

Robert W. Nowack
Attorney at Law
362 Highway 99N
Eugene OR 97402

Vol. M99 Page 21702

UNTIL A CHANGE IS REQUESTED, ALL TAX STATEMENTS
SHALL BE SENT TO THE FOLLOWING ADDRESS:

No Change

MS-4096

NOTICE OF DEFAULT

This Notice of Default is given with respect to the contract described below, which contains a forfeiture remedy, pursuant to the provisions of ORS 93.905-93.940.

1. Description of Contract. Land Sale Contract (Contract) between C.L. Gray and Pauline Gray, husband and wife, Seller, and Henry C. Stork and Jacki Stork, husband and wife, as Purchaser, which was recorded on October 8, 1987 in Volume M87 page 18343, Deed records of Klamath County, Oregon.

2. The vendors interest in the Contract was assigned to Donald L. Handbury and Charline Handbury, husband and wife, by instrument dated August 19, 1993 and recorded August 27, 1993 in Volume M93 page 21660, Deed records of Klamath County Oregon.

3. The vendees interest was awarded to Henry C. Stork in a dissolution decree in Klamath County Circuit Court case number 91-2836CV entered on December 16, 1991.

4. Property. The property which is the subject of the Contract is known as 201 Linden, Midland, Klamath County, OR 97034, and is more particularly described as follows:

Lots 23, 24 and 25 in Block 7 of Midland, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

3. Nature of Default. The default consists of failure to pay contract installments on the 8th day of April and May 1999, and the failure to pay the property taxes for 1997-1998 and for 1998-1999.

4. Amount of Default. The amount of the default is \$648.00, plus interest at 9.5% per annum on unpaid principal of \$32,641.25 from March 5, 1999, plus \$785.04 in taxes plus interest on unpaid taxes at legal rate.

5. Date Contract Will Be Forfeited. The Contract will be foreclosed if the default is not cured within thirty (30) days from the date of mailing of this notice set forth below..

6. How to Cure Default. The default will be cured if within said thirty (30) day period, the following sums are paid into collection escrow per the contract:

6.1 The sum of \$648.00, plus interest at 9.5% per annum on unpaid principal of \$32,641.25 from March 5, 1999 until paid, is received.

6.3 The sum of \$785.04 plus interest due for the 1997-1998 and 1998-1999 taxes is received by the collection escrow.

6.3 An additional sum of \$699.00 is received by collection escrow on account of this matter by Robert W. Nowack the attorney for Seller identified in paragraph 8 below. This sum consists of the following:

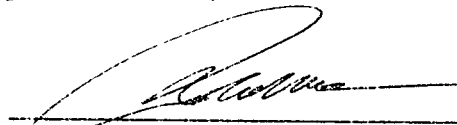
6.3.2 Litigation Report \$314.00
Recording fees 35.00
Attorney Fees 350.00

7. The additional sum of \$324.00 each, as the monthly installments due June 8, 1999 if the payments required as set forth above are made after the due date for that installment.

8. Name and Address of Attorney for Seller.

Robert W. Nowack
Attorney at Law
362 Highway 99N
Eugene OR 97402
(541) 688-5377

9. Date Notice Mailed. This notice is being deposited in both first-class and certified mail with return receipt requested, on June 1, 1999.



Robert W. Nowack OSB 79092
Attorney for Seller

KU7C-34438

21704

EVERETT-NEED LAW PUB. CO., 4011 C ST., OREGON 97104

THIS CONTRACT, Made the 8TH day of 1 OCTOBER, 1987, between
C. L. GRAY and PAULINE GRAY, husband and wife
of the County of Klamath and State of Oregon,
seller, and HENRY C. STORK and JACKI L. STORK, husband and wife
of Klamath and State of Oregon, hereinafter called the
WITNESSETH, That in consideration of the stipulations herein contained and the payments to be made as
hereinafter specified, the seller hereby agrees to sell, and the buyer agrees to purchase, the following described real
estate, situate in the County of Klamath, State of Oregon, to-wit:
Lots 23, 24 and 25, in Block 7 of MIDLAND, according to the official plat thereof on
file in the office of the County Clerk of Klamath County, Oregon.

for the sum of Forty Thousand and no/100 Dollars (\$ 40,000.00)
on account of which Five Thousand and no/100 Dollars (\$ 5,000.00)
is paid on the execution hereof (the receipt of which is hereby acknowledged by the seller), and the remainder to be
paid to the order of the seller with interest at the rate of 8 1/2 per cent per annum from 1 OCTOBER 1987,
on the dates and in amounts as follows: in the percentages shown below

