

AMENDED NOTICE OF DEFAULT, ELECTION TO SELL AND
TRUSTEE'S NOTICE OF SALE

The successor trustee under the terms of the trust deed described below, at the direction of the beneficiary, hereby elects to sell the property described in the trust deed to satisfy the obligations secured thereby, which the beneficiary has declared due.

Pursuant to ORS 86.745, the following information is provided:

1. PARTIES:

Grantor: Julee's Sun Bear Resorts, Inc.

Trustee: Northwest Escrow, Inc.

Successor trustee: David A. Piper

Second successor trustee: Donald J. Churnside

Beneficiaries: Jeanette L. Thompson and William T. Turner. Jeanette L. Thompson acquired her interest through mesne transfers from Iva L. Collins.

2. DESCRIPTION OF PROPERTY: The real property is described as follows:

See legal description attached hereto as Exhibit "A"

3. RECORDING DATA:

Date of trust deed: June 12, 1985

Date recorded: June 17, 1985 in Volume M85, Page 9127, Microfilm

Records of Klamath County, Oregon

Date re-recorded: November 5, 1986, in Volume M86, Page 20035, Microfilm

Records of Klamath County, Oregon.

4. DEFAULT FOR WHICH THE FORECLOSURE IS MADE: Beneficiary seeks to foreclose the trust deed for failure to pay the following sums:

4.1 All balances due and owing under the promissory note as of December 10, 1985, including principal in the amount of \$76,000.00 with interest at the rate of 15.0% per annum from December 3, 1985 until paid, which as of the date hereof is \$34,900.34.

4.2 Late payments in the sum of \$142.50 for each of 3 months prior to December 10, 1985, as required in accordance with the terms of the trust deed.

4.3 Taxes, plus statutory interest, to Klamath County, Oregon in the amount of \$13,776.20, as of December 15, 1988.

4.4 Additional sums:

Cost of foreclosure title report in the amount of \$383.00.

Other expenses, interest and charges associated with the foreclosure accrued as of the date of payment.

5. SUM OWING ON THE OBLIGATION SECURED BY THE TRUST DEED:

All balances due and owing under the promissory note as of December 10, 1985, including principal in the amount of \$76,000.00, with interest at the rate of 15.0% per annum from December 3, 1985 until paid, which as of the date hereof is \$34,900.34, late charges in the amount of \$142.50, and foreclosure title report in the amount of \$383.00, for a total of \$111,425.84, plus other expenses, interest and charges associated with the foreclosure accrued as of the date of payment.

6. ELECTION TO SELL: The successor trustee hereby elects to sell the property to satisfy the obligations secured by the trust deed. This Amended Notice of Default, Election to Sell and Notice of Sale has been recorded in the official records of Klamath County in Volume No. _____, Page No. _____, on _____, 19____, as reflected on the copy of this document which has been entered in the records of Klamath County for purposes of notice of default and election to sell.

7. DATE, TIME AND PLACE OF SALE:

Date: May 9, 1989
 Time: 2:00 p.m., Standard Time as established by ORS 187.110;
 Place: Main Door, Klamath County Courthouse, Klamath Falls,
 Klamath County, Oregon, which is the hour, date and
 place fixed by the trustee for said sale.

8. SALE OF PROPERTY: The successor trustee will sell at oral public auction to the highest bidder for cash, paid on the date of sale, the interest which the grantor had or had power to convey at the time of execution of the deed of trust, together with any interest of the grantor or successors in interest acquired after execution of the deed of trust, to satisfy the sum owing on the obligation plus the expenses of sale and trustee and attorney fees.

9. REINSTATEMENT: Pursuant to ORS 86.753, the grantor, the grantor's successor in interest to all or any part of the trust property, any beneficiary under a subordinate trust deed, or any person having any subordinate lien or encumbrance of record on the property, may cure the default or defaults at any time prior to 5 days before the date set by the trustee for the trustee's sale. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of cure under the terms of the obligation, other than such portion as would not then be due had no default occurred. Any other default of the trust deed obligation that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, and in addition to paying the sums or tendering the performance necessary to cure the default, the person affecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation and trust deed, together with the costs and expenses actually incurred in enforcing the terms of the obligation, plus trustee and attorney fees as prescribed by ORS 86.753. Upon such payment, the proceedings shall be dismissed and the trust deed reinstated.

In construing this notice, the masculine gender includes the feminine and the neuter, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor as well as any other person owing an obligation, the performance of which is secured by said trust deed, the words "trustee" and "beneficiary" include their respective successors in interest, if any.

DATED this 7 day of January, 1989.

Donald J. Churnside
 Donald J. Churnside, Successor Trustee

Subscribed and sworn to before me this 4th day of January, 1989.

