

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 James A. Borrer and Donna J. Borrer dba Custom Cabinets by James Borrer (hereinafter referred to as the "Assignors") which loan is evidenced by Assignor's note dated August 30, 1988 in the principal amount of Thirty-three Thousand Seven Hundred Fifty and no/100----- (\$33,750.00) Dollars and interest payable in equal monthly installments of Three Hundred Sixty-two and 68/100----- (\$ 362.68) Dollars each, payable on the 5th day of each month, commencing with September 5, 19 88, secured by a Trust Deed or Mortgage dated August 30, 19 88.

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,

James A. Borrer and Donna J. Borrer, Husband & Wife,
doing business as Custom Cabinets by James Borrer

do hereby assign to the said Assignee, or its assigns, all rents and revenues from the following described property:

A portion of the N $\frac{1}{2}$ of Tract 1 of GIENGER'S HOME TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, more particularly described as follows:

Beginning at an iron pin set at the Southeast corner of the N $\frac{1}{2}$ of said Tract 1 of Gienger's Home Tracts; thence North along the East line of said Tract 1 a distance of 89.5 feet which said point is the true point of beginning of the property herein conveyed; thence West at right angles to the West line of said Tract 1; thence North along the West line of said Tract 1 a distance of 68.5 feet, more or less, to a pin set in the ground pursuant to that certain boundary line agreement, recorded February 15, 1953 in Volume 259 at page 215, Deed Records of Klamath County, Oregon; thence East at right angles to the East line of said Tract 1; thence South along the East line of said Tract 1 to the point of beginning.

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 30th day of August, 19 88.

James A. Borrer and Donna J. Borrer
dba Custom Cabinets by James Borrer

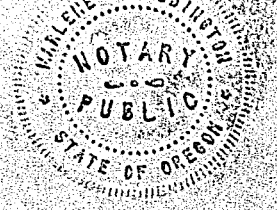
By: [Signature]

By: [Signature]

STATE OF Oregon)
COUNTY OF Klamath) SS.

August 30 A.D., 19 88.

Personally appeared the above named James A. Borrer and Donna J. Borrer, individually and as co-owners of said business, and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:



[Signature]
Notary Public for Oregon
My Commission Expires 3-21-89

KNOW ALL MEN BY THESE PRESENTS, that WESTERN BANK, an Oregon corporation, (hereinafter referred to as the "Assignor") agreed to make a loan to James A. Borror and Donna J. Borror (hereinafter referred to as the "Assignees") which loan is evidenced by Assignor's note dated August 30, 1988, in the principal amount of \$100,000.00, secured by a First Deed of Trust and Mortgage on the premises located at 11111 1/2 Dollars and interest payable in equal monthly installments of \$1,000.00 (one thousand dollars each) payable on the 1st day of each month commencing with September 2, 1988, secured by a First Deed of Trust and Mortgage dated August 30, 1988.

WHEREAS the said Assignor bank is considering the making of the aforesaid loan to assign as additional

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co. the 30th day of Aug. A.D., 19 88 at 3:13 o'clock P. M., and duly recorded in Vol. M88 of Mortgages on Page 14090.
Evelyn Biehn County Clerk
By Pauline Nielsen

FEE \$13.00

Return: A.T.C.

and the Assignor hereby expressly authorizes and empowers the said Assignees, its agents or attorneys, at its election, without notice to the Assignor, for their successors in interest, as agent for the Assignor to take and maintain full control of said property and the improvements thereon, to sue 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 rent, 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 rental charges for this 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 necessarily to carry out and covenant in the said mortgage contained; the Assignor herein to determine which items are to be first paid 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 rent 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 rent for any given month or other period does not constitute a waiver by Assignor. If said Assignor desires to collect rent 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.

Given this 30th day of August, 19 88
James A. Borror and Donna J. Borror
the Guston Cabines by James Borror

By: [Signature]
By: [Signature]

Personally appeared the above named James A. Borror and Donna J. Borror, individually and as co-defendants in the within and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:

[Signature]
Notary Public for Oregon
My Commission Expires 3-31-88

