

34761

A S S I G N M E N T

JUN 2 3 31 PM 1972

KNOW ALL MEN BY THESE PRESENTS that FRANCIS D. BROWN & SON, INC., an Oregon corporation, Assignors, in consideration of the sum of FOUR HUNDRED THOUSAND AND NO/100 DOLLARS, (\$400,000.00) to them paid by BANK OF KLAMATH COUNTY, an Oregon banking corporation, Assignee, do by these presents sell, transfer and assign unto said Assignee all of Assignor's right, title and interest in and to that certain agreement dated November 17, 1971 wherein Roy L. Matchett agreed to sell and Assignors agreed to buy the property in Klamath County, Oregon, described as follows:

A tract of land situated in the SW 1/4 of NW 1/4 of Section 8 Township 39 South, Range 9 East, Willamette Meridian, Oregon, more particularly described as follows: Beginning at a point on the Southeasterly right of way line of the Weed-Klamath Falls Highway, which point is North 44°50'-1/2' East a distance of 138 feet from the intersection of the Southeasterly line of said highway with the Westerly line of Section 8, and the true point of beginning of this description; thence continuing North 44°50'-1/2' East along said Southeasterly line a distance of 300 feet; thence North 45°09'-1/2' West a distance of 20 feet; thence North 44°50'-1/2' East along the aforementioned highway right of way line a distance of 50 feet; thence South 45°09'-1/2' East at right angles a distance of 320 feet; thence South 44°09'-1/2' West parallel to said highway line a distance of 350 feet; thence North 45°09'-1/2' West 300 feet to the point of beginning.

TO HAVE AND TO HOLD the same unto Assignee, its successors and assigns forever.

PROVIDED HOWEVER, that it is expressly understood and agreed that this assignment is intended as security for the repayment of that certain promissory note dated June 1, 1972, a copy of which is attached hereto.

PROVIDED FURTHER, that this assignment is also intended as security for the repayment of any future loans or advancements which Assignee may hereinafter make to the said Assignor until the aforesaid future advances are paid

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FRANCIS D. BROWN & SON, INC.

SBA LOAN NUMBER

SBLG 231240 10 07 PTD

NOTE

Klamath Falls, Oregon
(City and State)

\$400,000.00

(Date) June 1, 1972

For value received, the undersigned promises to pay to the order of

BANK OF KLAMATH COUNTRY

(Payee)

at its office in the city of Klamath Falls, State of Oregon

or at holder's option, at such other place as may be designated from time to time by the holder

FOUR HUNDRED THOUSAND AND NO/100 Dollars,
(Write out amount)with interest on unpaid principal computed from the date of each advance to the undersigned at the rate of eight and one-fourth (8 1/4%)
percent
per annum, payment to be made in installments as follows:

1. Installments, including principal and interest, payable \$6,300.00 per month, beginning two months from date hereof.
2. Each said installment shall be applied first to interest accrued to the date of receipt of said installment, and the balance, if any, to principal.
3. The balance of principal and interest payable seven years from date hereof.

Payment of any installment of principal or interest owing on this Note may be made prior to the maturity date thereof without penalty.

The term "indebtedness" as used herein shall mean the indebtedness evidenced by this Note, including principal, interest, and expenses, whether contingent, now due or hereafter to become due and whether heretofore or contemporaneously herewith or hereafter contracted. The term "Collateral" as used in this Note shall mean any funds, guarantees, or other property or rights therein of any nature whatsoever or the proceeds thereof which may have been, are, or hereafter may be, hypothecated, directly or indirectly by the undersigned or others, in connection with, or as security for, the indebtedness or any part thereof. The Collateral, and each part thereof, shall secure the indebtedness and each part thereof. The covenants and conditions set forth or referred to in any and all instruments of hypothecation constituting the Collateral are hereby incorporated in this Note as covenants and conditions of the undersigned with the same force and effect as though such covenants and conditions were fully set forth herein.

The indebtedness shall immediately become due and payable, without notice or demand, upon the appointment of a receiver or liquidator, whether voluntary or involuntary, for the undersigned or for any of its property, or upon the filing of a petition by or against the undersigned under the provisions of any State insolvency law or under the provisions of the Bankruptcy Act of 1898, as amended, or upon the making by the undersigned of an assignment for the benefit of its creditors. Holder is authorized to declare all or any part of the indebtedness immediately due and payable upon the happening of any of the following events:

- (1) Failure to pay any part of the indebtedness when due;
- (2) nonperformance by the undersigned of any agreement with, or any condition imposed by, Holder or Small Business Administration (hereinafter called "SBA"), or either of them, with respect to the indebtedness;
- (3) Holder's discovery of the undersigned's failure in any application of the undersigned to Holder or SBA to disclose any fact deemed by Holder to be material or of the making therein or in any of the said agreements, or in any affidavit or other documents submitted in connection with said application or the indebtedness, of any misrepresentation by, on behalf of, or for the benefit of the undersigned;
- (4) the reorganization (other than a reorganization pursuant to any of the provisions of the Bankruptcy Act of 1898, as amended) or merger or consolidation of the undersigned (or the making of any agreement therefor) without the prior written consent of Holder;
- (5) the undersigned's failure duly to account, to Holder's satisfaction, at such time or times as Holder may require, for any of the Collateral, or proceeds thereof, coming into the control of the undersigned; or
- (6) the institution of any suit affecting the undersigned deemed by Holder to affect adversely its interest hereunder in the Collateral or otherwise. Holder's failure to exercise its rights under this paragraph shall not constitute a waiver thereof.

