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Vol. 94 Page 19399

RECORDATION REQUESTED BY:

South Valley State Bank
5215 South Sixth Street
Klamath Falls, OR 97603

WHEN RECORDED MAIL TO:

South Valley State Bank
5215 South Sixth Street
Klamath Falls, OR 97603

SEND TAX NOTICES TO:

South Valley State Bank
5215 South Sixth Street
Klamath Falls, OR 97603

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

LANDLORD'S CONSENT

THIS LANDLORD'S CONSENT is entered into among Gregory L Baker and Denise V Baker ("Borrower"), whose address is 2365 Linda Vista Drive, Klamath Falls, OR 97601; South Valley State Bank ("Lender"), whose address is 5215 South Sixth Street, Klamath Falls, OR 97603; and Winema Motors, Inc. ("Landlord"), whose address is 3715 Schooler Court, Klamath Falls, OR 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 Gregory L Baker and Denise V Baker.

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:

2141E Call Fixtures, including but not limited to See Attached Exhibit "A" For Inventory; Exhibit "B" For Equipment

Landlord. The word "Landlord" means Winema Motors, Inc.. 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 September 20, 1993, between Landlord and Borrower.

Lender. The word "Lender" means South Valley State Bank, 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 522 S. Fifth, Klamath Falls, OR 97601, and legally described as:

R-3809-032AD-11100-000, Klamath, Block 98, Lots 1-10.

BORROWER'S ASSIGNMENT OF LEASE. Borrower hereby assigns to Lender all of Borrower's rights in the Lease, as partial security for the Loan. The parties intend that this assignment will be a present transfer to Lender of all of Borrower's rights under the Lease, subject to Borrower's rights to use the Premises and enjoy the benefits of the Lease while not in default on the Loan or Lease. Upon full performance by Borrower under the Loan, this assignment shall be ended, without the necessity of any further action by any of the parties. This assignment includes all renewals of and amendments to the Lease or the Loan, until the Loan is paid in full. No amendments may be made to the Lease without Lender's prior written consent, which shall not be unreasonably withheld or delayed.

CONSENT OF LANDLORD. Landlord consents to the above assignment. If Borrower defaults under the Loan or the Lease, Lender may reassign the Lease, and Landlord agrees that Landlord's consent to any such reassignment will not be unreasonably withheld or delayed. So long as Lender has not entered the Premises for the purpose of operating a business, Lender will have no liability under the Lease, including without limitation liability for rent. Whether or not Lender enters into possession of the Premises for any purpose, Borrower will remain fully liable for all obligations of Borrower as lessee under the Lease. While Lender is in possession of the Premises, Lender will cause all payments due under the Lease and attributable to that period of time to be made to Landlord. If Lender later reassigns the Lease or vacates the Premises, Lender will have no further obligation to Landlord.

LEASE DEFAULTS. Both Borrower and Landlord agree and represent to Lender that, to the best of their knowledge, there is no breach or offset existing under the Lease or under any other agreement between Borrower and Landlord. Landlord agrees not to terminate the Lease, despite any default by Borrower, without giving Lender written notice of the default and an opportunity to cure the default within a period of sixty (60) days from the receipt of the notice. If the default is one that cannot reasonably be cured by Lender (such as insolvency, bankruptcy, or other judicial proceedings against Borrower), then Landlord will not terminate the Lease so long as Landlord receives all sums due under the Lease for the period during which Lender is in possession of the Premises, or so long as Lender reassigns the Lease to a new lessee reasonably satisfactory to Landlord.

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

03-03-1994

Loan No 205453

LANDLORD'S CONSENT

(Continued)

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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 obligations on the Loan, or any Collateral for the Loan, including without limitation extending, renewing, rearranging, or accelerating any of the Loan indebtedness. 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.

EACH BORROWER AND LANDLORD ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S CONSENT, AND EACH BORROWER AND LANDLORD AGREES TO ITS TERMS. THIS AGREEMENT IS DATED MARCH 3, 1994.

