

ATTACHMENT 2

Brush College Credits, LLC
3140 Juanipero Way, Suite 201
Medford, OR 97504

RECEIVED

DEC 15 2009

MAYOR-CITY MANAGER'S OFFICE

December 9, 2009

Linda Norris, City Manager
City of Salem
555 Liberty St SE
Salem OR 97301

Re: SDC Credits

Dear Ms. Norris,

Brush College Credits, LLC is the owner of certain SDC credits. When the city receives funds, please send the payments to 3140 Juanipero Way, Suite 201, Medford, OR 97504.

We also have questions regarding these credits. Please call me here at the office. 541-779-8390

Thank you very much.

Sincerely,



John Schleining
Manager

Cc: Peter Fernandez, Public Works Director
Steve Wilker, Tonkon Torp

AFTER RECORDING RETURN TO:

Steven M. Wilker
Tonkon Torp LLP
888 SW Fifth Avenue, Suite 1600
Portland, OR 97204
(503) 802-2040

This space is reserved for recorder's use.

ASSIGNMENT

THIS ASSIGNMENT (this "Assignment") is made, effective as of October 29, 2009, by Tyrell B. Vance LLC an Oregon limited liability company, as assignee for the Benefit of Creditors of DeCal Oregon, Inc. ("DeCal"), an Oregon corporation ("Assignor"), for the benefit of Brush College Credits, LLC an Oregon limited liability company ("Assignee").

RECITALS

A. Assignor succeeded by Assignment, dated March 13, 2008, and recorded as Document No. 2008-004165 in the Official Records of Polk County, Oregon (the "Records"), and by Modification of Assignment made effective as March 13, 2008, and recorded as Document No. 2009-012466 in the Records, to the interest of DeCal under that certain Improvement Agreement for Brush College Heights No.2 dated March 6, 2006, between DeCal and the City of Salem, Oregon, a municipal corporation ("City") and recorded as Document No. 2006-003684 in the Records, as amended by that certain Amendatory Agreement dated February 6, 2007, and recorded as Document No. 2007-002259 in the Records (as so amended, the "Improvement Agreement").

B. The Improvement Agreement required DeCal to construct certain public facilities, including a 21" sewer along Brush College Road NW (defined as the "Offsite Sewer" in such Improvement Agreement) as a condition to construction of DeCal's development in the City, which development is located on the property described in Exhibit A attached hereto and commonly known as Brush College Heights Subdivision.

C. The Offsite Sewer is a qualified public improvement, as that term is defined in Section 41.100 of the City's Code (the "Code"). Therefore, DeCal was entitled and Assignor, as successor to DeCal, is entitled to "pass-through credits," as that term is defined in Section 41.100(g) of the Code ("Credits"), as a means for reimbursement of the allowable costs of construction of the Offsite Sewer, to the extent authorized under Section 66.195 of the Code. Subject to and as set forth in the Code, the Credits are paid by the City in the form of cash payments. The Credits are associated with lots located in the Brush College Heights Subdivision.

D. On or about March 13, 2008, DeCal executed an Assignment for the Benefit of Creditors assigning all of its assets, of whatever kind or nature (real, personal and mixed, tangible and intangible) (collectively at any particular time, the "Assets") to Assignor, including the Assignment of the Credits as described in Recital A above.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Present and Absolute Assignment. Subject to Section 4 below, Assignor hereby irrevocably, absolutely, presently and unconditionally grants, sells, assigns, transfers, pledges and sets over to Assignee all right, title and interest in and to any and all Credits to be paid by the City after the Effective Date (the "Assigned Credits"). The foregoing is intended by Assignor and Assignee to create and shall be construed to create a present and absolute assignment to Assignee of all of Assignor's right, title and interest in the Assigned Credits and shall not be deemed to create merely an assignment for security only for the payment of any indebtedness or the performance of any obligations of Assignor under any agreement with Assignee.

2. Assignee not Obligated under Improvement Agreement. Nothing contained herein shall operate or be construed to obligate Assignee to perform any of the terms, covenants and conditions contained in the Improvement Agreement or under the Code, or otherwise to impose any obligation upon Assignee with respect to the Assigned Credits.