On the balance of \$35,000.00, monthly installments to include principal and accrued
interest, as follows:
60 monthly installments of not less than \$304.00 to include principal and accrued
interest at the rate of 8.5% per annum, and
60 monthly installments thereafter of not less than \$305.00 to include principal and
accrued interest at the rate of 9.0% per annum said interest rate to commence
as of the 5th anniversary date of this contract, and
60 monthly installments thereafter of not less than \$324.00 to include principal and
accrued interest at the rate of 9.5% per annum said interest rate to commence
as of the 10th anniversary date of this contract, and
60 monthly installments thereafter to be amortized over the remaining five years'
time of this contract in an amount based upon said amortization to include
principal and accrued interest at the rate of 10.0% per annum said interest
rate to commence as of the 15th anniversary date of this contract.

The Buyer may make additional payments at any time including the entire balance without
penalty, but any additional payment less than the balance shall not relieve the Buyer of
making the next monthly installment as the same becomes due.
The Buyer shall pay all real property taxes including assessments and all fire insurance
premiums each year as the same become due, and shall provide proof of the payment thereof
to the Seller's rights in this contract and in the premises are not assignable without the
prior written consent of the Seller.

The buyer warrants to and covenants with the seller that the real property described in this contract is
(A) primarily for buyer's personal, family or household purposes;
(B) for an organization (even if buyer is a natural person) for business or commercial purposes.
Taxes for the current tax year shall be prorated between the parties hereto as of the date of this contract. The buyer, in consideration of the premises,
hereby agrees to pay all taxes hereafter levied on all public and municipal time and assessments hereafter lawfully imposed upon said premises, all promptly
and before the same or any part thereof become due. The buyer will keep all buildings now or hereafter erected on said premises insured in favor of the seller
against loss or damage by fire (with extended coverage) in an amount not less than INSURABLE VALUE. The company or companies satisfactory to seller, and
will have all policies of insurance on said premises made payable to the seller as seller's interest may appear and will deliver all policies of insurance on said
premises to the seller as soon as insured. All improvements placed thereon shall remain, and shall not be removed before final payment be made for said above
described premises.

(Continued on reverse)

C. L. GRAY et ux.

HENRY C. STORK et ux.

After recording return to:

KU7C-Collection

Until a change is requested all her statements shall be sent to the following address:
Henry C. Stork and Jacki L. Stork
201 Linder
Holland, Ore. 97634

STATE OF OREGON,

County of _____

I certify that the within instru-
ment was received for record on the
_____ day of _____, 19____
at _____ o'clock _____ M., and recorded
in book/reel/volume No. _____ on
page _____ or as fee/file/instru-
ment/microfilm/reception No. _____
Record of Deeds of said county.
Witness my hand and seal of
County affixed.

By _____ Deputy

21705

This agreement is made, Upon the heirs, executors, and/or assigns of all the parties hereto.

In consideration of the assignment by you of this escrow, we do agree that your obligations and duties in connection herewith are confined to those specifically enumerated in these instructions; that you shall not be in any manner liable or responsible for the sufficiency, correctness, genuineness or validity of any instruments deposited with you, or with any reference to the terms of execution thereof, or the identity, authority or rights of any person executing or depositing the same; that you are under no obligation to ascertain the terms or conditions of any such instruments or to comply in any respect with the terms thereof, and that you shall not be liable for any loss which may occur by reason of forgery, false representations, or the exercise of your discretion in any particular manner, or for any other reason except gross negligence or willful misconduct.

We do further agree that, if any controversy arises between the parties hereto or with any third person, you shall not be required to determine the same or to take any action in the premises, but you may await the settlement of any such controversy by final appropriate legal proceedings or otherwise as you may require; or you may in your discretion, institute such appropriate proceedings or other proceedings in connection therewith as you may deem proper, notwithstanding anything in these instructions to the contrary. In any of such events you shall not be liable for interest or damage.

The fee agreed upon for your services hereunder is intended as compensation for your ordinary services as contemplated by these instructions, in the event that the conditions of this escrow are not promptly fulfilled, or that you render any service hereunder not provided for in these instructions, or that there is any assignment of interest in the subject matter of this escrow or any modification thereof, or that any controversy arises hereunder or that you are made a party to or intervene in any litigation pertaining to this escrow or the subject matter thereof, you shall be reasonably compensated for such extraordinary services and reimbursement for all costs and expenses mentioned by such docket, delay, necessary or litigation. You shall have the right to retain and disburse such fees, costs and expenses as may be incurred by you at any time and from time to time as you may deem proper, and all such fees, costs and expenses shall have been paid, all of which are hereby jointly and severally promised to pay upon demand.

