

27233

ASSIGNMENT AND MORTGAGE

Vol. 1483 Page 14047

For value received, BB & SC Enterprises, Inc., an Oregon corporation ("Assignor"), assign and convey the following described property ("Collateral") and grant a security interest therein to FIRST INTERSTATE BANK OF OREGON, N.A. ("Bank"), its successors and assigns: all Assignor's right, title and interest in and to that certain Contract of Sale dated July 26, 1983, by and between Assignor as Seller and William L. Schneller and Delores J. Schneller, husband and wife, as purchasers, recorded July 27, 1983 in Book 1113, Page 12191, of Mtge Deed Records of Klamath County, and all monies due or to become due thereunder, and the real property thereunder. This conveyance is intended as a mortgage to secure performance of the covenants and agreements herein contained and to be by the Assignor kept and performed. "Obligor" shall mean the account debtor, lessee, contract purchaser, or the other person(s) obligated for the payment of money, as the case may be. Where reference is made to "Assignment" it shall, where applicable, mean "Assignment and Mortgage."

Assignor warrants to Bank that:

- (1) Assignor is the owner of their interest in Collateral subject to that certain Contract of Sale by and between Larry P. Miller and Marion A. Cook as vendors and Assignor as vendee, dated July 31, 1981, recorded N-A in Book , at Page , of Records of Klamath County, Oregon.
- (2) Assignor has not heretofore assigned or granted a security interest in Collateral or any sums of money due or to become due thereunder, or any right or interest therein or thereto;
- (3) the full amount payable according to the terms of Collateral is justly owing and payable in accordance with the terms thereof;
- (4) there are no offsets or counterclaims to Collateral;
- (5) as of the date of this assignment there is now unpaid and owing thereon \$193,500.00.

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

This assignment is made as security for the payment of Assignor's promissory note to Bank dated August 8, 1983 in the total principal sum of \$33,080.64, together with interest thereon in accordance with the terms and tenor, and together with any renewals or extensions thereof; and 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 Collateral and to accept the receipt of Bank therefor. Until Bank makes demand on Obligor, Assignor shall continue to collect the proceeds of 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 Colla-



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teral 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, irrevocably, 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 Collateral; to execute, sign and endorse any and all claims, instruments, receipts, checks, drafts, or warrants issued in payment therefor and to settle or compromise any and all claims arising under 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. 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 fees, incurred or paid by Bank in protecting its rights upon or under this Assignment and Mortgage. In the event suit or action is instituted against Assignor to enforce the terms or provisions hereof or based upon this assignment, or as a result of any breach of any of the terms or conditions hereof, Assignor agrees to pay, in addition to costs and disbursements provided by statute, such sums as the court may adjudge reasonable as attorney fees in such proceeding or on any appeal from any judgment or decree entered therein.

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 and Mortgage.

In the construction of this agreement, the singular includes the plural and the masculine pronoun includes the feminine and neuter.

IN WITNESS WHEREOF, Assignor has executed this assignment and mortgage
the 19th day of August, 1983.

BB & SC Enterprises, Inc.

Barbara A. Bedard

STATE OF OREGON)
County of Deschutes)

August 19, 1983

Personally appeared Barbara A. Bedard

who, being duly sworn did say that he/she is the Secretary
of BB & SC Enterprises, Inc. and that the said instrument was signed in behalf of
said corporation by authority of its Board of Directors; and he/she acknowledged
said instrument to be its voluntary act and deed. Before me:

First Interstate Bank
of Oregon, N.A.
BEND BRANCH
P. O. Box 1191
Bend, Oregon 97701
503) 388-0511

Merrilyn J. Ferebee
MERRILYN J. FEREBEE
NOTARY PUBLIC-OREGON
My Commission Expires 3/4/87

Notary Public for Oregon

My Commission Expires 3/4/87

STATE OF OREGON,)
County of Klamath)

Filed for record at request of

on this 22 day of August A.D. 19 83
at 9:34 o'clock A M, and duly
recorded in Vol. M83 of MTGES
age 14047

EVELYN BICHN, County Clerk

Deputy

aa 12.00