

State of Oregon, County of Klamath
Recorded 06/14/2002 3:20 P m.
Vol M02, Pg 34943-44P
Linda Smith, County Clerk
Fee \$ 26.00 # of Pgs 2

AFTER RECORDING RETURN TO:

THE JAMES COMPANY
114 W. Magnolia, Suite 419
Bellingham, WA 98225

(Order No. 55226-KR)

ASSIGNMENT OF DEED OF TRUST

For Value Received, the undersigned as Beneficiary, hereby grants, conveys, assigns and transfers to THE JAMES COMPANY PROFIT SHARING PLAN, 77.5% of the beneficial interest under that certain Deed of Trust dated October 15, 2001, executed by RONALD J. DACE and THERESA A. DACE, as tenants by the entirety, Grantor, to AMERITITLE, an Oregon Corporation, Trustee, and recorded on October 25, 2001, in Volume M01, page 54309, Microfilm Records of Klamath County, Oregon describing land therein as:

PARCEL 1:

The W1/2 NE1/4 and E1/2 NW1/4 of Section 31, Township 35 South, Range 13 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 2:

A portion of the W1/2 NE1/4 SE1/4 of Section 31, Township 35 South, Range 7 East of Willamette Meridian, Klamath County, Oregon, lying Northerly of the O.C. & E. Railroad right of way, EXCEPT THEREFROM that portion lying within the right of way of Sycan Road.

Subject to the terms and conditions of the attached Exhibit "A", by this reference made a part hereof.

The undersigned warrants there are no representations, claims, rights or offsets of Dace or assigns, other than those representations, claims, rights or offsets as set forth of record.

Together with note or notes therein described or referred to, the money due and to become due thereon, with interest, and all rights accrued or to accrue under said Deed of Trust.

Dated: June ~~10th~~ 2002

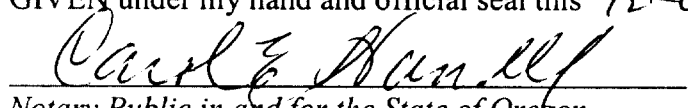

John A. Barker (Beneficiary)


Debbie Ann Barker (Beneficiary)

STATE OF OREGON }
County of Curry }

On this day personally appeared before me John A. Barker and Debbie Ann Barker to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 12th day of June, 2002.


Notary Public in and for the State of Oregon

Residing at: 709 Chelsea Ave, Brookings

My commission expires on: 12-17-04



26 M

EXHIBIT "A"

PARTIAL ASSIGNMENT OF NOTE AND DEED OF TRUST

In consideration of the sum of TEN DOLLARS (\$10.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, the undersigned JOHN A. BARKER and DEBBIE ANN BARKER, or the survivor thereof, hereinafter referred to as "Assignor," hereby sell, assign, transfer and convey unto THE JAMES COMPANY PROFIT SHARING PLAN hereinafter referred to as "Assignee", (77.5%) undivided interest in and to all of their right, and interest in and to that certain promissory note and deed of trust, hereinafter "Note//Deed of Trust," in the original principal amount of Two Hundred Nine Thousand and No/100 Dollars (\$209,000.00) dated October 15, 2001, and recorded on October 25, 2001, in Volume M01, page 54309, Microfilm Records of Klamath County, Oregon, by and between John A. Barker and Debbie Ann Barker, or the survivor thereof as beneficiary and Ronald J. Dace and Theresa A. Dace, as tenants by the entirety, grantor.

The balance due on said Note/Deed of Trust as of the date of this Partial Assignment is \$207,314.56 and all payments on said Note/Deed of Trust made after the date on this Partial Assignment until payment in full on the assigned portion of said Note/Deed of Trust, plus interest according to the terms of said Note/Deed of Trust, and plus all sums expended, if any, to protect Assignee's interest in said Note/Deed of Trust, shall be first paid to Assignee and or Assignee's assigns.

AT SUCH TIME as the assigned portion of the hereinabove described Note/Deed of Trust is fully paid, Assignee shall reassign to Assignor said Note/Deed of Trust subject to the following terms.

ALL SUMS which may be expended by Assignee for the purpose of protecting and preserving the interest of Assignee in said Note/Deed of Trust, and/or for preserving and protecting the property herein above described, shall be added to the then remaining sum due Assignee under this Assignment, and shall bear interest at the same rate as the rate specified in said Note/Deed of Trust. Such sums shall include but not be limited to payments on prior liens and encumbrances, taxes, assessments and payments on prior Deeds of Trusts or Contracts.

IN THE EVENT of default by the Payor/Grantor of said Note and Deed of Trust which is not cured and which leads to foreclosure and repossession of the property, any funds remaining unpaid to Assignee pursuant to this Assignment shall be paid to Assignee from funds generated upon resale of the property together with interest, expenses of foreclosure, selling costs and any other expenses incurred as provided above. On recovery of all funds due Assignee pursuant to this paragraph, Assignee shall reassign to Assignor all it's right, title and interest in the property. Provided, however, that in the event of default by such Payor/Grantor, or for any other reason in Assignee's sole discretion, Assignee may re-assign it's interest in said Note to Assignor and so extinguish it's interest therein.

ASSIGNOR represents and warrants that they understand that only a portion of the herein-described Note and Deed of Trust is being assigned to Assignee by this instrument, and does hereby appoint Assignee his attorney in fact for the purpose of executing and all documents reasonably necessary to permit Assignee to foreclose said Note and Deed of Trust in the event of default, or take any other action which may become necessary or desirable in order to enforce said Note/Deed of Trust including without limitation the authority to bring judicial action or to instigate foreclosure proceedings under the terms of the Note/Deed of Trust.

IN FURTHER CONSIDERATION for the purchase of an undivided interest in and to the herein described Note/Deed of Trust, Assignor hereby grants to Assignee a first right of refusal to purchase all or any portion of the retained or reserved right, title and interest in and to said Note/Deed of Trust, should Assignor elect to sell all or any portion of the retained or reserved portion of this Note/Deed of Trust. To implement this right of first refusal, Assignor shall submit to Assignee written notice of the amount of money and terms upon which he has received an offer to purchase, and Assignee shall thereafter have a period of fourteen (14) days in which to accept or decline to purchase the remaining portion or any percentage of the reserved portion of said Note/Deed of Trust on the same terms and conditions as submitted. If Assignee does not accept such offer to purchase, Assignor shall be free to sell the same percentage interest offered to Assignee on the same terms and conditions; PROVIDED, HOWEVER, that Assignor may not sell a different portion of the interest reserved nor sell on terms and conditions different than those offered to Assignee.