

2006-020601

Klamath County, Oregon

After recording return to:

John D. Sorlie
Bryant, Lovlien & Jarvis
PO Box 1151
Bend, OR 97709



00006196200600206010030030

10/13/2006 09:03:40 AM

Fee: \$31.00

ASSIGNMENT OF NOTE AND BENEFICIAL INTEREST IN TRUST DEED

Effective as of August 1, 2006, Wayne G. Ernst and John S. Ernst as personal representatives of the estate of William L. Ernst under Klamath County Case No. 0301170CV, as ("Assignor") enter into this Assignment of Note and Beneficial Interest in Trust Deed for the benefit of Debra Ernst as conservator of William Andrew Ernst and Debra Ernst as conservator of John Gilchrist Ernst (collectively the "Assignees", and individually as an "Assignee").

RECITALS

The Assignor is holder of a Non-Negotiable Promissory Note in the amount of \$300,000 dated September 27, 2004, payable by Ernst Brothers, LLC, and Oregon limited liability company (the "Maker"), and payable to Wayne G. Ernst and John S. Ernst, personal representatives of the Estate of William L. Ernst (the "Note"). This Note is secured by a Trust Deed of the same date on property located in Klamath County, Oregon naming Ernst Brothers, LLC, an Oregon limited liability company as the grantor and Wayne G. Ernst and John S. Ernst as the personal representatives of the Estate of William L. Ernst as the beneficiary, and AmeriTitle as trustee, and recorded on October 29, 2004, in Volume No. M04 Page 74077 through 74086 in the real property records of Klamath County, Oregon. The property subject to the Trust Deed is described on Exhibit A attached hereto.

In connection with entering into the Note and Trust Deed, Ernst Brothers, LLC also entered into a Loan Agreement dated September 24, 2004, with the Estate of William L. Ernst, (the "Loan Agreement").

The Assignor desires to assign to the Assignees, Assignor's beneficial interest under the Trust Deed and the right to enforce the Note, and its right, title and interest in and to the Loan Agreement

ASSIGNMENT

Assignor hereby grants, assigns, transfers, setover to Assignees and to Assignees' heirs, personal representatives, successors and assigns all of its rights and beneficial interest in and to the Trust Deed and all rights under the Note, the monies and obligations described therein, including interest, and all rights to the Loan Agreement, and all rights under the Loan Agreement, and all rights to accrue under the Trust Deed, Note, and Loan Agreement.

Assignor hereby covenants that it is the beneficiary under the Trust Deed and rightful

holder of the Note and has the right to assign the same. Additionally, the Note and Trust Deed have not been modified in any way. Assignor further covenants that is, it is the rightful holder of the Loan Agreement and such Loan Agreement has not been modified in any way.

ASSIGNOR:

Wayne G. Ernst
Wayne G. Ernst

John S. Ernst
John S. Ernst



STATE OF OREGON)
County of Klamath) ss.

This instrument was acknowledged before me on this 14 day of August, 2006, by Wayne Ernst

Terri L. Anderson
Notary Public for Oregon
My Commission Expires: 4/11/2010

STATE OF OREGON)
County of Klamath) ss.



This instrument was acknowledged before me on this 14 day of August, 2006, by John Ernst

Terri L. Anderson
Notary Public for Oregon
My Commission Expires: 4/11/2010

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

The following described real property situated in Klamath County, Oregon:

A piece or parcel of land situated in the NE $\frac{1}{4}$ of Section 19, Township 38, South, Range 9 East of the Willamette Meridian, Klamath County, Oregon and more particularly described as follows:

Beginning at an iron pipe which is South 0 degrees 06' West 323.4 feet and North 89 degrees 49' West 234.2 feet from the NE Section Corner of Section 19, Township 38 South Range 9 East of the Willamette Meridian, Klamath County, Oregon which point of beginning is also the NE corner of that certain tract of land conveyed to Elmer W. and Flora M. Zigler on page 238 Deed Volume 278 of the records of Klamath County, Oregon; thence North 89 degrees 49' West along the Northerly boundary of said tract of land conveyed on page 238 Deed Volume 278, a distance of 334.8 feet to an iron pipe set at its intersection with a line which is parallel to and 192.77 feet Northeasterly of, when measured at right angles to, the Northeasterly right of way line of the Dalles-California Highway (No. US 97) as the same is now located across said Section 19; thence North 38 degrees 52' West parallel to and 192.77 feet distant from said Northeasterly highway right of way line a distance of 147.25 feet to an iron pipe; thence South 89 degrees 49' East a distance of 427.3 feet to an iron pipe; thence South 0 degrees 06' West a distance of 114.35 feet more or less, to the point of beginning.

PARCEL 2

Beginning at a point which is South 0 degrees 06' West a distant 477.4 feet and North 89 degrees 49' West a distance of 234.2 feet from the Northeast corner of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence North 0 degrees 06' East a distance of 154 feet to a point; thence North 89 degrees 49' West a distance of 336 feet, more or less, to a point on a line which is parallel to and distant 192.77 feet at right angles from the Northeasterly right of way line of the Dalles-California Highway; thence South 38 degrees 52' East a distance of 200 feet, more or less, to a point which is North 0 degrees 06' East a distance of 211.1 feet from the North line of Byrd Avenue in Chelsea Addition; thence South 89 degrees 49' East a distance of 210.2 feet to the place of beginning, being in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 3

All that portion of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows: