

K-5125/

RELEASE OF ASSIGNMENT OF RENTS

PARTIES:

Return

South Valley Bank & Trust
formerly South Valley State Bank
801 Main Street
Klamath Falls, Oregon 97601

("Lender")

AND:

Shasta Glen, LLC
63495 O. B. Riley Rd
Bend, Oregon 97701

("Grantor")

RECITALS:

A. In consideration of an extension of credit by the Lender to the Grantor, the Grantor executed and delivered to the Lender an Assignment of Rents, dated October 19, 1995, recorded on November 3, 1995 in Volume M95 at page 30179 Mortgage Records in the office of the Klamath County Clerk concerning the real property described in Exhibit A attached hereto.

B. The Grantor has satisfied their obligations under the extension of credit and have requested this Release of Assignment of Rents.

RELEASE

For and in consideration of the satisfaction of the obligations under the extension of credit the Lender does hereby release the above mentioned Assignment of Rents and discharges the above mentioned real property from the claim thereof by the Lender.

SOUTH VALLEY BANK & TRUST

By:

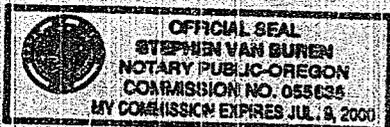
[Signature]
John F. Doty
Vice-President

STATE OF OREGON)

County of Klamath)

ss. 29th September 1997

Personally appeared John F. Doty who, being duly sworn, stated he is Vice-President of South Valley Bank & Trust and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he acknowledged said instrument to be its voluntary act and deed. Before me:



[Signature]
Notary Public for Oregon
My commission expires: July 9, 2000

97 OCT -3 P 2:28

EXHIBIT A

The following described real property situated in Klamath County, Oregon:
 A tract of land situated in the S1/2 SE1/4 NW1/4 of Section 11, Township 39 South, Range 9 East of the Willamette Meridian, described as follows:
 Beginning at the Southwest corner of said S1/2 SE1/4 NW1/4; thence North along the West line of said S1/2 SE1/4 NW1/4 a distance of 301.4 feet to the South line of parcel described in Deed from Klamath Theatres, Inc., to the Klamath County, recorded in Volume 323 page 680, Deed records of Klamath County, Oregon, said point being on the South line of Winter Avenue; thence N 88 degrees 58' E. along said South line, a distance of 197.1 feet; thence N 0 degrees 38' W a distance of 361.2 feet to the North line of said S1/2 SE1/4 NW1/4; thence East along the North line of said S1/2 SE1/4 NW1/4 to the Northwest corner of Parcel conveyed to Samuel R Warren, et ux by deed recorded in volume M69 page 7589, Deed records of Klamath County, Oregon; thence S 0 degrees 06' 30" W a distance of 660.5 feet, more or less, to the Southwest corner of parcel described as Parcel 1, in deed from Klamath Theatres, Inc., to James E Gellatly, recorded in volume M70 page 5573, Deed records of Klamath County, Oregon, said point being on the South line of said S1/2 SE1/4 NW1/4; thence S 89 degrees 43' W, along said South line, a distance of 1013.23 feet, more or less, to the point of beginning.

STATE OF OREGON, COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title the 3rd day
 of October A.D., 19 97 at 2:28 o'clock P.M., and duly recorded in Vol. M97
 of Mortgages on Page 32612

FEE \$15.00

By Bernetha G. Letsch, County Clerk
Kathleen Ross