision. Whenever consent by Lender is required in this Agreement, the granting of such consent by Lender in any one instance shall not constitute continuing consent to subsequent instances where such consent is required.



09-29-1992  
Loan No 0001/0039

LANDLORD'S CONSENT  
(Continued)

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BORROWER AND LANDLORD ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S CONSENT, AND BORROWER AND LANDLORD AGREE TO ITS TERMS. THIS AGREEMENT IS DATED SEPTEMBER 29, 1992.

BORROWER:

Bain's Tower Drug & Gifts, Inc.

x Cindy Able  
Authorized Officer

President

LANDLORD:

Billy J. Skillington and Melvin L. Stewart, dba Tower Enterprises

x Billy J. Skillington  
Landlord's Signature

LENDER:

United States National Bank of Oregon

x Barbara L. Roufs  
Authorized Officer

LENDER ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath Falls

On this 24<sup>th</sup> day of November, 1992, before me, the undersigned Notary Public, personally appeared Barbara L. Roufs and known to me to be the Authorized Officer of the 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 Carmen Babcock

Residing at Klamath Falls, Or, 97601

Notary Public in and for the State of Oregon

My commission expires 5/2/94

CARMEN BABCOCK  
NOTARY PUBLIC-OREGON

My Commission Expires 5/2/94

CORPORATE ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath

On this 20<sup>th</sup> day of November, 1992, before me, the undersigned Notary Public, personally appeared Cindy L. Able

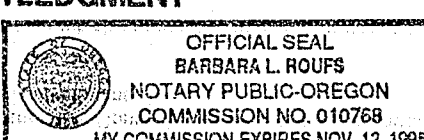
of Bain's Tower Drug & Gifts, Inc., and known to me to be authorized agent(s) of the corporation that executed the Landlord's Consent and acknowledged the Agreement to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Agreement and in fact executed the Agreement on behalf of the corporation.

By Barbara L. Roufs

Residing at Klamath Falls

Notary Public in and for the State of Oregon

My commission expires 11/12/95



LANDLORD ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath

On this day before me, the undersigned Notary Public, personally appeared Billy J. Skillington and Melvin L. Stewart, dba Tower Enterprises, to me known to be the individual described in and who executed the Landlord's Consent, and acknowledged that he or she signed the Agreement as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

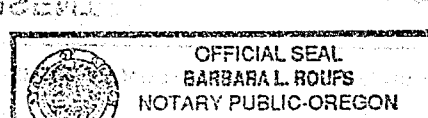
Given under my hand and official seal this 20<sup>th</sup> day of November, 1992.

By Barbara L. Roufs

Residing at Klamath Falls

Notary Public in and for the State of Oregon

My commission expires 11/12/95



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of U. S. Bank the 1st day of Dec. A.D., 19 92 at 11:27 o'clock AM., and duly recorded in Vol. M92 of Mortgages on Page 28370.

FEE \$15.00

Evelyn Biehn -County Clerk

By Dorene Mueller