

NOTICE OF DEFAULT AND FORFEITURE

Sellers assignee under the Contract described below declares Purchasers in default for the reasons set forth herein under ORS 93.905 through 93.945.

1. Description of Contract:
 - (a) Purchasers: CHARLES R. SLOCUM, JR. and GRACE E. SLOCUM, husband and wife
 - (b) Seller: CHUNGKEE INVESTMENT, INC., a Hawaii corporation
 - (c) Seller's Assignee: ANDREW P. TUJIOS, as Trustee
 - (d) Contract Recorded: May 23, 1983, Vol. M83, Page 7979, Deed of Records of Klamath County, dated February 20, 1982
 - (e) Assignment Recorded: May 15, 1992, Vol. M92, Page 10581, Deed of Records of Klamath County, dated May 11, 1992
 - (f) Amount and Terms of Contract: \$16,000.00 with \$1,600.00 down, balance of \$14,400 at \$172.87 per month starting 04-15-92 until paid, including 12% interest per annum.
 - (g) Property Covered by Contract: Lot 8, Block 4 in PINE RIDGE ESTATES, Unit 1, Klamath County, State of Oregon, E 1/4 of Section 27, T34S, R 7 EWM.
2. Nature and Amount of Default:
 - (a) Failure to pay 121 regular monthly payments of \$172.87, or a total of \$20,917.27.
 - (b) Real property taxes in the sum of \$479.08, plus interest to date.
3. Sum owing on obligation:
 - (a) Principal balance of \$14,400 with interest 12% per annum, from 04-15-92, plus taxes, attorneys fees and foreclosure costs.
4. Date after which contract Forfeited by Default Not Cured:
 - (a) September 18, 1992
 - (b) Unless the default is cured as set forth in paragraph 5 of this notice, the Purchasers and all persons claiming through the Purchasers, shall have no further rights in the Contract or the property and no person shall have any right to redeem the property. All sums previously paid under the contract by or on behalf of the Purchasers shall belong to and be retained by the Seller or other person to whom paid under the terms of the Contract.
5. Cure of Default to Avoid Forfeiture:
 - (a) 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 or other obligations in default, together with costs, and expenses actually incurred on enforcing the contract on or before September 18, 1992. Amount to Cure \$20,917.27 in regular monthly payments, \$479.08, plus interest as delinquent taxes and \$500 in costs and expenses incurred herein.
6. Name and Address of Seller's Attorney: (Address to remit payment:)

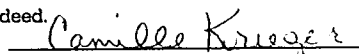
Scott D. MacArthur, Kosta, Spencer & MacArthur,
123 N. 4th Street, Klamath Falls, OR 97601

A copy of this Notice, together with an Affidavit of Mailing shall be recorded.

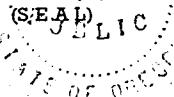

SCOTT D. MacARTHUR, OSB #89296

STATE OF OREGON)
) ss.
County of Klamath)

On this 18 day of May, 1992, personally appeared before me the above-named SCOTT D. MacARTHUR, and acknowledged the foregoing to be his voluntary act and deed.


Notary Public for Oregon

My Commission Expires: 9-22-92



PROOF OF MAILING NOTICE OF DEFAULT AND FORFEITURE OF CONTRACT

STATE OF OREGON)
) ss.
 County of Klamath)

I, SCOTT D. MacARTHUR, being first duly sworn, depose and say: That I am the attorney for Andrew P. Tuijos, Seller's Assignee under a contract between Seller's Assignor, Chungkee Investment, Inc., a Hawaii corporation and Charles R. Slocum, Jr. & Grace E. Slocum, husband and wife as Buyers. The Contract was recorded on May 23, 1983 in Vol. M83 at page 7979, Deed Records, Klamath County, Oregon, covering the following described real property in Klamath County, Oregon:

Lot 8, block 4 in PINE RIDGE ESTATES, Unit 1, Klamath County, State of Oregon. E½ of Section 27, T34S, R 7 EWM.

Together with all improvements on said real property presently existing or which may be hereafter added to said real property.

I hereby certify that I mailed by first class mail and by certified mail, return receipt requested, a copy of the attached Notice of Default and Forfeiture to the persons listed below, on the date and to the address indicated which was the last known address to the Seller, by placing said notice in a sealed envelope with postage fully paid thereon, and depositing the same in the United States mail.

Charles R. Slocum, Jr. and Grace E. Slocum
 P. O. Box 1477, Kahuli; HI 96732

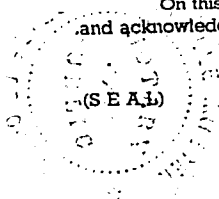
DATED this 18 day of May, 1992.

Scott D. MacArthur
 Scott D. MacArthur

STATE OF OREGON)
) ss.
 County of Klamath)

On this 18 day of May, 1992, personally appeared before me the above-named SCOTT D. MacARTHUR, and acknowledged the foregoing to be his voluntary act and deed.

Camille Kueger
 Notary Public for Oregon
 My Commission Expires: 9-22-92



STATE OF OREGON, ss.
 County of Klamath

Filed for record at request of:

Return: Kosta & Spencer
 123 N. 4th St
 Klamath Falls, Or. 97601

on this 18th day of May A.D. 19 92
 at 2:26 o'clock P. M. and duly recorded
 in Vol. M92 of Mortgages Page 10776.

EVELYN BIEHN County Clerk

By Darlene Mulendore

\$15.00

Fee,

Deputy.