

Affidavit of Charles J. Featherston

State of California                    )  
   ) ss  
 County of Los Angeles                )

Charles J. Featherston, being first duly sworn, declares and says:

1. I am employed by The Bank of California, N.A. ("Bank"), as a Vice President and Trust Officer.

2. At all times mentioned in this Affidavit, the Bank acted as trustee of that certain subdivision trust known as the Mt. Scott Meadows Subdivision Trust which trust is identified on the records of the Bank as Trust No. 80142. In its capacity as trustee of the aforesaid trust, record title to certain real property was transferred to and held by the Bank. The portions of the real property so transferred and held which are the subject of this Affidavit are located in the County of Klamath, State of Oregon, and are described as follows:

Block 2; Lots 2/3/4

Block 3; Lots 28/29

Block 5; Lots 11/12

Block 1; Lots 1/2/3/4

Block 1; Lots 9/10/11

Block 1; Lots 7/8

3. Each parcel of property described in Paragraph 2 of this Affidavit is still owned by the Bank in its capacity as

trustee. Inadvertently, however, contracts of sale which had either been terminated, cancelled or rescinded were erroneously recorded as to each such parcel of property. None of the contracts of sale remains in existence. Such contracts of sale should not, therefore, constitute exceptions to the title to any of the parcels described in this Affidavit.

(a) Block 2; Lots 2/3/4

A contract of sale dated June 28, 1975 was entered into by Reginald Shaw and Barbara Shaw. This contract of sale was cancelled on October 6, 1977. This contract of sale was inadvertently recorded on November 30, 1982 and should be deleted as an exception to title for this real property.

(b) Block 3; Lots 28/29

A contract of sale dated January 17, 1977 was entered into by Marvin G. Wilsey and Victoria J. Wilsey. The contract of sale was cancelled at the request of Marvin G. Wilsey and Victoria J. Wilsey and their down payment check was returned. The contract of sale was inadvertently recorded on December 1, 1982 and should be deleted as an exception to title for this real property.

(c) Block 5; Lots 11/12

A contract of sale dated October 4, 1976 was entered into by Jose J. Arroyo and Margurita D. Arroyo. They gave notice of rescission on November 20, 1976 and made no down payment or other payment on the purchase price. The contract of sale was

inadvertently recorded on December 1, 1982 and should now be deleted as an exception to title for this real property.

(d) Block 1; Lots 1/2/3/4

A contract of sale dated December 8, 1985 was entered into by Patricia C. Cosma. This contract of sale was cancelled on January 18, 1978 pursuant to the written request of Patricia C. Cosma. The contract of sale was inadvertently recorded on November 30, 1982 and should now be deleted as an exception to title for this real property.

(e) Block 1; Lots 9/10/11

A contract of sale was entered into on May 7, 1975 by Raulino Santos. Pursuant to the written request of Raulino Santos, the contract of sale was cancelled in January 1978. This contract of sale was inadvertently recorded on November 30, 1982 and should now be ~~deleted~~ as an exception to title.

(f) Block ~~8~~ Lots 7/8

A contract of sale was entered into on June 16, 1975 by Michael L. Olsen and Joyce J. Olsen. Due to their failure to make the installment payments, this contract of sale was cancelled on about January 2, 1978. This contract of sale was inadvertently recorded on December 1, 1982 and should now be deleted as an exception to title.

4. As shown in Paragraph 3 of this Affidavit, each contract of sale was erroneously recorded after it had been either cancelled, rescinded or terminated. For this reason, the contracts

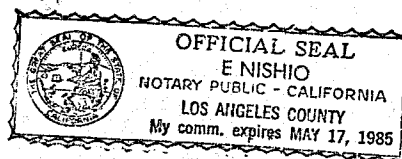
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of sale do not constitute an exception to title and should not be shown as an exception to title.

*Charles J. Featherston*  
 Charles J. Featherston  
 Vice President and Trust  
 Officer of The Bank of  
 California, N.A.

Subscribed and sworn to  
 before me this 27 day  
 of December, 1984

*E. Nishio* E. NISHIO  
 Notary Public in and for  
 said County and State



STATE OF OREGON, )  
 County of Klamath )  
 Filed for record at request of

on this 31st day of January A.D. 19 85  
 at 4:46 o'clock P M, and duly  
 recorded in Vol. M85 of Deeds  
 Page 1734

EVELYN BIEHN, County Clerk

By *[Signature]* Deputy  
 Fee 17.00

*Return*  
 Klamath County Title Co