3. Representations and Warranties of Assignor. Assignor hereby represents and warrants to Assignee that: (i) the Offsite Sewer is a qualified public improvement, as that term is defined in Section 41.100 of the Code; (ii) Assignor is entitled to Credits, to the extent authorized under Section 66.195 of the Code, to reimburse it for the allowable costs of construction of the Offsite Sewer, and may receive "reimbursement in excess of credits" for any such allowable costs that are not reimbursed with Credits, if authorized pursuant to SRC 66.195(a)(3); (iii) subject to and as set forth in the Code, the Credits are paid by the City in the form of cash payments; (iv) Assignor has the full power and right to assign the Assigned Credits; (v) no other persons or entities have or shall have any title or interest in the Assigned Credits; (vi) to Assignor's knowledge, there are no facts or circumstances that would impair or preclude the City's

payment of the Assigned Credits to Assignee; (vii) no other assignments or pledges of all or any portion of the Assigned Credits, or any option to purchase, right of first refusal to purchase, or any other similar right with respect to the Assigned Credits, exist; (viii) Assignor has satisfied or will satisfy any and all conditions necessary for the payment of the Assigned Credits by the City to Assignee; (ix) none of the Credits have been paid by the City as of the date hereof; and (x) Assignor has received no notice from any party challenging the validity or enforceability of the Credits.

4. Invalidity of Certain Provisions. Every provision of this Assignment is intended to be severable. In the event any term or provision hereof is declared to be illegal, invalid or unenforceable for any reason whatsoever by a court of competent jurisdiction, such illegality, invalidity or unenforceability shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

5. Successors and Assigns. The provisions of this Assignment shall inure to the benefit of Assignee and its successors and assigns and shall be binding upon Assignor and its successors and assigns. The creation of rights and powers under this Assignment in favor of, or available to, Assignee shall, in no way whatsoever, be construed to impose concomitant duties or obligations on Assignee in favor of Assignor.

6. Governing Law. This Assignment is to be governed by and construed according to the laws of the State of Oregon, and if controlling, by the laws of the United States.

7. Amendment. This instrument may be waived, changed, discharged or terminated only by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought.

8. Counterparts. This document may be executed and acknowledged in counterparts, all of which executed and acknowledged counterparts shall together constitute a single document. Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this document to physically form one document, which may be recorded.

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

ASSIGNOR
TYRELL B. VANCE LLC

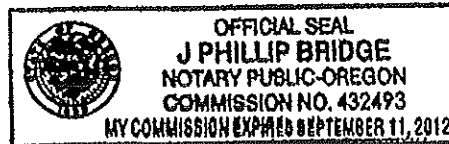
By: 
Tyrell B. Vance
Manager

ASSIGNEE
BRUSH COLLEGE CREDITS, LLC
By: Powder River, Inc., an Oregon
corporation, its Member

By: _____
Lara Schleining, President

[Acknowledgements on Following Page.]

STATE OF OREGON)
) ss.
County of Multnomah)



This instrument was acknowledged before me on October 29, 2009, by Tyrell B. Vance, Manager of Tyrell B. Vance LLC.

J. Phillip Bridge
NOTARY PUBLIC FOR OREGON
My Commission Expires: 9/11/12

STATE OF OREGON)
) ss.
County of _____)

This instrument was acknowledged before me on _____, 2009, by Lara Schleining, President of Powder River, Inc., an Oregon corporation, as Member of Brush College Credits, LLC

NOTARY PUBLIC FOR OREGON
My Commission Expires: _____

payment of the Assigned Credits to Assignee; (vii) no other assignments or pledges of all or any portion of the Assigned Credits, or any option to purchase, right of first refusal to purchase, or any other similar right with respect to the Assigned Credits, exist; (viii) Assignor has satisfied or will satisfy any and all conditions necessary for the payment of the Assigned Credits by the City to Assignee; (ix) none of the Credits have been paid by the City as of the date hereof; and (x) Assignor has received no notice from any party challenging the validity or enforceability of the Credits.

4. Invalidity of Certain Provisions. Every provision of this Assignment is intended to be severable. In the event any term or provision hereof is declared to be illegal, invalid or unenforceable for any reason whatsoever by a court of competent jurisdiction, such illegality, invalidity or unenforceability shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

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7. Amendment. This instrument may be waived, changed, discharged or terminated only by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought.

