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10-25-93P03:33 RCVD

Vol. m 93 Page 27968

CONDITIONAL ASSIGNMENTS OF RENTALS

THIS AGREEMENT, Entered into this 23rd day of September, 1993,
between RONALD J. TRAVALI

hereinafter referred to as Owner and HENRY J. CALDWELL, JR. & DEBORAH L. CALDWELL
hereinafter referred to as Beneficiary of the survivor thereof,

WITNESSETH:

WHEREAS, Owner is the present owner in fee simple of property described as:

Lots 3, 4, 5, 6 and 7 in Block 26, 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.

in Klamath County, State of Oregon, and the Beneficiary is owner and
holder of an All Inclusive Trust Deed covering said premises, which
said All Inclusive Trust Deed is in the original principal sum of
\$ 120,000.00 made by owner to Beneficiary under the date of
September 23, 1993; and

WHEREAS, Beneficiary, as a condition to making said loan and
accepting said All Inclusive Trust Deed required the execution of this
assignment of the rentals of the All Inclusive Trust Deed premises by
owner.

NOW, THEREFORE, in order further to secure the payment of the in-
debtedness of the owner to Beneficiary and in consideration of the
accepting of the aforesaid All Inclusive Trust Deed and the note
secured thereby, and in further consideration of the sum of \$1.00
paid by the Beneficiary to owner receipt of which is hereby acknow-
ledged, the said owner does hereby sell, assign, transfer and set over
unto Beneficiary all of the rents, issues and profits of the aforesaid
mortgaged premises, this assignment to become operative upon any de-
fault being made by the owner (grantor) under the terms of the afore-
said All Inclusive Trust Deed and the note secured thereby, and to
remain in full force and effect so long as any default continues to
exist in the matter of the making of any of the payments or the per-
formance of any of the covenants set forth in the aforesaid All In-
clusive Trust Deed and the note secured thereby.

1. In furtherance of the foregoing assignment, the owner hereby
authorizes the Beneficiary, its employees or agents, at its option,
after the occurrence of a default as aforesaid to enter upon the
mortgaged premises and to collect, in the name of the owner, or in
their own name as assignee, the rents accrued but unpaid and in
arrears at the date of such default, as well as the rents thereafter
accruing and becoming payable during the period of the continuance of
thesaid or any other default; and to this end, the owners further agree
they will facilitate in all reasonable ways the Beneficiary's collection
of said rents and will upon request by Beneficiary execute a written
notice to the tenant directing the tenant to pay rent to the said Bene-
ficiary.

2. The owner also hereby authorizes the Beneficiary upon such entry,
at its option, to take over and assume the management, operation and
maintenance of the said mortgaged premises and to perform all acts
necessary and proper and to expend such sums out of the income of the
mortgaged premises as may be needful in connection therewith, in the
manner and to the same extent as the owner theretofore might do,
including the right to effect new leases, to cancel or surrender ex-
isting leases, to alter or amend the terms of existing leases, to make
concessions to tenants, the owner hereby releasing all claims against
Beneficiary arising out of such management, operation and maintenance
excepting the liability of the Beneficiary to account as hereinafter
set forth.

Return: Caldwell
533 main St.
Klamath Falls, OR 97601

3. The Beneficiary shall, after payment of all proper charges and expenses, including reasonable compensation to such Managing Agent as it shall select and employ and after the accumulation of a reserve to meet taxes, assessments, water rents and fire and liability insurance in requisite amounts, credit the net amount of income received by it from the mortgaged premises by virtue of this assignment, to any amounts due and owing to it by the owners under the terms of the All Inclusive Trust Deed and the note secured thereby but the manner of the application of such net income and what items shall be credited, shall be determined in the sole discretion of the Beneficiary. The Beneficiary shall not be accountable for more moneys than it actually received from the mortgaged premises; nor shall it be liable for failure to collect rents. The Beneficiary shall make reasonable effort to collect rents, reserving, however, within its own discretion, the right to determine the method of collection and the extent to which enforcement of collection of delinquent rents shall be prosecuted.

