

ASSIGNMENT OF RENTS Made as of the last date set forth opposite the signatures of the parties hereto, between DAYTON O. HYDE and GERDA V. HYDE, husband and wife, or the survivor of them (Assignor), and KLAMATH PRODUCTION CREDIT ASSOCIATION, a corporation existing under the Farm Credit Act of 1971, as amended (Assignee):

1. Assignment: Assignor hereby bargains, sells, assigns, and transfers to Assignee all of Assignor's right, title, and interest in rentals for 1985 due, or to become due, from all parties with which Assignor shall have any pasturage agreement and/or agricultural land lease, oral or written, (Rents) affecting Assignor's real property situate in Klamath County, Oregon, and Grant County, Oregon, described in Exhibit "A", attached hereto and thereby made a part hereof as though fully set forth here &.

2. Assignor's Warranties and Covenants: Assignor warrants and covenants as follows:

a. Title: Assignor is the owner of the Rents hereby assigned free from any adverse lien, security interest, or encumbrance.

b. No Prior Assignment: Assignor has not made any prior assignment of the Rents.

c. No Future Assignment: Assignor will not assign any other interest in the Rents.

d. Assignor Transmit Directly Received Payments to Assignee: Assignor will instruct any tenant under any pasture rental agreement and/or agricultural land lease to issue its form of payment for the Rents hereby assigned jointly to Assignor and Assignee. In the event any payment of the Rents is received by Assignor, Assignor will promptly transmit such payment to Assignee in the same form as it is received by Assignor except that Assignor will endorse checks or drafts which are payable to Assignor.

e. Protect Rents From Liens: Assignor will keep the Rents free from any adverse lien, security interest, or encumbrance, and will defend the Rents against all claims and demands of all other persons at any time claiming the same, or any interest therein.

f. Further Assurances: Assignor will do, execute, and deliver whatever further acts, documents, or instruments as Assignee reasonably shall require for preserving, confirming, and assuring to Assignee, all and singular, and the assignment of Rents herein made.

g. Duties and Obligations of Assignor Joint and Several: If more than one Assignor, the duties and obligations of Assignor shall be joint and several.

3. Rights of Assignee to Collect Rents and Enforce Assignor's Rights in the Rents: Assignor hereby grants to Assignee the following powers and rights:

a. Power of Attorney Coupled With Interest: Assignor hereby appoints Assignee its true, lawful, and irrevocable attorney-in-fact to perform the acts consented to by Assignor in this Assignment, including, without limiting the generality of the foregoing, to demand, receive, and enforce payment of the Rents, to give receipts, releases, and satisfactions of the Rents, to grant graces, extensions and indulgences of the Rents, and to sue, either in the name of Assignor or in the name of Assignee, the Rents hereby assigned. The power of attorney contained in the immediately preceding sentence is a power coupled with an interest.

b. Notices and Right of Assignee to Receive Payments and Proceeds: Assignee may, at any time, give notice to any lessee of the real property herein described of Assignee's right to receive all Rents hereby assigned, and to require any such lessee to make any payment for the Rents jointly to Assignor and Assignee. Assignee, at its option, may hold any payment of the Rents received by Assignee in trust as security, or apply the whole, or any part thereof, toward any obligations due Assignee by Assignor in such order as Assignee, in its sole discretion, may elect.

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c. Assignee May Grant Extension: Assignor consents that Assignee may, at Assignee's discretion, without further notice and without releasing the liability of Assignor, give grace or indulgence in the collection of all Rents due or to become due and to grant extensions of time for the payment of the same before, at, or after maturity.

d. Right of Assignee to Proceed Against Assignor Independent of Lessee Under Pasture Rental Agreement and/or Agricultural Land Lease: Assignor agrees that Assignee may proceed against Assignor directly or independently of any obligation of any lessee under any pasture rental agreement and/or agricultural land lease for the Rents hereby assigned.

e. Non-Assumption of Assignor's Underlying Duty to Lessee Under Pasture Rental Agreement and/or Agricultural Land Lease Hereby Assigned: Assignee does not assume any of Assignor's obligations under any pasture rental agreement and/or agricultural land lease between Assignor and any lessee forming the source of the Rents hereby assigned and Assignor agrees to keep and perform all obligations of Assignor under any such pasture rental agreement and/or agricultural land lease and to save Assignee harmless from the consequences of any failure to do so (including, without limiting the generality of the foregoing, reasonable attorney fees at trial or on appeal); and no provision of this Assignment shall be construed to provide otherwise.