BORROWER: Gregory L. Baker Denise V. Baker

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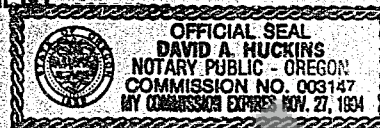
Gregory L. Baker Denise V. Baker

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LANDLORD'S CONSENT
(Continued)

LANDLORD ACKNOWLEDGMENT

STATE OF OREGON)
COUNTY OF KLAMATH) SS



On this day before me, the undersigned Notary Public, personally appeared Paul Flury, 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 29th day of April, 19 94.

By David A. Huckins Residing at KLAMATH FALLS, OR

Notary Public in and for the State of Oregon My commission expires 11-27-94

EXHIBIT "A"

All used vehicle inventory of G.B. Investment Company dba Lakeside Motors, excluding those factory return vehicles acquired at auction and subsequently floored with Chrysler Credit Corporation, whether now existing or hereafter acquired, together with all accessories attached thereto all chattel paper, documents of title and all proceeds arising out of the rental, lease, sale or other disposition thereof, including all cash, accounts receivable, contract rights, general intangibles, chattel paper, notes and any other obligation or evidence of obligation to Debtor.

EXHIBIT "B"

FIXED ASSETS

DESCRIPTION	YEAR
Television	1982
9 Above-Ground Hoists	
Electric Typewriter	1984
Calculator	1984
Microwave	1984
Additional Telephones	1984
Salesman's Desk and Chair	1984
Check Protector	1985
Telephone System	1985
VCR	1985
Desk and Chair	1985
Sign	1985
Building UC Shack	1985
Undercoating Gun	1986
File Cabinets	1986
Desk and Chair	1986
Light Pole/Fixtures	1986
NEC Telephone System	1986
Hunter Alignment Machine	1986
Allen Smart Scope	1987
Vacuum	1987
Adding Machine	1987
Snow Plow Blade	1988
Mita Photocopier	1988
Panasonic Electric Typewriter	1988
Update Brake Equipment	1988
Electric Typewriter	1989
Update Air Conditioning	1989
Desk	1989
File Cabinets	1989
Lathe Brake	1989
Trans Jack (2)	1989
Lathan Time Clock	1989
Volts Ampere Tester	1989
Sofa	1989
Mobile Car Wash	1989
Computerized Key Machine	1991
2 Floor Jacks	
2 Bumper Jacks	

EXHIBIT "B"

FIXED ASSETS

Hunter Wheel Balancer	
Safe	
Computer Desk in Office	
2 Refrigerators	
Used Desks	1991
Cannon Photocopier	1993
Showroom Furniture	1993
Steam Cleaner	1989
Lathe and Adapter	1989
Display Platforms	1989
Washer and Dryer	1990
Car Wash Equipment	1991
Cam Machine Updates and Cam Machine	1991
Service Equipment	1992
Telephone System Wiring	1989
Sofa	1989
Paging System	1990
Computer Equipment and Laser Printer	1990
Okidata Printer	1990
Shades and Mylar Film	1990
2 Fax Machines	1990
Northwest Audio Phone Systems Upgrade	1991
Two Desks	1991
R12 Freon Equipment	
R134A Freon Equipment	
2 Battery Chargers	
Misc. Special Tools for Cars and Trucks	
1 Tech I for GM Cars	
1 DRB II for Chrysler Cars and Trucks	
4 Solvent Tanks	
1 Vat 40	
50 File Cabinets	
Dividers for Closing Booths	

STATE OF OREGON,
County of Klamath ss.

Filed for record at request of:

S. Valley State Bank

on this 21st day of June A.D., 19 94
at 1:34 o'clock P M. and duly recorded
in Vol. M94 of Mortgages Page 19399

Evelyn Biehn County Clerk

By Debbie Mendenhall
Deputy.

Fee, \$35.00