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Vol M04 Page 15160

Recordation Requested By
and after recordation return to:

Katten Muchin Zavis Rosenman
401 S. Tryon Street, Suite 2600
Charlotte, NC 28202-1935
Attention: William P. McMillan, Esq.
Telephone No. 704-444-2000
(File No. 330062-00029)

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Linda Smith, County Clerk
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DOCUMENT TITLE & NAME(S) OF THE TRANACTIONS:

ASSIGNMENT OF LEASES AND RENTS

NAME OF GRANTOR/ASSIGNOR:

1. **BI-MART CORPORATION, a California corporation**

NAME OF GRANTEE/ASSIGNEE:

1. **MORGAN STANLEY DEAN WITTER COMMERCIAL FINANCIAL SERVICES, INC., a Delaware corporation**

ASSESSOR'S PROPERTY TAX OR
PARCEL ACCOUNT NUMBERS: Tax Parcel Number: R530991

166F

BI-MART CORPORATION,

as assignor

(Grantor)

to

**MORGAN STANLEY DEAN WITTER COMMERCIAL FINANCIAL SERVICES, INC., as
assignee**

(Lender)

**ASSIGNMENT
OF LEASES AND RENTS**

Dated: February 27, 2004

**PREPARED BY AND UPON
RECORDATION RETURN TO:**

**Katten Muchin Zavis Rosenman
401 S. Tryon Street
Suite 2600
Charlotte, North Carolina 28202-1935
Attention: William P. McMillan, Esq.
Telephone No. 704.444.2000
(File No. 330062-00029)**

THIS ASSIGNMENT OF LEASES AND RENTS (this "Assignment") is made as of the 27th day of February, 2004, by BI-MART CORPORATION, a California limited liability company, having its principal place of business at 220 South Seneca Road, Eugene, Oregon 97402, as assignor ("Grantor") to MORGAN STANLEY DEAN WITTER COMMERCIAL FINANCIAL SERVICES, INC., a Delaware corporation, having an address at 825 Third Avenue, 15th Floor, New York, New York 10022, as assignee ("Lender").

RECITALS:

Bi-Mart Acquisition Sub LLC ("Newco Sub") and Lender have entered into a Term Loan Agreement dated as of February 27, 2004 (said Term Loan Agreement, as it may hereafter be amended, modified or restated from time to time, being the "Credit Agreement") whereby Lender is making a term loan to Newco Sub in the amount of Thirty Million and no/100 Dollars (\$30,000,000) (the "Loan") in lawful money of the United States of America, with interest from the date thereof at the rate set forth in the Credit Agreement, principal and interest to be payable in accordance with the terms and conditions provided in the Credit Agreement and the promissory note of even date therewith in the original principal amount of \$30,000,000 made by Newco Sub payable to the order of Lender (the "Note"). Grantor has joined in the execution of the Credit Agreement as a guarantor of the Loan. Substantially simultaneously with the funding of the Loan, Newco Sub will merge into Grantor, with Grantor being the surviving entity, whereupon Grantor will succeed to the obligations of Newco Sub as maker of the Note and borrower under the Credit Agreement.

Grantor has guaranteed Newco Sub's obligations under the Credit Agreement and the Note pursuant to a Guaranty of even date herewith (the "Guaranty").

Grantor desires to secure the payment of the Indebtedness (defined below) and the performance of all of its obligations under the Guaranty, the Note, the Credit Agreement and the other Obligations as defined in Article 2 of the Security Instrument (defined below).

ARTICLE I

ASSIGNMENT

Section 1.1 Property Assigned. Grantor hereby absolutely and unconditionally assigns and grants to Lender the following property, rights, interests and estates, now owned, or hereafter acquired by Grantor:

(a) Leases. All existing and future leases affecting the use, enjoyment, or occupancy of all or any part of those certain lots or pieces of land, more particularly described in Exhibit A annexed hereto and made a part hereof, together with the buildings, structures, fixtures, and improvements now or hereafter located thereon (collectively, the "Property") and the right, title and interest of Grantor, its successors and assigns, therein and thereunder.

(b) Other Leases and Agreements. All other leases, subleases and other agreements, whether or not in writing, affecting the use, enjoyment or occupancy of the Property or any portion thereof now or hereafter made, whether made before or after the filing by or against Grantor of any petition for relief under 11 U.S.C. § 101 et seq., as the same may be amended from time to time (the "Bankruptcy Code") together with any extension, renewal or replacement of the same, this Assignment of other present and future leases and present and future agreements being effective without further or supplemental assignment. The leases described in Subsection 1.1(a) and the leases and other agreements described in this Subsection 1.1(b), together with all other present and future leases and present and future agreements and any extension or renewal of the same are collectively referred to as the "Leases".

(c) Rents. All rents, additional rents, revenues, income, issues and profits arising from the Leases and renewals and replacements thereof and any cash or security deposited in connection therewith and together with all rents, revenues, income, issues and profits (including all oil and gas or other mineral royalties and bonuses) from the use, enjoyment and occupancy of the Property, whether paid or accruing before or after the filing by or against Grantor of any petition for relief under the Bankruptcy Code (collectively, the "Rents").

(d) Bankruptcy Claims. All of Grantor's claims and rights (the "Bankruptcy Claims") to the payment of damages arising from any rejection by a lessee of any Lease under the Bankruptcy Code.

(e) Lease Guaranties. All of Grantor's right, title and interest in and claims under any and all lease guaranties, letters of credit and any other credit support given by any guarantor in connection with any of the Leases (individually, a "Lease Guarantor" and collectively, the "Lease Guarantors") to Grantor (individually, a "Lease Guaranty" and collectively, the "Lease Guaranties").

(f) Proceeds. All proceeds from the sale or other disposition of the Leases, the Rents, the Lease Guaranties and the Bankruptcy Claims.

(g) Other. All rights, powers, privileges, options and other benefits of Grantor as lessor under the Leases and beneficiary under the Lease Guaranties, including without limitation the immediate and continuing right to make claim for, receive, collect and receipt for all Rents payable or receivable under the Leases and all sums payable under the Lease Guaranties or pursuant thereto (and to apply the same to the payment of the Indebtedness or the other Obligations), and to do all other things which Grantor or any lessor is or may become entitled to do under the Leases or the Lease Guaranties.

(h) Entry. The right, at Lender's option, upon revocation of the license granted herein, to enter upon the Property in person, by agent or by court-appointed receiver, to collect the Rents.

