

Return To: Violette Fitzgerald  
221 Apple St.  
Bremerton, WA 98310

2008-000833  
Klamath County, Oregon



PROMISSORY NOTE

01/18/2008 11:55:32 AM

Fee: \$31.00

\$50,000.00

Date: August 1, 2007

For value received, the undersigned JBO Properties LLC (the "Promisor") promises to pay to the order of FITZGERALD LIVING TRUST DTD 5/29/93 (the "Payee"), at 221 APPLE STREET, BREMERTON, WA 98310, (or at such other place as the Payee may designate in writing) the sum of \$50,000.00 with interest from August 1, 2007, on the unpaid principal at the rate of 9.00 percent annually.

The unpaid principal and accrued interest shall be payable in full on July 31, 2008 (the "Due Date"). All payments on this Note shall be applied first in payment of accrued interest and any remainder in payment of principal.

This Note is secured by a A 75 ACRE PARCEL IN KLAMATH FALLS OREGON. / KLAMATH COUNTH LAX LOT # R-3809-1700-00900-000, dated August 1, 2007. The Payee is not required to rely on the above security for the payment of this Note in the case of default, but may proceed directly against the Promisor. See attached Exhibit "A"

If any one or more of the provisions of this Note are determined to be unenforceable, in whole or in part, for any reason, the remaining provisions shall remain fully operative.

All payments of principal and interest on this Note shall be paid in the legal currency of the United States. Promisor waives presentment for payment, protest, and notice of protest and nonpayment of this Note.

No renewal or extension of this Note, delay in enforcing any right of the Payee under this Note, or assignment by Payee of this Note shall affect the liability of the Promisor. All rights of the Payee under this Note are cumulative and may be exercised concurrently or consecutively at the Payee's option.

This Note shall be construed in accordance with the laws of the State of Oregon.

Signed this 13 day of August, 2007, at 1150

JBO Properties LLC

By: John O'Connor  
JBO Properties LLC

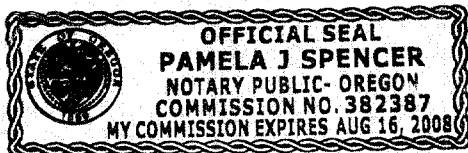
By: John O'Connor  
John O'Connor for JBO Properties LLC

State of Oregon  
County of Klamath

On this 18<sup>th</sup> day of January, 20 08, personally appeared before me the above named John O'Connor, and acknowledged the foregoing instrument to be his voluntary act and deed.

WITNESS My hand and official seal.

Pamela Spencer  
Notary Public for Oregon  
My Commission expires: 8/16/2008



For attachment to Promissory Note dated August  
1, 2007 in favor of Fitzgerald Living Trust DTD  
5/29/93.

EXHIBIT "A"

PARCEL 1

Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

The North 681.73 feet of the SE $\frac{1}{4}$  of the SW $\frac{1}{4}$  and the NE $\frac{1}{4}$  of the SW $\frac{1}{4}$ ; all in Section 17, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 2

Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

The NW $\frac{1}{4}$ SE $\frac{1}{4}$  and the NE $\frac{1}{4}$ SE $\frac{1}{4}$  of said Section, Township and Range, Klamath County, Oregon, SAVING AND EXCEPTING therefrom that portion thereof more particularly described as follows: Beginning at a point on the line between Section 16 and 17 of said township and range, which point is 660 feet North of the corner common to Sections 16, 17, 20 and 21 of said township and range; thence Westerly along a line parallel to the South line of said Section 17 a distance of 1634.0 feet; thence at right angles North a distance of 660 feet; thence at right angles East and parallel to the South line of said Section 17 a distance of 990 feet; thence at right angles North a distance of 330 feet; thence East at right angles and parallel to the South line of said Section 17 a distance of 644 feet, more or less, to the East line of said Section 17; thence South along the East line of Section 17 a distance of 990 feet, more or less, to the point of beginning.

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