

AFTER RECORDING, RETURN TO:

William M. Ganong  
Attorney at Law  
514 Walnut Avenue  
Klamath Falls OR 97601

State of Oregon, County of Klamath  
Recorded 07/29/2002 8:39 a m.  
Vol M02, Pg 42298-99  
Linda Smith, County Clerk  
Fee \$ 26.00 # of Pgs 2

AFFIDAVIT OF MAILING  
ORS 93.915

STATE OF OREGON, County of Klamath) ss.

I, William M. Ganong, being first duly sworn, depose, say and certify that:

I mailed an original Notice of Default, an exact and complete copy of which is attached hereto, to the persons and to the address as follows:


Ervin Lowvell Swan III  
1900 Burns Street #16  
Klamath Falls OR 97603

Maria Isabel Swan  
1900 Burns Street #16  
Klamath Falls OR 97603

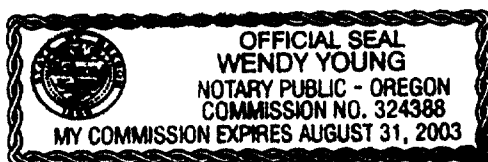
Ervin Lowvell Swan III  
3953 3rd Avenue  
Sacramento CA 95817

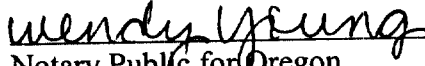
Maria Isabel Swan  
3953 3rd Avenue  
Sacramento CA 95817

The Notices of Default were placed in sealed envelopes and mailed by both first class and certified mail with return receipt requested, postage prepaid, and deposited by me in the United States Post Office at Klamath Falls, Oregon on July 25, 2002, addressed as aforesaid.

  
William M. Ganong, OSB No. 78213  
Attorney for Plaintiff  
514 Walnut Avenue  
Klamath Falls OR 97601  
541/882-7228

Signed and sworn to before me on July 25, 2002 by William M. Ganong.



  
Wendy Young  
Notary Public for Oregon  
My Commission Expires: 8-31-2003

**NOTICE OF DEFAULT**  
**ORS 93.915**

Pursuant to ORS 93.915, the undersigned Sellers have elected to forfeit the Buyers' interest in the following described Land Sales Contract in the manner provided by said statute.

1. The names of the Sellers and Buyers in the subject contract are:

A. Sellers: Robert V. Wethern, Bly Mountain Resource Management Group, LLC., and William M. Ganong and Marie I. Ganong, as Trustees of the William M. Ganong Profit Sharing Plan Trust

B. Buyers: Ervin Lowell Swan III and Maria Isabel Swan

2. The legal description of the property covered by the subject Land Sales Contract is:

Lot 3, Block 120, Klamath Falls Forest Estates,  
Highway 66 Unit, Plat No. 4, Klamath County, Oregon.

Klamath County Assessors Account No. 3811-11AO-2500

4. The default for which the forfeiture is made is the Buyers' failure to make any of the scheduled monthly payments since December 11, 2001. The amount of the default is \$706.30. The amount of default is calculated as follows:

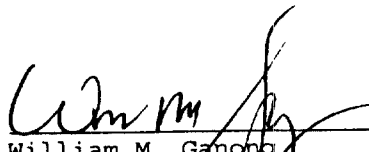
a. Monthly installment payments for months of January through July 2002 (\$85.90 x 7)	\$601.30
b. Late payment service charges for months of January through July 2002 (\$15 x 7)	<div style="border-top: 1px solid black; border-bottom: 3px double black; padding: 2px 0;">105.00</div>
	\$706.30

5. The Sellers have elected to exercise the forfeiture remedy provided in the above referenced Land Sales Contract pursuant to the provisions of Oregon Revised Statutes 93.915.

6. The Buyers' interest in the Land Sales Contract will be forfeited if the Buyers do not cure the default on or before 5:00 p.m. PDT on September 30, 2002, by paying to Sellers, in care of their attorney, the amount of the default, plus Sellers' costs of forfeiture and attorney's fees.

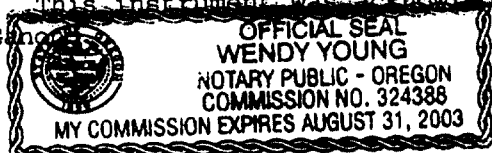
7. The Sellers' attorney is William M. Ganong, 514 Walnut Avenue, Klamath Falls, Oregon 97601, 541/882-7228.

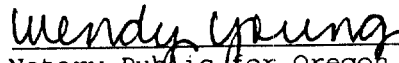
Dated this 25<sup>th</sup> day of July, 2002.

  
 William M. Ganong  
 Attorney for Sellers

STATE OF OREGON, County of Klamath ) ss.

This instrument was acknowledged before me on July 25, 2002 by William M. Ganong



  
 Wendy Young  
 Notary Public for Oregon  
 My commission expires: 8-31-2003

This is an attempt to collect a debt and any information obtained will be used for that purpose.