

WJL-13916-5613

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When Recorded return to:
 Pac Equities, Inc.
 250 NW Franklin Ave., #302
 Bend, OR 97701

State of Oregon, County of Klamath
 Recorded 12/17/03 11:01 a m
 Vol M03 Pg 91621-22
 Linda Smith, County Clerk
 Fee \$ 26⁰⁰ # of Pgs 2

ASSIGNMENT OF A BENEFICIAL INTEREST IN A DEED OF TRUST:

Date: 12/10/2003

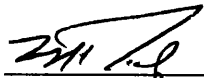
KNOW ALL MEN BY THESE PRESENTS, That PAC EQUITIES, INC. called "First Party", for U.S. Funds in the amount of \$80,000.00 (Eighty-Thousand) received from Edward Stowell called "Second Party", hereby sells and assigns to Second Party and to Second Party's heirs, personal representatives, successors and permitted assigns, a beneficial interest of \$80,000/of/\$1,100,000=(7.27%) in that certain Deed of Trust made by Southview Properties, LLC as trustor in favor of Pac Equities Inc. as mortgagee, as beneficiary, recorded January 1, 2003 in Book/Reel/Volume No: M03, at page 80323 of the Records of Klamath County, Oregon, and in and to said percent of the principal balance of the obligation secured thereby, and the interest due and to become due thereon. First Party warrants that the current unpaid principal balance of the obligation secured by said Deed of Trust is \$1,100,000.00 Second Party will receive interest computed at 10.9% per annum on their investment of \$80,000.00. It is further warranted by First Party, and for First Party's heirs, personal representatives, successors, and assigns, to and with Second Party, that: (1) First Party is the lawful and the holder of the note and Deed of Trust and the obligation secured thereby, and has a good right to sell and assign the Beneficial interest therein; (2) The Deed of Trust is not in default; (3) First party is insured by a policy of mortgagee's title insurance showing said Deed of Trust to be a lien on the property, except items normally excepted in said policies; (4) First Party has and will keep in First Party's possession the original note, Deed of Trust, and the title insurance policy; (5) First Party will continuously hold evidence of and maintain hazard insurance as required by the Deed of Trust with loss payable to First Party, any proceeds of which First Party will hold and pay to Second Party in proportion to Second Party's interests; and (6) First Party has no undisclosed knowledge of any fact which would adversely affect the marketability of said loan. The parties agree that (1) First Party shall collect the interest payments and remit the Second Party's share to Second Party or to a depository designated by Second Party, within five (5) days of First Party's receipt thereof; (2) First Party will maintain customary financial records of the transactions and furnish copies to Second Party at reasonable intervals on request; (3) First Party may, upon default of the obligor, in First Party's own name but in behalf of both parties, make demands and exercise all rights of the parties, including foreclosure, as in First Party's opinion are needful and advisable to protect the interests of the parties hereto; and (3a) after foreclosure, or upon acquiring title by deed in lieu of foreclosure, the parties shall be deemed tenants in common of their respective percentage interests, subject to and including their respective percentages of (i) all costs and fees incurred in connection with the foreclosure and (ii) income and expenses in connection with owning, holding, protecting and maintaining the property. (4) all costs and fees incurred in connection with this sale shall be paid by first party.

This assignment shall not constitute a partnership or joint venture, and each party shall be an independent contractor with respect to each other and any interested party, with no authority to bind the other, except as provided by the terms of this agreement.

This assignment of said percentage of said Deed of Trust and the obligation secured thereby is without recourse. In construing this instruments, the word "mortgage" shall include a deed of trust; "mortgagor" shall include a grantor in a deed of trust; "mortgagee" shall include a beneficiary under a deed of trust; the singular includes the plural; and all changes shall be made or implied to make this instrument applicable equally to individuals or to corporations.

IN WITNESS WHEREOF, the party of the first part has executed this document.

PAC EQUITIES, INC.

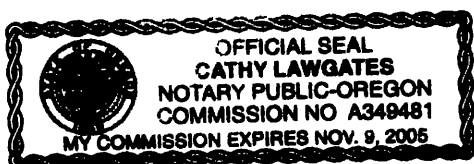


Michael M. Rich, President

AMERITITLE, has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

STATE OF OREGON); COUNTY OF DESCHUTES);

On this 16th day of December, 2003, personally appeared before me, a Notary Public in and for said County and State, Michael M. Rich, as President of PAC EQUITIES, INC., known to me to the person described in and who executed the foregoing instrument, who acknowledges that he executed the same freely and voluntarily and for the uses and purposes therein mentioned, as President of PAC EQUITIES, INC.



Cathy Lawgates, Notary Public

26.00

91622

80326

EXHIBIT A

LEGAL DESCRIPTION:

A parcel of land situated in the NE 1/4 and SE 1/4 of Section 36, Township 38 South, Range 8 East of the Willamette Meridian, the NE 1/4 of Section 1, Township 39 South, Range 8 East of the Willamette Meridian, and the NE 1/4 NE 1/4 of Section 6, Township 39 South, Range 9 East of the Willamette Meridian, all in Klamath County, Oregon and being more particularly described as follows:

Beginning at a point on the north-south centerline of Section 36 from which the NW corner of the SW 1/4 NE 1/4 of said section bears North 00°11'27" East 427.59 feet; thence South 89°58'12" East 619.61 feet; thence South 27°18'39" East 3530.91 feet; thence South 62°41'21" West 250.36 feet; thence South 27°18'39" East 1811.20 feet to a point on the South line of the NW 1/4 NW 1/4 of Section 6; thence along said South line South 89°28'21" West 199.91 feet to the SW corner thereof; thence along the South line of the NE 1/4 NE 1/4 of Section 1 North 89°29'44" West 1330.62 feet to the SW corner of said NE 1/4 NE 1/4; thence along the West line of the SE 1/4 NE 1/4 of Section 1 South 00°06'44" East 458.90 feet to the Northerly right of way line of State Highway 140; thence along said Northerly right of way line North 56°12'28" West 194.88 feet; thence leaving said right of way line North 11°59'09" East 364.18 feet to the South line of the NW 1/4 NE 1/4 of Section 1; thence along said South line South 89°56'08" West 516.20 feet to the said Northerly right of way line of State Highway 140; thence along said Northerly right of way line North 50°28'23" West 199.25 feet; thence North 59°17'52" West 439.78 feet; thence leaving said Northerly right of way line North 36°42'45" West 329.35 feet to the North-South center section line of Section 1; thence along said center section line North 00°04'15" East 722.87 feet to the 1/4 corner common to Section 1 and Section 36; thence along the center section line of Section 36 North 00°11'27" East 35089.58 feet to the point of beginning.

SAVING AND EXCEPTING, Beginning at the Southeast corner of the NE 1/4 NE 1/4 of said Section 1; thence on the South line of said NE 1/4 NE 1/4 North 89°17'37" West 617.88 feet; thence leaving said South line North 27°18'39" West 235.77 feet; thence North 62°41'21" East 1183.54 feet; thence North 27°18'39" West 1195.51 feet; thence North 62°41'21" East 605.39 feet; thence South 27°18'39" East 1811.20 feet to the South line of the NW 1/4 NW 1/4 of said Section 6; thence South 89°28'21" West 199.91 feet on said South line, to the point of beginning.