Re: TRUST DEED FROM

Julee's Sun Bear Resorts, Inc., Grantor
 to
 Northwest Escrow, Inc., Trustee

Nancy A. Bidgood
 Notary Public for Oregon
 My commission expires: 10/04/92

AFTER RECORDING RETURN TO:
Donald J. Churnside, Successor Trustee
Hoyt, Gaydos & Churnside, P.C.
975 Oak Street, Suite 700
Eugene, OR 97401

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1

A tract of land situated in the Southwest 1/4 of the Southwest 1/4 of Section 21, Township 27 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at an iron pin on the Easterly right of way line of the Dalles-California Highway which lies South 19 degrees 24' East a distance of 649.2 feet from the Southwest corner of Block 8 of Chemult, Oregon, and running thence continuing South 19 degrees 24' East along the Easterly right of way line of the Dalles-California Highway a distance of 242.4 feet to an iron pin; thence North 70 degrees 36' East 330 feet to an iron pin on the Westerly right of way line of the S. P. R. R. , which pin is also on the forty line; thence North 20 degrees 54' West along the Westerly right of way line of the S. P. R. R., a distance of 242.4 feet to an iron pin; thence South 70 degrees 36' West a distance of 325.6 feet more or less, to the point of beginning, said tract being in the SW1/4 SW1/4 of Section 21, Township 27 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

Tax Account No: 2708 021CC 00600

PARCEL 2

A tract of land situated in the SW1/4 of the SW1/4 of Section 21, Township 27 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at a point on the Easterly right of way line of the Dalles-California Highway, which lies South 19 degrees 24' East a distance of 1068.4 feet from the Southwest corner of Block 8, CHEMULT; thence following an arc of a 03 degrees 04' curve to the left a distance of 23.2 feet to the true point of beginning of the tract herein described; thence continuing on the arc to a 03 degrees 04' curve to the left a distance of 281.1 feet to a point; thence South 28 degrees 43' East a distance of 26 feet, more or less, to the South line of the SW1/4 of the SW1/4 of said Section, Township and Range; thence East along said South line a distance of 124.2 feet more or less, to the Southeast corner of the SW1/4 SW1/4 of said Section, Township and Range; thence North along the East line of said SW1/4 SW1/4 363 feet to a point; thence South 70 degrees 36' West 261.5 feet, more or less to the true point of beginning.

Portion Tax Account No: 2708 021CC 00800

PARCEL 3

A parcel of land lying in the NW1/4 NW1/4 of Section 28, Township 27 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon and being a portion of that property described in that deed to the State of Oregon, by and through its State Highway Commission, recorded in Book 268, page 143 of Klamath County Record of Deeds; the said parcel being described as follows:

Beginning on the Northerly line of said NW1/4 NW1/4 at a point 66.96 feet Northeasterly of (when measured at right angles to) the center line of the Dalles-California Highway, said point being 125.78 feet Westerly of (when measured along said Northerly line) the Northeast corner of said NW1/4 NW1/4; thence Southeasterly parallel with said center line to a point opposite Engineer's Station 732 + 32.60; thence Northeasterly at right angles to said center line 83.04 feet to the Easterly line of said property; thence Northwesterly along said Easterly line to said Northerly line; thence Westerly along said Northerly line to the point of beginning.

Portion Tax Account No: 2708 021CC 00800

PARCEL 4

A tract of land situated in the SW1/4 of the SW1/4 of Section 21, Township 27 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at an iron pin on the Easterly right of way line of the Dalles-California Highway which lies South 19 degrees 24' East a distance of 891 feet from the Southwest corner of Block 8 of Chemult, Oregon, and running thence; continuing South 19 degrees 24' East along the Easterly right of way line of the Dalles-California Highway a distance of 176.8 feet and thence following the arc of a 3 degree 4' curve to the left a distance of 23.2 feet to an iron pin on the Easterly right of way line of the Dalles-California Highway; thence North 70 degrees 36' East a distance of 261.5 feet to an iron pin on the forty line; thence North 0 degrees 32' West along the forty line a distance of 211.4 feet to an iron pin on the Westerly right of way line of the S. P. R. R.; thence South 70 degrees 36' West a distance of 330 feet more or less to the point of beginning, being in the SW1/4 SW1/4 of Section 21, Township 27 South Range 8 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING FROM the above described parcels all mineral rights as reserved by Deed recorded in Volume 105, page 177 and Volume 135, page 269, Deed Records of Klamath County, Oregon.

Tax Account No: 2708 021CC 00700

EXHIBIT

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PARCEL 5

A parcel within the SE1/4 SW1/4 of Section 21, Township 27 South Range 8 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at the Southwest corner of the SE1/4 SW1/4 of said Section 21; thence North 00 degrees 00'31" East, 564.73 feet to a point on the Western right-of-way of the Southern Pacific Railroad; thence Southeasterly along said Western right of way, 599.8 feet to the South line of the SE1/4 SW1/4 of said Section 21; thence South 89 degrees 35'33" West along said South line 206.26 feet to the point of beginning.

Tax Account No: 2708 02100 00600

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Donald J. Churnside the 5th day
of Jan. A.D. 19 89 at 2:41 o'clock P. M., and duly recorded in Vol. M89
of Mortgages on Page 263
By Evelyn Biehn County Clerk
Daniel Mulindare

FEE \$28.00

EXHIBIT

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