

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: JAE DUCK LEE and CHON CHA LEE, husband and wife.
- (B) SELLER: MICHAEL B. JAGER and MARGARET H. JAGER, husband and wife, and CLARK J. KENYON, a single man.
- (C) MEMORANDUM OF CONTRACT RECORDED:
August 14, 1981, in Volume M81 page 14544, Deed Records of Klamath County, Oregon.

(D) AMOUNT AND TERMS OF CONTRACT:

The sum of Five Thousand Seven Hundred Fifty Dollars (\$5,750) on which \$575 was paid upon execution thereof; the Purchaser agreed to pay the remainder of said purchase price (to-wit: \$5,175.00) to the order of the Seller in monthly payments of not less than Fifty (\$50) per month each payable on the 30th of each month beginning July 30, 1981, and continuing until said purchase price is fully paid. The deferred balances of said purchase price bears interest at the rate of 9 percent per annum from July 30, 1981, until paid, interest to be paid monthly and being included in the minimum monthly payments above required.

(E) PROPERTY COVERED BY CONTRACT:

Lot 34 in Block 1 of Tract 1122, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

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

- (A) The regular monthly payments due September 30, 1994, and each and every month thereafter for a total of 15 months at \$50 or a total of \$750.
- (B) Real property taxes for 1995-96 are payable in the amount of \$58.65.
(Account No. 2607-001D0-01400. Key No. R166377)

3. SUM OWING ON OBLIGATION: Principal balance of \$3,040.54 with interest at 9 percent per annum from September 6, 1994.
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 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 providing such payment and tendering of performance is completed on or before March 15, 1996.

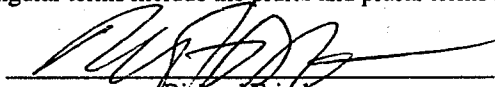
(The period specified shall be not less than 60 days, when the purchaser has reduced the unpaid balance to an amount greater than 75 percent of the purchase price, 90 days when the purchaser has reduced the unpaid balance to an amount which is more than 50 percent but less than 75 percent of the purchase 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, OR 97601.

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

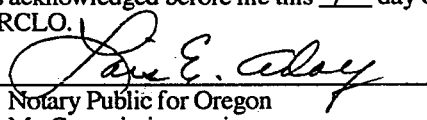
To be sent by both first class and certified mail with return receipt requested at the last known address or served pursuant to ORCP 7D (2) and 7D (3) to be sent to the purchaser, occupant of the property, any person who has filed of record the request for notice of default, and others shown in title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

7. For purposes herein, the singular terms include the plural and plural terms include the singular.


Richard Fairclo
Attorney for Seller

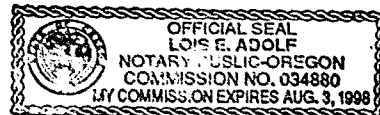
STATE OF OREGON]
] ss.
County of Klamath]

The foregoing instrument was acknowledged before me this 4th day of December, 1995, by RICHARD FAIRCLO.


Notary Public for Oregon
My Commission expires:

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



STATE OF OREGON: COUNTY OF KLAMATH : ss.

Filed for record at request of Richard Fairclo the 4th day
of December A.D., 19 95 at 2:08 o'clock P M., and duly recorded in Vol. M95
of Mortgages on Page 33075.

FEE \$15.00

By Bernetha G. Letsch, County Clerk
Annette Mueller