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NTL-1396-70097KR

## RECORDING COVER SHEET

THIS COVER SHEET HAS BEEN PREPARED BY THE  
PERSON PRESENTING THE ATTACHED INSTRUMENT  
FOR RECORDING. ANY ERRORS IN THIS COVER SHEET  
**DO NOT** AFFECT THE TRANSACTION(S) CONTAINED  
IN THE INSTRUMENT ITSELF.

Vol M05 Page 49996

State of Oregon, County of Klamath  
Recorded 06/30/05 3:09 p.m.  
Vol M05 Pg 49996-50001  
Linda Smith, County Clerk  
Fee \$ 46.00 # of Pgs 6

### After Recording Return To:

AmeriTitle  
Escrow #70097-KR  
300 Klamath Avenue  
Klamath Falls, OR 97601

### 1. Name(s) of the Transaction(s):

Assignment of Lease

### 2. Direct Party (Grantor):

Dale M. Zerull and Lesley M. Zerull, as Trustees of The Dale M. Zerull Trust, U/T/A dated March 9, 2004, as to an undivided one-half interest, and Dale M. Zerull and Lesley M. Zerull, as Trustees of the Lesley M. Zerull Trust, U/T/A dated March 9, 2004, as to an undivided 1/2 interest

### 3. Indirect Party (Grantee):

Kelley D. Wilson and Carla J. Wilson, Trustees of The Wilson Living Trust dated April 3, 2003

### 4. True and Actual Consideration Paid:

None stated

### 5. Legal Description:

See Exhibit "A" attached to Assignment of Lease for legal description

46.00  
am

## ASSIGNMENT OF LEASE

49997

DATE: June 29, 2005

**PARTIES:**

**DALE M. ZERULL and LESLEY M. ZERULL,**  
as Trustees of the Dale M. Zerull Trust, U/T/A  
dated March 9, 2004, as to an undivided one-  
half interest, and **DALE M. ZERULL and**  
**LESLEY M. ZERULL,** as Trustees of the  
Lesley M. Zerull Trust, U/T/A dated March 9,  
2004, as to an undivided one-half interest

("Assignor")

and

**KELLY D. WILSON and CARLA J. WILSON,**  
~~Husband and wife~~ as Trustees of the  
Wilson Living Trust dated April 3, 2003.

("Assignee")

### RECITALS

- A. Assignor is the Lessee under a lease ("Lease")\* dated February 1, 1978 between Swan Lake Moulding Company, an Oregon corporation, as Lessor and Dale M. Zerull and Lesley M. Zerull, husband and wife, as Lessee regarding real property located in Klamath County, Oregon, more particularly described on Exhibit A. \*"Lease" as used herein, shall include the First Amendment to Lease Agreement dated June 29, 2005.
- B. Assignor desires to assign to Assignee and Assignee desires to assume all of Assignor's rights and obligations under the Lease and under the terms and conditions set forth below.

### AGREEMENT

NOW, THEREFORE, in consideration of their mutual agreements and covenants contained herein, and for other valuable consideration, receipt of which is hereby acknowledged, it is mutually agreed and covenanted by and between the parties to this Agreement as follows:

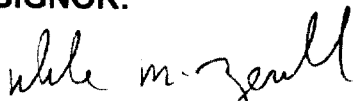
1. **Incorporation of Recitals.** The foregoing recitals are incorporated herein by this reference as though fully set forth.
2. **Assignment.** Assignor assigns, transfers and conveys to Assignee all of Assignor's rights, titles, obligations and interest to and under the Lease.
3. **Compliance with Terms.** Assignee unconditionally assumes and shall promptly fully, completely and faithfully perform all of the obligations of Assignor under the Lease and Assignee shall be bound by all of the terms and conditions of the Lease in every way as if Assignee were originally a party thereto as Lessee.
4. **Indemnification.** Assignee shall indemnify and hold Assignor harmless from any and all claims, demands, causes of action, losses, costs (including, without limitation,

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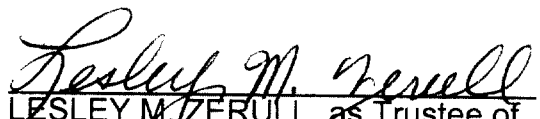
reasonable court costs and attorney's fees), liabilities or damages of any kind or nature whatsoever that Assignor may sustain by reason of Assignee's breach or nonfulfillment (whether by action or inaction) at any time of any covenant or obligation under the Lease to be performed by Assignor or Assignee under the terms of the Agreement. The paragraph fulfilled in this number the indemnification obligation under this section shall be conditioned upon Assignor giving notice to Assignee promptly after Assignor receives notice of any claim and shall survive the expiration or termination of the Lease.

**5. Transfer of Property.** Assignor transfers, assigns, sells and quitclaims to Assignee all of Assignor's rights in the Improvements on the property leased by Assignor, including, but not limited to the real property consisting of all buildings, structures, and other improvements, and equipment and fixtures ("the Property.")

