

ASSIGNMENT OF RENTS - ADDITIONAL COLLATERAL SECURITY

KNOW ALL MEN BY THESE PRESENTS, that WESTERN BANK, an Oregon corporation, (hereinafter referred to as the "Assignee") agreed to make a loan to Connie B. Worrell, dba Holiday Bowl (hereinafter referred to as the "Assignors") which loan is evidenced by Assignor's note dated July 22, 1987 in the principal amount of Four Hundred Thirteen Thousand Eight Hundred Two and 75/100* (\$ 413,802.75) Dollars and interest payable in equal monthly installments of Four Thousand Five Hundred Eighty and no/100* (\$ 4,580.00*) Dollars each, payable on the 21st day of each month, commencing with August 21, 19 87, secured by a Trust Deed or Mortgage dated July 22, 19 87, *with interest only for the months of June through August of each year.

WHEREAS the said Assignors agree, in consideration of the making of the aforesaid loan, to assign as additional collateral security the rent and income from the hereinafter described property:

NOW, THEREFORE, in consideration of the loan hereinabove described and other valuable consideration, Connie B. Worrell, dba Holiday Bowl do hereby assign to the said Assignee, or its assigns, all rents and revenues from the following described property:

PARCEL 1: Lots 9, 10, 11, 12 and 13 in Block 205, MILLS SECOND ADDITION TO KLAMATH FALLS, County, Oregon, EXCEPT that portion conveyed to State of Oregon, by and through its State Highway Commission, by deeds recorded May 18, 1943 in Book 158 at page 410 and recorded September 8, 1943 in Book 158 at page 281, all in Deed Records of Klamath County, Oregon, and Lots 19 and 20 in Block 206 of MILLS SECOND ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

PARCEL 2: Lots 1, 2 and 3 in Block 206 of MILLS SECOND ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

and the Assignors hereby expressly authorize and empower the said Assignee, its agents or attorneys, at its election, without notice to the Assignor (or their successors in interest) as agent for the Assignor to take and maintain full control of said property and the improvements thereon; to oust tenants for non-payment of rent; to lease all of said property or any portion thereof in the name of the Assignors on such terms as it may deem best; to make alterations or repairs it may deem advisable and deduct the cost thereof from the rents; to receive all rents and income therefrom and issue receipts therefor and out of the amount or amounts so received to pay the necessary operating expenses and to retain the usual charges for thus managing said property; and to apply on the aforesaid mortgage any amount due upon the debt secured thereby; to pay taxes, assessments and premiums on insurance policies, or renewals thereof, on said property, or amounts necessary to carry out any covenant in the said mortgage contained; the Assignee herein to determine which items are to be met first; and to pay any overplus so collected to the owners of said property; and those exercising this authority shall be liable to the owners only for the amount collected hereunder and the accounting thereof and as to all other persons those exercising this authority are acting only as agent of the owners in the protection of mortgagee's interest. In no event is the right to such management and collection of rents to affect or restrict the right of the mortgagee to foreclose the aforesaid mortgage according to its terms.

It is understood that failure to collect rents for any given month or other period does not constitute a waiver by Assignee if said Assignee desires to collect rents pursuant to this assignment for any other month or period.

Whenever used, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

Dated this 22nd day of July, 19 87

Connie B. Worrell
Connie B. Worrell, dba Holiday Bowl

STATE OF Oregon)
COUNTY OF Klamath) SS.

July 22 A.D., 19 87.

Personally appeared the above named Connie B. Worrell

and acknowledged the foregoing instrument to be her voluntary act and deed. Before me:

Caroline H. Marshall
Notary Public for Oregon
My Commission Expires 2-9-90

Return to: Western Bank
P.O. Box 1438
Coos Bay, Oregon 97420

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Company the 29th day of July A.D. 19 87 at 3:29 o'clock P M., and duly recorded in Vol. M87 of Mortgages on Page 13587.

FEE \$5.00

Evelyn Biehn,
By Pat Smith County Clerk