

19055

ASSIGNMENT OF RENTALS

Vol. M76 Page 14521

R. Cecil Cheyne and Vincent O. Cheyne

("Assignor")

For value received, assigns the following described property ("Collateral") and grants a security interest therein to FIRST NATIONAL BANK OF OREGON, ("Bank") its successors and assigns; all of Assignor's right, title and interest in and to the rents due or to become due Assignor by the terms of any and all leases or agreements now or hereafter existing, however evidenced, covering all or a portion of the real property described below. The debtor under any of said Collateral is hereinafter designated "Obligor."

Per Attached Schedule A

1976 SEP 16 AM 11 14

Assignor warrants to Bank that:

- (i) he is the absolute owner of said collateral;
- (ii) he has not heretofore assigned or granted a security interest in the Collateral or any sums of money due or to become due thereunder, or any right or interest therein or thereto;
- (iii) the full amount payable according to the terms of the Collateral is justly owing and payable in accordance with the terms thereof;
- (iv) there are no defaults existing under the Collateral;
- (v) there are no offsets or counterclaims to the Collateral;
- (vi) as of the date of this assignment there is now unpaid and owing thereon \$ None

Assignor covenants to Bank that he will strictly and promptly perform each of the terms, conditions, covenants and agreements in the collateral contained on his part to be performed.

This assignment is made as security for the payment of any and all indebtedness now or at any time hereafter owing by Assignor to Bank, whether absolute, contingent, due or to become due, primary or secondary and however evidenced.

Assignor hereby authorizes and directs Obligor to pay and deliver to Bank, upon Bank's demand to Obligor, all sums of money payable by the terms of the Collateral and to accept the receipt of Bank therefor. Until Bank makes demand on Obligor, Assignor shall continue to collect the proceeds of the Collateral. Assignor shall, at the request of Bank, hold the proceeds received from collection in trust for Bank without commingling the same with other funds of Assignor and shall turn the same over to Bank immediately upon receipt in the identical form received. Assignor shall, at the request of Bank, notify Obligor of Bank's interest in Collateral and Bank may, itself, at any time so notify Obligor. Obligor shall be under no obligation to determine that any indebtedness hereby secured is owing or to see to the application of any sums of money paid to Bank and the receipt of Bank shall constitute a complete acquittance to the extent of any payment made to Bank by Obligor until Bank shall notify Obligor in writing that Assignor is no longer indebted to Bank. It is expressly understood and agreed that Bank shall not be required or obligated in any manner to make any demand or to take any action to collect or enforce the payment of any amount which may have been assigned to it or to which it may have been entitled hereunder at any time or times. This assignment is not a delegation or assignment to Bank of Assignor's duties or obligations under or in connection with collateral. Bank's acceptance of this assignment does not constitute a promise by it nor does it in any way obligate it to perform any of Assignor's duties or obligations under or in connection with collateral.

Assignor hereby appoints Bank, its successors and assigns, his attorney in fact, irrevocable, with full power of substitution, to demand, collect, receive, receipt for, sue and recover all sums of money which may now or hereafter become due, owing or payable from Obligor in accordance with the terms of the Collateral; to execute, sign and endorse any and all claims, instruments, receipts, checks, drafts or warrants issued in payment thereof and to settle or compromise any and all claims arising under the collateral assigned to Bank and, in the place and stead of Assignor, execute and deliver its release and acquittance therefor; to file any claim or claims or to take any action or institute or take part in any proceedings, either in its own name or in the name of Assignor or, otherwise, which, in the discretion of Bank may seem to be necessary or advisable; to execute in Assignor's name and deliver to Obligor, on Assignor's behalf, at the time and in the manner specified by the Collateral, a deed or bill of sale to property being purchased by Obligor pursuant to the Collateral and described therein. This power is given as security for an indebtedness and the authority hereby conferred is and shall be irrevocable and shall remain in full force and effect until renounced by Bank.

Assignor shall pay to Bank upon demand, any and all expenses, including reasonable attorney's fees, incurred or paid by Bank without suit or action in protecting its rights upon or under this assignment. In the event suit or action is instituted in connection with any controversy arising out of this assignment, the prevailing party shall be entitled to recover, at trial or on appeal, such sums as the court may adjudge reasonable as attorney's fees, in addition to costs and necessary disbursements.

Assignor agrees that at any time or from time to time, upon written request of Bank, he will execute and deliver such further documents and do such further acts and things as Bank may request in order to further effect the purposes of this assignment.

In the construction of this agreement, the singular includes the plural and the masculine pronouns include the feminine and neuter. If more than one Assignor executes this assignment, the liability of each assignor shall be joint and several.

IN WITNESS WHEREOF, Assignor has executed this agreement this 13th day of September, 1976.

STATE OF OREGON,

County of Klamath, ss.September 13, 1976.Personally appeared the above named R. Cecil Cheyne and Vincent O. Cheyneand acknowledged the foregoing instrument to be their voluntary act and deed.

(OFFICIAL SEAL)

Before me:
William C. Hartman
 Notary Public for Oregon
 My commission expires: 12-29-78

STATE OF OREGON, County of _____, ss.

Personally appeared _____, 19 ____

_____ and _____ who, being duly sworn,

each for himself and not one for the other, did say that the former is the _____

_____ president and that the latter is the _____

_____ secretary of _____

_____, a corporation,

and that the seal affixed to the foregoing instrument is the corporate seal of said

corporation and that said instrument was signed and sealed in behalf of said corporation

by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

Before me:

Notary Public for Oregon
 My commission expires: _____

(OFFICIAL SEAL)

AFTER RECORDING RETURN TO:

FIRST NATIONAL BANK OF OREGON

BRANCH

P. O. Box 428

Merrill, Oregon 97633

STATE OF OREGON,

County of _____, ss.

I certify that the within instrument was received for record on the _____ day of _____, 19 ____

at _____ o'clock _____ M., and recorded in book _____ on page _____ or as filed in _____

number _____, Record of _____ of said County.

Witness my hand and seal of County affixed.

By _____ Title _____ Deputy _____

Schedule A

The following described real property in Klamath County, Oregon:

That portion of the S $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 16, Township 41 South, Range 12 East of the Willamette Meridian, described as follows:

Beginning at the intersection of the Northeasterly line of the Great Northern Railroad right of way, 300 feet wide, as described in deed recorded in Volume 96, page 109, Deed Records of Klamath County, Oregon, with the Northwesternly line of the Depot Road, 80 feet wide, as described in Deed recorded in Volume 96 at page 173, Deed Records of said County; thence North 71° 45' East along said Depot Road a distance of 263.29 feet to the true point of beginning of this description; thence North 165.23 feet; thence West 549.60 feet to the Northeasterly line of said Railroad right of way; thence following the boundary line of said Railroad right of way to its intersection with the North line of the South half of the Southwest quarter of Section 16; thence East along said North line to the Northeast corner of the Southeast quarter of the Southwest quarter; thence South along the East line of said Southeast quarter of the Southwest quarter 277.90 feet, more or less, to its intersection with the Northwesternly line of the Depot Road; thence Southwesterly along the Northwesternly line of the Depot Road to the point of beginning,

EXCEPTING THEREFROM an additional portion conveyed to the Great Northern Railway by deed recorded in Volume 105 of Deeds, page 209, Records of Klamath County, Oregon.

Re

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of First National Bank

this 14th day of September A. D. 19 76 at 11:14 A.M.

duly recorded in Vol. M76, of Mortgages on P. 14521

Wm D. MILNE, County

By *Claschy De Cure*

fee \$6.00