

After recording, return to:
 William M. Ganong
 Attorney at Law
 514 Walnut Avenue
 Klamath Falls OR 97601

Mail Tax Statements to:
 Bly Mountain Group
 514 Walnut Avenue
 Klamath Falls OR 97601

State of Oregon, County of Klamath
 Recorded 10/14/2002 8:27 a m.
 Vol M02, Pg 58476-78
 Linda Smith, County Clerk
 Fee \$ 31⁰⁰ # of Pgs 3

AFFIDAVIT OF FORFEITURE
 ORS 93.930

'02 OCT 14 AM 8:27

STATE OF OREGON, County of Klamath) ss.

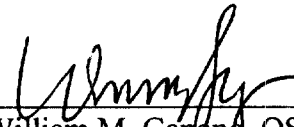
I, William M. Ganong, being first duly sworn, depose and say as follows:

1. On July 29, 2002, I caused to be recorded in Volume M02 at Page 42298 of the Records of the Clerk of Klamath County, Oregon, an Affidavit of Mailing and a Notice of Default of the Contract described therein. Copies of said Affidavit of Mailing and Notice of Default of the Contract are attached hereto.

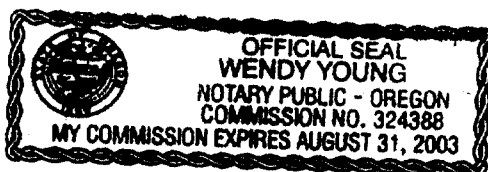
2. The default of the purchasers under the Contract described in said Notice of Default was not cured within the time period provided in ORS 93.915, and the Contract described in said Notice of Default is declared to be forfeited.

3. Pursuant to the terms of the Contract and to Oregon statute, 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, are declared to be the owners as tenants in common of Lot 3, Block 120, Klamath Falls Forest Estates, Highway 66 Unit, Plat No. 4, Klamath County, Oregon, Klamath County Assessor's No. 3811-11AO-2500, free and clear of the interest of the Contract purchasers named above and of anyone claiming by or under them.

Dated this 10th day of October, 2002.


 William M. Ganong, OSB No. 78213
 Attorney for Sellers

This instrument was acknowledged before me on October 10, 2002 by William M. Ganong.




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

02 JUL 29 AM 8:39

Vol M02 Page 42298

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

58477

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

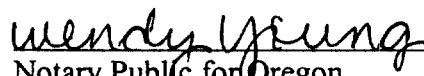
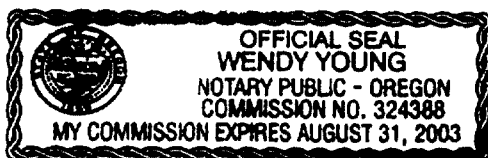
Maria Isabel Swan
3953 3rd Avenue
Sacramento CA 95817

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.



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

NOTICE OF DEFAULT
ORS 93.915

42299

58478

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 Lowvell 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:

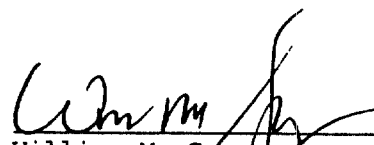
a. Monthly installment payments for months of January through July 2002 (\$85.90 x 7)	\$601.30
b. Late payment service charges for months of January through July 2002 (\$15 x 7)	<u>105.00</u>
	<u>\$706.30</u>

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.

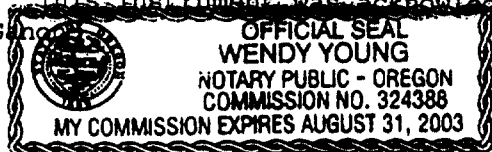
Dated this 25th day of July, 2002.

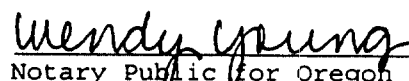

William M. Ganong
Attorney for Sellers

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.