

TRUST DEED

ATE - 61882 MS

THIS DEED OF TRUST, made this 30th day of September, 2005, between Monica M. Nunes whose address is 410 Seventh Street, Suite 2400, Denver, CO 80202-4402, hereinafter called GRANTOR and Aspen Title & Escrow, Inc., 525 Main Street, Klamath Falls, Oregon 97601 as TRUSTEE and Robert M. Singer, Trustee of the Robert M. Singer Trust whose address is 2828 Scocia Road, Evergreen, Colorado 80439, as BENEFICIARY.

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to Trustee in trust, with power of sale, the property in Klamath County, Oregon, described as follows:

The Easterly 90 feet of Lot 5, EXCEPTING the North 5 feet, Block 33 HILLSIDE 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, CODE 001 MAP 3809-029DA TL 03800 KEY #215966 also known as 1614 Crescent Street, Klamath Falls, Oregon 97601

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of **\$70,000.00, Seventy Thousand Dollars**, with interest thereon at 12%, Six Percent per annum, and according to the terms of a promissory note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable September 30, 2006. There will be NO penalty for early payment or payoff of this trust deed.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note becomes due and payable. 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 first having 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 become immediately due and payable.

The above described real property is not currently used for agricultural, timber or grazing purposes.

To protect the security of this trust deed, grantor agrees:

1. To protect, preserve and maintain said property in good condition and repair; not to remove or demolish any building nor improvement thereon; not to commit or permit any waste of said property.
2. To complete or restore promptly and in good and workmanlike manner any building or improvement which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefore.
3. To comply with all laws, ordinances, regulations, covenants, conditions an restrictions affecting said property; if the beneficiary so request, to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.
4. To provide and continuously maintain insurance on the buildings now or hereafter erected on the said premises against loss or damage by fire and such other hazards as the beneficiary may from time to time require, in an amount not less than full replacement value, written in companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as insured; if the grantor shall fail for any reason to procure any such insurance and to deliver said policies to the beneficiary at least 15 (fifteen) days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
5. To keep said premises free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said property before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance

Beneficiary

Robert M. Singer, Trustee
2828 Scocia Road
Evergreen, Colorado 80439

Grantor

Monica M. Nunes
410 Seventh Street, Suite 2400
Denver, CO 80202-4402

(SPACE RESERVED FOR RECORDER'S USE)

AFTER RECORDING, RETURN TO:

Robert M. Singer, Trustee
2828 Scocia Road
Evergreen, Colorado 80439

46-A

premiums, liens or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in this trust deed and the note secured hereby, together with the obligations described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of the debt secured by this trust deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable and constitute a breach of this trust deed.

6. To pay all costs, fees and expenses of this trust including the cost of title search as well as the other costs and expenses of the trustee incurred in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred.

7. To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee; and in any suit, action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph 7 in all cases shall be fixed by the trial court and in the event of an appeal from any judgment or decree of the trial court, grantor further agrees to pay such sum as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

It is mutually agreed that:

8. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceeding, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

9. At any time and from time to time upon written request of beneficiary, payment of its fees and presentation of this deed and the note for endorsement (in case of full reconveyance, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may (a) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any restrictions thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall be not less than \$5.00.00.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security of the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary may determine.

11. The entering upon and taking possession of said property, the collection of such rents, issues and profits, or the process of fire or other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary at his/her election may proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose in this trust deed by advertisement and sale. In the latter event the beneficiary or the trustee shall execute and cause to be recorded his/her written notice of default and his/her election to sell the said described real property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

13. After the trustee has commenced foreclosure by advertisement sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amount provided by law.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which said sale may be postponed as provided by law. The trustee may sell property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warrant, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interest may appear in the order of their priority and (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

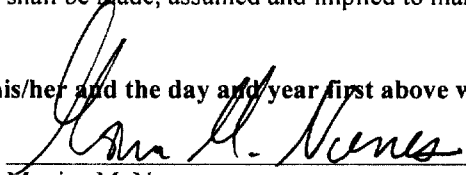
The grantor covenants and agrees to and with the beneficiary and beneficiary's successor in interest that the grantor is lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto subject to covenants, conditions, restrictions and easements of record and that he/she will warrant and forever defend the same against all persons whomsoever.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:

- (a) *primarily for grantor's personal, family or household purposes,
- (b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes.

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a beneficiary herein. In construing this trust deed, it is understood that the grantor, trustee and/or beneficiary may each be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, said grantor has hereunto set his/her and the day and year first above written.

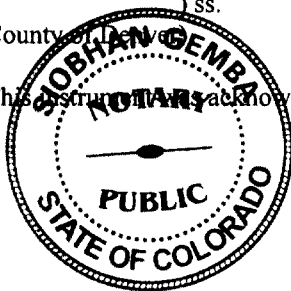


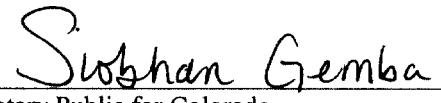
Monica M. Nunes

STATE OF COLORADO)

City and County of Denver) ss.

This instrument was acknowledged before me on this 29th day of September, 2005 by Monica M. Nunes.