8. Counterparts. This document may be executed and acknowledged in counterparts, all of which executed and acknowledged counterparts shall together constitute a single document. Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this document to physically form one document, which may be recorded.

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

ASSIGNOR
TYRELL B. VANCE LLC

By: _____
Tyrell B. Vance
Manager

ASSIGNEE
BRUSH COLLEGE CREDITS, LLC
By: Powder River, Inc., an Oregon
corporation, its Member

By: 
Lara Schleining, President

[Acknowledgements on Following Page.]

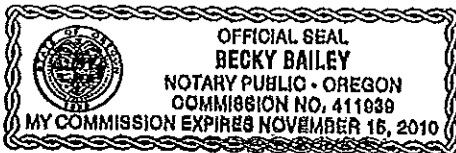
STATE OF OREGON)
) ss.
County of _____)

This instrument was acknowledged before me on _____, 2009, by Tyrell
B. Vance, Manager of Tyrell B. Vance LLC.

NOTARY PUBLIC FOR OREGON
My Commission Expires: _____

STATE OF OREGON)
) ss.
County of JACKSON)

This instrument was acknowledged before me on OCT 29, 2009, by Lara
Schleining, President of Powder River, Inc., an Oregon corporation, as Member of Brush
College Credits, LLC



Becky Bailey

NOTARY PUBLIC FOR OREGON
My Commission Expires: 11-15-2010

CONSENT

The City executes the foregoing Assignment for the sole purpose of evidencing its consent, acknowledgment and agreement to pay the Credits directly to Assignee, pursuant to the terms of such Assignment.

CITY OF SALEM, OREGON,
a municipal corporation

By: Linda Norris

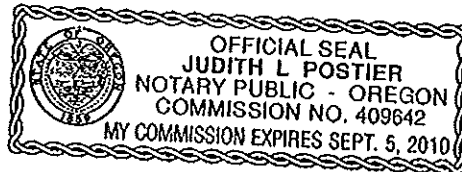
Name: LINDA NORRIS

Title: City Manager

DEPARTMENT APPROVAL

[Signature]
Public Works Director

STATE OF OREGON)
County of Marion) ss.

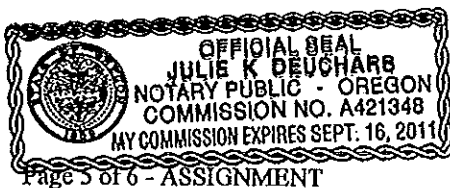


This instrument was acknowledged before me on November 12, 2009, by
Peter Fernandez as Public Works Director of the City of Salem.

Judith Postier
NOTARY PUBLIC FOR OREGON
My Commission Expires: 9-5-10

STATE OF OREGON)
County of Marion) ss.

This instrument was acknowledged before me on November 13, 2009, by
Linda Norris as City Manager of the City of Salem.



Julie K Deuchars
NOTARY PUBLIC FOR OREGON
My Commission Expires: 9-16-2011

EXHIBIT A

Legal Description of Property

ALL LOTS WITHIN THE SUBDIVISIONS ENTITLED BRUSH COLLEGE HEIGHTS NO. 1, NO. 2, NO. 3 AND NO. 4, IN THE CITY OF SALEM, COUNTY OF POLK AND STATE OF OREGON.

033849/00001/1764332v1

CONSENT TO ASSIGNMENT

Tyrell B. Vance LLC ("TBV"), an Oregon limited liability company, as Assignee of DeCal Oregon, Inc. ("DeCal"), an Oregon corporation, and City of Salem, an Oregon Municipal corporation are parties to that certain "Infrastructure Agreement – Brush College Heights Offsite Sewer" ("Infrastructure Agreement") reflecting and memorializing TBV's right to certain System Development Charge ("SDC") credits, which are rights to reimbursement from future developers of properties benefited by work performed by DeCal in connection with the development of the Brush College Heights subdivision in Salem, Oregon. A copy of the Infrastructure Agreement is attached hereto as Exhibit A.

TBV has requested the consent of the City of Salem to an assignment of all of its rights and obligations under section 5.a of the Infrastructure Agreement to Brush College Credits, LLC, an Oregon limited liability company. The City of Salem hereby consents to the assignment. Brush College Credits, LLC hereby accepts the assignment and all rights, duties, and obligations contained in the Infrastructure Agreement, as evidenced by the signature of its authorized representative below.