(i) Power of Attorney. Grantor's irrevocable power of attorney, coupled with an interest, to take any and all of the actions set forth in Section 3.1 of this Assignment and any or all other actions designated by Lender for the proper management and preservation of the Property.

(j) Other Rights and Agreements. Any and all other rights of Grantor in and to the items set forth in subsections (a) through (i) above, and all amendments, modifications, replacements, renewals and substitutions thereof.

Section 1.2 Consideration. This Assignment is made in consideration of that certain loan made by Lender to Newco Sub evidenced by the Note in the principal sum of \$30,000,000, and secured by that certain mortgage and security agreement, deed of trust and security agreement, deed to secure debt and security agreement or similar real estate security instrument given by Grantor for the benefit of Lender, dated the date hereof, covering the Property and intended to be duly recorded (the "Security Instrument"). The principal sum, interest and all other sums due and payable under the Guaranty, the Note, the Credit Agreement, the Security Instrument, this Assignment and the Other Security Documents (defined below) are collectively referred to as the "Indebtedness". The documents other than this Assignment, the Guaranty, the Note, the Credit Agreement or the Security Instrument now or hereafter executed by Newco Sub and/or Grantor and/or others and by or in favor of Lender which wholly or partially secure or guarantee payment of the Indebtedness are referred to herein as the "Other Security Documents".

Section 1.3 Termination of Assignment. Upon payment in full of the Indebtedness and the delivery and recording of a satisfaction or discharge of Security Instrument duly executed by Lender, this Assignment shall become null and void and shall be of no further force and effect.

ARTICLE II

TERMS OF ASSIGNMENT

Section 2.1 Present Assignment and License Back. It is intended by Grantor that this Assignment constitute a present, absolute assignment of the Leases, Rents, Lease Guaranties and Bankruptcy Claims, and not an assignment for additional security only. Nevertheless, subject to the terms of this Section 2.1, Lender grants to Grantor a revocable license to collect and receive the Rents and other sums due under the Lease Guaranties. Grantor shall hold the Rents and all sums received pursuant to any Lease Guaranty, or a portion thereof sufficient to discharge all current sums due on the Indebtedness, in trust for the benefit of Lender for use in the payment of such sums.

Section 2.2 Notice to Lessees. Grantor hereby agrees to authorize and direct the lessees named in the Leases or any other or future lessees or occupants of the Property and all Lease Guarantors to pay over to Lender or to such other party as Lender directs all Rents and all

sums due under any Lease Guaranties upon receipt from Lender of written notice to the effect that Lender is then the holder of the Security Instrument and that a Default (defined below) exists, and to continue so to do until otherwise notified by Lender.

Section 2.3 Incorporation by Reference. All representations, warranties, covenants, conditions and agreements contained in the Security Instrument as same may be modified, renewed, substituted or extended are hereby made a part of this Assignment to the same extent and with the same force as if fully set forth herein.

ARTICLE III

REMEDIES

Section 3.1 Remedies of Lender. Upon or at any time after the occurrence of a default under this Assignment or an Event of Default (as defined in the Security Instrument) (a "Default"), the license granted to Grantor in Section 2.1 of this Assignment shall automatically be revoked, and Lender shall immediately be entitled to possession of all Rents and sums due under any Lease Guaranties, whether or not Lender enters upon or takes control of all or any portion of the Property. In addition, Lender may, at its option, without waiving such Default, without notice and without regard to the adequacy of the security for the Indebtedness, either in person or by agent, nominee or attorney, with or without bringing any action or proceeding, or by a receiver appointed by a court, dispossess Grantor and its agents and servants from all or any portion of the Property, without liability for trespass, damages or otherwise and exclude Grantor and its agents or servants wholly therefrom, and take possession of all or any portion of the Property and all books, records and accounts relating thereto and have, hold, manage, lease and operate all or any portion of the Property on such terms and for such period of time as Lender may deem proper and either with or without taking possession of all or any portion of the Property in its own name, demand, sue for or otherwise collect and receive all Rents and sums due under all Lease Guaranties, including those past due and unpaid with full power to make from time to time all alterations, renovations, repairs or replacements thereto or thereof as may seem proper to Lender and may apply the Rents and sums received pursuant to any Lease Guaranties to the payment of the following in such order and proportion as Lender in its sole discretion may determine, any law, custom or use to the contrary notwithstanding: (a) all expenses of managing and securing the Property, including, without being limited thereto, the salaries, fees and wages of a managing agent and such other employees or agents as Lender may deem necessary or desirable and all expenses of operating and maintaining the Property, including, without being limited thereto, all taxes, charges, claims, assessments, water charges, sewer rents and any other liens, and premiums for all insurance which Lender may deem necessary or desirable, and the cost of all alterations, renovations, repairs or replacements, and all expenses incident to taking and retaining possession of all or any portion of the Property; and (b) the Indebtedness, together with all costs and reasonable attorneys' fees. In addition, upon the occurrence of a Default, Lender, at its option, may (1) complete any construction on the Property in such manner and form as Lender deems advisable, (2) exercise all rights and powers of

Grantor, including, without limitation, the right to negotiate, execute, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents from the Property and all sums due under any Lease Guaranties, (3) either require Grantor to pay monthly in advance to Lender, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupancy of such part of the Property as may be in possession of Grantor or (4) require Grantor to vacate and surrender possession of the Property to Lender or to such receiver and, in default thereof, Grantor may be evicted by summary proceedings or otherwise.

Section 3.2 Other Remedies. Nothing contained in this Assignment and no act done or omitted by Lender pursuant to the power and rights granted to Lender hereunder shall be deemed to be a waiver by Lender of its rights and remedies under the Guaranty, the Note, the Credit Agreement, the Security Instrument, or the Other Security Documents and this Assignment is made and accepted without prejudice to any of the rights and remedies possessed by Lender under the terms thereof. The right of Lender to collect the Indebtedness and to enforce any other security therefor held by it may be exercised by Lender either prior to, simultaneously with, or subsequent to any action taken by it hereunder. Grantor hereby absolutely, unconditionally and irrevocably waives any and all rights to assert any setoff, counterclaim or crossclaim of any nature whatsoever with respect to the obligations of Grantor under this Assignment, the Guaranty, the Note, the Credit Agreement, the Security Instrument, the Other Security Documents or otherwise with respect to the loan secured hereby in any action or proceeding brought by Lender to collect same, or any portion thereof, or to enforce and realize upon the lien and security interest created by this Assignment, the Guaranty, the Note, the Credit Agreement, the Security Instrument, or any of the Other Security Documents (provided, however, that the foregoing shall not be deemed a waiver of Grantor's right to assert any compulsory counterclaim if such counterclaim is compelled under local law or rule of procedure, nor shall the foregoing be deemed a waiver of Grantor's right to assert any claim which would constitute a defense, setoff, counterclaim or crossclaim of any nature whatsoever against Lender in any separate action or proceeding).

