

04 MAY 13 PM 11:10

Aspen Title & Escrow
TRUST DEED

State of Oregon, County of Klamath
Recorded 05/13/2004 11:10 a m
Vol M04 Pg 29294-95
Linda Smith, County Clerk
Fee \$ 26.00 # of Pgs 2

Trust Deed made this 5th day of May, 2004, between Davy T. Johnson

as Grantor and Perla Enterprises, Inc., An Oregon Corporation as Beneficiary and Aspen Title and Escrow, Inc., an Oregon Corporation as Trustee.

Grantor conveys to Trustee in trust with the power of sale the following described property; subject to all reservations, easements, conditions and restrictions of record:

Tract 1107 Block 11 Lot 17
of SPRAGUE RIVER PINES,
Klamath County, Oregon

This Trust Deed is given for the purpose of securing performance of each agreement of Grantor herein contained and payment of \$9,500.00 Dollars, with interest thereon according to the terms of a promissory note executed by Grantor and payable to Beneficiary dated May 05, 2004, payable in installments with the last installment to become due, if not sooner paid, on May 14, 2009.

Grantor agrees:

- (1) To protect, preserve and maintain said property in good condition and repair and not to commit or permit any waste of said property.
- (2) To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property.
- (3) To keep the property free from all liens and to pay all taxes, assessments, maintenance charges or other charges that may be levied or assessed upon or against said property before the same become past due or delinquent. Beneficiary at its option, may pay such items when the same become delinquent and the amount so paid shall be added to the principal owing under the promissory note above described at the same rate of interest and with costs for collection.
- (4) To pay all costs, fees and expenses incurred by Beneficiary or Trustee under this agreement, including the costs of title search and other costs and expenses incurred in connection with or enforcing this obligation, including attorney's fees.
- (5) Upon default by Grantor of any provision of this agreement Beneficiary may declare all sums secured hereby to be immediately due and payable.

Grantor and Beneficiary further covenant and agree:

- (1) In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the Grantor without having first obtained the written consent or approval of the Beneficiary then, at the Beneficiary's option, all obligations secured by this instrument irrespective of the maturity dates expressed therein or herein, shall be due and payable.
- (2) Grantor agrees to pay a collection fee of \$3.00 per month, which fee shall be due and payable with each monthly installment of principal and interest.
- (3) Grantor agrees that in the event any installment is not received by Beneficiary within 15 days of the date it is called for under this note, a late charge on such delinquent installment may be charged in an amount equal to 10% of the principal and interest portions of such installment, in addition to such costs and expenses (including attorney's fees) as called for under said Note and Deed of Trust, and that such late charge shall be due and payable on or before the due date of the next installment.

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Grantor is the owner of the above described property,
free and clear of any encumbrances, except those above described
and will warrant and defend the same against all persons.

IN WITNESS WHEREOF, Grantor has executed this agreement
the day and year first above written.

[Signature]
Davy T. Johnson

STATE OF Nevada, County Clark, ss:

The foregoing instrument was acknowledged before me
this 11th day of May, 2004, by

Rebecca A. Hartig

REBECCA A. HARTIG Notary Public for State of Nevada
 Notary Public - State of Nevada My Commission Expires Aug 30, 2004
 Appointment Recorded In Clark County
 No. 00-64882-1 My Appointment Expires August 30, 2004