

RE: Contract by and between
Radius Holdings, LLC
Post Office Box 25121
Portland, OR 97298
As Seller

State of Oregon, County of Klamath
Recorded 06/20/05 10:07a m
Vol M05 Pg 45897 - 900
Linda Smith, County Clerk
Fee \$ 36.00 # of Pgs 4

and

Daniel and Valerie Smith
41445 McKenzie HWY
Springfield, OR 97478
As Buyer

After recording, return to:
Radius Holdings, LLC
Post Office Box 25121
Portland, OR 97298

RH.

AFFIDAVIT OF FORFEITURE

STATE OF OREGON, County of Klamath)ss

I, Stephen Seal, Organizer, Radius Holdings, LLC, an Oregon Limited Liability Company, being first duly sworn, depose, say and certify that: Radius Holdings, LLC, as seller, and Daniel and Valerie Smith, as purchaser made and entered into a contract for the sale of land, which contract was dated February 23, 2001, and was recorded on May 10, 2001 in the real property records of Klamath County, Oregon, in Book M01, at Page 21438, covering the following described real property situated in the above mentioned county and state, to wit:

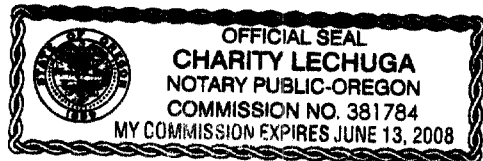
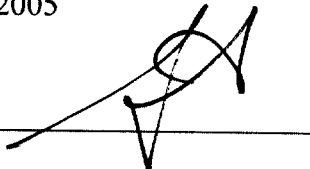
Lot 16 and Lot 17, Block 24, Klamath Forest Estates, Klamath County, Oregon ✓

Aka: R3510 23A0 01000
R3510 23A0 01100

There was a default by the purchaser, the purchaser's successor in interest, or other person owing an obligation, the performance of which was required by the contract, with respect to provisions therein permitting forfeiture in the event of default of such provisions. The default of the purchaser under the terms of the contract was not cured within the time period provided by law. The contract has been and hereby is declared forfeited. The Seller gave notice to the Purchaser as required by law. A copy of the notice and proof of mailing of the same is attached hereto.

Dated June 1, 2005

Stephen Seal



Personally appeared before me the above named Stephen Seal, Organizer, Radius Holdings, LLC, and acknowledged the foregoing instrument to be a voluntary act and deed.

STATE OF OREGON, County of Washington
This instrument was acknowledged by me on 6/15/2005
By Stephen Seal, as Organizer of Radius Holdings, LLC

Charity Lechuga
Notary Public for Oregon
My commission expires June 13, 2008

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As Seller

and

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Portland, OR 97298

This space reserved for recorder's use

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AFFIDAVIT OF MAILING NOTICE OF PENDING FORFEITURE

STATE OF OREGON, COUNTY OF WASHINGTON) ss.

I, Stephen Seal, being first duly sworn, depose, say and certify that:

At all times hereinafter mentioned I was and now am a competent person over the age of eighteen years. I am a seller desiring to enforce a forfeiture remedy pursuant to ORS 93.915, the details of which are more fully set forth in the attached Notice of Default and of Pending Forfeiture.

I gave notice of the pending forfeiture of the real property described in the attached Notice of Default and of Pending Forfeiture by mailing a copy thereof by both first class and certified mail with return receipt requested to each of the following named persons (or their legal representatives, where so indicated) at their respective last known addresses, to-wit:

NAME

ADDRESS

Daniel and Valerie Smith

41445 McKenzie HWY
Springfield, OR 97478

These persons include (a) the purchaser, (b) any successor in interest to the purchaser whose interest appears of record or of whose interest I have actual notice, (c) any occupant of the property, and (d) any person requesting notice as required by ORS 93.915 (1)(c).

Each of the notices so mailed was certified to be a true copy of the original Notice of Default and of Pending Forfeiture by Stephen Seal. Each such copy was contained in a sealed envelope, with postage thereon fully prepaid, and was deposited by me in the united states post office at Portland, Oregon on March 29, 2005. With respect to each person listed above, one such notice was mailed with postage thereon sufficient for first class delivery to the address indicated, and another such notice was mailed with a proper form to request and obtain a return receipt, with postage thereon in an amount sufficient to accomplish the same.

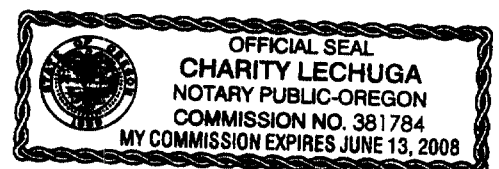
As used herein, the singular includes the plural, "seller" and "purchaser" includes their respective successors in interest, if any, and "person" includes corporation and any other legal or commercial entity.