Section 3.3 Other Security. Lender may take or release other security for the payment of the Indebtedness, may release any party primarily or secondarily liable therefor and may apply any other security held by it to the reduction or satisfaction of the Indebtedness without prejudice to any of its rights under this Assignment.

Section 3.4 Non-Waiver. The exercise by Lender of the option granted it in Section 3.1 of this Assignment and the collection of the Rents and sums due under the Lease Guaranties and the application thereof as herein provided shall not be considered a waiver of any default by Newco Sub or Grantor under the Guaranty, the Note, the Credit Agreement, the Security Instrument, the Leases, this Assignment or the Other Security Documents. The failure of Lender to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Assignment. Grantor shall not be relieved of Grantor's obligations hereunder by reason of (a) the failure of Lender to comply with any request of Grantor or any other party to

take any action to enforce any of the provisions hereof or of the Security Instrument, the Guaranty, the Note, the Credit Agreement or the Other Security Documents, (b) the release regardless of consideration, of the whole or any part of the Property, or (c) any agreement or stipulation by Lender extending the time of payment or otherwise modifying or supplementing the terms of this Assignment, the Guaranty, the Note, the Credit Agreement, the Security Instrument or the Other Security Documents. Lender may resort for the payment of the Indebtedness to any other security held by Lender in such order and manner as Lender, in its discretion, may elect. Lender may take any action to recover the Indebtedness, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Lender thereafter to enforce its rights under this Assignment. The rights of Lender under this Assignment shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Lender shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision.

Section 3.5 Bankruptcy. (a) Upon or at any time after the occurrence of a Default, Lender shall have the right to proceed in its own name or in the name of Grantor in respect of any claim, suit, action or proceeding relating to the rejection of any Lease, including, without limitation, the right to file and prosecute, to the exclusion of Grantor, any proofs of claim, complaints, motions, applications, notices and other documents, in any case in respect of the lessee under such Lease under the Bankruptcy Code.

(b) If there shall be filed by or against Grantor a petition under the Bankruptcy Code, and Grantor, as lessor under any Lease, shall determine to reject such Lease pursuant to Section 365(a) of the Bankruptcy Code, then Grantor shall give Lender not less than ten (10) days' prior notice of the date on which Grantor shall apply to the bankruptcy court for authority to reject the Lease. Lender shall have the right, but not the obligation, to serve upon Grantor within such ten-day period a notice stating that (i) Lender demands that Grantor assume and assign the Lease to Lender pursuant to Section 365 of the Bankruptcy Code and (ii) Lender covenants to cure or provide adequate assurance of future performance under the Lease. If Lender serves upon Grantor the notice described in the preceding sentence, Grantor shall not seek to reject the Lease and shall comply with the demand provided for in clause (i) of the preceding sentence within thirty (30) days after the notice shall have been given, subject to the performance by Lender of the covenant provided for in clause (ii) of the preceding sentence.

ARTICLE IV

NO LIABILITY, FURTHER ASSURANCES

Section 4.1 No Liability of Lender. This Assignment shall not be construed to bind Lender to the performance of any of the covenants, conditions or provisions contained in any Lease or Lease Guaranty or otherwise impose any obligation upon Lender. Lender shall not be liable for any loss sustained by Grantor resulting from Lender's failure to let the Property after a Default or from any other act or omission of Lender in managing the Property after a Default

unless such loss is caused by the willful misconduct and bad faith of Lender. Lender shall not be obligated to perform or discharge any obligation, duty or liability under the Leases or any Lease Guaranties or under or by reason of this Assignment and Grantor shall, and hereby agrees, to indemnify Lender for, and to hold Lender harmless from, any and all liability, loss or damage which may or might be incurred under the Leases, any Lease Guaranties or under or by reason of this Assignment and from any and all claims and demands whatsoever, including the defense of any such claims or demands which may be asserted against Lender by reason of any alleged obligations and undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases or any Lease Guaranties. Should Lender incur any such liability, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured by this Assignment and by the Security Instrument and the Other Security Documents and Grantor shall reimburse Lender therefor immediately upon demand and upon the failure of Grantor so to do Lender may, at its option, declare all sums secured by this Assignment and by the Security Instrument and the Other Security Documents immediately due and payable. This Assignment shall not operate to place any obligation or liability for the control, care, management or repair of the Property upon Lender, nor for the carrying out of any of the terms and conditions of the Leases or any Lease Guaranties; nor shall it operate to make Lender responsible or liable for any waste committed on the Property by the tenants or any other parties, or for any dangerous or defective condition of the Property, including without limitation the presence of any Hazardous Materials (as defined in the Security Instrument), or for any negligence in the management, upkeep, repair or control of the Property resulting in loss or injury or death to any tenant, licensee, employee or stranger.

Section 4.2 No Mortgagee in Possession. Nothing herein contained shall be construed as constituting Lender a "mortgagee in possession" in the absence of the taking of actual possession of the Property by Lender. In the exercise of the powers herein granted Lender, no liability shall be asserted or enforced against Lender, all such liability being expressly waived and released by Grantor.

Section 4.3 Further Assurances. Grantor will, at the cost of Grantor, and without expense to Lender, do, execute, acknowledge and deliver all and every such further acts, conveyances, assignments, notices of assignments, transfers and assurances as Lender shall, from time to time, require for the better assuring, conveying, assigning, transferring and confirming unto Lender the property and rights hereby assigned or intended now or hereafter so to be, or which Grantor may be or may hereafter become bound to convey or assign to Lender, or for carrying out the intention or facilitating the performance of the terms of this Assignment or for filing, registering or recording this Assignment and, on demand, will execute and deliver and hereby authorizes Lender to execute in the name of Grantor to the extent Lender may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments, to evidence more effectively the lien and security interest hereof in and upon the Leases.