TYRELL B. VANCE LLC

BRUSH COLLEGE CREDITS, LLC

By _____
Tyrell B. Vance, Manager

By: Powder River, Inc., an Oregon corporation,
Its Member

Date _____

By *Lara Schleining*
Lara Schleining, President

Date: 10-29-09

CITY OF SALEM

By *Sean O'Day*
~~Linda Norris, City Manager~~
SEAN O'DAY, ACTING CITY MANAGER

Date 11/20/09

CONSENT TO ASSIGNMENT

Tyrell B. Vance LLC ("TBV"), an Oregon limited liability company, as Assignee of DeCal Oregon, Inc. ("DeCal"), an Oregon corporation, and City of Salem, an Oregon Municipal corporation are parties to that certain "Infrastructure Agreement – Brush College Heights Offsite Sewer" ("Infrastructure Agreement") reflecting and memorializing TBV's right to certain System Development Charge ("SDC") credits, which are rights to reimbursement from future developers of properties benefited by work performed by DeCal in connection with the development of the Brush College Heights subdivision in Salem, Oregon. A copy of the Infrastructure Agreement is attached hereto as Exhibit A.

TBV has requested the consent of the City of Salem to an assignment of all of its rights and obligations under section 5.a of the Infrastructure Agreement to Brush College Credits, LLC, an Oregon limited liability company. The City of Salem hereby consents to the assignment. Brush College Credits, LLC hereby accepts the assignment and all rights, duties, and obligations contained in the Infrastructure Agreement, as evidenced by the signature of its authorized representative below.

TYRELL B. VANCE LLC

BRUSH COLLEGE CREDITS, LLC

By


Tyrell B. Vance, Manager

By: Powder River, Inc., an Oregon corporation,
Its Member

Date

10-22-2009


By

Lara Schleining, President

Date:

CITY OF SALEM

By


Linda Norris, City Manager

SEAN O'DAY, Acting City Manager

Date

11/20/09

Infrastructure Agreement
Brush College Heights Offsite Sewer

THIS AGREEMENT is entered into between the Decal Oregon, Inc. (Developer), its Assignee Tyroll B. Vance, LLC, and the City of Salem ("City"), an Oregon municipal corporation.

Recitals:

- A. Reimbursement districts under SRC 66.500-66.585 may be formed if the public improvement required to be constructed as a condition of development approval can or will provide direct service to property other than the property being developed by a developer; and
- B. Under SRC 66.505(b), to be eligible for inclusion as a public improvement within a reimbursement district, the public improvement must provide a public benefit by constructing a new public improvement or by enhancing or increasing the capacity of an existing public improvement, must be of a size greater than that ordinarily needed to serve a developer's property, and must be available to serve other lots or parcels within the proposed reimbursement district; and
- C. Reimbursement districts may be used to provide a fair and proportional reimbursement to the developer for the cost of improvements that will be used to serve such benefitted properties; and
- D. Under SRC 66.505(c), a reimbursement district shall provide for the deposit of funds with the City from persons developing property within the reimbursement district, to be used for the reimbursement to a developer who funds the construction, reconstruction or upgrade of public improvements within the reimbursement district; and
- E. Decal Oregon, Inc. (Developer), was required to construct a 21-inch trunk sanitary sewer main identified in the *Salem Wastewater Management Master Plan* as a condition of development; and
- F. Developer requested the formation of a reimbursement district to collect \$771,871.32 of unreimbursed costs for construction of the 21-inch sewer main; and
- G. The 21-inch sewer main is located inside City of Salem corporate limits, was constructed as a condition of development, is a new public improvement that provides a public benefit, is a master-planned facility that is on the Systems Development Charge (SDC) eligible list, is of a size greater than that needed to serve Developer's property, and is available to serve property within City of Salem corporate limits and within the boundaries of the proposed reimbursement district; and