Notary Public for Colorado
My Commission Expires: 10-02-07

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by said trust deed have been fully paid and satisfied. You hereby are directed, on payment to you of any sums owing to you under the terms of said trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by said trust deed (which are delivered to you herewith together with said trust deed) and to reconvey, without warranty, to the parties designated by the terms of said trust deed the estate now held by you under the same. Mail reconveyance and documents to _____

DATED: _____.

Beneficiary

Do not lose or destroy this Trust Deed or the note which it secures. Both must be delivered to the trustee for cancellation before reconveyance will be made

ASSIGNMENT OF LEASE, RENT, AND OTHER INCOME

THIS ASSIGNMENT is given this 30th day of September, 2005, by Monica M. Nunes, whose address is 2351 Federal Blvd. #400, Denver, Colorado 80211, ("Assignor") to Robert M. Singer, Trustee of the Robert M. Singer Trust whose address is 2828 Scotia Road, Evergreen, Colorado 80439, ("Assignee").

RECITALS:

1. Assignor, for value received, has made, executed, and delivered to Assignee that certain Promissory Note of even date herewith in the principal amount of Seventy Thousand and No/100ths Dollars (\$70,000.00) payable to the order of Assignee ("Note"), which Note is secured by that certain Deed of Trust of even date herewith ("Deed of Trust"), encumbering that certain real property owned by Assignor and described as:

The Easterly 90 feet of Lot 5, EXCEPTING the North 5 feet, Block 33, HILLSIDE
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, CODE 001
MAP 3809-029DA TL 03800 KEY #215966

also known as 1614 Crescent Street, Klamath Falls, Oregon 97601 and hereinafter referred to as "Property".

The Note, the Deed of Trust, this Assignment and all other documents executed or delivered by Assignor in connection with the loan evidenced by the Note ("Loan") are hereinafter collectively referred to as the "Loan Documents."

2. To further secure payment of the Note according to its tenor and the performance of each and every one of the matters agreed by Assignor to be performed pursuant to the Loan Documents, Assignor has agreed to assign to Assignee certain rights derived from the Property.

NOW, THEREFORE, to induce Assignee to enter into the Loan and lend proceeds to Assignor, as a partial source of repayment of the obligation evidenced by the Loan Documents, and for other good and valuable consideration in hand paid to Assignor, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby agree as follows:

1. **Revocable Waiver of Assignee's Rights.** By accepting this Assignment, Assignee waives the right to exercise the rights and powers granted to Assignee and covenants and agrees not to revoke such waiver unless and until there has been an Event of Default as defined in the Loan Documents the terms of which are incorporated herein by this reference. If any such Event of Default occurs, Assignee may at any time (including the time covered by any foreclosure proceeding and the period provided for redemption, if any) revoke such waiver without notice and, upon such revocation, may proceed to exercise any or all of the rights and powers conferred upon Assignee, provided, however, prior to an Event of Default, nothing contained herein shall limit the rights of Assignee as a lessor under Lease.

2. **Assignment of Lease.** Assignor hereby assigns, sets over, conveys, and transfers unto Assignee all of Assignor's right, title and interest in and to all leases related to the Property now in existence or hereinafter created, hereinafter referred to as the "Lease".

3. **Assignment of Rent and Other Income.** Assignor hereby assigns, sets over, conveys, and transfers unto Assignee all of Assignor's right, title, and interest in and to any and all deposits (whether for security or otherwise), rent, issues, profits, revenues, royalties, contract rights, and benefits of every nature of and from the Property and from the improvements now or hereafter constructed thereon ("Rents").

4. **Assignor's Representations and Warranties.** Assignor represents, warrants, and covenants to Assignee that: (i) no Rents under the Lease will be collected for more than one (1) month in advance (other than security deposits and collection of the last month's rent), discounted, released, waived, compromised, or otherwise discharged without Assignee's prior written consent; (ii) there have been no prior assignments or transfers of any kind or nature whatsoever of the Lease or Rents; and (iii) to the best knowledge of Assignor, the Lease is in full force and effect and no default of any kind exists relative to the Lease.

5. **Assignor's Negative Covenants.** Assignor shall not, without the prior written consent of Assignee, (i) cancel, terminate (except for nonpayment of rent or other material breach by the lessee), or permit the surrender of the Lease, or amend, modify, or abridge any provision thereof, or make any subsequent assignment thereof; (ii) modify or amend the terms of any guaranty of the Lease or cancel or terminate any such guaranty; (iii) consent to the assignment of the Lease or any subletting thereunder; or (iv) take any action or exercise any right or option which would permit the lessee under the Lease to cancel or terminate the Lease. Any attempted cancellation, termination (other than for nonpayment of rent or other material breach of the lessee), surrender, amendment, modification, or assignment of the Lease, or any part thereof, without the prior written consent of Assignee, shall, at Assignee's option, be null and void and shall constitute an Event of Default hereunder.

