

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: CAROL A. PASCALOFF
- (B) SELLER: CHARLES W. BACCHI and JUDI I. BACCHI,  
As Tenants in Common.
- (C) MEMORANDUM OF CONTRACT RECORDED: January 23, 1991  
at Volume M 91, page 1398, Microfilm  
Records of Klamath County, Oregon
- (D) AMOUNT AND TERMS OF CONTRACT: \$53,000, on which the sum of  
\$20,000 has been paid, and the balance of \$33,000 to be paid in monthly  
payments of \$299.88, the first payment due on February 4, 1991, with a like  
payment on the 4th day of each month thereafter, payments to include interest  
at 10 percent per annum on the principal balance accruing from January 4,  
1991.

(E) PROPERTY COVERED BY CONTRACT: See Attached Exhibit "A"

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

(A) The regular monthly payments due March 4, 1992, through August 4, 1992,  
which represents six months at \$299.88 or a total of \$1,799.28.

(B) Real property taxes for 1991-92 in the sum of \$1,196.63, plus interest.

3. SUM OWING ON OBLIGATION: Principal balance of \$32,605.82 with interest at 10  
percent per annum from December 26, 1991.

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

Unless the default is cured as set forth in paragraph 5 of this Notice, after December  
8, 1992 (date of forfeiture), 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  
December 8, 1992.

(The period specified shall be not less than 60 days, when the purchaser has  
reduced the unpaid balance to an amount greater than 75 percent of the

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RICHARD FAIRCLO  
ATTORNEY AT LAW  
280 MAIN STREET  
KLAMATH FALLS, OREGON 97601

purchase price, 90 days when 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 120 days when the purchaser has reduced the unpaid balance to an amount which is 50 percent or less of the purchase price.)

6. NAME AND ADDRESS OF SELLER'S ATTORNEY: Richard Fairclo,  
Attorney at Law, 280 Main Street, Klamath Falls, Oregon 97601.

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

To be sent by both first class and certified mail with return receipt requested at the last known address or served pursuant to ORCP 7D (2) and 7D (3) to be sent 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.

*Richard Fairclo*

Richard Fairclo  
Attorney for Seller

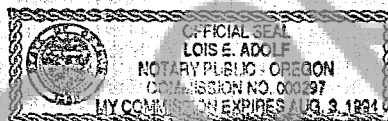
STATE OF OREGON

}  
} ss.  
}

County of Klamath

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of August, 1992, by RICHARD FAIRCLO.

*Lois E. Adolf*  
Notary Public for Oregon  
My Commission expires:



RICHARD FAIRCLO  
ATTORNEY AT LAW  
280 MAIN STREET  
KLAMATH FALLS, OREGON 97601



19160

MTC No: 27898

EXHIBIT "A"  
LEGAL DESCRIPTION

A portion of Lot 16 of Section 6, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Northeast corner of said Lot 16; thence South along the East line of said Lot 390 feet to a point; thence West along the North line of Parcel 2 of Deed Volume 305, page 484, a distance of 289.3 feet, more or less, to the Northwest corner of Parcel described in Deed Volume M78, page 23766, and the true point of beginning of the parcel described herein; thence South parallel to the East line of said Lot 16 a distance of 118.43 feet, more or less, to the North line of property described in Deed Volume M75, page 3347; thence West along the North line of said parcel described in Deed Volume M75, page 3347, a distance of 325.35 feet, more or less, to the East line of State Highway 427; thence North along the East line of Highway 427 a distance of 116.88 feet, more or less, to the Northwest corner of parcel described in Deed Volume 271, page 27; thence East along the North line of Said Deed Volume 271, page 27; a distance of 325.55 feet, more or less, to the point of beginning. (All deed volumes above referred to are records of Klamath County, Oregon.)

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Richard Faircloth the 21st day  
of Aug. A.D. 19 92 at 3:23 o'clock P.M., and duly recorded in Vol. M92  
of Deeds on Page 19098

FEE \$20.00

Evelyn Biehn, County Clerk  
By Pauline Mullins