4. Assignment Not Discharge of Debt of Assignor to Assignee: Assignor acknowledges that this Assignment does not constitute any accord or satisfaction, in whole or in part, of any debt owing by Assignor to Assignee however created, evidenced, or secured.

5. Attorney Fees: In any suit or action between Assignor and Assignee arising out of, or in connection with, any of the terms, covenants, or provisions of this Assignment, the prevailing party in such suit or action shall be awarded, in addition to any equitable relief, or damages, or both, and costs as provided by law, reasonable attorney fees at trial and on appeal. This provision shall extend to and apply to any suit or action in which the issue may be whether the terms, covenants, and provisions of this Assignment are enforceable or null and void. This provision shall, therefore, be and is hereby expressly declared by the parties hereto, to be severable from all other terms, covenants, and provisions of this Assignment.

6. Notice: Any notice to Assignor required by this Assignment shall be deemed to have been fully given when written and deposited in a sealed envelope with the United States Post & Service with postage prepaid as Certified Mail addressed to Assignor at the address shown as Assignor's address on the records of Assignee.

7. Construction: All agreements and covenants contained herein are severable and, in the event any of them shall be held to be invalid by any competent court, this Assignment shall be interpreted as though such invalid agreements or covenants were not contained herein. Pronouns shall be construed in accordance with the appropriate gender or neuter, and as either singular or plural as the context requires. This Assignment shall not be construed as against the party paying for its preparation, but shall be construed as though all parties prepared it. The headings contained in this Assignment are for convenience only and are not to be construed as part of this Assignment.

8. Binding Effect of Assignment: This Assignment shall be binding upon the parties, their heirs, executors, administrators, successors in interest, pledgees, encumbrances, or assigns (both voluntary and by operation of law); provided, however, that the Rents hereby assigned may not be pledged, encumbered, or further assigned by Assignor without the written consent of Assignee. Assignee may assign or transfer, in whole or, in part, any of the Rents hereby assigned to Assignee and the transferee from Assignee shall be vested with all rights, duties, and powers of Assignee hereunder.

SIGNED on the date set opposite the signatures of the party signing the same; the corporate party by its

officer pursuant to authority granted him by its Loan Committee.

3940

DATE

2-4-85

2-5-85

3/10/85

SIGNATURE

Dayton O. Hyde

DAYTON O. HYDE

(Assignor)

Gerda V. Hyde

GERDA V. HYDE

(Assignor)

KLAMATH PRODUCTION CREDIT ASSOCIATION,  
a corporation (Assignee)

By Greg Williams, pres

State of Oregon     )  
                              )ss.  
County of Klamath    )

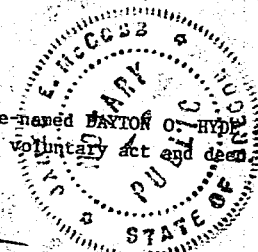
Personally appeared on this 4th day of February, 1985, the above-named DAYTON O. HYDE and GERDA V. HYDE, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

(S E A L)

James M. Cobb  
NOTARY PUBLIC FOR OREGON

My Commission Expires: 1/7/88



The following described real property is situate in Klamath County, Oregon, to-wit:

Twp. 32 South, Range 10 E.W.M.

Sec. 36: S1/2SE1/4NE1/4, SW1/4NE1/4, N1/2N1/2SE1/4, N1/2NE1/4SW1/4

Twp. 32S. R. 11 E.W.M.

Section 17: W1/2NE1/4, W1/2, W1/2SE1/4; Section 20: W1/2E1/2, W1/2

Section 29: W1/2NE1/4, NW1/4, S1/2; Sec. 31: NE1/4NE1/4, S1/2NW1/4NE1/4, SW1/4NE1/4, S1/2NE1/4NW1/4, SE1/4NW1/4, Lot 2,

Section 32: All

Twp. 33 S. Range 11 E.W.M.