ARTICLE V**MISCELLANEOUS PROVISIONS**

Section 5.1 Conflict of Terms. In case of any conflict between the terms of this Assignment and the terms of the Security Instrument, the terms of the Security Instrument shall prevail.

Section 5.2 No Oral Change. This Assignment and any provisions hereof may not be modified, amended, waived, extended, changed, discharged or terminated orally, or by any act or failure to act on the part of Grantor or Lender, but only by an agreement in writing signed by the party against whom the enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

Section 5.3 Certain Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Assignment may be used interchangeably in singular or plural form and the word "Grantor" shall mean "each Grantor and any subsequent owner or owners of the Property or any part thereof or interest therein," the word "Lender" shall mean "Lender and any subsequent holder of the Note," the word "Note" shall mean "the Note and any other evidence of indebtedness secured by the Security Instrument," the word "Guaranty" shall mean "the Guaranty and any other evidence of Grantor's guaranty of the indebtedness secured by the Security Instrument," the word "person" shall include an individual, corporation, partnership, limited liability company, trust, unincorporated association, government, governmental authority, and any other entity, the word "Property" shall include any portion of the Property and any interest therein, the phrases "attorneys' fees" and "counsel fees" shall include any and all attorneys', paralegal and law clerk fees and disbursements, including, but not limited to, fees and disbursements at the pre-trial, trial and appellate levels incurred or paid by Lender in protecting its interest in the Property, the Leases and the Rents and enforcing its rights hereunder, and the word "Indebtedness" shall mean the principal balance of the Note with interest thereon as provided in the Note, the Credit Agreement and the Security Instrument and all other sums due pursuant to the Note, the Guaranty Agreement, the Credit Agreement, the Security Instrument, this Assignment and the Other Security Documents; whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

Section 5.4 Authority. Grantor represents and warrants that it has full power and authority to execute and deliver this Assignment and the execution and delivery of this Assignment has been duly authorized and does not conflict with or constitute a default under any law, judicial order or other agreement affecting Grantor or the Property.

Section 5.5 Inapplicable Provisions. If any term, covenant or condition of this Assignment is held to be invalid, illegal or unenforceable in any respect, this Assignment shall be construed without such provision.

Section 5.6 Duplicate Originals; Counterparts. This Assignment may be executed in any number of duplicate originals and each such duplicate original shall be deemed to be an original. This Assignment may be executed in several counterparts, each of which counterparts shall be deemed an original instrument and all of which together shall constitute a single Assignment. The failure of any party hereto to execute this Assignment, or any counterpart hereof, shall not relieve the other signatories from their obligations hereunder.

Section 5.7 Choice of Law. The assignment and grant provided herein, the enforcement of this Assignment and all other terms and provisions of this Assignment which, by applicable law, are subject to the laws of the state where the Property is located, shall be governed by the laws of such state. All of the other term, provisions and conditions of this Assignment shall be governed by the laws of the State of New York. All rights, powers and remedies provided in this Assignment may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law and are intended to be limited to the extent necessary so that they will not render this Assignment invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable laws, whether of the state where the Property is located or the State of New York.

Section 5.8 Notices. All notices required or permitted hereunder shall be given as provided in the Security Instrument.

Section 5.9 WAIVER OF TRIAL BY JURY. GRANTOR HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER IN CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THE LOAN EVIDENCED BY THE NOTE, THE APPLICATION FOR THE LOAN EVIDENCED BY THE NOTE, THIS ASSIGNMENT, THE GUARANTY, THE NOTE, THE CREDIT AGREEMENT, THE SECURITY INSTRUMENT OR THE OTHER SECURITY DOCUMENTS OR ANY ACTS OR OMISSIONS OF LENDER, ITS OFFICERS, EMPLOYEES, DIRECTORS OR AGENTS IN CONNECTION THEREWITH.

Section 5.10 Liability. If Grantor consists of more than one person, the obligations and liabilities of each such person hereunder shall be joint and several. This Assignment shall be binding upon and inure to the benefit of Grantor and Lender and their respective successors and assigns forever.

Section 5.11 Headings, etc. The headings and captions of various paragraphs of this Assignment are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

Section 5.12 Number and Gender. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

Section 5.13 Sole Discretion of Lender. Wherever pursuant to this Assignment (a) Lender exercises any right given to it to approve or disapprove, (b) any arrangement or term is to be satisfactory to Lender, or (c) any other decision or determination is to be made by Lender, the decision of Lender to approve or disapprove, all decisions that arrangements or terms are satisfactory or not satisfactory and all other decisions and determinations made by Lender, shall be in the sole discretion of Lender, except as may be otherwise expressly and specifically provided herein.

Section 5.14 Costs and Expenses of Grantor. Wherever pursuant to this Assignment it is provided that Grantor pay any costs and expenses, such costs and expenses shall include, but not be limited to, legal fees and disbursements of Lender, whether with respect to retained firms, the reimbursement of the expenses for in-house staff or otherwise.

[NO MORE TEXT ON THIS PAGE]

THIS ASSIGNMENT, together with the covenants and warranties therein contained, shall inure to the benefit of Lender and any subsequent holder of the Security Instrument and shall be binding upon Grantor, its heirs, executors, administrators, successors and assigns and any subsequent owner of the Property.

IN WITNESS WHEREOF, Grantor has executed this Assignment as of the day and year first above written.

WITNESS/ATTEST:

BI-MART CORPORATION, a California corporation

Jason Dalton
Name: JASON DALTON
Title: ATTESTING WITNESS

By: Marty Smith
Name: Marty Smith
Title: President

STATE OF OREGON

COUNTY OF Multnomah

This instrument was acknowledged before me on February 26, 2004, the undersigned officer, personally appeared Marty Smith, as President, of BI-MART CORPORATION, a California corporation on behalf of said corporation.

Susan Kamin
Notary Public

My commission expires: 6/18/07



EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

See attached.

Property #668 - Coos Bay, OR

**EXHIBIT A
LEGAL DESCRIPTION**

Lots 1 through 40, inclusive, Block 28, Railroad Addition to Marshfield, Coos County, Oregon together with any portion of the vacated alley that would inure to said property by operation of law.

