RETURN TO:

Brandsness, Brandsness & Rudd, P.C. 411 Pine Street

Klamath Falls, OR 97601

State of Oregon, County of Klamath Recorded 04/12/2002 4/1029 m. Vol M02. Pg 2/836-38 Linda Smith. County Clerk Fee \$ 3/20 # of Pgs 3

IN THE CIRCUIT COURT OF THE STATE OF OREGON

IN AND FOR THE COUNTY OF KLAMATH

SOUTH VALLEY BANK & TRUST, an Oregon) banking corporation,)

Case No. C.2 (1,2910)

Plaintiff,

) NOTICE OF PENDENCY OF AN ACTION

FIAIMCILL

vs.

ERNST BROTHERS L.L.C., an Oregon) limited liability company; WAYNE G.) ERNST, JOHN S. ERNST, WILLIAM L.) ERNST, JAN K. HOUCK, GILCHRIST UNITED) METHODIST CHURCH, aka GILCHRIST) COMMUNITY UNITED METHODIST CHURCH,) INC., an Oregon domestic nonprofit) corporation; KENNETH C. SHAW, MARY S.) SHAW, JOSEPH A. J. NOLIN, JR., SHARON) R. NOLIN, and DOES 1-100,

Defendants

Pursuant to ORS 93.740, the undersigned states:

- 1. Plaintiff has filed an action in the Circuit Court for Klamath County, State of Oregon;
- 2. The Defendants are ERNST BROTHERS L.L.C., an Oregon limited liability company; WAYNE G. ERNST, JOHN S. ERNST, WILLIAM L. ERNST, JAN K. HOUCK, GILCHRIST UNITED METHODIST CHURCH, aka GILCHRIST COMMUNITY UNITED METHODIST CHURCH, INC., an Oregon domestic nonprofit corporation; KENNETH C. SHAW, MARY S. SHAW, JOSEPH A. J. NOLIN, JR., SHARON R. NOLIN, and DOES 1-100;
- 3. The object of the action is: complaint on promissory note; judicial foreclosure of trust deeds and security agreement; guarantees;
- 4. The description of the real property to be affected is described in the attached Exhibit "A."

Dated this day of April, 2002.

BRANDSNESS, BRANDSNESS & RUDD, P.C.

Andrew C. Brandsness, OSB #83159

Of Attorneys for Plaintiff

411 Pine Street

Klamath Falls, OR 97601

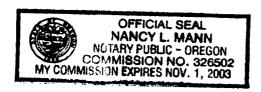
(541) 882-6616

STATE OF OREGON

) ss.

County of Klamath)

Personally appeared before me this // day of April, 2002, the abovenamed Andrew C. Brandsness and acknowledged the foregoing instrument to be his voluntary act and deed.



Notary Public for Oregon
My Commission expires: 76-105

EXHIBIT "A" LEGAL DESCRIPTION

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

PARCEL 1:

A parcel of land the same containing portions of the SW\sqrt{SW\sqrt{a}} and the SE\sqrt{SW\sqrt{a}} of Section 30, Township 24 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, the said parcel of land being described as follows:

Beginning at a point on the East line of the said SW4SW4 of said Section 30, which point is marked by a 30 inch steel bar monument and which point is located South 0°17'46" West a distance of 331.74 feet from the Northeast corner of the said SW\SW\square of Section 30 (said corner being also marked by a 30 inch steel bar monument); thence South 89°10'03" East for 77.42 feet along the South line of the N½ of the NW¼ of the SE¼ of the SW¼ to an intersection with the Westerly boundary of the right of way of The Dalles-California State Highway, said right of way having a total width of 60 feet, to a 30 inch steel bar monument; thence in a Southwesterly direction along the curved Westerly boundary of said right of way, the said curve having a radius of 1940.00 feet, for a distance of 145.10 feet (the chord of said portion of said curve bearing South 32°35'42" West for a distance of 145.06 feet) to a 30 inch steel bar monument located on the East boundary of the SW1/4 of SW1/4 of Section 30; thence North 0°17'46" East along the said subdivision line for a distance of 38.66 feet to a steel bar monument, which point is further located South 0°17'46" West a distance of 84.72 feet from the point of beginning above described; thence South 39°33'20" West for 157.82 feet to a 30 inch steel bar monument; thence North 50°26'40" West for 154.53 feet to a 30 inch steel bar monument located on the Southeasterly boundary of the right of way of the Gilchrist Lumber Company Railroad, said right of way having a width of 100 feet; thence North 39°37'00" East along said right of way boundary for a distance of 346.42 feet to a 30 inch steel bar monument located on the East line of the said SW% of the SW% of Section 30, which point is also located South 0°17'46" West, a distance of 172.90 feet from the Northeast corner of the said SW1/4 of the SW% of said Section 30; thence along said subdivision line South 0°17'46" West, a distance of 158.84 feet to the point of beginning.

PARCEL 2:

That portion of Lot 4, (SW1/SW1/) of Section 30, Township 24 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Beginning at a point on the East side of said Lot 4, which is South 0°17'46" West, a distance of 430.76 feet from the Northeast corner of said Lot 4, which point is also the intersection of the relocated Westerly right of way line of The Dalles-California Highway with the Easterly line of said Lot 4; thence North 0°17'46" East a distance of 14.3 feet to a point; thence South 39°33'20" West along the Easterly line of property conveyed to Standard Oil Company of California by Deed recorded in Volume 125 at page 318, Deed records of Klamath County, Oregon, a distance of 132.82 feet; thence South 50°26'40" East a distance of 34.0 feet, more or less, to the relocated Westerly right of way line of The Dalles-California Highway; thence Northeasterly along said Westerly right of way line to the point of beginning.

EXCEPTING THEREFROM that portion of the SW1/4 of the SW1/4 of Section 30, Township 24 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Beginning at a point which is South 0°17'46" West, a distance of 416.46 feet, and South 39°33'20" West, a distance of 132.82 feet from the Northeast corner of said SW¼ of the SW¼ of Section 30; thence South 39°33'20" West, a distance of 25 feet to a point; thence 50°26'40" West, a distance of 154.53 feet to a point; thence North 39°37' East, a distance of 25 feet to a point; thence South 50°26'40" East, a distance of 154.53 feet, more or less, to the point of beginning.

EXCEPT from above described Parcel 1 that portion conveyed to the State of Oregon, by and through its State Highway Commission by Bargain and Sale Deed recorded December 11, 1943, in Volume 160 page 405, Deed records of Klamath County, Oregon.

PARCEL 3:

Lots 1, 2, 4, 78, 79, 80, 82, 83, 84, 85, 123, 134, and 141 of Tract 1318-GILCHRIST TOWNSITE according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.