

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

DATE: 8-1-2009
KRAIG B. WEIDER (Seal)
KRAIG B WEIDER -Borrower

[illegible]

(Seal) _____

[illegible]

It can be seen that the two sentences are identical in meaning, but the first sentence is more natural than the second. The reason for this is that the first sentence is more concise and uses more natural phrasing. The second sentence is more verbose and uses less natural phrasing.

DOC # : 9200664 of SYSTEM 5555555555 APPL # : 99110300055 LOAN # : 090-09-17672
 322R 322R (9904) Page 4 of 4 Form 3111 3/95

THE UNIVERSITY OF THE STATE OF NEW YORK
IN SENATE
JANUARY 11, 1966
REPORT OF THE
COMMISSIONER OF THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
ON THE
PROGRESS OF THE DEPARTMENT'S WORK DURING THE YEAR 1965

(E) Source of Changes

COMMERCIAL PROPERTY RIDER

THIS COMMERCIAL PROPERTY RIDER is made this 15TH day of NOVEMBER, 1999, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to Klamath First Federal Savings and Loan Association (the "Lender") of same date and covering the Property described in the Security Instrument and located at:

519 MAIN ST. Klamath Falls, OR 97601

COMMERCIAL PROPERTY COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

Commercial Property. Borrower covenants and warrants that the Property and Improvements are used by Borrower exclusively for business and commercial purposes. Borrower also covenants and warrants that the Property and Improvements are not now, and at no time in the future will be, occupied as the principal residence of Borrower, Borrower's spouse, or Borrower's minor or dependent child. Any conflicting representation regarding use or occupancy in the Deed of Trust, particularly at Paragraph 6, are superceded by this covenant and warranty.

Compliance with Laws. Borrower further represents, warrants, and covenants that:

- (1) The Property, if developed, has been developed, and all Improvements, if any, have been constructed and maintained, in full compliance with all applicable laws, statutes, ordinances, regulations, and codes of all federal, state, and local governments (collectively "Laws"), and all covenants, conditions, easements, and restrictions affecting the Property (collectively "Covenants"); and
- (2) Borrower and its operations upon the Property currently comply, and will hereafter comply in all material respects with all applicable Laws and Covenants.

3. Limitations of Use. Borrower shall not initiate, join in, or consent to any rezoning of the Property or any change in any Covenant or other public or private restrictions limiting or defining the uses that may be made of all or any part of the Property and the Improvements without the prior written consent of Lender.

4. Assignment of Leases, Rents, Issues, and Profits

4.01 Assignment. Borrower assigns and transfers to Lender (1) all leases, subleases, licenses, rental contracts, and other agreements, whether now existing or hereafter arising, and relating to the occupancy or use of all or any portion of the Property, including all modifications, extensions, and renewals thereof (the "Leases"), and (2) all rents, revenues, issues, profits, income, proceeds, and benefits derived from the Property and the lease, rental, or license of all or any portion thereof, including but not limited to lease and security deposits (collectively, the "Rents"). This assignment is intended by Borrower and Lender to create a present and unconditional assignment to Lender, subject only to the license set forth in Section 4.04 below.

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4.02 Rights of Lender. Subject to the provisions of Section 4.04 below giving Borrower a revocable, limited license, Lender shall have the right, power, and authority to: (1) Notify any and all tenants, renters, licensees, and other obligors under any of the Leases that the same have been assigned to Lender and that all Rents are to be paid directly to Lender, whether or not Lender shall have foreclosed or commenced foreclosure proceedings against the Property; and whether or not Lender has taken possession of the Property; (2) Discount, settle, compromise, release, or extend the time for payment of, any amounts owing under any of the Leases and any Rents, in whole or in part, on terms acceptable to Lender; (3) Collect and enforce payment of Rents and all provisions of the Leases, and to prosecute any action or proceeding, in the name of Borrower or Lender, with respect to any and all Leases and Rents; and (4) Exercise any and all other rights and remedies of the lessor in connection with any of the Leases and Rents.

4.03 Application of Receipts. Lender shall have the right, power, and authority to use and apply any Rents received under this Security Instrument (1) for the payment of any and all costs and expenses incurred in connection with enforcing or defending the terms of this assignment or the rights of Lender, and in collecting any Rents; and (2) for the operation and maintenance of the Property and the payment of all costs and expenses in connection therewith, including but not limited to the payment of utilities, taxes, assessments, governmental charges, and insurance. After the payment of all such costs and expenses, and after Lender shall have set up such reserves as it shall deem necessary in its sole discretion for the proper management of the Property, Lender shall apply all remaining Rents collected and received by it to the reduction of the Obligations in such order as Lender shall determine. The exercise or failure by Lender to exercise any of the rights or powers granted in this assignment shall not constitute a waiver of default by Borrower under this Mortgage, the Note, or any of the other Loan Documents.

