

32541

Vol. M97 Page 3853

97 FEB-7 P1:02

RECORDING REQUESTED BY

WHEN RECORDED MAIL TO

Owens Financial Group, Inc.
P. O. Box 2308
Walnut Creek CA 94595

Loan #50342

Q49601-1

Absolute Assignment Of Rents And Leases

Dated January 30th, 1997

and entered into by and and between

OLD STRATFORD L.L.C., a Nevada limited liability company
hereinafter referred to as "Assignor"; and

OWENS FINANCIAL GROUP, INC., a California Corporation
hereinafter referred to as "Assignee":

APN #: 3909-31BB-300

WITNESSETH

Assignor, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby bargain, sell, transfer, assign, convey, set over and deliver unto Assignee all right, title and interest of the Assignor in, to and under the lease and rental agreements affecting the premises described herein, or any part thereof, now existing or which may be executed at any time in the future during the life of this Assignment, and all amendments, extensions and renewals of said lease and rental agreements, and any of them, (all of which are hereinafter collectively referred to as the "Leases"), and all rents, royalties, issue, revenues, income and profits which may now or hereafter be or become due or owing under the Leases, and any of them, or which may be derived from or exist on account of the use of the premises.

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INITIALS

Monroy

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This Assignment is made for the purpose of securing:

A. The payment of the indebtedness (including any extensions or renewals thereof), evidenced by a certain Note of even date herewith in the principal sum of:
\$500,000.00
and secured by that certain Deed of Trust of even date herewith upon all that real property located in the

City of Klamath Falls, County of Klamath, State of Oregon

and described as follows:

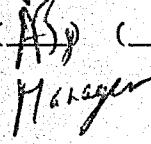
SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR LEGAL DESCRIPTION.

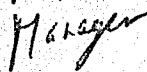
(hereinafter referred to as the "Deed of Trust");

B. The payment of any other indebtedness or liability of Assignor to Assignee, now or hereafter arising, and secured by the Deed of Trust; and
C. The performance and discharge of each and every term, covenant and condition of Assignor contained in the Note, Deed of Trust, or any other instrument constituting security for the Note.

ASSIGNOR WARRANTS, COVENANTS AND AGREES WITH ASSIGNEE AS FOLLOWS:

1. That it is the sole owner of the entire Lessor's interest in the Leases and that, it has not and shall not execute any other assignment of any of the Leases or the rents, income and profits accruing from the premises, and that it has not and shall not intentionally and voluntarily perform any acts or execute any other instrument which might prevent Assignee from fully exercising its rights under any of the terms, covenants and conditions of this Assignment. If there are any exceptions, they shall be set out and identified in an Exhibit and attached hereto.

 () () () ()
Initial


M. L. Mayer

2. That the Leases are valid and enforceable in accordance with their terms and have not been altered, modified, amended, terminated, renewed, nor have any of the terms and conditions thereof been waived, in any manner whatsoever, except as approved in writing by Assignee, and shall not be altered, modified, amended, terminated, renewed, or any term or condition thereof be waived, without the prior written approval of Assignee, which approval shall not be unreasonably withheld.

3. That there are no defaults now existing under any of the Leases, and there exists no state of facts which, with the giving of notice or lapse of time, or both, would constitute a default under any of the Leases; and that Assignor will fulfill or perform each and every condition and covenant of each of the Leases by Lessor to be fulfilled or performed, give prompt notice to Assignee of any notice of default by Assignor under any of the Leases received by Assignor, together with complete copy of any such notice. Assignor shall, at the sole cost and expense of Assignor, enforce, short of termination of any Lease, the performance or observance of each and every covenant and condition of all such Leases by the Lessee(s) to be performed observed.

4. That it has not and shall not collect, or accept payment of, rent under any of the Leases more than one (1) month in advance, other than as provided under the Leases.

5. Assignor shall, upon receipt of demand by Assignee, deliver copies of all Leases covered by this Assignment.

6. That it shall and does hereby assign and transfer to the Assignee any and all subsequent leases upon all, or any part, of the premises, and shall execute and deliver, at the request of Assignee, all such further assurances and assignments as Assignee shall, from time to time, require or deem necessary.

7. That each of the Leases shall remain in full force and effect, irrespective of any merger of the interests of the Lessor and Lessee under any of the Leases, without Assignee's approval.

8. That Assignor will not permit the Lessor's interest in any Lease to become subordinate to any lien, other than the lien of the Deed of Trust.

THE PARTIES FURTHER AGREE AS FOLLOWS:

This Assignment is absolute and is effective immediately. Notwithstanding the foregoing, until notified by Assignee in writing that a default has occurred under the terms and conditions of the Note or Deed of Trust, or any other instrument constituting additional security for the Note, Assignor shall have a license to receive, collect and enjoy the rents, income and profits accruing from the premises.