15175

Property #660 – Prineville, OR

**EXHIBIT A
LEGAL DESCRIPTION**

Parcel One (1) of Partition Plat No. 2003-33, Recorded August 1, 2003 in Partitions MF No. 182431, Records of Crook County, Oregon, Located in Government Lot 3 and Government Lot 4 of Section 4, Township 15 South, Range 16 East of the Willamette Meridian, Crook County, Oregon.

**EXHIBIT A
LEGAL DESCRIPTION**

PARCEL 1:

All of that portion of the East Half of the Northwest Quarter of the Southwest Quarter of the Southwest Quarter (E $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$) Lying Easterly of Huntington Road; and the Northwest Quarter of the Northeast Quarter of the Southwest Quarter of the Southwest Quarter (NW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$); and the South Half of the Northeast Quarter of the Southwest Quarter of the Southwest Quarter (S $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$), all in Section 11, TOWNSHIP 22 SOUTH, RANGE 10, EAST OF THE WILLAMETTE MERIDIAN, Deschutes County, Oregon.

PARCEL 2:

The West Half (W $\frac{1}{2}$) of Government Lot 1 in Section 11 of TOWNSHIP 22 SOUTH, RANGE 10, EAST OF THE WILLAMETTE MERIDIAN, Deschutes County, Oregon.

PARCEL 3:

That portion of the East Half (E $\frac{1}{2}$) of Government Lot 1 and that portion of Government Lot 3 in Section 11, TOWNSHIP 22 SOUTH, RANGE 10, EAST OF THE WILLAMETTE MERIDIAN, Deschutes County, Oregon, lying Westerly of the Dalles-California Highway U.S. Highway 97.

PARCEL 4:

That portion of Government Lot 2 in Section 11, TOWNSHIP 22 SOUTH, RANGE 10, EAST OF THE WILLAMETTE MERIDIAN, Deschutes County, Oregon, lying Westerly of the Dalles-California Highway U.S. Highway 97.

ALSO: THAT PARCEL DESCRIBED IN DEED FROM GREG SMITH TO BI-MART CORPORATION RECORDED FEBRUARY 6, 2004, DOCUMENT 2004-06271, DESCHUTES COUNTY OFFICIAL RECORDS.

EXCEPT: THAT PARCEL DESCRIBED IN DEED FROM BI-MART CORPORATION TO GREG SMITH RECORDED FEBRUARY 6, 2004, DOCUMENT NO. 2004—06273, DESCHUTES COUNTY OFFICIAL RECORDS.

THE ABOVE PARCELS BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER (SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$) OF SECTION 11, TOWNSHIP 22 SOUTH, RANGE 10 EAST OF THE WILLAMETTE MERIDIAN AND RUNNING THENCE ALONG THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER (N $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$) OF SAID SECTION 11 NORTH 89°51'00" WEST, 546.12 FEET TO THE EAST MARGIN OF HUNTINGTON ROAD (30.00 FEET FROM CENTERLINE); THENCE ALONG SAID EAST MARGIN NORTH 0°13'36" EAST,

657.78 FEET TO A POINT ON THE NORTH LINE OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER (N1/2 SW1/4 SW1/4) OF SAID SECTION 11; THENCE ALONG SAID NORTH LINE SOUTH 89°37'1 3" EAST, 543.81 FEET TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER (NW1/4 NE1/4 SW1/4 SW1/4) OF SAID SECTION 11; THENCE ALONG THE EAST LINE OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER (NW1/4 NE1/4 SW1/4 SW1/4) OF SAID SECTION 11 SOUTH 0°02'39" WEST, 327.77 FEET TO THE NORTH LINE OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER (S1/2 NE1/4 SW1/4 SW1/4) OF SAID SECTION 11; THENCE ALONG SAID LAST MENTIONED NORTH LINE SOUTH 89°43'45" EAST, 326.47 FEET TO THE EAST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER (SW1/4 SW1/4) OF SAID SECTION 11; THENCE ALONG SAID LAST MENTIONED EAST LINE NORTH 0°04'11" EAST, 327.14 FEET TO THE NORTH LINE OF THE SOUTH HALF OF THE SOUTHWEST QUARTER (S1/2 SW1/4) OF SAID SECTION 11; THENCE ALONG SAID LAST MENTIONED NORTH LINE SOUTH 89°37'13" EAST, 616.44 FEET TO THE WEST MARGIN OF U.S. HIGHWAY NO. 97 (200.00 FEET FROM CENTERLINE); THENCE ALONG SAID WEST MARGIN SOUTH 30°45'21" WEST, 757.32 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE OF THE SOUTH HALF OF THE SOUTHWEST QUARTER (N1/2 S1/2 SW1/4) OF SAID SECTION 11; THENCE ALONG SAID LAST MENTIONED SOUTH LINE NORTH 89°51'00" WEST, 346.05 FEET TO THE NORTHEAST CORNER OF LOT 1 OF BLUEWOOD, AS PLATTED AND RECORDED IN DESCHUTES COUNTY, OREGON; THENCE LEAVING THE NORTH LINE OF SAID PLAT OF BLUEWOOD RUN NORTH 71°49'51" WEST, 113.85 FEET; THENCE ALONG THE ARC OF A 515.00 FOOT RADIUS CURVE TO THE RIGHT, THE CHORD OF WHICH BEARS SOUTH 45°48'46" WEST, 24.38 FEET, A DISTANCE OF 24.38 FEET; THENCE ALONG THE ARC OF A 170.00 FOOT RADIUS CURVE TO THE LEFT, THE CHORD OF WHICH BEARS SOUTH 23°36'20" WEST, 135.92 FEET, A DISTANCE OF 139.83 FEET TO A POINT ON THE WEST LINE OF LOT 1 OF SAID PLAT OF BLUEWOOD; THENCE ALONG THE WEST LINE OF SAID LOT 1 NORTH 0°02'31" EAST, 106.51 FEET TO THE NORTHWEST CORNER OF SAID LOT 1; THENCE LEAVING THE WEST LINE OF SAID LOT 1 AND RUNNING ALONG THE SOUTH LINE OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER (S1/2 NE1/4 SW1/4 SW1/4) OF SAID SECTION 11, NORTH 89°51'00" WEST, 30.00 FEET TO THE POINT OF BEGINNING, IN DESCHUTES COUNTY OREGON

THE BEARINGS AND DISTANCES IN THE FOREGOING DESCRIPTION ARE BASED ON SURVEY NUMBER CS15553 RECORDED IN DESCHUTES COUNTY SURVEYORS OFFICE.

