

NOTICE OF DEFAULT AND FORFEITURE  
(Pursuant to ORS Sections 93.905 thru 93.945)

Seller under the Contract described below declares Purchaser is in default for the reasons set forth herein.

1. DESCRIPTION OF CONTRACT:

- (A) PURCHASER: BRENDAN CAPITAL CORPORATION
- (B) SELLER: CALVIN E. McNARY and DIXIE I. McNARY, Husband and Wife.
- (C) MEMORANDUM OF CONTRACT RECORDED:  
May 19, 1989, at Volume M89 Page 8680, Deed Records of Klamath County
- (D) AMOUNT AND TERMS OF CONTRACT:

One Hundred Sixty-Five Thousand Dollars (\$165,000) which shall accrue interest at the rate of ten percent (10%) and shall be payable as follows:

- a. Buyer shall pay a down payment in the amount of \$16,500 payable \$5,000 on May 1, 1989, and \$11,500 on July 1, 1989.
- b. The remaining balance of \$148,500 shall be due and payable in three equal, annual installments of \$49,500, plus accrued interest, beginning May 1, 1990, and continuing on each May 1 thereafter until May 1, 1992, when the then remaining balance, plus any unpaid interest, shall be due.

Said Contract was amended May 1, 1990, to require an interest only payment on May 1, 1990, with payments of \$49,500 due on May 1, 1991, May 1, 1992, with the entire balance, both principal and interest due and payable May 1, 1993.

- (E) PROPERTY COVERED BY CONTRACT: See attached Exhibit "A."

2. NATURE AND AMOUNT OF DEFAULT: Failure to pay:

Annual installments of \$49,500, plus accrued interest, due on May 1, 1990, May 1, 1991, and May 1, 1992, plus any unpaid interest.

3. SUM OWING ON OBLIGATION: Principal balance of \$148,500.00, plus accrued interest at 10 percent per annum from May 1, 1990.

4. DATE AFTER WHICH CONTRACT FORFEITED IF DEFAULT NOT CURED:

Unless the default is cured as set forth in paragraph 5 of this Notice, after November 9, 1992, the Purchaser and all persons claiming through the Purchaser shall have no further rights in the contract or the property and no person shall have any right to redeem the property, and all sums previously paid under the contract by

*Richard Fairclo*  
RICHARD FAIRCLO  
ATTORNEY AT LAW  
280 MAIN STREET  
KLAMATH FALLS, OREGON 97601



or on behalf of the Purchaser shall belong to and be retained by the Seller or other person to whom paid.

5. CURE OF DEFAULT TO AVOID FORFEITURE: Notice is given that forfeiture may be avoided under the Contract by curing the default(s) by payment of the entire amount due, other than such portion of principal as would not then be due had no default occurred, and tendering performance of other obligations in default, together with costs and expenses actually incurred in enforcing the contract on or before November 9, 1992.

(The period specified shall be not less than 60 days, when the purchaser has reduced the unpaid balance to an amount greater than 75 percent of the purchase price, 90 days when the purchaser has reduced the unpaid balance to an amount which is more than 50 percent but less than 75 percent of the purchase price or 120 days when the purchaser has reduced the unpaid balance to an amount which is 50 percent or less of the purchase price.)

6. NAME AND ADDRESS OF SELLER'S ATTORNEY: Richard Fairclo,  
Attorney at Law, 280 Main Street, Klamath Falls, OR 97601

A copy of this Notice, together with an Affidavit of Mailing shall be recorded.

To be sent by both first class and certified mail with return receipt requested at the last known address or served pursuant to ORCP 7D (2) and 7D (3) to be sent to the purchaser, occupant of the property, any person who has filed of record the request for notice of default, and others shown in title report.



Richard Fairclo  
Attorney for Seller

STATE OF OREGON

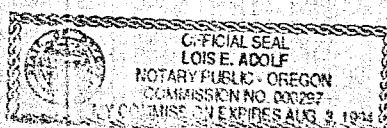
}  
} ss.  
}

County of Klamath

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of August, 1992, by RICHARD FAIRCLO.



Notary Public for Oregon  
My Commission expires:



RICHARD FAIRCLO  
ATTORNEY AT LAW  
280 MAIN STREET  
KLAMATH FALLS, OREGON 97601



## EXHIBIT "A"

The following-described real property in Klamath County, Oregon:

The NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 34, Township 39 South, Range 9 East of the Willamette Meridian, LESS a portion heretofore conveyed to the United States of America and LESS the Southerly 46 feet of the property herein conveyed and ALSO EXCEPT any portion lying within Spring Lake Road; ALSO SAVING AND EXCEPTING the following: Commencing at the Northwest corner of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 34, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence South, along the West boundary of the NE $\frac{1}{4}$  of the NE $\frac{1}{4}$ , 1164.70 feet to the true point of beginning; thence South, 130 feet, more or less, to a point 23.00 feet North of the Southwest corner of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of said section; thence East, parallel to the South boundary of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ , 770.2 feet; thence North, 130.00 feet; thence West 770.2 feet to the true point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Richard Fairclo the 21st day  
of Aug. A.D. 19 92 at 3:23 o'clock P. M., and duly recorded in Vol. M92,  
of Deeds on Page 19093  
By Evelyn Biehn - County Clerk  
Pauline M. Mendenhall

FEE \$20.00