- H. Developer has financed the entire construction cost of the 21-inch sewer main, and received partial reimbursement in the form of "pass-through credits" from SDCs collected from its development; and
- I. The application for a reimbursement district was submitted within 180 days of the City's acceptance of the 21-inch sewer main; and
- J. Not less than ten days prior to the public hearing, Developer and all persons owning property within the proposed district were notified by first class mail of the public hearing and the purpose thereof, mailed July 11, 2008; and
- K. The public hearing was held on July 28, 2008, and continued to August 4, 2008, at which time any person was given the opportunity to comment on the formation of the proposed reimbursement districts; and
- L. On August 4, 2008, the City Council approved the formation of the reimbursement district and authorized the City manager to execute this Infrastructure Agreement
- M. The application for the Reimbursement District was made by both Developer and its Assignee for the Benefit of Creditors, Tyrell B. Vance, LLC. Developer desires to both execute this Agreement and assign its rights, duties, and obligations to Tyrell B. Vance, LLC for the benefit of Developer's creditors.

NOW, THEREFORE in consideration of the covenants set forth herein, the parties agree as follows:

Section 1. Reimbursement District. The Reimbursement District was created by Resolution No. 2008-78, which is attached hereto as Attachment A, and incorporated by reference herein, including all exhibits to the Resolution. The boundaries of the Reimbursement District are established in Resolution No. 2008-78,

Section 2. Total Potential Reimbursement and the Rate of Interest. Consistent with the methodology adopted in Resolution No. 2008-78, the total potential reimbursement to Developer is \$771,871.32. Interest on amounts due under the Reimbursement District shall be 3.5% per annum, simple interest. The total amount of reimbursement to Developer shall not exceed \$771,871.32, plus interest.

Section 3. Developer's Obligations. By requesting the Development District and entering into this Infrastructure Agreement Developer:

- a. Guarantees the public improvements constructed for a period of twelve months after the date of installation.
- b. Agrees to defend, indemnify, and hold harmless, the City, its officers, employee's and agents from any and all losses, claims, damage, judgments, or other costs or expenses arising out of or related to the City's establishment or administration of the Reimbursement District.

representatives have signed this Infrastructure Agreement on the dates noted by their signature below.

WHEREFORE, the parties have executed this Infrastructure Agreement as of the dates set forth below.

DECAL OREGON, INC.:

BY: John Schleining Date: 10/9/08
John Schleining

TYRELL B. VANCE, LLC, Assignee:

BY: Linda Norris Date: 12/26/08
LN


CITY OF SALEM:

BY: Linda Norris Date: 12/26/08
Linda Norris
City Manager

representatives have signed this Infrastructure Agreement on the dates noted by their signature below.


WHEREFORE, the parties have executed this Infrastructure Agreement as of the dates set forth below.

DECAL OREGON, INC.:

BY: 

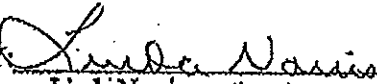
Date: _____

TYRELL B. VANCE, LLC, Assignee:

BY: 
Tyrell B. Vance

Date: 10-15-2008

CITY OF SALEM:

BY: 
Linda Norris
City Manager

Date: 12/26/08

AFTER RECORDING RETURN TO:

Jordan Schrader PC
PO Box 230669
Portland, OR 97281
(46593-36410 -- CLK)

This space is reserved for recorder's use.

ASSIGNMENT

THIS ASSIGNMENT (this "Assignment") is made as of August 2, 2007, by DECAL OREGON INC., an Oregon corporation ("Assignor"), for the benefit of C & M CONSTRUCTION, INC., an Oregon corporation ("Assignee").

RECITALS

A. Assignor and the CITY OF SALEM, OREGON, a municipal corporation ("City") entered into that certain Improvement Agreement for Brush College Heights No.2 dated March 6, 2006, and recorded as Document No. 2006-003684 in the Official Records of Polk County, Oregon (the "Records"), as amended by that certain Amendatory Agreement dated February 6, 2007, and recorded as Document No. 2007-00259 in the Records (as so amended, the "Improvement Agreement").

B. The Improvement Agreement requires Assignor to construct certain public facilities, including a 21" sewer along Brush College Road NW (defined as the "Offsite Sewer" in such Improvement Agreement) as a condition to construction of Assignor's development in the City, which development is located on the property described in Exhibit A attached hereto and commonly known as Brush College Heights Subdivision.

