

After Recording Return to:
Bromley Newton LLP
315 Goodpasture Island Road
Eugene, OR 97401

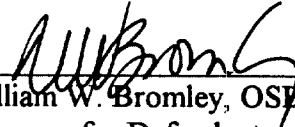
State of Oregon, County of Klamath
Recorded 11/13/01 10:30a m.
In Vol. M01, Page 57816
Linda Smith, County Clerk
Fee \$ 26.00 # of Pgs 2

Notice of Pendency of an Action

Pursuant to ORS 93.740, the undersigned states:

- i. As plaintiffs, Taylor A. Day and Lisa I. Day have filed an action in the Court for Klamath County, State of Oregon;
- ii. The defendant is 10 Bears at Chiloquin, Inc.;
- iii. The object of the action is: declaration of rights of the parties pursuant to a purchase and sale agreement on the subject real property, and a claim of quiet title.
- iv. The description of the real property to be affected is: See attached Exhibit 1.

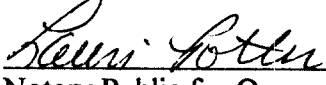
DATED: November 8, 2001.



William W. Bromley, OSB #74043
Attorney for Defendant
315 Goodpasture Island Road
Eugene, OR 97401
541 343-4700

STATE OF OREGON)
) ss.
County of Lane)

The foregoing instrument was acknowledged before me on November 8, 2001.



Notary Public for Oregon
My Commission Expires: 8/22/07



PARCEL 1:

A PARCEL OF LAND SITUATED IN A PORTION OF GOVERNMENT LOT 38, SECTION 16 T35S R7E WM, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

57817

Commencing at a 1/2" pipe in a mound of stones marking the 1/4 corner common to sections 16 & 21, thence along the south line of said government lot 38, S89 52 50E 313.15 feet to a point on the east R/W of US highway 97 and "THE TRUE POINT OF BEGINNING" for this description, thence continuing along the south line of said Government Lot 38 S89 52 50E 495.12 feet to a point, thence NORTH 654.90 feet to a point on the north line said Government Lot 38, thence along the north line of said Government Lot 38 N89 31 14W 502.15 feet to a point on the east R/W line of said US highway 97, thence along the east R/W line of said highway 97 the following three bearings and distances: along the arc of a 9499.30 feet radius curve to the left (chord = S01 10 11E 554.68 feet) 554.76 feet to highway engineer station 3271+00, S87 09 26W 10.00 feet to a 5/8" pin, along the arc of 9509.30 feet radius curve to the left (chord = S03 09 13E 103.17 feet) 103.17 feet to the "TRUE POINT OF BEGINNING", containing 7.52 acres more or less. Bearings based on ROS 2888. Subject to easements and rights of way of record and those apparent.

PARCEL 2:

All of Government Lots 2, 3, 9 14, 40 and 41 in Section 21, Township 35 South, Range 7 East of the Willamette Meridian lying East of Highway 97 and Northwesterly of the Williamson River.

Saving and excepting that portion acquired by the State of Oregon in Stipulated Final Judgment filed in Circuit Court Case 90-493CV, and recorded in M-91 page 4868, records of Klamath County, Oregon.

Exhibit

Page

1

1