

DECLARATION OF FORFEITURE

STATE OF OREGON

County of Klamath

] ss.

I, RICHARD S. FAIRCLO, being first duly sworn, depose and say:

That I am the attorney for CALVIN E. McNARY and DIXIE I. McNARY, Husband and Wife, Seller under a Contract between CALVIN E. McNARY and DIXIE I. McNARY, husband and wife, as Seller and BRENDAN CAPITAL CORPORATION as Purchaser. A memorandum of said contract was recorded May 19, 1989, in Volume M89, page 8680, Deed Records, Klamath County, Oregon, covering 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.

TOGETHER with all improvements on said real property presently existing or which may be hereafter added to said real property.

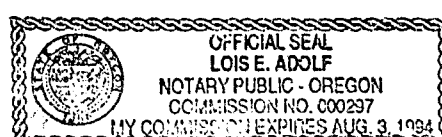
A NOTICE OF DEFAULT AND FORFEITURE OF CONTRACT was mailed to Purchaser. Copies of said NOTICE AND PROOF OF MAILING of said NOTICE are attached hereto.

The defaults of the Purchaser under the terms of the contract was not cured within the time period provided in ORS 93.915 and the Contract has been forfeited.

Richard Fairclo
RICHARD FAIRCLO, OSB 75114

SUBSCRIBED AND SWORN to before me this 10th day of November, 1992.

Lois E. Adolf
Notary Public of Oregon
My Commission expires:



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

53.00

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

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

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19094

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

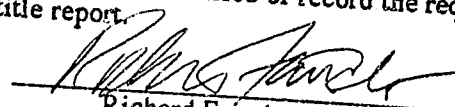
5. CURE OF DEFAULT TO AVOID FORFEITURE: Notice is given that forfeiture may be avoided under the Contract by curing the default(s) by payment of the entire amount due, other than such portion of principal as would not then be due had no default occurred, and tendering performance of other obligations 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.

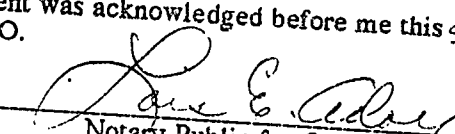

Richard Fairclo
Attorney for Seller

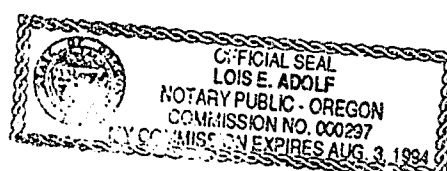
STATE OF OREGON

County of Klamath

ss.

The foregoing instrument was acknowledged before me this 21st 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

26735

19095

EXHIBIT "A"

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

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
of Aug. A.D., 19 92 at 3:23 o'clock P. M., and duly recorded in Vol. M92
of Deeds on Page 19093.

FEE \$20.00

Evelyn Biehn - County Clerk
By [Signature]

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PROOF OF MAILING NOTICE OF DEFAULT
AND FORFEITURE OF CONTRACT

STATE OF OREGON

County of Klamath

] ss.
]

I, RICHARD FAIRCLO, being first duly sworn, depose and say:

That I am the attorney for CALVIN E. McNARY and DIXIE I. McNARY, Husband and Wife, Seller under a Contract between CALVIN E. McNARY and DIXIE I. McNARY, Husband and Wife, as Sellers, and BRENDAN CAPITAL CORPORATION as Purchaser. A memorandum of said contract was recorded May 19, 1989, in Vol. M89, page 8680, Deed Records, Klamath County, Oregon, covering the following-described real property:

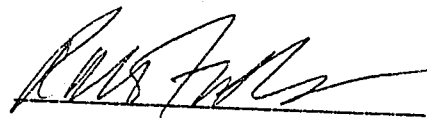
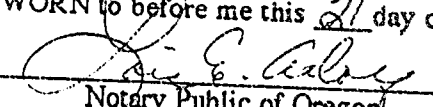
See Attached Exhibit "A."

TOGETHER with all improvements on said real property presently existing or which may be hereafter added to said real property.

I hereby certify that I mailed, by first class mail and by certified mail, return receipt requested, a copy of the attached NOTICE OF DEFAULT AND FORFEITURE OF CONTRACT to the persons listed below, on the date and to the address indicated which was the last known address to the Seller, by placing said NOTICE in a sealed envelope, with postage fully paid thereon, and depositing the same in the United States Mail:

Date:	Person	Address:
8/21/92	Brendan Capital Corporation	c/o Owen B. McCullen Registered Agent 1420 Green Acres Road Eugene, OR 97401-1753

8/21/92	Calvin & Dixie McNary (Occupants)	9737 Spring Lake Rd. Klamath Falls, OR 97603
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SUBSCRIBED AND SWORN to before me this 21 day of August, 1992.
Notary Public of Oregon
My Commission expires:

R. F. Fairclo
RICHARD FAIRCLO
ATTORNEY AT LAW
280 MAIN STREET
KLAMATH FALLS, OREGON 97601

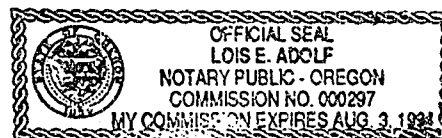


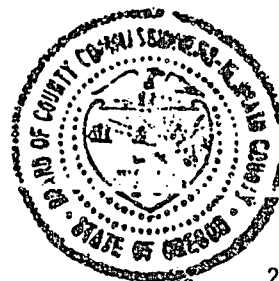
EXHIBIT "A"

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19097

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 19096.

FEE \$15.00

Evelyn Biehn - County Clerk

By Pauline Muckenshore

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D. N. I.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Richard Fairclo the 10th day
of Nov. A.D., 19 92 at 3:23 o'clock P M., and duly recorded in Vol. M92
of Deeds on Page 26732.

FEE \$55.00

Evelyn Biehn - County Clerk

By Pauline Muckenshore