In the event of any default in the Note or Deed of Trust, or any other instrument constituting additional security for the Note, Assignee may, at its option, receive and collect all such rents, income and profits as they become due, from such premises and under any and all Leases for all, or any part, of the premises. Assignee shall, thereafter, continue to receive and collect all such rents, income and profits, until such default has been cured.

Assignor hereby appoints Assignee as its true and lawful attorney, with full power of substitution, and with power for Assignee in its own name and capacity, or in the name and capacity of Assignor, to demand, collect, receive and give complete acquittances for any and all rents, income and profits accruing from the premises after default, and, at Assignee's discretion, to file any claim or take any other action or proceeding and make any settlement of any claims, either in its own name, or in the name of Assignor, or otherwise, which Assignee may deem necessary or desirable in order to collect and enforce the payment of the rents, income and profits. Lessees of the premises are hereby expressly authorized and directed to pay any and all amounts due Assignor pursuant to the Leases to Assignee, or such nominee as Assignee may designate in writing, delivered to and received by such Lessees who are expressly relieved of any and all duty, liability or obligation to Assignor, in respect of all payments so made.

Assignee is hereby vested with full power to use all measures, legal and equitable, deemed by it necessary or proper to enforce this Assignment and to collect the rents, income and profits assigned hereunder, including the right of Assignee, or its designee, to enter upon the premises pursuant to an Order of the Court. Assignor hereby grants full power and authority to Assignee to exercise all rights, privileges and powers herein granted at any and all times hereafter, without notice to Assignor, with full power to use and apply all of the rents and other income herein assigned to the payment of the costs of managing and operating the premises; and of any indebtedness or liability secured by or created under the Note, and any instrument securing it, including, but not limited to, the payment of receiver's fees, receiver's attorneys' fees, receiver's certificate, taxes, special assessments, insurance premiums, damage claims, the costs of maintaining, repairing, rebuilding and restoring the improvements on the premises, or of making the same rentable, attorneys' fees incurred in connection with the enforcement of this Assignment, and of the principal and interest payments due from Assignor to Assignee on the Note and the Deed of Trust, all in such order as Assignee may determine. Assignee shall be under no obligation to exercise or prosecute any of the rights or claims assigned to it hereunder, or to perform or carry out any of the obligations of the Lessor under any of the Leases, and does not assume any of the liabilities in connection with or arising or growing out of the covenants and agreements of Assignor in the Leases. Assignor hereby agrees that the following shall be added to the indebtedness secured hereby: any liability, loss or damage incurred by Assignee hereunder or by reason of this Assignment, including, without limitation, reasonable attorneys' fees which may or might be incurred by it under the Leases, or any and all claims and demands whatsoever, which may be asserted against Assignee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in any of the Leases. Assignor hereby agrees to indemnify Assignee and to hold it harmless from any and all liability, loss or damage, including, without limitation, reasonable attorneys' fees and costs, which may or might be incurred by it under the Leases or by reason of this Assignment, and from any and all claims and demands whatsoever, which may be asserted against Assignee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants, or agreements contained in any of the Leases. It is further understood that this Assignment shall not operate to place responsibility for the control, care, management or repair of the premises, or parts thereof, upon Assignee, nor shall it operate to make Assignee

liable for the performance of any of the terms and conditions of any of the Leases, or for any waste of the premises by the Lessee under any of the Leases, or any other party, or for any dangerous or defective condition of the premises, or for any negligence in the management, upkeep, repair or control of the premises resulting in loss or injury or death of any lessee, licensee, employee or stranger.

Assignee may take or release other security, may release any party, primarily or secondarily liable for any indebtedness secured hereby, may grant extensions, renewals or indulgences with respect to such indebtedness, and may apply any other security therefor held by it to the satisfaction of such indebtedness, without prejudice to any of its rights hereunder.

Upon payment in full of all indebtedness secured hereby, as evidenced by the recording of a full reconveyance, without the recording of another deed of trust in favor of the Assignee affecting the premises, this assignment shall be void and of no effect.

Assignee may, at its option, although it shall not be obligated to do so, perform any Lease covenant for and on behalf of the Assignor, and any monies expended in so doing shall be chargeable, with interest, to the Assignor and added to the indebtedness secured hereby.

Waiver of or acquiescence by Assignee in any default by the Assignor, or failure of the Assignee to insist upon strict performance by the Assignor of any warranties or agreements in this Assignment, shall not constitute a waiver of any subsequent or other default or failure, whether similar or dissimilar. The rights and remedies of Assignee under this Assignment are cumulative and are not in lieu of, but are in addition to any other rights or remedies which Assignee shall have under the Note, Deeds of Trust, or any other instrument constituting security for the Note, or at law or in equity.

If any term of this Assignment, or the application thereof to any person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this Assignment, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Assignment shall be valid and enforceable to the fullest extent permitted by law.

All notices to be given pursuant to this Assignment shall be sufficient if mailed, postage prepaid to the above-described addresses of the parties hereto, or to such other address as a party may request in writing. Any time period provided in the giving of any notice hereunder shall commence upon the date such notice is deposited in the mail.

