

When Recorded Return to:
Pac Equities Fund 1, Limited Partnership
250 NW Franklin Avenue, #302
Bend, OR 97701

Vol M04 Page 82683

State of Oregon, County of Klamath
Recorded 12/01/04 9:25 a m
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Linda Smith, County Clerk
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ASSIGNMENT OF BENEFICIAL INTEREST IN A DEED OF TRUST

Date: September 27, 2004

PARTIES:

First Trust Corp. Custodian f/b/o John M. Long IRA ("Assignor")

PENSCO Trust Company Custodian fbo John M. Long IRA ("Assignee")
586 Nutcracker Drive
Redmond, OR 97756

RECITALS:

Whereas Assignor is a beneficiary of a Trust Deed dated **October 29, 2003** and recorded in **Volume MO3, Page 80323** of the official records of **Klamath County**, County, Oregon; and

Whereas the recited Trust Deed was executed by **R.A.M. Southview Properties, LLC** and secures an obligation under a Promissory Note dated **October 6, 2003** for the principle balance of **\$2,600,000.00**.

Whereas Assignee wishes to acquire a partial interest in the obligation evidenced by the above referenced recited Promissory Note and secured by the above recited Trust Deed.

Whereas assignee agrees that Pac Equities shall have the right in its sole discretion to subordinate the trust deed lien and to reconvey all or a portion of the subject property as Pac Equities determines reasonably prudent.

NOW THEREFORE, AGREEMENT:

For valuable consideration, receipt and sufficiency being hereby acknowledged in the sum of **\$10,000.00 (TEN THOUSAND DOLLARS)** Assignor grants, assigns, transfers and sets over to Assignee a **\$10,000.00 of \$2,600,000.00 = (.38%)** of Assignor's beneficial interest in the Trust Deed and Promissory Note. This assignment includes the above referenced percentage of all principal and interest and any payments due or to become due under the Promissory Note and Trust Deed. Assignor represents and warrants that at the date of this Assignment, the unpaid principal balance is **\$2,600,000.00**. Assignee will receive a preferred return computed at **10.0%** per annum on their investment of **\$10,000.00**.

Assignor further warrants that: 1) Assignor is the lawful holder of the Promissory Note and Trust Deed and has the right to sell and assign all or a portion of its interest therein; 2) At the date of this Assignment, the Promissory Note and Deed of Trust are not in default; 3) Assignor is the beneficiary of a title insurance policy insuring the Assignor's Trust Deed. 4) Assignor has and will maintain possession of the original Promissory Note, Deed of Trust and title insurance policies; 5) Assignor will take all steps reasonably necessary to maintain hazard insurance as required under the terms of the Deed of Trust with loss payable to Assignor and its successors and assigns. 6) Assignor shall collect all payments due under the Promissory Note and Trust Deed and will pay to Assignee, the Assignee's preferred return on the 20th day of each month. Assignor agrees it will maintain records of all transactions relating to the Promissory Note and Trust Deed and shall make those records available to Assignee upon Assignee's reasonable request.

Assignor retains the right to make all demands and exercise all rights of the beneficiary under the terms of the Promissory Note and Trust Deed. In the event of a default under the Promissory Note and Trust Deed, Assignor has the right to exercise all of the beneficiary's rights as set forth in the Promissory Note and Trust Deed and as allowed by law including foreclosure through judicial or non-judicial means, acquiring title by deed in lieu of foreclosure, re-entry eviction and any other steps reasonably necessary to protect the beneficial interest under the Promissory Note and Trust Deed. In the event of a default, Assignor shall be entitled to repayment of all its costs and fees incurred including attorney fees, recording costs, filing fees and title insurance charges prior to any payment to Assignee under this Agreement. In the event the parties acquire fee title to the property through foreclosure and sale or by deed in lieu of foreclosure, the parties shall hold the property as tenants in common according to the above referenced percentage interest and shall be entitled to and responsible for their pro rata share of all income received and expenses incurred in connection with owning, holding, maintaining and selling the property. Assignee agrees and grants to Assignor the right to mortgage or lien the property as security for loan(s) which Assignor reasonably and prudently believes are necessary to maintain or improve the property. This Assignment is not intended to create a partnership or joint venture. The relationship of the parties shall be governed solely by the terms of this Agreement and neither party has the authority to bind the other except as provided under the terms of this Agreement. In the event of a dispute arising out of or relating to this Agreement, the prevailing party shall be entitled to recover its reasonable attorney fees, costs and disbursements including all deposition and expert witness costs whether incurred in relation to trial, arbitration or on appeal.

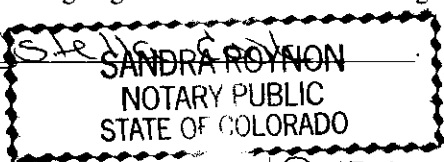
First Trust Corporation:


Authorized Signature


Colorado
STATE OF ~~OREGON~~)
Denver) ss.
County of ~~Deschutes~~)

The foregoing instrument was acknowledged before me this 12th day of October, 2004,

by



My Commission


Notary Public for Oregon Colorado
Sandra Roydon