6. Defense of Actions. Assignor shall immediately furnish to Assignee copies of all notices of default received from any lessee under the Lease. Assignor shall, at his/her sole cost and expense, appear in and defend any action or proceeding arising under, growing out of, or in any manner connected with the Lease or the obligations, duties, or liabilities of the lessor or lessees thereunder, and shall pay on request all reasonable costs and expenses, including, without limiting the generality of the foregoing, reasonable attorney's fees, which Assignee may incur in connection with Assignee's appearance, voluntary or otherwise, in any such action or proceeding.

7. Assignee's Right of Possession. At any time after the execution of this Assignment, without any notice whatsoever to Assignor, Assignee may, at its option, enter and take possession of the premises affected by the Lease and perform all acts necessary for the operation and maintenance of such premises in the same manner and to the same extent as Assignor could do the same things. Without limiting the generality and effect of the preceding sentence, Assignee is empowered, but shall have no obligation, to take complete charge of the rental of the Property, or any part thereof, and in the name of Assignor or their own names to collect all Rents accruing under the Lease or any of them, to enforce payment thereof, to exercise all the rights and privileges of Assignor thereunder, including the right to fix or modify Rents, to demand and sue for possession of the premises, and to collect the Rents resulting from such reletting. Assignor will from time to time apply all or any part of the Rents in payment of the following items, in such order and in such amounts as Assignee may designate from time to time: (i) the principal amount of the Note, the interest thereon, and any other additional sums due under the Note; (ii) taxes and/or special assessments constituting a lien against the Property; (iii) reasonable sums for the maintenance, upkeep, and preservation of the improvements located on the Property as may be necessary to preserve the same in good and tenantable condition; (iv) insurance premiums that become due and payable in respect to any contract of insurance covering the Property, or any part thereof; (v) all sums necessary to satisfy any and all of Assignor's covenants and obligations under the Loan Documents; and (vi) all reasonable expenses of Assignee incurred to collect the Rents and to manage the Property (including reasonable attorney's fees and other costs of collection). Provided, however, Assignee will in no event be accountable for any sums not actually received by Assignee pursuant to this Assignment.

8. Direction to Lessee. Assignor hereby irrevocably agrees and directs that the lessee under the Lease shall pay all Rents due or becoming due under such Lease until the note is paid in full according to the terms and conditions of the note. Assignor will have no claim against any such lessee for any Rents or other sums paid by such lessee to Assignee pursuant to the terms and conditions of this paragraph.

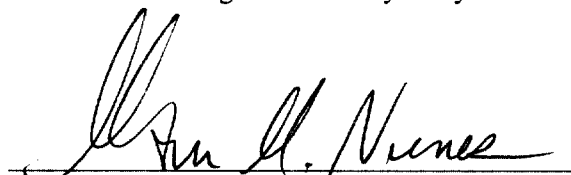
9. Limitation on Assignee's Duties. Prior to Assignee's actual entry and taking possession of the premises affected by the Lease, this Assignment shall not operate to place responsibility upon Assignee for the condition, safety, control, care, management, or repair of such premises. Nothing contained herein shall be construed to bind Assignee at any time to the performance of any of the terms or provisions contained in the Lease if Lease is terminated or lessee is dispossessed upon foreclosure of any of the Loan Documents, and, prior to such date, Assignee will not disturb the peaceful possession of any portion of the premises by any tenant.

10. Indemnification. Assignor agrees to indemnify and hold Assignee harmless of and for any and all claims, liabilities, losses, expenses, or damages, including, without limiting the generality of the foregoing, reasonable attorney's fees, which Assignee may incur under the Lease or by reason of this Assignment, as well as any and all claims and demands whatsoever which may be asserted against Assignee by reason of any alleged obligation or undertaking to be performed or discharged by Assignee under the Lease or under or by reason of this Assignment or the subject of the indemnification contained in this Paragraph 10. Provided, however, the indemnification provided for herein shall not cover any claims, liabilities, losses, expenses or damages incurred by Assignee as a result of its, or its representatives or agents, negligence or willful misconduct while in possession of the Property.

11. Performance by Assignor. Assignor will perform, all of Assignor's covenants, agreements, and obligations as lessor under the Lease and this Assignment, and will neither do nor fail to do anything which may result in any release of liability of the lessee or lease guarantor under the Lease or the accrual of any right in any lessee to withhold any Rents or other sums payable under the terms of the Lease. Assignor will continue to give prompt notice to Assignee of any notice of default received from any lessee or from any other person with respect to the lease.

12. Release. A release of the loan documents shall release this assignment.

IN WITNESS WHEREOF, Assignor has executed this Assignment the day and year first above written.

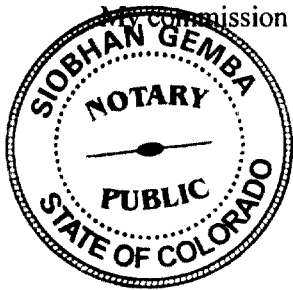

Monica M. Nunes

STATE OF COLORADO)
)ss.
CITY AND COUNTY OF DENVER)

The above and foregoing instrument was acknowledged before me this 30th day of September, 2005, by Monica M. Nunes.

WITNESS my hand and official seal.

My commission expires: 10-02-07



Siobhan Gemba
Notary Public