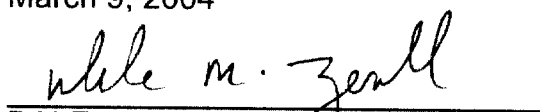
IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the day and year first written above.

**ASSIGNOR:**


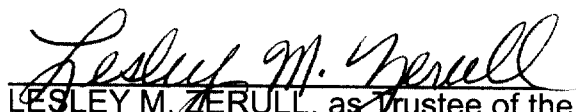
DALE M. ZERULL, as Trustee of the  
Dale M. Zerull Trust, U/T/A dated  
March 9, 2004




LESLEY M. ZERULL, as Trustee of  
the Dale M. Zerull Trust, U/T/A dated  
March 9, 2004




DALE M. ZERULL, as Trustee of the  
Lesley M. Zerull Trust, U/T/A dated  
March 9, 2004



LESLEY M. ZERULL, as Trustee of the  
Lesley M. Zerull Trust, U/T/A dated  
March 9, 2004

**ASSIGNEE:**


KELLY D. WILSON, as Trustee of the  
Wilson Living Trust dated April 3, 2003



CARLA J. WILSON, as Trustee of the  
Wilson Living Trust dated April 3, 2003

CONSENT OF LESSOR

49999

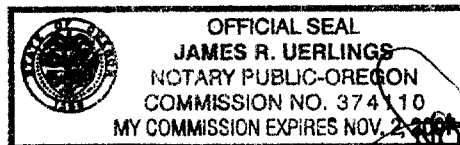
The undersigned is the Lessor in the Lease\* described in the foregoing Assignment and hereby consents to the Assignment of Lease to the named Assignee and releases Assignor from any further liability under the Lease. \*"Lease" includes the First Amendment to Lease Agreement dated June 29, 2005.  
SWAN LAKE MOULDING COMPANY

By: Dorothy V. Collier  
DOROTHY V. COLLIER  
President

STATE OR OREGON      }  
County of Klamath    } ss.

Personally appeared before me Dorothy V. Collier, and acknowledged she executed the foregoing as her voluntary act and deed.

DATED this 29 day of June, 2005



James R. Uerlings  
NOTARY PUBLIC for Oregon  
My Commission Expires: Nov. 2, 2007

## LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 1st day of February, 1978, at Klamath Falls, Oregon, by and between SWAN LAKE MOULDING COMPANY, an Oregon Corporation, hereinafter referred to as Lessor, and DALE E. ZERULL and LESLEY M. ZERULL, husband and wife, hereinafter referred to as Lessee,

## W I T N E S S E T H:

WHEREAS, Lessor is owner of the following described real property in Klamath County, Oregon, to-wit:

Parcels of land in the NW $\frac{1}{4}$  of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, more particularly described as follows:

PARCEL 7: Starting at the Northwest corner of Section 3, Township 39 South, Range 9 East, W.M., Oregon, and running thence South  $00^{\circ}00\frac{1}{2}'$  East along the Westerly boundary of Section 3, 977.8 feet, more or less, to its intersection with a line parallel with and 50 feet distant at right angles Southwesterly from the center line of the Dalles-California State Highway, also known as South Sixth Street as the same is now located and constructed; thence South  $55^{\circ}52\frac{1}{2}'$  East along said parallel line 2322.07 feet; thence at right angles to South Sixth Street South  $34^{\circ}07\frac{1}{2}'$  West 58 feet to Point F, the true beginning point of this description from which a cross chiseled in the sidewalk bears North  $34^{\circ}07\frac{1}{2}'$  East 70 feet; thence North  $55^{\circ}52\frac{1}{2}'$  West 61 feet to Point G, from which a cross chiseled in the sidewalk bears North  $34^{\circ}07\frac{1}{2}'$  East 70 feet; thence South  $34^{\circ}07\frac{1}{2}'$  West 119.61 feet to Point H; thence South  $66^{\circ}57\frac{1}{2}'$  East 62.15 feet to Point E; thence North  $34^{\circ}07\frac{1}{2}'$  East 107.65 feet to the point of beginning.

PARCEL 8: Beginning at said Point A; thence North  $55^{\circ}52\frac{1}{2}'$  West 121 feet to Point G; thence North  $34^{\circ}07\frac{1}{2}'$  East 68 feet to the South line of South Sixth Street; thence South  $55^{\circ}52\frac{1}{2}'$  East along said line 121 feet; thence South  $34^{\circ}07\frac{1}{2}'$  West 68 feet to the point of beginning.

PARCEL 9: Beginning at said Point C; thence South  $34^{\circ}07\frac{1}{2}'$  West 119.61 feet to Point H; thence North  $66^{\circ}57\frac{1}{2}'$  West 102.51 feet; thence North  $34^{\circ}07\frac{1}{2}'$  East 139.34 feet; thence South  $55^{\circ}52\frac{1}{2}'$  East 100.59 feet to the point of beginning. Less the northwesterly 47 feet.

