

K-41362

ASSIGNMENT OF LEASES AND RENTS

KNOW ALL MEN BY THESE PRESENTS, that _____
 Gregory Affiliates, Inc.

Assignor, in consideration of the making of the mortgage loan set forth hereafter, and other good and valuable considerations paid by UNITED STATES NATIONAL BANK OF OREGON, a national banking association, Assignee, hereby sells, assigns, transfers and sets over unto said Assignee all rents, income, profits, royalties, bonuses, and benefits arising from the following described land to wit:

4605 Lakeport Klamath Falls, Oregon 97601 also described on the following exhibit "A" attached legal description

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

THE AFORESAID is to be held by the Assignee as collateral security for the payment of the principal and interest provided to be paid in a certain Deed of Trust given by _____
 Gregory Affiliates, Inc./

UNITED STATES NATIONAL BANK OF OREGON, a national banking association, to in the sum of ~~Four million and no/100~~ - - - (\$ 4,000,000.00) and to further secure the payment of all taxes and assessments due and to become due upon the mortgaged property under Deed of Trust dated June 12, 1989, 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 the 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 the said Deed of Trust.

IN THE EVENT of any such default, the Assignee is hereby constituted attorney in fact for the Assignor and empowered to collect the rents, income profits, royalties, bonuses and benefits hereby assigned, and apply the same, or any part thereof, and further, the 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 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.

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Gregory Affiliates, Inc.
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IT IS FURTHER UNDERSTOOD that this assignment shall not operate to place responsibility for the control, care, management or repair of said premises upon the Assignee, nor shall it operate to make the 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.

THE 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 the 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 the Assignor under the terms of the tenancy has been transferred to the Assignee, and that the Assignee assumes no liability for any security so deposited.

IT IS FURTHER UNDERSTOOD that the singular shall include the plural and the 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 proper case inure to the benefit of the Assignee and may be enforced by its or their agents.

IN WITNESS WHEREOF, said Assignor signed this instrument this
29 day of August, 1989.

Gregory Affiliates, Inc.

BY: Richard D. Snyder
Vice President Finance Title

STATE OF Oregon)
) ss.
County of Washington

On this 29th day of August, 1989, before me, a notary public in and for said county and state, personally appeared Richard D. Snyder, to me known to be the Vice President - Finance of the within-named corporation that executed the foregoing instrument, and acknowledged said instrument to be the free act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

Rhonda M. Snyder
Notary Public for Oregon
My commission expires: 8/24/93

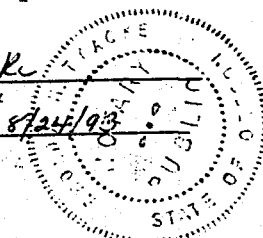


EXHIBIT "A"

PARCEL 1: Government Lots 2 and 4 of Section 13 Township 38 South, Range 8 East, Willamette Meridian, BUT EXCEPTING THEREFROM the Northerly and Northeasterly parts thereof deeded to R. W. Browning, et ux., by deed recorded in Deed Vol. 210, page 321, Klamath County, Oregon.

Also, that part of Lot 3 Section 13 Township 38 South, Range 8 East, Willamette Meridian which lies Northeasterly of the right of way of the Central Pacific Railway Company.

PARCEL 2: ~~SW 1/4~~ Section 27 Township 36 South, Range 9 East Willamette Meridian.

STATE OF OREGON, ss.
County of Klamath

Filed for record at request of:

Klamath County Title Co.

on this 5th day of Sept. A.D., 19 89
at 3:06 o'clock P.M. and duly recorded
in Vol. M89 of Mortgages Page 16655.

Evelyn Biehn County Clerk

By Pauline Mulleard

Deputy.

Fee, \$18.00

Return to: US Bancorp
Attn: Judith E. Lane
321 SW 6th
Portland, Or 97204

RO Snyder 6/12/89