Section 4: W1/2SW1/4 Section 5: E1/2, E1/2NW1/4, NW1/4NW1/4, SW1/4NW1/4, SW1/4

Section 8: N1/2, N1/2S1/2; Section 9: W1/2NW1/4, W1/2W1/2SE1/4NW1/4

Section 9: N1/2NW1/4SW1/4

Twp. 34S. Range 9 E.W.M.

Section 15: W1/2, W1/2W1/2E1/2; Section 22: W1/2NW1/4NE1/4, N1/2NW1/4;

Section 2: W1/2SE1/4, Lot 1, SE1/4NE1/4; Section 11: W1/2NE1/4

Twp. 33 S. Range 9 E.W.M.

Section 35: E1/2SW1/4, SE1/4

SAVING AND EXCEPTING THEREFROM private Cemetery For Dayton O. and Gerda V. Hyde as disclosed in the description of same recorded December 30, 1983, Vol. M83, page 22296, Deed Records of Klamath County, Oregon. (Contains 0.288 acre in Section 9, Twp. 33 South, Range 11 E.W.M.)

The following described real property is situate in Grant County, Oregon, to-wit:

3942

Township 12 South, Range 26 East, Willamette Meridian, Grant County, Oregon:

Section 1: Lots 1, 2, 3 and 4; S $\frac{1}{2}$ N $\frac{1}{2}$ ; S $\frac{1}{2}$ .

Section 2: Lots 1, 2 and 3; S $\frac{1}{2}$ NE $\frac{1}{4}$ ; SE $\frac{1}{4}$ NW $\frac{1}{4}$ ; E $\frac{1}{2}$ SW $\frac{1}{4}$ ; SE $\frac{1}{4}$ .

Section 11: N $\frac{1}{2}$ NE $\frac{1}{4}$ ; SW $\frac{1}{4}$ NE $\frac{1}{4}$ ; NW $\frac{1}{4}$ ; N $\frac{1}{2}$ SW $\frac{1}{4}$ ; NW $\frac{1}{4}$ SE $\frac{1}{4}$ .

Section 12: N $\frac{1}{2}$ N $\frac{1}{2}$ .

Section 26: SW $\frac{1}{4}$ SW $\frac{1}{4}$ .

Section 27: A tract of land in the E $\frac{1}{2}$ SE $\frac{1}{4}$  described as follows:

Beginning at the Southeast corner of said Sec. 27;

thence N. 1° 09' E., along the East section line of said Sec. 27, 2640.0 feet to the East quarter corner of said Sec. 27;

thence N. 89° 11' W., along the North line of the E $\frac{1}{2}$ SE $\frac{1}{4}$  of said Sec. 27, 726.0 feet;

thence S. 2° 12' E. 2174.9 feet to the rimrock on the North bank of the John Day River;

thence S. 57° 57' W. 862.4 feet to the Southwest corner of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Sec. 27;

thence S. 89° 11' E., along the South section line of said Sec. 27, 1320.0 feet to the place of beginning.

Section 34: E $\frac{1}{2}$ NE $\frac{1}{4}$ , SAVE & EXCEPT the following:

(a) Beginning at the East quarter corner of said Sec. 34;

thence N. 89° 22' W. along the South line of the SE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Sec. 34, 839.0 feet to the TRUE POINT OF BEGINNING;

thence N. 29° 25' E. 712.9 feet to the Southerly right of way line of the John Day Highway;

thence, along said Southerly right of way line, as follows:

On a spiral curve right (the long chord of which spiral curve bears N. 57°59' W. 204.9 feet), 205.1 feet;

N. 55°56' W. 790.9 feet to the West line of said SE $\frac{1}{4}$ NE $\frac{1}{4}$

thence S. 1° 54' W., along the said West line, 1167.5 feet to the Southwest corner of said SE $\frac{1}{4}$ NE $\frac{1}{4}$ ;

thence S. 89° 22' E., along the South line of said SE $\frac{1}{4}$ NE $\frac{1}{4}$ , 517.4 feet to the TRUE POINT OF BEGINNING;

(b) That portion conveyed to Grant County, Oregon, by Deed dated April 11, 1922, recorded Feb. 2, 1925 in Book 35 of Deeds, page 580, for right of way;

(c) That portion conveyed to the State of Oregon, by and through its State Highway Commission, by Deed dated Sept. 13, 1935, recorded October 1, 1935 in Book 40 of Deeds, page 580, for right of way;

Section 35: NW $\frac{1}{4}$ NE $\frac{1}{4}$ ; N $\frac{1}{2}$ NW $\frac{1}{4}$ ; SW $\frac{1}{4}$ NW $\frac{1}{4}$ ; SAVE & EXCEPT the following:

(a) That portion conveyed to Grant County, Oregon, by Deed dated April 11, 1922, recorded Feb. 2, 1925 in Book 35 of Deeds, page 580, for right of way.