FRANCIS D. BROWN & SON, INC.
SBLG 231240 10 07 PTD

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Upon the nonpayment of the indebtedness, or any part thereof, when due, whether by acceleration or otherwise, Holder is empowered to sell, assign, and deliver the whole or any part of the Collateral as public or private sale, without demand, advertisement or notice of the time or place of sale or of any adjournment thereof, which are hereby expressly waived. After deducting all expenses incidental to or arising from such sale or sales, Holder may apply the residue of the proceeds thereof to the payment of the indebtedness, as it shall deem proper, retaining the excess, if any, to the undersigned. The undersigned hereby waives all right of redemption or appraisal whether before or after sale.

Holder is further empowered, to collect or cause to be collected or otherwise to be converted into money all or any part of the Collateral, by suit or otherwise, and to surrender, compromise, release, renew, extend, exchange, or substitute any item of the Collateral in transactions with the undersigned or any third party, irrespective of any assignment thereof by the undersigned, and without prior notice to or consent of the undersigned or any assignee. Whenever any item of the Collateral shall not be paid when due, or otherwise shall be in default, whether or not the indebtedness, or any part thereof, has become due, Holder shall have the same rights and powers with respect to such item of the Collateral as are granted in respect thereof in this paragraph in case of nonpayment of the indebtedness, or any part thereof, when due. None of the rights, remedies, privileges, or powers of Holder expressly provided for herein shall be exclusive, but each of them shall be cumulative with and in addition to every other right, remedy, privilege, and power now or hereafter existing in favor of Holder, whether at law or in equity, by statute or otherwise.

The undersigned agrees to take all necessary steps to administer, supervise, preserve, and protect the Collateral; and regardless of any action taken by Holder, there shall be no duty upon Holder in this respect. The undersigned shall pay all expenses of any nature, whether incurred in or out of court, and whether incurred before or after this Note shall become due at its maturity date or otherwise, including but not limited to reasonable attorney's fees and costs, which Holder may deem necessary or proper in connection with the satisfaction of the indebtedness or the administration, supervision, preservation, protection of (including, but not limited to, the maintenance of adequate insurance) or the realization upon the Collateral. Holder is authorized to pay at any time and from time to time any or all of such expenses, add the amount of such payment to the amount of the indebtedness, and charge interest thereon at the rate specified herein with respect to the principal amount of this Note.

The security rights of Holder and its assigns hereunder shall not be impaired by Holder's sale, hypothecation or rehypothecation of any note of the undersigned or any item of the Collateral, or by any indulgence, including but not limited to (a) any renewal, extension, or modification which Holder may grant with respect to the indebtedness or any part thereof, or (b) any surrender, compromise, release, renewal, extension, exchange, or substitution which Holder may grant in respect of the Collateral, or (c) any indulgence granted in respect of any endorser, guarantor, or surety. The purchaser, assignee, transferee, or pledgee of this Note, the Collateral, any guaranty, and any other document (or any of them), sold, assigned, transferred, pledged, or repledged, shall forthwith become vested with and entitled to exercise all the powers and rights given by this Note and all applications of the undersigned to Holder or SBA, as if said purchaser, assignee, transferee, or pledgee were originally named as Payee in this Note and in said application or applications.

This promissory note is given to secure a loan which SBA is making or to which it is participating unit, pursuant to Part 101 of the Rules and Regulations of SBA (19 C.F.R. 101.1(d)), this instrument is to be construed and (when SBA is the Holder or a party in interest) enforced in accordance with applicable Federal law.

FRANCIS D. BROWN & SON, INC.

BY

Francis D. Brown

President

ATTEST:

Fred R. Brown

Secretary

Note.—Corporate applicants must execute Note in corporate name, by duly authorized officer, and seal must be affixed and duly attested; partnership applicants must execute Note in firm name, together with signature of a general partner.

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in full. This assignment is also intended as security for any payments which the Assignee may make upon the above described contract and/or agreement of sale between Assignors and the said Roy L. Matchett, until such time as the said promissory note and future advances, if any, are paid in full, and all advances and payments, if any, made by Assignee upon the contract have been paid in full. The Assignee will be deemed the sole owner of said agreement and the property covered thereby.

IT IS FURTHER EXPRESSLY understood and agreed that this assignment shall not be deemed as partial or full payment by Assignor of said debt, but only as security for said payment.

WITNESS the hand and seal of Assignors this 1st day of June, 1972.

FRANCIS D. BROWN & SON, INC., an Oregon corporation

By Francis D. Brown Pres.
By Paul Eugene Brown, Secy.

STATE OF OREGON }
County of Klamath } ss.

Personally appeared the above named Francis D. Brown, who is
President of the Corporation

who acknowledged the foregoing instrument to be their voluntary act and deed.

BEFORE ME this 1st day of June, 1972.

Paul Eugene Brown
NOTARY PUBLIC FOR OREGON
My Commission expires: June 20, 1975

STATE OF OREGON }
County of Klamath } ss.

Filed for record at request of:
KLAMATH COUNTY TITLE CO.

on this 2nd day of June A. D., 1972.
at 3:31 o'clock P. M. and duly
recorded in Vol. M-92 of Mortgages
Page 5899

WM. D. MILNE, County Clerk
By Luis Quintana Deputy.
Fee \$8.00

When recorded, mail to:

Bank of Klamath County
P. O. Box 1149
Klamath Falls, Oregon 97601