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Vol M03 Page 11388

CONDITIONAL ASSIGNMENT OF RENTS

THIS AGREEMENT is made this 14th day of February 2003, and is incorporated into and shall supplement the Mortgage or Deed of Trust (Security Instrument) of the same date given by the undersigned, **MICHAEL H. COLLINS and KELLY J. COLLINS, husband and wife**, to secure Borrower's Note to **BRUCE E. BRINK**, and covering the property situated at 2643 AND 2808 Pear Street, Klamath Falls, OR. 97603, and legally described as follows:

SEE LEGAL DESCRIPTION MARKED EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF AS THOUGH FULLY SET FORTH HEREIN.

WHEN THE TRUST DEED REFERENCED HEREIN IS RECONVEYED, THE DEED OF RECONVEYANCE SHALL BE DEEMED THE RELEASE OF THIS CONDITIONAL ASSIGNMENT OF RENTS AND SHALL ELIMINATE THIS DOCUMENT AS WELL.

Lender, as a condition to making said loan, has required the execution of this Conditional Assignment of Rents of the encumbered property.

In order to further secure payment of the Indebtedness of Borrower to Lender and in consideration of making the loan, Borrower does hereby sell, assign, transfer, and set over to Lender all rents, issues and profits from the mortgaged premises. This assignment is to become effective upon any default under the terms of the Security Instrument, and will remain in full force and effect so long as any default continues to exist.

Upon any default of the loan, the Borrower authorizes the Lender to enter upon the premises and to collect the rents then due as well as rents thereafter accruing and becoming payable during the period of continuance of any default and to take over and assume the management operation and maintenance of the mortgaged premises and to perform all acts necessary and proper to spend such sums out of the income of the mortgaged premises that may be necessary including the right to effect new leases, to cancel or surrender existing leases, to alter or amend the terms of existing leases or to make concessions to the tenants.

The Borrower agrees to facilitate in all reasonable ways, the collection of rents and upon request by the Lender to execute a written notice to tenants directing the tenants to pay rent to the Lender. The Borrower releases all claims against the Lender arising out of such management, operation, and maintenance of the premises.

The Lender shall, after payment of all proper charges and expenses and after the accumulation of a reserve account to meet taxes, assessments, and hazard insurance, credit the net amount of income received to any amounts due and owing to the Lender. The Lender shall not be accountable for more funds than it actually receives for the rent of the mortgaged premises and shall not be required to collect rents. Lender may however make reasonable efforts to collect rents, and shall determine the method of collection and extent of enforcement to collect delinquent rents.

In the event the Borrower reinstates the mortgage loan by complying with all terms, covenants, and conditions to the Security Instrument, the Lender shall, within one month after written demand, return possession of the property back to the Borrower.

The Borrower hereby covenants and warrants to the Lender that neither Borrower, nor any previous owner, has executed any prior assignment or pledge of the rents, nor any prior assignment or pledge of its interest in any lease of the mortgaged premises. The Borrower also covenants and agrees to not collect rents from the mortgaged premises in advance, other than as permitted by the terms of any rental agreement.

This assignment shall remain in full force and effect as long as the debt to the Lender remains unpaid.

The provisions of this instrument shall be binding upon the Borrower, its successors or assigns, and upon the Lender and its successors or assigns. The word "Borrower" shall be construed to mean any one or more persons or parties who are holders of legal title, or equity of redemption to or in the aforesaid mortgaged premises; The word "Note", shall be construed to mean the Instrument given to evidence the indebtedness held by the Lender against the mortgaged premises; The words "Security Instrument" shall be construed to mean the Instrument held by the Lender securing said indebtedness.

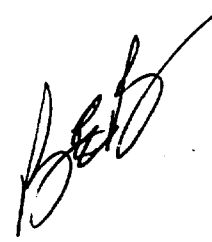
It is understood and agreed that a full reconveyance or Satisfaction of the Security Instrument shall constitute as a full and complete release of all Lender's rights and interest, and that after reconveyance, this instrument shall be considered cancelled and of no further force or affect.

Dated this 14th day of February, 2003.


MICHAEL H. COLLINS


KELLY J. COLLINS

State of Oregon, County of Klamath
Recorded 02/25/2003 3:07 p. m.
Vol M03 Pg 11388-90
Linda Smith, County Clerk
Fee \$ 31.00 # of Pgs 3



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State of OREGON, County of Klamath)ss.

On February 25, 2003, Michael H. Collins and Kelly J. Collins personally appeared before me and acknowledged the foregoing instrument to be their voluntary act and deed.

Marlene T. Addington (SEAL)
Notary Public for Oregon
My Commission Expires: March 22, 2005

Marlene T. Addington N.P.

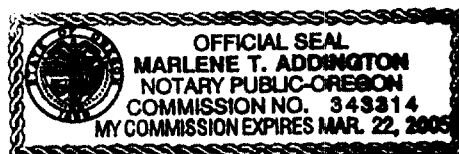


Exhibit A**PARCEL 1:**

Lots 1 and 2, Block 2, MILLS GARDENS ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

EXCEPTING THEREFROM the South 70 feet of Lots 1 and 2 (as measured along the West line of Lot 2) Block 2, MILLS GARDENS ADDITION (the North line to be parallel and 70 feet from when measured at right angles to the South line of Lots 1 and 2).

TOGETHER WITH that portion of vacated Pear Street described as follows:

Beginning at the Northwest corner of Lot 2, Block 2, MILLS GARDENS; thence North on the West line of Lot 2 extended a distance of 20 feet; thence North 89° 45' East a distance of 53.5 feet; thence South 21° 40' East a distance of 21.48 feet; thence South 89° 45' West on the South line of said Pear Street, a distance of 61.4 feet to the point of beginning.

PARCEL 2:

Lots 1, 2, 3, 4 and the Easterly half of Lot 5, Block 1, MILLS GARDENS ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

TOGETHER WITH the half vacated portion of Pear Street adjacent to Lot 1.