

2012-006578

Klamath County, Oregon



00119863201200065780060063

06/18/2012 10:33:02 AM

Fee: \$62.00

AFTER RECORDING RETURN TO:

Closetline, LLC
1300 Piccard Drive, Suite 105
Rockville, MD 20850
Attn: Katie Price
Closetline File # OR-330150916

NAMES ON THE TRANSACTION(S) required by ORS 205.234(a)
COLLATERAL ASSIGNMENT OF LOAN AND LOAN DOCUMENTS

DIRECT PARTY/GRANTOR, required by ORS 205.125(l)(b) and ORS 205.160
ITTLESON TRUST, 2010-1

INDIRECT PARTY/GRANTEE, required by ORS 205.125(l)(b) and ORS 205.160
CAPITALSOURCE BANK

TRUE AND ACTUAL CONSIDERATION (if any), ORS 93.030
N/A

ALL TAX STATEMENTS SHALL BE SENT TO THE FOLLOWING ADDRESS:
CAPITALSOURCE BANK
5404 WISCONSIN AVENUE, 2ND FLOOR
CHEVY CHASE, MD 20815

**FULL OR PARTIAL SATISFACTION ORDER or WARRANT FILED IN THE
COUNTY CLERKS LIEN RECORDS, ORS 205.121 (l)(e)**
N/A

**THE AMOUNT OF THE CIVIL PENALTY or THE MOUNT INCLUDING PENALTIES,
INTEREST AND OTHER CHARGES FOR WHICH THE WARRANT, ORDER OR
JUDGMENT WAS ISSUED. ORS 205.125(l)(e) and ORS 18.325**
N/A

**RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:**

Closeline Settlements
1300 Piccard Drive, Suite L-105
Rockville, MD 20850

COLLATERAL ASSIGNMENT OF LOAN AND LOAN DOCUMENTS

THIS COLLATERAL ASSIGNMENT OF LOAN AND LOAN DOCUMENTS (this "Assignment") is made and executed as of May 17, 2012, by ITTLESON TRUST 2010-1, a Delaware statutory trust, having an address of c/o Garrison Investment Group LP, 1350 Avenue of the Americas, Suite 905, New York, NY 10019 ("Assignor," sometimes referred to as "Borrower"), in favor of CAPITALSOURCE BANK, a California industrial bank, having an address of 5404 Wisconsin Avenue, 2nd Floor, Chevy Chase, MD 20815 ("Assignee," sometimes referred to as "Agent"). Capitalized terms used in this Assignment are defined in the Loan Agreement (defined below) unless otherwise stated.

W I T N E S S E T H:

WHEREAS, Borrower and Agent have entered into that certain Loan and Security Agreement dated as of May 17, 2012 (as amended from time to time, the "Loan Agreement"), pursuant to which certain financial institutions party to the Loan Agreement (each a "Lender" and collectively, the "Lenders"), in their sole discretion, have agreed to lend, upon the terms and conditions set forth in the Loan Agreement, an amount equal to up to the Maximum Loan Amount (as defined in the Loan Agreement) secured by a security interest granted by Borrower to Agent, for the benefit of the Lenders, on certain notes and mortgages related thereto as well as other collateral of Borrower.

NOW, THEREFORE, to secure the payment and performance of the Obligations and Loan Documents and in consideration of the extension of the Advances, in the Lenders' sole discretion, and for other good and valuable consideration the receipt of which is hereby acknowledged, Borrower hereby collaterally conveys, assigns, transfers and sets over unto Agent, for the benefit of the Lenders, as collateral security for the Advances from time to time made by the Lenders, all of Borrower's right, title and interest in and to (i) that certain Promissory Note dated March 28, 2005 in the original principal amount of \$8,000,000 issued by Shilo Inn, Klamath Falls, LLC in favor of Assignor (as successor-in-interest to CIT Small Business Loan Trust 2008-1) (the "Underlying Note"); (iii) that certain Deed of Trust, Assignments, Fixture Filing and Security Agreement dated March 28, 2005 among Shilo Inn, Klamath Falls LLC, as trustor, and Assignor (as successor-in-interest to CIT Small Business Loan Trust 2008-1), as lender, encumbering the property described in Exhibit A attached hereto and made a part hereof by this reference, and recorded March 31, 2005 in Volume #M05, Pages #22040-22065 in the Klamath County, Oregon Recorder's Office, securing payment of the Underlying Note; and (iv) all other Collateral connected therewith collaterally assigned to Agent, for the benefit of the Lenders, pursuant to the terms of the Loan Agreement, together with all proceeds derived therefrom and other Collateral delivered in substitution or replacement thereof (collectively, the "Assigned Collateral").

