

NOTICE OF DEFAULT AND FORFEITURE
(Pursuant to ORS Sections 93.905 thru 93.945)

Seller under the Contract described below declares Purchaser is in default for the reasons set forth herein.

1. DESCRIPTION OF CONTRACT:

(a) PURCHASER: Clayton W. Worden and Mary K. Worden

(b) SELLER: Iris Nixon and Kathleen Marsh, Personal Representative of the Estate of Neil Marsh, successors in interest

(c) MEMORANDUM OF CONTRACT RECORDED: April 2, 1979, Vol. M-79, Page 7154.

Assignment of Contract Recorded. M86, Page 19643, 10-30-86

(d) AMOUNT AND TERMS OF CONTRACT:

Original purchase price \$43,900; \$3,500 down and \$40,400 payable at \$242.23 per month at six (6%) interest per annum.

(e) PROPERTY COVERED BY CONTRACT:

Tract 152 Pleasant Home Tracts No.2 according to the official plat thereof on file in the office of the County Clerk in the County of Klamath, State of Oregon

2. NATURE AND AMOUNT OF DEFAULT: Failure to pay:

(a) The regular monthly payments due October 25, 1989, through January 25, 1991, which represents 13 months at \$242.23 or a total of \$3,148.99.

(b) Real property taxes for 1987-88 and 1990-91 in the sum of \$3,814.33 including interest to February 15, 1991.

3. SUM OWING ON OBLIGATION: Principal balance of \$34,097.50 with interest at 6 percent per annum from February 25, 1990.

4. DATE AFTER WHICH CONTRACT FORFEITED IF DEFAULT NOT CURED:

May 13, 1991 at 5:00 p.m.

Unless the default is cured as set forth in paragraph 5 of this Notice, the Purchaser and all persons claiming through the Purchaser shall have no further rights in the contract or the property and no person shall have any right to redeem the property; and all sums previously paid under the contract by or on behalf of the Purchaser shall belong to and be retained by the Seller or other person to whom paid.

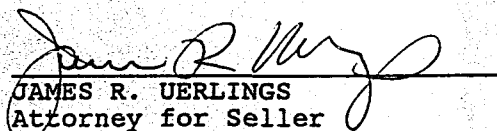
5. CURE OF DEFAULT TO AVOID FORFEITURE:

Notice is given that forfeiture may be avoided under the Contract by curing the default(s) by payment of the entire amount due, other than such portion of principal as would not then be due had no default occurred, and tendering performance of other obligations in default, together with costs and expenses actually incurred in enforcing the contract on or before May 13, 1991 at 5:00 p.m., PDT. The payments to cure default shall be made to James R. Uerlings, 110 N. 6th Street, Suite 209, Klamath Falls, OR 97601 no later than 5:00 p.m., PDT on May 13, 1991.

6. NAME AND ADDRESS OF SELLER'S ATTORNEY:

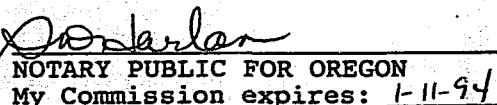
James R. Uerlings
Boivin, Jones & Uerlings
110 N6th Street
Klamath Falls, OR 97601

A copy of this Notice, together with an Affidavit of Mailing shall be recorded and sent by both first class and certified mail with return receipt requested to the last known address or served pursuant to ORCP 7D (2) and 7D (3), to the purchaser, occupant of the property, any person who has filed of record the request for notice of default, and others shown in title report.


JAMES R. UERLINGS
Attorney for Seller

STATE OF OREGON)
: ss
COUNTY OF KLAMATH)

On this 30th day of January, 1991, personally appeared before me the above-named JAMES R. UERLINGS and acknowledged the above to be his voluntary act and deed.


NOTARY PUBLIC FOR OREGON
My Commission expires: 1-11-94

After Recording return to: James R. Uerlings
110 N6th Street
Klamath Falls, OR 97601

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of James R. Uerlings the 31st day of Jan. A.D., 19 91 at 4:07 o'clock P M., and duly recorded in Vol. M91 of Deeds on Page 2006.

FEE \$13.00

Evelyn Biehn County Clerk

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co. the 20th day of May A.D., 19 91 at 3:49 o'clock P M., and duly recorded in Vol. M91 of Deeds on Page 9524.

FEE \$23.00

Evelyn Biehn County Clerk

By Pauline Muelendore