4.04 License. Lender hereby grants to Borrower a revocable license to collect and receive the Rents. Such license may be revoked by Lender, without notice to Borrower, upon the occurrence of any event of default under this Security Instrument, including any default by Borrower of its covenants in the Security Instrument or this Commercial Property Rider. Unless and until such license is revoked, Borrower agrees to apply the proceeds of Rents to the payment of the Obligations and to the payment of taxes, assessments, governmental charges, insurance premiums, and other obligations in connection with the Property, and to the maintenance of the Property, before using such proceeds for any other purpose. Borrower agrees to (1) observe and perform every obligation of Borrower under the Leases; (2) enforce or secure at its expense the performance of every obligation to be performed by any lessee or other party under the Leases; (3) promptly give notice to Lender of any default by any such lessee or other party under any of the Leases, and promptly provide Lender a copy of any notice of default given to any such lessee or other party; (4) not collect any Rents more than 30 days in advance of the time when the same shall become due, or anticipate any other payments under the Leases, except for bona fide security deposits not in excess of an amount equal to two months' rent; (5) not further assign or hypothecate any of the Leases or Rents; (6) except with Lender's prior written consent, not waive, release, or in any other manner discharge any lessee or other party from any of its obligations under any of the Leases; (7) except with Lender's prior written consent, not modify or amend any of the Leases; (8) except with Lender's prior written consent, not cancel, terminate, or accept surrender of any of the Leases unless Borrower shall have entered into a

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Lease for the space to be vacated on terms at least as favorable to Borrower, commencing within 30 days after such cancellation, termination, or surrender; (9) obtain Lender's prior written approval as to the form and content of all future leases and any modifications of any present or future leases; (10) deliver copies of all present and future leases to Lender promptly; and (11) appear in and defend, at Borrower's sole cost and expense, any action or proceeding arising out of or in connection with the Leases or the Rents.

4.05 Limitation of Lender's Obligations. Notwithstanding the assignment provided for in this Section 4, Lender shall not be obligated to perform or discharge, and Lender does not undertake to perform or discharge, any obligation or liability with respect to the Leases or the Rents. This assignment shall not operate to place responsibility for the control, care, maintenance, or repair of the Property upon Lender, or to make Lender responsible for any condition of the Property. Lender shall be accountable to Borrower only for the sums actually collected and received by Lender pursuant to this assignment. Borrower shall hold Lender fully harmless from, indemnify Lender for, and defend Lender against any and all claims, demands, liabilities, losses, damages, and expenses, including attorney fees, arising out of any of the Leases, with respect to any of the Rents, or in connection with any claim that may be asserted against Lender on account of this assignment or any obligation or undertaking alleged to arise therefrom.

4.06 Termination. The assignment provided for in this Section 4 shall continue in full force and effect until all the Obligations have been fully paid and satisfied. At such time, this assignment and the authority and powers herein granted by Borrower to Lender shall cease and terminate.

4.07 Attorney-in-Fact. Borrower irrevocably constitutes and appoints Lender, and each of its officers, as its true and lawfully attorney-in-fact, with power of substitution, to undertake and execute any and all of the rights, powers, and authorities described in this Section 4 with the same force and effect as if undertaken or performed by Borrower, and Borrower ratifies and confirms any and all such actions that may be taken or omitted to be taken by Lender, its employees, agents, and attorneys.

Cross-Default Provision. Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

Financial Information, Books & Records, Inspection. Borrower shall furnish to Lender within 90 days after the end of each of Borrower's fiscal years a complete copy of Borrower's financial statements for such year, audited or reviewed by a certified public accountant (including balance sheet, income statement, and statement of changes in financial position). Borrower shall also furnish copies of annual tax returns within 30 days after filing. Borrower shall promptly furnish to Lender any and all such other financial information as Lender shall reasonably request from time to time. Borrower shall keep complete and accurate records and books of account with respect to the Property and its operation in accordance with generally accepted accounting principles consistently applied. Borrower shall permit Lender and its authorized representatives to enter and inspect the Property, and to examine and make copies or extracts of the records and books of account of the Borrower with respect to the Property, all at such reasonable times as Lender may choose.

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UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY US AFTER OCTOBER 3, 1989, CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY US TO BE ENFORCEABLE.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Commercial Property Rider

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State of Oregon, County of Klamath
Recorded 11/19/99, at 3:22 p.m.
In Vol. M99, Page 4624

Linda Smith,
County Clerk Fee\$ 120