

MT-19866K  
ASSIGNMENT OF LEASES AND RENTS

KNOW ALL MEN BY THESE PRESENTS, that Sheahan Investment Company, a Nevada corporation Assignor, in consideration of Ten Dollars (\$10.00) and in consideration of the making of the mortgage loan set forth hereinafter, and other good and valuable consideration paid by UNITED STATES NATIONAL BANK OF OREGON, a national banking association, Assignee, hereby assigns unto Assignee all rents, income, profits, royalties, bonuses, and/or benefits arising from the following described land, to-wit:

SEE ATTACHED EXHIBIT "A" FOR LEGAL DESCRIPTION

TO HAVE AND TO HOLD the same unto Assignee, and to the successors and assigns of Assignee forever.

THE AFORESAID is to be held by Assignee as collateral security for the payment of the principal and interest provided to be paid in certain Deed of Trust given by Sheahan Investment Company, a Nevada corporation to UNITED STATES NATIONAL BANK OF OREGON, a national banking association, in the sum of Two Hundred Seventy Thousand and No/100 Dollars (\$270,000.00---) and to further secure the payment of all taxes and assessments due and to become due upon the mortgage property under Deed of Trust dated JULY 6 1988, covering the premises herein described, and the acceptance of this assignment and the payments hereby assigned shall be without prejudice to and shall not constitute a waiver of any rights of Assignee under the terms of said Deed of Trust. And it is expressly understood and agreed by the parties hereto that said Assignor reserves and is entitled to collect and retain the rentals unless and until default occurs in the performance of said Deed of Trust.

FURTHERMORE, IT IS UNDERSTOOD that this assignment shall not operate to place responsibility for the control, care, management or repair of said premises upon Assignee, nor shall it operate to make Assignee responsible or liable for any waste committed on the property by the tenants or any other party, or for any damaged or defective condition of the premises, or for any negligence in the management, upkeep, repair, or control of said premises resulting in loss or injury or death to any tenant, licensee, employee or stranger, or any other person or party.

IN THE EVENT of any default, Assignee is hereby constituted attorney in fact for Assignor and empowered to collect the rents, income, profits, royalties, bonuses, and/or benefits hereby assigned, and apply the same, and further, Assignee shall have the right to enter upon said premises and let the same, or any part thereof, and collect the rents, income, profits, royalties, bonuses and/or benefits therefrom which are due or to become due and apply the same after payment of all charges and expenses on account of said indebtedness.

ASSIGNEE SHALL HAVE THE sole and uncontrolled election whether or not it will exercise the powers hereby granted, and no failure to exercise the same shall constitute a waiver of any future rights thereof, to exercise the same at any time; nor shall Assignee be liable to collect any rents, or make any repairs, or disbursements for maintenance or management.

IT IS FURTHER UNDERSTOOD that no security deposited by the tenant with Assignor under the terms of the tenancy has been transferred to Assignee, and that Assignee assumes no liability for any security so deposited.

IT IS FURTHER UNDERSTOOD that the singular shall include the plural and plural shall include the singular as used herein and this agreement shall be binding upon the successors, heirs, assigns and personal representatives of the parties hereto, and all rights hereunder shall in property case inure to the benefit of Assignee and may be enforced by its or their agents.

IN WITNESS WHEREOF, Assignor signed this instrument this 1<sup>st</sup> 6<sup>th</sup>  
day of July 1988.

Sheahan Investment Company, a Nevada corporation

By: X G. Cameron Sheahan, Jr., President

STATE OF OREGON )  
County Multnomah ) ss.

BE IT REMEMBERED, that on this 6<sup>th</sup> day of July, 1988,  
before me, the undersigned, a Notary Public in and for said County and State,  
personally appeared the within named \_\_\_\_\_

known to me to be the identical individual \_\_\_\_\_ described in and who  
executed the within instrument and acknowledged to me that \_\_\_\_\_  
executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my  
official seal the day and year last above written.

\_\_\_\_\_  
Notary Public for Oregon  
My commission expires:

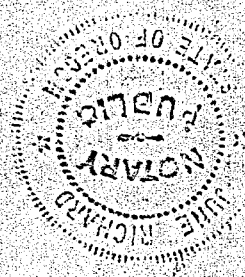
State of Oregon )  
County of Multnomah ) ss.

THIS CERTIFIES that on this 6<sup>th</sup> day of July, 1988,  
personally appeared G. Cameron Sheahan Jr.

who, being sworn, stated that \_\_\_\_\_ he, the said G. Cameron Sheahan Jr. is  
a President of said corporation and that the seal  
affixed is its seal and that this instrument was voluntarily signed and  
sealed in behalf of the corporation by authority of its Board of Directors.

Before me:

June Richard  
Notary Public for Oregon  
My commission expires: 5/4/90



This exhibit pertains only to that certain Assignment of Leases and Rents between Sheahan Investment Company, a Nevada corporation as Assignor and United States National Bank of Oregon as Assignee.

10687

EXHIBIT "A"  
LEGAL DESCRIPTION

A portion of Tract 805, ENTERPRISE TRACTS, Klamath County, Oregon, described as follows:

Beginning at the Southwest corner of said Tract 805; thence North 0 degrees 00 1/2' West along the West boundary of said Tract 805, 586.64 feet, more or less, to the Southwest corner of a tract conveyed to S. Marie Stearns by deed recorded in Volume 179 at page 385, Deed Records, Klamath County, Oregon; thence South 55 degrees 50' East along the Southerly boundary of said Stearns tract, 139.3 feet, more or less, to the Southeasterly corner of said Stearns tract; thence North 34 degrees 10' East along the Easterly boundary of the said Stearns Tract 190 feet, more or less, to the Southerly boundary of South Sixth Street as described in deed to the State of Oregon recorded in Volume 191 at page 240 Deed Records, Klamath County, Oregon; thence South 55 degrees 50' East, along the Southerly boundary of the said South Sixth Street as widened in 1946, 200.72 feet, more or less, to the Northwest corner of tract conveyed by H. M. Mallory and Christine W. Mallory to The Bi-Mart Company by deed recorded in Volume M73 at page 3753, Deed Records; thence South 34 degrees 10' West, along the Northwesterly boundary of said Mallory tract 400 feet, more or less, to the most Westerly corner of said Mallory tract; thence South 55 degrees 50' East, along the most Southerly boundary of said Mallory tract, 27 feet, more or less, to the Northwesterly corner of tract conveyed by Howard and Maybelle E. Barnhisel and Martha D. Smith to The Bi-Mart Company by deed recorded in Volume M73 at page 3750, Deed Records; thence Southerly 205 feet, more or less, along the Westerly boundary of The Bi-Mart Company tract as described in the deed recorded in Volume M73 at page 3750, to a point on the Southerly boundary of said Tract 805 which is South 89 degrees 47' West 440 feet, more or less, from the Southeast corner of said Tract 805; thence South 89 degrees 47' West, along the Southerly boundary of the said Tract 805, 188 feet, more or less, to the Southwest corner of the said Tract 805 and the point of beginning, with bearings based on the recorded Survey #62 and description in deed from Klamath Basin Cooperative to Howard and Maybelle E. Barnhisel and Richard M. and Martha D. Smith recorded March 8, 1952, in Volume 253 at page 350, Deed Records of Klamath County, Oregon.

Tax Account No.: 3909 004AA 05700

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 7th day  
of July A.D., 1988 at 4:11 o'clock P. M., and duly recorded in Vol. M88  
of Mortgages on Page 10687.

FEE18.00

Evelyn Biehn County Clerk

By Pauline Mullellate