

MTC 43248-KR
 MEMORANDUM OF ASSUMPTION AND NOVATION
 (For Replacement Property Seller Financing--
 "Reverse Starker" With Back-end Exchange)

RECITALS:

- A. Reference is made to that certain Deed of Trust (the "Trust Deed") dated Dec. 3 1996, recorded December 23, 1996, Book _____, Page _____, Instrument No. P. 34125, Official Records of KLAMATH COUNTY County, between American Exchange Services, Inc., an Oregon corporation (as "Grantor"), BOYD C. YADEN, BANKRUPTCY TRUSTEE FOR THE BANKRUPTCY* (as "Beneficiary"), and AMERITTLE (as "Trustee").
- B. Reference is also made to that certain Novation and Release Agreement (the "Novation and Release Agreement") dated December 20, 1996, between Grantor, Beneficiary and PATRICK JUHL (as "Exchangor").

AGREEMENT:

1. This is to certify that effective as of the date hereof, pursuant to the Novation and Release Agreement:
 - (a) All right, title, interest, liability and obligation of Grantor under the Trust Deed and the promissory note secured by the Trust Deed has been assigned to and assumed by Exchangor,
 - (b) Exchangor has been substituted in the place and stead of American Exchange Services, Inc. as the Grantor of the Trust Deed (and as the obligor of the promissory note secured by the Trust Deed); and
 - (c) American Exchange Services, Inc. has been released from all liability and obligation under the Trust Deed and the promissory note secured by the Trust Deed.
2. The above-mentioned assignment to, assumption by and substitution of Exchangor by, from, and for American Exchange Services, Inc., and the above-mentioned release of American Exchange Services, Inc. by Beneficiary, constitute a novation.
3. Reference is hereby made to the Novation and Release Agreement for all other matters and things therein contained.

Dated effective December 20, 1996.

AMERICAN EXCHANGE SERVICES, INC.

By Cindi Dredger, Asst. Secretary
 Its EXCHANGE SUPERVISOR

Patrick Juhl
 PATRICK JUHL EXCHANGOR

Boyd C. Yaden
 BOYD C. YADEN, BANKRUPTCY TRUSTEE BENEFICIARY

*ESTATE OF OREGON RACING PRODUCTS, INC., AN OREGON CORPORATION FORMERLY KNOWN AS OREGON MOTORSPORTS MANUFACTURING, INC., BANKRUPTCY CASE NO. 695-61355aer7

MEMORANDUM OF ASSUMPTION AND NOVATION
 (FOR REPLACEMENT PROPERTY SELLER FINANCING - "REVERSE STARKER" WITH BACK-END EXCHANGE)

STATE OF OREGON,

County of Klamath } ss.

FORM No. 23—ACKNOWLEDGMENT.
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BE IT REMEMBERED, That on this 20th day of December, 1996,
before me, the undersigned, a Notary Public in and for the State of Oregon, personally appeared the within
named Patrick Suhl

known to me to be the identical individual..... described in and who executed the within instrument and
acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed
my official seal the day and year last above written.



Kristi L. Redd
Notary Public for Oregon
My commission expires 11/16/99

FORM No. 24—ACKNOWLEDGMENT—CORPORATION.

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NB

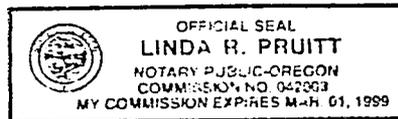
STATE OF OREGON,

County of Jackson } ss.
before me appeared Cindi Tracker

On this 24th day of Dec., 1996

and
both to me personally known, who being
duly sworn, did say that he/she, the said
is the President, and he/she, the said
is the Assistant Secretary of American Exchange Services Inc.
the within named Corporation, and that the seal, if any, affixed to said instrument is the corporate seal of said
Corporation, and that the said instrument was executed on behalf of said Corporation by authority of its Board
of Directors, and Cindi Tracker and
acknowledge said instrument to be the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed
my official seal the day and year last above written.



Linda R. Pruitt
Notary Public for Oregon
My commission expires 3-1-99

STATE OF OREGON,

County of Klamath } ss.

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BE IT REMEMBERED, That on this 16th day of December, 1996,
before me, the undersigned, a Notary Public in and for the State of Oregon, personally appeared the within
named BOYD C. YADEN, Bankruptcy Trustee for the Bankruptcy of Oregon Racing
Products, Inc., an Oregon corporation

known to me to be the identical individual..... described in and who executed the within instrument and
acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed
my official seal the day and year last above written.



Kristi L. Redd
Notary Public for Oregon
My commission expires 11/16/99

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Amerititle the 4th day
of December A.D., 19 97 at 3:49 o'clock P. M., and duly recorded in Vol. M97
of Mortgages on Page 39563

FEE \$15.00

By Bernetha G. Letsch, County Clerk
Kathleen Ross