

96 APR 19 AM 1:45

Vol. 1796 Page 10935

16675

96 APR 19 AM 1:45

CONDITIONAL ASSIGNMENT OF RENTALS

THIS AGREEMENT, entered into this 10th day of April, 1996, between

BRUCE E. BRINK, husband and wife with full** having its principal office at
SIMINGTON, Oregon, Party of the Second Part (also hereinafter referred to as LENDER), and JACK F. SIMINGTON AND ERLENE G.

**rights of survivorship

WITNESSETH:

WHEREAS, Party of the First Part is the present owner in fee simple of property
briefly described as:

AS PER EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.....

and Party of the Second Part is the owner and holder of a first mortgage on
said premises, which said mortgage is in the original principal sum of Forty Three Thousand
AND NO/100 - - - - - (\$ 43,000.00) made by BRUCE E. BRINK
under date of April 10, 1996, and

WHEREAS, Party of the Second Part, as a condition to granting the aforesaid mortgage
loan, has required the execution of this assignment of the rentals of the mortgaged premises by
Party of the First Part:

NOW, THEREFORE, in order further to secure the payment of the indebtedness of Owner to
Lender, and in consideration of the making of the loan represented by the aforesaid mortgage and
the note secured hereby, and in further consideration of the sum of One Dollar paid by Lender to
Owner, the receipt of which is hereby acknowledged, Owner does hereby sell, assign, transfer, and
set over unto Lender all of the rents, issues, and profits of the aforesaid mortgaged premises,
this assignment to become operative upon any default being made by Owner under the terms of the
aforesaid mortgage or the note secured thereby, and to remain in full force and effect as long as
any default continues to exist in the matter of the making of any of the payments or the perform-
ance of any of the covenants set forth in the aforesaid mortgage or the note secured thereby.

1. In furtherance of the foregoing assignment, Owner hereby authorizes Lender, by 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 Owner or in its own name as assignee, the rents
accrued but unpaid and in arrears at the date of such default, as well as the rents thereafter ac-
cruing and becoming payable during the period of the continuance of the said or any other default;
and to this end, Owner further agrees that he will facilitate in all reasonable ways Lender's col-
lection of said rents, and will, upon request by Lender, execute a written notice to each tenant
directing the tenant to pay rent to Lender.

2. Owner also hereby authorizes Lender 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 needed in connection therewith, in the same manner and to the same extent as Owner there-
fore might do, including the right to effect new leases, to cancel or surrender existing leases, to
alter or amend the terms of existing leases, to renew existing leases, or to make concessions to
tenants; Owner hereby releasing all claims against Lender arising out of such management, operation
and maintenance, accepting the liability of Lender to account as hereinafter set forth.

3. Lender 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 Owner under the terms of mortgage 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 Lender. Lender shall not be accountable for
more money than it actually receives from the mortgaged premises; nor shall it be liable for failure
to collect rents. Lender 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 enforce-
ment of collection of delinquent rents shall be prosecuted.

4. In the event, however, that Owner shall renege the mortgage loan completely in good
standing, having complied with all the terms, covenants and conditions of the said mortgage and the
note secured thereby, then Lender within one month after demand in writing shall re-deliver posses-
sion of the mortgaged premises to Owner, who shall remain in possession unless and until another de-
fault occurs, at which time Lender may at its option again take possession of the mortgaged premises
under authority of this instrument.

5. Owner hereby covenants and warrants to Lender that neither he nor any previous owner has executed any prior assignment or pledge of the rentals of the mortgaged premises, nor any prior assignment or pledge of his landlord's interest in any lease of the whole or any part of the mortgaged premises. 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 Lender of this assignment.

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

7. This assignment shall remain in full force and effect as long as the mortgage debt to Lender remains unpaid in whole or in part.

8. The provisions of this instrument shall be binding upon Owner and his or its legal representatives, successors or assigns and upon Lender 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 Lender against the mortgaged premises; and the word "Mortgage" shall be construed to mean the instrument securing the said indebtedness, owned and held by Lender, whether such instrument be mortgage, loan deed, trust deed, vendor's lien or otherwise.

It is understood and agreed that a full and complete release of the aforesaid mortgage shall operate as a full and complete release of all Lender's rights and interest hereunder, and that after said mortgage has been fully released this instrument shall be void and of no further effect.

IN WITNESS WHEREOF, party of the first part has executed this agreement in manner and form proper and sufficient in law.

Signed, sealed and delivered in the presence of:

Bruce E. Brink
BRUCE E. BRINK

Parties of the First Part

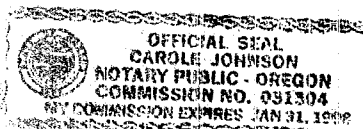
STATE OF OREGON)
COUNTY OF Klamath) ss.

On this 17th day of April, 1996, personally appeared before me, a Notary Public within and for said County and State, the within-named

BRUCE E. BRINK
personally known to me to be the individual described in and who executed the within instrument and he acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on this, the day and year first in this, my certificate, written.

Carol Johnson
Notary Public for the State of Oregon.
My commission expires January 31, 1998



(Notarial Seal)

EXHIBIT "A"

PARCEL 1:

Lot 379, Block 122, MILLS ADDITION TO THE CITY OF KLAMATH FALLS, in the County of Klamath, State of Oregon.

Code 1 Map 3809-33AD TL 8400

PARCEL 2:

The E 1/2 of Lot 14, Block 2, BRYANT TRACTS NO. 2, in the County of Klamath, State of Oregon.

Code 41 Map 3809-34DD TL 4700

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title the 19th day
of April A.D., 19 96 at 11:45 o'clock A. M., and duly recorded in Vol. M96,
of Mortgages on Page 10935.

FEE \$40.00

By Bernetha G. Letsch County Clerk