C. The Offsite Sewer is a qualified public improvement, as that term is defined in Section 41.100 of the City's Code (the "Code"). Therefore, Assignor is entitled to "pass-through credits," as that term is defined in Section 41.100(g) of the Code ("Credits"), as a means for reimbursement of the allowable costs of construction of the Offsite Sewer, to the extent authorized under Section 66.195 of the Code. Subject to and as set forth in the Code, the Credits are paid by the City in the form of cash payments. The Credits are associated with lots located in the Brush College Heights Subdivision.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Present and Absolute Assignment. Subject to Section 4 below, Assignor hereby irrevocably, absolutely, presently and unconditionally grants, sells, assigns, transfers, pledges and sets over to Assignee all right, title and interest in and to the first \$67,387.66 of Credits paid by the City (the "Assigned Credits"). The foregoing is intended by Assignor and Assignee to create and shall be construed to create a present and absolute assignment to Assignee of all of Assignor's right, title and interest in the Assigned Credits and shall not be deemed to create merely an assignment for security only for the payment of any indebtedness or the performance of any obligations of Assignor under any agreement with Assignee.
2. Assignee not Obligated under Improvement Agreement. Nothing contained herein shall operate or be construed to obligate Assignee to perform any of the terms, covenants and conditions contained in the Improvement Agreement or under the Code, or otherwise to impose any obligation upon Assignee with respect to the Assigned Credits. Assignor and Assignee further agree that the Assigned Credits shall not constitute property of Assignor (or of any estate of Assignor) within the meaning of 11 U.S.C. § 541, as may be amended from time to time.
3. Representations and Warranties of Assignor. Assignor hereby represents and warrants to Assignee that: (i) the Offsite Sewer is a qualified public improvement, as that term is defined in Section 41.100 of the Code; (ii) Assignor is entitled to Credits, to the extent authorized under Section 66.195 of the Code, to reimburse it for the allowable costs of construction of the Offsite Sewer, and may receive "reimbursement in excess of credits" for any such allowable costs that are not reimbursed with Credits, if authorized pursuant to SRC 66.195(a)(3); (iii) subject to and as set forth in the Code, the Credits are paid by the City in the form of cash payments; (iv) Assignor has the full power and right to assign the Assigned Credits; (v) no other persons or entities have or shall have any title or interest in the Assigned Credits; (vi) to Assignor's knowledge, there are no facts or circumstances that would impair or preclude the City's payment of the Assigned Credits to Assignee; (vii) no other assignments or pledges of all or any portion of the Assigned Credits, or any option to purchase, right of first refusal to purchase, or any other similar right with respect to the Assigned Credits, exist; (viii) Assignor has satisfied or will satisfy any and all conditions necessary for the payment of the Assigned Credits by the City to Assignee; (ix) none of the Credits have been paid by the City as of the date hereof; and (x) Assignor has received no notice from any party challenging the validity or enforceability of the Credits.
4. Payment of Outstanding Amounts. Upon full and complete payment to Assignee of \$67,687.66, whether in the form of cash payments of the Assigned Credits or otherwise, this Assignment shall terminate. Assignee hereby irrevocably, absolutely, presently and unconditionally grants, sells, assigns, transfers, pledges and sets over to Assignor all right, title and interest in and to any Assigned Credits and any water facility credits paid after the termination of this Assignment. The foregoing is intended by Assignee and Assignor to create and shall be construed to create a present and absolute assignment to Assignor of all of Assignee's right, title and interest in any Assigned Credits and any water facility credits following the termination of this Assignment.