PARCEL 10: Beginning at said Point G; thence North  $55^{\circ}52\frac{1}{2}'$  West 100.59 feet, thence North  $34^{\circ}07\frac{1}{2}'$  East 68 feet to the South line of South Sixth Street; thence South  $55^{\circ}52\frac{1}{2}'$  East 100.59 feet; thence South  $34^{\circ}07\frac{1}{2}'$  West 68 feet to the point of beginning.

PARCEL 11: Beginning at said Point D; thence North  $66^{\circ}57\frac{1}{2}'$  West 225.80 feet; thence South  $34^{\circ}07\frac{1}{2}'$  West 30.57 feet to the Northerly right of way line of the Oregon California and Eastern Railway Company; thence South  $66^{\circ}57\frac{1}{2}'$  East along said line 225.80 feet; thence North  $34^{\circ}07\frac{1}{2}'$  East 30.57 feet to point of beginning. Less the northwesterly 47 feet.

and

WHEREAS, Lessor desires to lease portions of the aforesaid premises to Lessee and Lessee desires to lease portions of the aforesaid premises, both on the terms and conditions hereinafter set forth,

Lease Agreement - Page 1

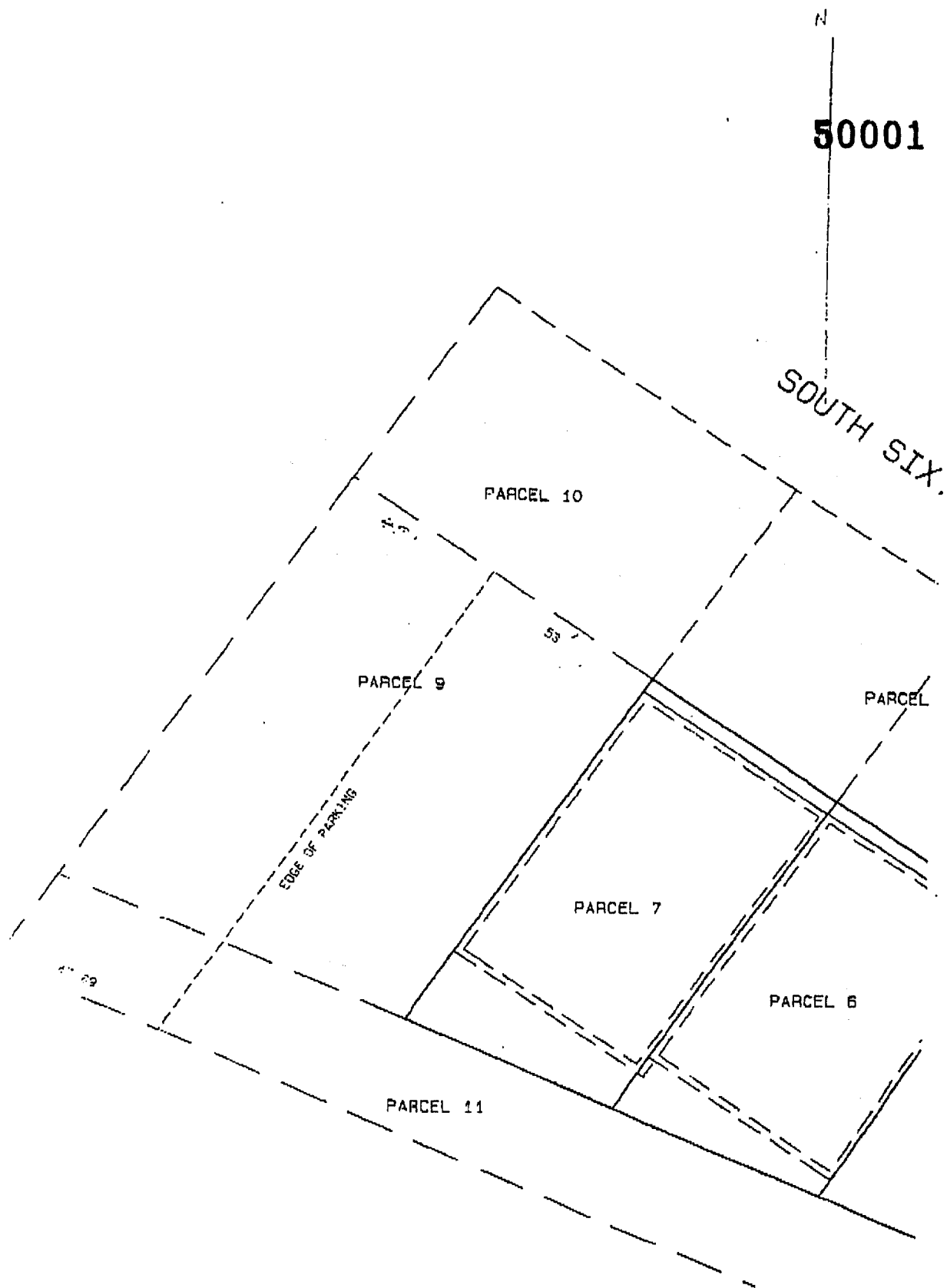


EXHIBIT B-2