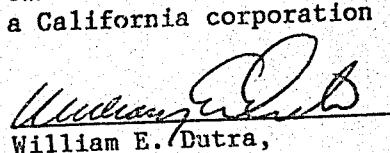
The terms "Assignor" and "Assignee" shall be construed to include the heirs, personal representatives, successors and assigns thereof. The gender and number used in this Assignment are used as a reference term only, and shall apply with the same effect, whether the parties are of the masculine or feminine gender, corporate or other form, and the singular shall, likewise, include the plural.

This Assignment may not be amended, modified or changed, nor shall any waiver of any provision hereof be effective, except only by an instrument in writing and signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought.

IN WITNESS WHEREOF, the said Assignor has caused this instrument to be executed as of the date and year first above written, at Walnut Creek, California.

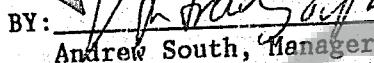
ASSIGNEE:

OWENS FINANCIAL GROUP, INC.,
a California corporation


William E. Dutra,
Vice President

ASSIGNOR:

OLD STRATFORD L.L.C.,
a Nevada limited liability company

BY: 
Andrew South, Manager

MAILING ADDRESS:

P. O. Box 2308
Walnut Creek, Calif. 94595

Mailing Address

c/o The Dwares Group
Attn: Peter Dwares
World Trade Center, Suite 205
San Francisco, CA 94111

ASSIGN.GEN/LOAN.S

Exhibit A

A portion of Tracts 36 and 43 Enterprise Tracts, City of Klamath Falls, Klamath County, Oregon, more particularly described as follows:

Beginning on the Southerly line of Shasta Way, South $0^{\circ}00\frac{1}{2}'$ East 73 feet and North $89^{\circ}54'$ East 280 feet from the section corner common to Sections 33 and 34, Township 38 South, Range 9 East of the Willamette Meridian and Sections 3 and 4, Township 39 South, Range 9 East of the Willamette Meridian; thence South $0^{\circ}00\frac{1}{2}'$ East parallel with the West line of said Tract 43 along the East line of the tract of land described in 2 deeds recorded in Deed Volume 255 at page 261 and Deed Volume 255 at page 613, 659.44 feet to the Northeast line of Pershing Way; thence South $55^{\circ}50\frac{1}{2}'$ East 277.99 feet along said Northeasterly line of Pershing Way; thence North $0^{\circ}00\frac{1}{2}'$ West 820 feet more or less to the Southerly line of Shasta Way; thence South $89^{\circ}54'$ West 230 feet to the point of beginning.

APN: 3909-31BB-300

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STATE OF CALIFORNIA
COUNTY OF Contra Costa

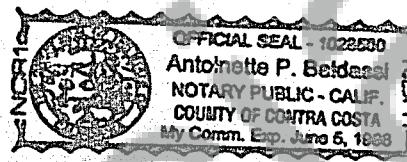
On this 30th day of January in the year of 1996,
before me, the undersigned, a Notary Public in and for said State, personally appeared

William E. Dutra

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Antoinette P. Baldassi
NOTARY PUBLIC



STATE OF CALIFORNIA
COUNTY OF _____

On this _____ day of _____ in the year of _____,
before me, the undersigned, a Notary Public in and for said State, personally appeared

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____
NOTARY PUBLIC

This Certificate is to be attached to the document identified as:

ABSOLUTE ASSIGNMENT OF RENTS AND LEASES
Dated January 30th, 1997

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FORM No. 24—ACKNOWLEDGMENT—CORPORATION.

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NO

STATE OF OREGON,

County of WASHINGTON
before me appeared ANDREW..SOUTH

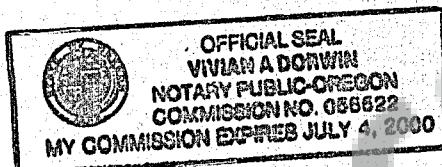
ss.

On this 4th day of FEBRUARY, 1997,
both to me personally known, who beingduly sworn, did say that he/she, the said MANAGER
is the President, and he/she, the saidis the Secretary of OLD STRATEFORD..L.L.C. a NEVADA limited liability
the within named Corporation, and that the seal, if any, affixed to said instrument is the corporate seal of said CORP.
Corporation, and that the said instrument was executed on behalf of said Corporation by authority of its Board
of Directors, and ANDREW..SOUTH and

acknowledge said instrument to be the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed
my official seal the day and year last above written.*Vivian A. Downin*
Notary Public for Oregon.

My commission expires 7/4/2000



STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title
of February A.D. 19 97 at 1:02 o'clock P. M., and duly recorded in Vol. M97
of Mortgages on Page 3853.the 7th day
by *Kathleen Koell*
Bernetha G. Letsch, County Clerk

FEE \$50.00