Property #610 -- Grants Pass, OR

**EXHIBIT A
LEGAL DESCRIPTION**

Real property in the County of Josephine, State of Oregon, described as follows:

Beginning at the Northeast corner of the Northwest Quarter of the Southeast Quarter of Section 19, Township 36 South, Range 5 West, Willamette Meridian in Josephine County, Oregon; thence South 89° 41' 30" East 18.53 feet to the West right of way line of Sixth Street; thence along said right of way line South 2° 18' 48" West 192.08 feet; thence South 80° 58' 38" West 519.17 feet to the East right of way line of Tussey Lane; thence along said East right of way line North 0° 09' 05" East 276.14 feet; thence South 89° 41' 32" East 501.25 feet back to the point of beginning.

Tax Parcel Number: R313622

Exhibit "A"

Real property in the County of Klamath, State of Oregon, described as follows:

A tract of land being a portion of Tract 805 of Enterprise Tracts, situated in the Northeast quarter of Section 4, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8 Inch Iron pin with aluminum cap being on the South line of said Tract 805, said Iron pin being South 89°51'00" West 20.00 feet from the Southeast corner of said Tract 805, and on the Westerly right of way line of Washburn Way; thence North 00°03'30" East, along the Westerly right of way line of Washburn Way (North 00°03'30" East by M-73 on page 3750) 238.00 feet; thence North 55°46'50" West (North 55°50" West by M-73 on page 3750) 257.48 feet; thence North 34°13'10" East (North 34°09'30" East by M-73, page 3753) 25.00 feet; thence North 55°46'50" West (North 55°50'30" West by M-73, page 3753) 50.00 feet; thence North 34°13'10" East (North 34°09'30" East by M-73 on page 3753) 110.00 feet to the Southwesterly right of way line of South Sixth Street; thence North 55°46'50" West, along said South Sixth Street (North 55°50'30" West by M73, Page 3753 and North 55°50" West by M-73, page 3750) 50.00 feet; thence South 34°13'10" West (South 34°09'50" West by M-73 on page 3753 and South 34°10' West by M-73, Page 3750) 400.00 feet; thence South 55°46'50" East (South 55°50'30" East by M-73, page 3753 and South 55°50' East by M-73 on page 3750) 27.00 feet; thence South 00°34'05" East 205.84 feet (South, 205 feet, more or less, by M-73 on page 3750) to the South line of said tract 805; thence North 89°51'00" East, along said South line (North 89°47' East by M-73 on page 3750) 420.00 feet to the point of beginning.

Tax Parcel Number: R530991

Property #627 - Springfield, OR

**EXHIBIT A
LEGAL DESCRIPTION**

A parcel of land in the Northeast ¼, Southeast ¼, Section 33, in Township 17 South, Range 2 West of the Willamette Meridian, more particularly described as follows:

Beginning at a point being North 89° 51' 05" West 25.00 feet and South 0° 02' 35" West 30.00 feet from the Northwest corner of the S. D. Gager Donation Land Claim No. 45, in Township 17 South, Range 2 West of the Willamette Meridian, said point also being on the South margin of North "A" Street; thence along said South margin South 89° 51' 05" East 340.17 feet; thence leaving said South margin South 0° 08' 55" West 393.06 feet to a point on the North margin of McKenzie Highway; thence along said North margin North 89° 44' 00" West 149.45 feet; thence leaving said North margin North 0° 02' 35" East 130.39 feet; thence North 89° 44' 00" West 165.00 feet; thence North 0° 02' 35" East 68.80 feet; thence North 89° 51' 05" West 25.00 feet; thence North 0° 02' 35" East 193.23 feet to the Point of Beginning, in Lane County, Oregon.

Property #670 -- Junction City, OR

**EXHIBIT A
LEGAL DESCRIPTION**

Beginning at the intersection of the north line of Sixth Street and the west line of Elm Street, as shown on the plat of Junction City, as platted and recorded in Book H, page 749, Deed records of Lane County, Oregon; thence northerly, along said west line to the south line of Ninth street; thence westerly, along said south line to a point that is 35 feet easterly measured at right angles from the centerline of main track of the Union Pacific Railroad Company; thence southerly, parallel to and 35 feet easterly of said centerline to the north line of Sixth street extended; thence easterly, along said north line to the point of beginning, in Lane county, Oregon.

And being more particularly described as follows:

Beginning at the intersection of the north line of Sixth Street and the west line of Elm Street, as shown on the plat of Junction City, as platted and recorded in Book H, page 749, deed records of Lane County, Oregon and running thence along said west line North 02°00'00" West, 870.10 feet to the south line of Ninth Street; thence along said south line South 87°54'19" West, 234.72 feet to a point that is 35.00 feet easterly measured at right angles from the centerline of the main track of the Union Pacific Railroad Company; thence running parallel to and 35.00 feet easterly of said centerline South 02°00'00" East, 869.71 feet to the north line of Sixth Street extended; thence along said north line North 87°59'54" East, 234.72 feet to the point of beginning, in Lane County, Oregon.

The bearings in the foregoing description are based on that boundary survey for Bi-Mart Corporation recorded in the Lane County Surveyor's Office as CSF No. 37298, recorded December 14, 2001.

Property #645 and 675- Eugene, OR

EXHIBIT A
LEGAL DESCRIPTION

Beginning at the intersection of the centerline of Seneca Road with the centerline of 7th Place West, said point being 2859.11 feet North 89° 17' 12" West from the Southwest corner of the Prior F. Blair Donation Land Claim No. 39, Township 17 south, Range 4 West of the Willamette Meridian; and run thence, along the centerline of said 7th Place West, 40.00 feet to the Southerly extension of the East right-of-way line of said Seneca Road; thence North 0° 28' 30" East, along said Southerly extension, 30.00 feet to the Point of Beginning; from said Point of Beginning, continue North 0° 28' 30" East, along the East right-of-way line of said Seneca Road, 712.65 feet to the South line of that certain tract of land described in Instrument to Clifford W. Updegrave recorded July 17, 1978, Reception No. 78-49097, Lane County Official Records; thence South 89° 03' 37" East, along the South line of that last mentioned tract, 440.01 feet to a point 440.00 feet Easterly from, when measured perpendicular to, the East right-of-way line of said Seneca Road; thence South 0° 28' 30" West, parallel with said East right-of-way line, 710.91 feet to the North right-of-way line of 7th Place West, thence North 89° 17' 14" West, along said North right-of-way line, 440.00 feet to the Point of Beginning, in Lane County, Oregon.