5. Ongoing Obligations. Assignor agrees to perform and discharge all of Assignor's obligations and to enforce all obligations of third parties which obligations are conditions to the City's payment of the Credits. Assignor shall defend Assignee in any action relating to the Credits and shall indemnify, defend and hold Assignee harmless from and against any claims of third parties with respect to the Credits. Assignor shall not receive or collect any Credits and shall cause all Credits to be paid directly to Assignee by the City. Assignor shall notify the City of this Assignment. Assignor shall not pledge, assign or encumber the Credits or the Improvement Agreement or modify or terminate the Improvement Agreement, or permit any assignment of the Improvement Agreement, until Assignee receives payments of \$67,387.66 relating to the Assigned Credits, without the consent of Assignee. Assignor shall notify Assignee of any fact or information of which it becomes aware that would have a material, adverse affect on the receipt of the Credits by Assignee.
6. Further Assurances. Assignor agrees to take such action and to execute, deliver and record such documents as may be reasonably necessary to evidence the assignment intended herein and to carry out the intent and purpose hereof.
7. Invalidity of Certain Provisions. Every provision of this Assignment is intended to be severable. In the event any term or provision hereof is declared to be illegal, invalid or unenforceable for any reason whatsoever by a court of competent jurisdiction, such illegality, invalidity or unenforceability shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.
8. Successors and Assigns. The provisions of this Assignment shall inure to the benefit of Assignee and its successors and assigns and shall be binding upon Assignor and its successors and assigns. The creation of rights and powers under this Assignment in favor of, or available to, Assignee shall, in no way whatsoever, be construed to impose concomitant duties or obligations on Assignee in favor of Assignor.
9. Governing Law. This Assignment is to be governed by and construed according to the laws of the State of Oregon, and if controlling, by the laws of the United States.
10. Amendment. This instrument may be waived, changed, discharged or terminated only by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought.
11. Counterparts. This document may be executed and acknowledged in counterparts, all of which executed and acknowledged counterparts shall together constitute a single document. Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this document to physically form one document, which may be recorded.

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

ASSIGNOR

DECAL OREGON INC., an Oregon corporation

By: 

Name: John Schleming

Title: President

ASSIGNEE

C & M CONSTRUCTION, INC., an Oregon corporation

By: 

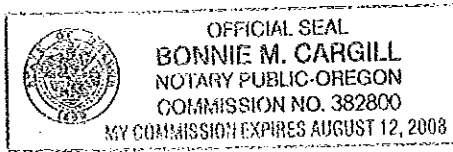
Name: Conrad A. Spreul

Title: President

[Acknowledgements on Following Page.]

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on September 20, 2007,
by John Schleining as President of Decal Oregon Inc., an Oregon
corporation.

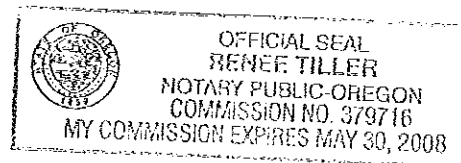
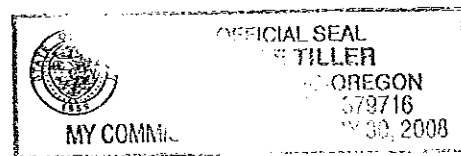


Bonnie M. Cargill
NOTARY PUBLIC FOR OREGON
My Commission Expires: 8-12-2008

STATE OF OREGON)
) ss.
County of Washington)

This instrument was acknowledged before me on Sept. 20, 2007,
by [Signature] as president of C & M Construction, Inc., an Oregon
corporation.

Renée Tiller
NOTARY PUBLIC FOR OREGON
My Commission Expires: 5/30/08



CONSENT

The City executes the foregoing Assignment for the sole purpose of evidencing its consent, acknowledgment and agreement to pay the Credits directly to Assignee, pursuant to the terms of such Assignment.

CITY OF SALEM, OREGON,
a municipal corporation

By: Robert G. Wells

Name: Robert G. Wells

Title: City Manager

DEPARTMENT APPROVAL

J. H. Ferling
Public Works Director



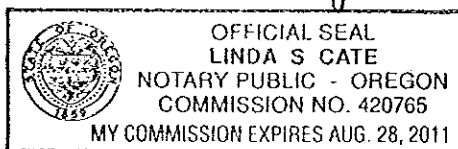
STATE OF OREGON)
County of Marion) ss.

This instrument was acknowledged before me on September 21, 2007,
by Jim Ferling as Public Works Director of the City of Salem.

Judith L. Postier
NOTARY PUBLIC FOR OREGON
My Commission Expires: Sept 5, 2010

STATE OF OREGON)
County of Marion) ss.

This instrument was acknowledged before me on September 24, 2007,
by Robert G. Wells City Manager of the City of Salem.



Linda S. Cate
NOTARY PUBLIC FOR OREGON
My Commission Expires: Aug 28, 2011

EXHIBIT A

Legal Description of Property

LOTS 1 THROUGH 98, 100 THROUGH 122, BRUSH COLLEGE PHASES I AND II, IN THE CITY OF SALEM, COUNTY OF POLK AND STATE OF OREGON.

EXHIBIT B

[Intentionally Omitted.]