(b) That portion conveyed to the State of Oregon, by and through its State Highway Commission, by Deed dated Sept. 13, 1935, recorded Oct. 1, 1935 in Book 40, of Deeds, page 580, for right of way.



The following described real property is situate in Grant County, Oregon, to-wit:

TRACT I:

3943

Township 12 South, Range 26 East, Willamette Meridian, Grant County, Oregon:

Section 27: SE $\frac{1}{4}$  and that portion of the E $\frac{1}{2}$ SW $\frac{1}{4}$  described as follows:

Beginning at a point on the South section line, which point is 136.3 feet

East from the Southwest corner of the SE $\frac{1}{4}$ SW $\frac{1}{4}$  of said Sec. 27;

thence North 8° 13' East 2687 feet to a point on the quarter section line, 466 feet East of the Northwest corner of the NE $\frac{1}{4}$ SW $\frac{1}{4}$  of said Sec. 27;

thence East on the quarter section line 854 feet to the Northeast corner of the SW $\frac{1}{4}$  of said Sec. 27;

thence South 2640 feet to the Southeast corner of the SW $\frac{1}{4}$  of said Sec. 27;

thence West on the section line 1183.7 feet to the place of beginning.

SAVE & EXCEPT a parcel of land in the SE $\frac{1}{4}$  described as follows:

Beginning at the Southeast corner of the SE $\frac{1}{4}$  of said Sec. 27;

thence North 1° 09' East along the East section line of Sec. 27, 2640

feet to the Northeast corner of the SE $\frac{1}{4}$  of said Sec. 27;

thence North 89° 11' West on the East-West center line of said Sec. 27, 726 feet;

thence South 2° 12' East, 2174.9 feet to the rim rock on the North bank of the John Day River;

thence South 57° 57' West, 862.4 feet to the Southwest corner of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Sec. 27;

thence South 89° 11' East on the section line 1320 feet to the place of beginning.

Section 34: W $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ NW $\frac{1}{4}$  lying North of Highway No. 26,

SAVE & EXCEPT the following:

(a) that portion of the NE $\frac{1}{4}$ NW $\frac{1}{4}$  included in the following description:

Beginning at the Southwest corner of the SE $\frac{1}{4}$ SW $\frac{1}{4}$  of Sec. 27, Twp. 12 S., R. 26 E., W.M.;

thence West, along the south line of said Sec. 27, 15.5 feet;

thence Southeasterly, along the North right of way line of the John Day Highway U. S. No. 26, 152.5 feet;

thence North 8° 13' East 56.5 feet to the South line of said Sec. 27;

thence West along said South line, 136.3 feet to the place of beginning.

(b) that portion conveyed to Grant County, Oregon, by deed dated April 12, 1922, recorded Feb. 2, 1925 in Book 35, page 581, Deeds, for right of way.

(c) that portion conveyed to the State of Oregon, by and through its State Highway Commission, by deed dated Sept. 13, 1935, recorded Sept. 28, 1935 in Book 40, page 575, Deeds, for right of way.

TRACT II:

Township 11 South, Range 26 East, Willamette Meridian, Grant County, Oregon:

Section 36: SE $\frac{1}{4}$

*Ret.*

Klamath Production Credit Asn.  
P.O. Box 148  
Klamath Falls, OR.97601

STATE OF OREGON: COUNTY OF KLAMATH:ss

I hereby certify that the within instrument was received and filed for record on the 15th day of March A.D., 1985 at 1:20 o'clock p M, and duly recorded in Vol M85, of Deeds on page 3938.

EVELYN BIEHN, COUNTY CLERK

by: Ron Smith, Deputy

Fee: \$ 25.00