Property #633 - Salem, OR

**EXHIBIT A
LEGAL DESCRIPTION**

Real property in the County of Marion, State of Oregon, described as follows:

Beginning at a point on the Westerly right of way line of Lancaster Drive, which point is North 00° 06' 30" East 389.40 feet and North 89° 55' 02" West 40.00 feet from the Southeast corner of the Towner Savage Donation Land Claim No. 37 in Township 7 South, Range 2 West of the Willamette Meridian in Marion County, Oregon; thence North 89° 55' 02" West a distance of 334.77 feet; thence North 00° 04' 58" East a distance of 21.88 feet; thence North 89° 55' 02" West a distance of 241.05 feet to a point on the Easterly right of way line of Coral Avenue; thence North 00° 04' 58" East along said Easterly right of way line a distance of 200.00 feet; thence South 89° 55' 02" East a distance of 575.93 feet to a point on the Westerly right of way line of said Lancaster Drive; thence South 00° 06' 30" West along said Westerly right of way line a distance of 221.88 feet to the point of beginning.

Tax Parcel Numbers: R59868 and P119220.

**EXHIBIT A
LEGAL DESCRIPTION**

Lots 1 and 2, SUTTER HILL SUBDIVISION, in the City of Portland, County of Multnomah and State of Oregon, being more particularly described as follows:

Beginning at the Southwest corner of Lot 1, Sutter Hill Subdivision, as platted and recorded in Volume 1214, Pages 51 and 52, Multnomah County Records, and running thence North 16°15'34" East, 248.85 feet; thence South 73°44'26" East, 104.68 feet; thence North 16°15'34" East, 228.00 feet; thence South 73°44'26" East, 199.67 feet; thence North 16°15'34" East, 156.00 feet to the South right-of-way line of S.E. Powell Valley Road; thence along said right-of-way line South 73°44'26" East, 26.00 feet; thence leaving said right-of-way line run South 16°15'34" West, 156.00 feet; thence South 73°44'26" East, 121.00 feet; thence South 16°15'34" West, 184.41 feet; thence North 73°44'26" West, 175.35 feet; thence South 16°15'34" West, 269.04 feet to the North margin of S.E. Naegeli Drive; thence along said North margin along the arc of a 630.00 foot radius curve to the left, the chord of which bears North 78°35'12" West, 276.99 feet, a distance of 279.27 feet to the point of beginning, in Portland, Multnomah County, Oregon.

TOGETHER WITH those easement rights set forth in that certain "Declaration of Restrictions and Grant of Easements recorded February 19, 1981 in Book 1504, page 417, as amended by First Amendment to Declaration of Restrictions and Grant of Easements recorded October 8, 1981 in Book 1554, page 1655.

ALSO TOGETHER WITH those rights as set forth in that certain Common Area Maintenance Agreement recorded February 19, 1981 in Book 1504, page 445, as amended by First Amendment to Common Area Maintenance Agreement recorded October 8, 1981 in Book 1554, page 1666.

FURTHER TOGETHER WITH those access rights as set forth in that certain Revocable Access Agreement recorded March 13, 1984 in Book 1732, page 2021.

Property #630 -- Gresham, OR

LEGAL DESCRIPTION

A parcel of land situated in the Northwest one-quarter of Section 2, Township 1 South, Range 3 East, of the Willamette Meridian, in the City of Gresham, County of Multnomah and State of Oregon. Said parcel of land being more particularly described as follows:

Commencing at the Northwest corner of said Section 2; thence North $89^{\circ}40'30''$ East, along the North boundary of said Section 2, a distance of 864.42 feet to a point; thence South $00^{\circ}20'00''$ East a distance of 40.00 feet to a point on the South boundary of Southeast Stark Street, said point also being the true point of beginning of the parcel of land herein described; thence South $00^{\circ}20'00''$ East, along the West boundary of the plat of BRIGADOON, a distance of 848.68 feet to a point marked by a $\frac{1}{4}$ inch iron rod, with a plastic yellow cap stamped "Carlile L.S. 921"; thence South $89^{\circ}40'30''$ West, parallel to said North boundary of said Section 2, a distance of 444.44 feet to a point on the East boundary of that parcel of land conveyed to Multnomah County and recorded June 15, 1982 in Book 1601, page 1082, Multnomah County Deed Records, said point also being 40.00 feet East of, when measured at right angles, the centerline of Southeast 242nd Drive; thence North $00^{\circ}36'51''$ West, parallel to and 40.00 feet East of, when measured at right angles, said centerline of said 242nd Drive, and along the East boundary of said Multnomah County Tract, a distance of 828.58 feet to a point of curve; thence continuing along said Multnomah County Tract, along a 20.00 foot radius curve to the right, through a central angle of $90^{\circ}17'21''$, an arc distance of 31.52 feet (the long chord bears North $44^{\circ}31'50''$ East, a distance of 28.36 feet) to a point that is 40.00 feet South of, when measured at right angles, the centerline of Southeast Stark Street, and at the Southwest corner of that parcel of land conveyed to Multnomah County and recorded June 15, 1982 in Book 1601, page 1077, Multnomah County Deed Records; thence North $89^{\circ}40'30''$ East, parallel to and 40.00 feet South of, when measured at right angles, said centerline of said Stark Street, and along the South boundary of said Multnomah County Tract, a distance of 428.50 feet to the true point of beginning of the parcel of land herein described.

Property #632 - Aloha, OR

**EXHIBIT A
LEGAL DESCRIPTION**

A portion of those certain tracts of land in the Southeast one-quarter of Section 13 and the Northeast one-quarter of Section 24, Township 1 South, Range 2 West, of the Willamette Meridian, in the County of Washington and State of Oregon, conveyed to Jack Strasburg, et ux, by Deed recorded in Book 357, Page 622, Washington County, Oregon Deed Records, and conveyed to Basil A. Chitty by Deed recorded in Book 123, Page 120, said Deed Records, said tract being more particularly described as follows:

Beginning at the Southwest corner of said Strasburg Tract and running thence South 00°48' West along the Southerly extension of the West line of said Strasburg Tract 37.40 feet; thence South 89°12' East 106.00; thence North 00°48' East 72.02 feet; thence South 89°14'57" East 100.00 feet; thence North 00°48' East 79.26 feet; thence South 89°12' East 240.12 feet to a point which bears Westerly 45.00 feet (when measured at right angles) from the centerline of S.W. 185th Avenue (County Road No. 481); thence North 00°48' East parallel with the said centerline 187.97 feet to a point on the South line of that certain tract of land conveyed to Period Homes, Inc. by Deed recorded in Book 536, Page 502, said Deed Records; thence North 88°37'00" West 446.14 feet to a point on the West line of said Strasburg Tract; thence South 00°48' West along said West line 306.47 feet to the point of beginning.