The execution and delivery of this Assignment shall not subject Agent to, or transfer or pass to Agent, or in any way affect or modify, the liability of Borrower under the Assigned Collateral hereby assigned, it being understood and agreed that notwithstanding this Assignment or any subsequent collateral assignment, all of the obligations of the Borrower to the Underlying Obligor (as such term is defined in the Loan Agreement) under such Assigned Collateral shall be and remain enforceable by such Underlying Obligor, its successors and assigns, only against Borrower and its successors and assigns, and that Agent has not assumed any of the obligations or duties of Borrower under or with respect to such Assigned Collateral.

Borrower hereby agrees and acknowledges that neither the acceptance of this Assignment by Agent nor the exercise of, or failure to exercise, any right, power or remedy in this instrument conferred upon Agent shall be deemed or construed to obligate Agent, or its successors or assigns, to pay any sum of money, take any action or incur any liability in connection with the Assigned Collateral hereby assigned to Agent. It is further agreed and understood by Borrower that neither Agent nor its successors or assigns shall be liable in any way for any costs, expenses or liabilities connected with, or any charges or liabilities resulting from, such Assigned Collateral.

If any provision of this Assignment is held to be illegal, invalid or unenforceable under present or future laws effective during the term thereof, such provision shall be fully severable, this Assignment shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof or thereof, and the remaining provisions hereof or thereof shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

This Assignment shall be binding upon Borrower and its successors and assigns, and shall inure to the benefit of Agent and its successors and assigns.

[REMAINDER OF PAGE INTENTIONALLY BLANK; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Assignor has executed this Assignment on the date first written above.

ITTLESON TRUST 2010-1, as Assignor

By: Garrison Loan Agency Services LLC,
its Administrator

By: _____

Name: _____

Title: _____

SPENCER RAYMOND
CHIEF FINANCIAL OFFICER

STATE OF NY)

COUNTY OF NY)

On 5-14, before me, the undersigned, a Notary Public, personally appeared Spencer Raymond who, being by me duly sworn did prove to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) for and in the name and behalf of said entity, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument, and further stated and acknowledged that he had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

I certify under PENALTY OF PERJURY under the laws of the State of NY that the foregoing paragraph is true and correct.

WITNESS my hand and official seal subscribed and affixed in said County and State, this 14 day of May, 2012.

Notary Public

My Commission Expires: _____

BRADLEY STUART
NOTARY PUBLIC-STATE OF NEW YORK
No. 02HA6219
Qualified in Kings County
My Commission Expires March 2014

EXHIBIT A

Legal Description

[See Attached]

EXHIBIT "A"
LEGAL DESCRIPTION

THE REAL PROPERTY REFERRED TO IN THIS DEED OF TRUST IS SITUATED IN THE CITY OF KLAMATH FALLS, COUNTY OF KLAMATH, STATE OF OREGON, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

Lots 2, 3, 4, and 5, in Block 3 of Tract 1163, CAMPUS VIEW, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. TOGETHER WITH that portion of vacated Almond Street which inured thereto as evidenced by Ordinance 6597, recorded July 6, 1990 in Volume M90, page 13373, Microfilm Records of Klamath County, Oregon.

PARCEL 2:

All that portion of the NW 1/4 SW 1/4 of Section 20, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, lying Northeasterly of the Eastside Bypass conveyed to the State of Oregon by deed recorded June 18, 1957 in Volume 292 at page 373, Deed Records of Klamath County, Oregon and recorded December 28, 1961 in Volume 334 at page 481, Deed Records of Klamath County, Oregon.

PARCEL 3:

Lots 3, 4, and 5 in Block 4 of TRACT NO. 1163, CAMPUS VIEW, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. TOGETHER WITH that portion of vacated Almond Street which inured thereto, as evidence by Ordinance 6597 recorded July 6, 1990 in Volume M90, page 13373, Microfilm Records of Klamath County, Oregon.

PARCEL 4:

Lots 1 and 6 in Block 3 of Tract No. 1163, CAMPUS VIEW, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

(Property commonly known as 2500 Almond Street, Klamath Falls, OR 97601)