Radius Holdings, LLC
By: Stephen Seal

Personally appeared before me the above named Stephen Seal, Organizer, Radius Holdings, LLC, and acknowledged the foregoing instrument to be a voluntary act and deed.

STATE OF OREGON, County of Washington
This instrument was acknowledged by me on 3/29/2005
By Stephen Seal, as Organizer of Radius Holdings, LLC

Charity Lechuga
Notary Public for Oregon
My commission expires June 13, 2008



RE: Contract by and between
Radius Holdings, LLC
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NOTICE OF DEFAULT AND OF PENDING FORFEITURE

Reference is made to that certain contract for the sale of land by and between Radius Holdings, LLC, an Oregon Limited Liability Company, as the seller, and Daniel and Valerie Smith, as the purchaser, dated February 23, 2001, recorded May 10, 2001, in the Records of Klamath County, Oregon, in book No. M01 at page 21438, covering the following described real property situated in the above mentioned county and state, to-wit:

Lot 16 and Lot 17, Block 24, Klamath Forest Estates, Klamath County, Oregon.
Aka: R3510 23A0 01000
R3510 23A0 01100

There is a default by the purchaser, the purchaser's successor in interest, or other person owing an obligation, the performance of which is required by the contract, with respect to provisions therein which permit forfeiture in the event of default of such provisions. The default by virtue of which this forfeiture is declared in as follows (if the default is in the payment terms, set forth the sum(s) due):

Monthly lease payments in the amount of \$200.00 and monthly late fees in the amount of \$25.00 are due for the months of August – December 2004.

By reason of the default, the contract will be forfeited if the purchaser does not cure the default. The date after which the contract will be forfeited is May 28, 2005. This date affords the purchaser a period of time to cure the default which is not less than: (a) sixty days, if the purchaser has reduced the unpaid balance to an amount greater than 75 percent of the purchase price; (b) ninety days, if 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 (c) one hundred twenty days, if the purchaser has reduced the unpaid balance to an amount which is 50 percent or less of the purchase price.

Notice hereby is given that the contract will be forfeited, and that an affidavit evidencing such forfeiture will be recorded in accordance with ORS 93.930 unless the default complained of is cured on or before the date specified.

This notice of default shall be served pursuant to ORCP 7 D. (2) and 7 D. (3), or by both first class and certified mail with return receipt requested, to the last known address of the purchaser, occupant(s) of the property, and to any person who has caused to be correctly filed a duly acknowledged request for a copy of any notice of default, or to the legal representative of any of such persons. Notices served by mail are effective when mailed.

A copy of this notice, together with one or more affidavits of service or mailing thereof, reciting the dates of service or mailing and the name and address of each person to whom a copy of the notice was mailed or served, shall be recorded in the real property records of each county in which any part of the property is located, and such recording shall constitute constructive notice to all third persons of the pending forfeiture described herein. Should no declaration of forfeiture based upon the notice and affidavit be recorded within one year after the time for cure of the default, and should no extension of time for cure executed by the seller be recorded, this notice and its corresponding affidavit shall not be effective for any purpose, nor shall it impart any constructive or other notice to third persons acquiring an interest in the purchaser's interest in the contract or the property or any portion of either. Any extension of time for cure executed by the seller shall be recorded in the same manner as the original notice and its corresponding affidavit.

This notice shall conclusively be presumed to be adequate, and the statements contained herein correct, unless one or more recipients of this notice notifies the seller or the seller's attorney, by registered or certified mail, that such recipient claims the right to a longer period of time in which to cure the default.

Subject to the procedural requirements of the Oregon Rules of Civil Procedure, and action may be instituted to appoint a receiver or to obtain a temporary restraining order during forfeiture under the contract mentioned herein, except that a receiver shall not be appointed if the subject property is a single-family residence which is occupied at the time this notice is given, as the principal residence of the purchaser, the purchaser's spouse or the purchaser's minor dependent children.

In construing this notice, the singular includes the plural, the word "purchaser" includes any successor in interest to the purchaser as well as any other person owing an obligation, the performance of which is required by the contract, and the word "seller" includes any successor in interest to the seller.

In witness whereof, the seller has executed this instrument. If seller is a corporation, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.

Dated March 29, 2005

Radius Holdings, LLC
By: Stephen Seal

Personally appeared before me the above named Stephen Seal, Organizer, Radius Holdings, LLC, and acknowledged the foregoing instrument to be a voluntary act and deed.

STATE OF OREGON, County of Washington
This instrument was acknowledged by me on 3/29/2005
By Stephen Seal, as Organizer of Radius Holdings, LLC

Charity Lechuga
Notary Public for Oregon
My commission expires June 13, 2008