Property #635 - Forest Grove, OR

**EXHIBIT A
LEGAL DESCRIPTION**

The following property in the Southwest quarter of Section 32, Township 1 North, Range 3 West of the Willamette Meridian, in the City of Forest Grove, County of Washington and State of Oregon, described as follows:

Beginning at a point 2132.13 feet (32.305 chains) East of a stone (now an iron rod) in the center of Seventh Street (now Hawthorne Street) in the City of Forest Grove, where the same crosses the Willamette Baseline on the South line of Section 32, Township 1 North, Range 3 West of the Willamette Meridian, in the City of Forest Grove, County of Washington and State of Oregon, and running thence North 385.44 feet (5.84 chains); thence East 441.54 feet (6.69 chains); thence South 385.44 feet (5.84 chains); thence West 441.54 feet (6.69 chains) to the point of beginning.

EXCEPTING THEREFROM the Southerly 30.00 feet lying within the boundaries of Tualatin Valley Highway.

EXHIBIT A LEGAL DESCRIPTION

A parcel of land located in the City of Newberg, County of Yamhill, State of Oregon more particularly described as follows:

BEGINNING at an iron rod on the North line of U.S. Highway 99 West said iron rod bears South 0°01'15" East, 2257.05 feet and South 65°58'20" West 223.20 feet from the Northeast corner of the Richard Everest and Wife Donation Land Claim No.52 in Section 16, Township 3 South, Range 2 West, Willamette Meridian, Yamhill County, Oregon and running thence South 65°58'20" West along the said North line of U.S. Highway 99 West, 172.46 feet to an iron rod; thence North 24°01'40" West, 40.42 feet to an iron rod; thence North 0°01'15" West, 243.35 feet to an iron rod; thence South 89°43'10" West 137.03 feet to an iron rod; thence South 00°01'15" East, 232.00 feet to the Northeast corner of a tract of land as described in Volume 176, Page 0007, Yamhill County, Oregon Deed Records; thence North 89°49'10" West along the North line of said tract of land as described in Film Volume 176, Page 0007, 100.97 feet to the Southeast corner of a tract of land as described in Film Volume 133, Page 0001, of said Deed Records; thence North 0°01'15" West along the East line of said tract of land as described in Volume 133, Page 0001, 217.80 feet to the Northeast corner thereof; thence South 89°43'10" West along the North line of said tract of land described in Volume 133, Page 0001, 90.00 feet to a point on the East line of Deborah Road; thence North 0°01'15" West along the said East line of Deborah Road 369.66 feet to an iron rod at the intersection of said East line and the South line of Haworth Avenue; thence North 89°43'10" East along the said South line of Haworth Avenue, 502.00 feet to an iron rod; thence South 0°01'15" East, 567.17 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM a parcel of land located in the City of Newberg, County of Yamhill, State of Oregon more particularly described as follows:

BEGINNING at an iron rod on the North line of U.S. Highway 99 West said iron rod bears South 0°01'15" East, 2257.05 feet and South 65°58'20" West, 223.20 feet from the Northeast corner of said Richard Everest and Wife Donation Land Claim No.52 in Section 16, Township 3 South, Range 2 West, Willamette Meridian, Yamhill County, Oregon and the TRUE POINT OF BEGINNING; running thence South 65°58'20" West along the said North line of U.S. Highway 99 West 172.46 feet to an iron rod; thence North 24°01'40" West, 40.42 feet to an iron rod; thence North 0°01'15" West, 243.35 feet to an iron rod; thence North 89°43'10" East, 174 feet to an iron rod; thence South 0°10'15" East, 210.89 feet to the POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM a parcel of land located in the County of Yamhill, State of Oregon, more particularly described as follows:

BEGINNING at a point that bears South 0°01'15" East, 2257.05 feet and South 65°58'20" West, 395.66 feet; North 24°01'40" West, 40.42 feet, North 0°01'15" West, 243.35 feet; South 89°43'10" West, 137.03 feet and South 0°01'15" East, 13.38 feet from the Northeast corner of the Richard Everest and Wife Donation Land Claim No.52 in Section 16, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, and the TRUE POINT OF BEGINNING; thence South 0°01'15" East, 218.62 feet to the Northeast corner of a tract of land as described in Volume 176, Page 0007, Yamhill County Deed Records; thence North 89°49'10" West along the North line of said tract of land as described in Volume 176,

Page 0007, 100.97 feet to the Southeast corner of a tract of land as described in Volume 133, Page 0001, of said Deed Records; thence North $0^{\circ}01'15''$ West along the East line of said tract of land as described in Volume 133, Page 0001, 217.80 feet to the Northeast corner thereof; thence North $89^{\circ}43'10''$ East, 100.97 feet to the TRUE POINT OF BEGINNING.

TOGETHER WITH an easement for ingress and egress and utility purposes, described as follows: A parcel of land located in the City of Newberg, County of Yamhill, State of Oregon more particularly described as follows: BEGINNING at an iron rod on the North line of U.S. Highway 99 West said iron rod bears South $0^{\circ}01'15''$ East, 2257.05 feet and South $65^{\circ}58'20''$ West, 351.66 feet from the Northeast corner of the Richard Everest and Wife Donation Land Claim No. 52 in Section 16, Township 3 South, Range 2 West, Willamette Meridian, Yamhill County, Oregon and running thence South $65^{\circ}58'20''$ West along the said North line of U.S. Highway 99 West, 44 feet to an iron rod; thence North $24^{\circ}01'40''$ West, 40.42 feet to an iron rod; thence North $0^{\circ}01'15''$ West, 243.35 feet to an iron rod; thence North $89^{\circ}43'10''$ East, 30 feet; thence South $0^{\circ}01'15''$ East, 202.69 feet; thence South $24^{\circ}01'40''$ East, 65.58 feet to the POINT OF BEGINNING.