4. In the event, however, that the owner shall reinstate the All Inclusive Trust Deed loan completely in good standing, having complied with all the terms, covenants and conditions of the said All Inclusive Trust Deed and the note secured thereby, then the Beneficiary within one month after demand in writing shall re-deliver possession of the mortgaged premises to owner, who shall remain in possession unless and until another default occurs, at which time the Beneficiary may, at its option, again take possession of the mortgaged premises under authority of this instrument.

5. The owner hereby covenants and warrants to the Beneficiary that neither it, nor any previous owner, have executed any prior assignment or pledge of the rentals of the mortgaged premises, nor any prior assignment or pledge of its landlords' interest in any lease of the whole or any part of the mortgaged premises. The owner also hereby covenants and agrees not to collect the rents of the said mortgaged premises in advance, other than as required to be paid in advance by the terms of any rental agreement, and further agrees not to do any other act which would destroy or impair the benefits to the Beneficiary of this assignment.

6. It is not the intention of the parties hereto that an entry by the Beneficiary upon the mortgaged premises under the terms of the instrument shall constitute the said Beneficiary a "Beneficiary in possession" in contemplation of law, except at the option of the Beneficiary.

7. This assignment shall remain in full force and effect as long as the All Inclusive Trust Deed debt to the Beneficiary remains unpaid in whole or in part.

8. The provisions of this instrument shall be binding upon the owner, its successors or assigns, and upon the Beneficiary and its successors or assigns. The word "Owner" shall be construed to mean any one or more persons or parties who are holders of the legal title or equity of redemption to or in the aforesaid mortgaged premises. The word "note" shall be construed to mean the instrument, whether note or bond, given to evidence the indebtedness held by the Beneficiary against the mortgaged premises; and the word "All Inclusive Trust Deed" shall be construed to mean, the instrument securing the said indebtedness owned and held by the Beneficiary, whether such instrument be All Inclusive Trust Deed, loan deed, trust deed, vendor's lien or otherwise.

It is understood and agreed that a full and complete release of the aforesaid All Inclusive Trust Deed shall operate as a full and complete release of all the Beneficiaries rights and interests hereunder, and that after said All Inclusive Trust deed has been fully released, this instrument shall be void and of no further effect.

Dated at Klamath Falls, Oregon, this Oct 21 day of Oct, 1993.

X Rf Aranda
(Seal)

(Seal)

27970

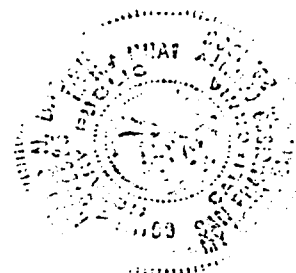
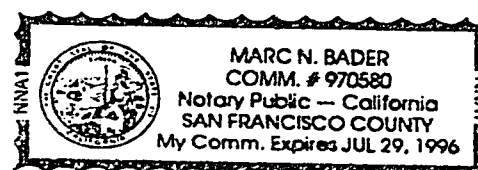
STATE OF CALIFORNIA)
 COUNTY OF SAN FRANCISCO ^{SS.}

THIS CERTIFIES, that on this 22nd day of October, 1993, before me, the undersigned, a Notary Public for said state, personally appeared the within named Ronald J Travali

to me known to be the identical person described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily for the purpose therein expressed.

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

Marc N Bader
 Notary Public for the State of CALIFORNIA
 My commission expires: 7.29.96



STATE OF OREGON: COUNTY OF KLAMATH: ^{SS.}

Filed for record at request of Mountain Title Co the 25th day of Oct. A.D., 19 93 at 3:33 o'clock P. M., and duly recorded in Vol. M93 of Mortgages on Page 27968.

FEE \$20.00

Evelyn Biehn - County Clerk

By Sandra Mendenhall