

KNOW ALL MEN BY THESE PRESENTS, that BATSELL BROS. OIL COMPANY, an Oregon partnership,
RICHARD R. BATSELL and LARRY D. BATSELL

hereinafter called "Assignors," for valuable consideration, do hereby assign, transfer
and set over to WESTERN BANK, an Oregon banking corporation, hereinafter called
"Bank," its successors and assigns, all right, title and interest in and to that
certain agreement made and entered into on the 30th day of September
19 86 between Phyllis R. May

and Batsell Bros. Oil Company as sellers
sum of \$ 32,000.00 for the sale of and the purchase of certain real
property situated in Klamath county, Oregon,**

particularly described as follows:

All that portion of Lot Fifteen (15), Block "C", Homecrest Addition, and Lot One (1)
and the Westerly Twenty (20) feet of Lot Two (2), Block Three (3), Bryant Tract,
Klamath County, Oregon, lying Northeasterly of Klamath Falls-Malin Highway, (State Highway
No. 50), and more particularly described as follows: Beginning at a point on the South
line of Shasta Way which is East a distance of Twenty (20.0) feet from the Northeast
corner of Lot One (1), Block Three (3), Bryant Tracts; thence South 0° 09' 30" East,
parallel with the East line of said Lot One (1), a distance of 158.5 feet, more or less,
to a point on a line parallel to and One Hundred (100) feet distance Northeasterly at
right angles from the centerline of the relocated Klamath Falls-Malin Highway (State
Highway No. 50); thence North 40° 00' West a distance of 206.56 feet, more or less, to
a point on the South line of Shasta Way, said point also being the point of intersection
Assignors do hereby transfer unto Bank, its successors and assigns, all of their
right and interest in and to the property hereinabove described subject to said
agreement.

Assignors do hereby covenant and agree that they are the buyers of the property
hereinabove described and that the same is free and clear of all encumbrances, save
and except said agreement for sale, and they do hereby further covenant and agree
that there is now due and owing on said contract the sum of \$32,000.00
with interest at the rate of 09.50 per cent per annum from October 1, 1986.

This assignment is intended as a mortgage, however, to secure unto Bank (i) the
payment of a promissory note dated August 5, 1985 executed and delivered by
Assignors to Bank; in the sum of \$ 450,000.00 payable as to principal and
interest as therein provided; (ii) further advances to be evidenced by like note or
notes, to be made by Bank to Assignors at Bank's option; (iii) all other liabilities,
whether primary or secondary, direct or indirect, absolute or contingent, sole,
joint or several, due or to become due, now existing or hereafter arising, of each
of the Assignors hereunder, including each of the undersigned Assignors and any
other party or parties to Bank. Provided that upon full payment of all obligations
and liabilities of Assignors to Bank secured hereby, this assignment shall become
null and void, otherwise to remain in full force and effect.

As used herein the term "Assignors" includes the singular; and the plural includes
the singular as the context requires.

Dated this 21st day of November, 19 86.

BATSELL BROS. OIL CO. a partnership

BY: Richard R. Batsell
Richard R. Batsell, Assignors

BY: Larry D. Batsell
Larry D. Batsell, Assignors

Phyllis R. May, Seller

State of _____)

County of _____) ss.

**Recording information for contract:

September 30, 1986 Volume M86, page 17761,
Klamath County Oregon

On this _____ day of _____, 19 _____, personally came before me, a
notary public in and for said county and state, the within named _____

to me personally known to the
identical persons described in and who executed the foregoing assignment, and they
acknowledged to me that they executed the same freely from the uses and purposes
therein named. Witness my hand and seal the day and year in this certificate above
written.

Notary Public for _____

My Commission Expires: _____

(Notarial Seal)

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