You shall not be required to accept any assignment or assignments unless the same is to your satisfaction.

This escrow is to be completed in the manner and at the time hereunder provided. Unless it is so completed, or some proper arrangement made for the completion thereof, including the payment of reasonable fees for the additional services rendered, are effected as of before that time, you may, at any time after the expiration of one year from such time, close your record without notice, at which time your liability to the parties with the matter this instrument.

Dated this 8th day of October, 1987.

Address

201 Linden
Midland, OR 97134
Capital Court
1508 E. Main St #13
Emmett, Idaho 83617

For
HENRY C. STORK

For
JACKI L. STORK

For
C. L. GRAY

For
PAULINE GRAY

SS# 591-66-4519

Social Security No. 514-05-3684

The above named instructions received and accepted this 9th day of October, 1987.

Klamath County Title Company of Klamath Falls:

Sharon Randall

Submitted by:

KNOW ALL MEN BY THESE PRESENTS, That the undersigned, hereinafter called the assignor, for the consideration hereinafter stated, has sold and assigned and hereby does grant, bargain, sell, assign and set over unto DONALD L. HANDBURY AND CHARLINE HANDBURY, HUSBAND AND WIFE

hereinafter called the assignee, and to assignee's heirs, successors and assigns, all of the vendor's right, title and interest in and to that certain contract for the sale of real estate dated October 8, 1987, between

C. L. GRAY AND PAULINE GRAY, husband and wife

as seller and

HENRY C. STORK AND JACKI L. STORK, husband and wife

as buyer, which contract is recorded in the Deed* Miscellaneous* Records of Klamath County, Oregon, in book/reel/volume No. M87 at page 18343 or as fee/file/instrument/microfilm/reception No.

(indicate which), reference to said recorded contract hereby being expressly made, together with all the right, title and interest of the assignor in and to all moneys due and to become due thereon. The assignor also hereby conveys to the assignee the property described in said contract and the legal title thereto which is held to secure performance of the vendee's obligations created thereby. The assignor hereby expressly covenants and warrants to the above-named assignee that the assignor is the owner of the vendor's interest in the real estate described in said contract of sale and that the unpaid principal balance of the purchase price thereof is not less than \$33,782.50 with interest paid thereon to July 15, 1992.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ 12,500.00

However, the undersigned hereby covenants and warrants to the assignee that the property or interest therein or promised which is part of the ☐ the whole ☐ consideration (indicate which).⁰

In construing this assignment, where the context so requires, the singular includes the plural and all grammatical changes shall be made so that this assignment shall apply equally to corporations and to individuals.

IN WITNESS WHEREOF, the undersigned assignor has executed this assignment; if the undersigned is a corporation, it has caused its name to be signed and its seal affixed by an officer duly authorized thereto by order of its board of directors.

DATED August 19th, 1992

PAULINE GRAY

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

STATE OF OREGON,

ss.

Pauline Gray was acknowledged before me on August 19, 1992, by Pauline Gray.

Notary Public for Oregon

My commission expires: 7/27/97

* Strike the inapplicable word. NOTE—If not applicable, delete the sentence between the symbols ⁰. If the contract is not already of record, it should be recorded.

Pauline GRAY

1508 E. Main Street 43, Emmett, Idaho 83617

GRANTOR'S NAME AND ADDRESS

Donald L. Handbury & Charline Handbury -
Hwy 10949 S.E. Sunnyside Rd. Clackamas,
Oregon 97015

GRANTEE'S NAME AND ADDRESS

After recording return to (Name, Address, Zip):

KLAMATH COUNTY TITLE CO. CE-4547

422 MAIN STREET

KLAMATH FALLS OR 97601

Unl. requested otherwise send all tax statements to (Name, Address, Zip):

DONALD L. & CHARLINE HANDBURY

10949 SE SUNNYSIDE ROAD

CLACKAMAS OR 97015

(If the signer of the above is a corporation, use the form of acknowledgment below.)

STATE OF OREGON,

ss.

County of

This instrument was acknowledged before me on August 19, 1992, by

as

of

Notary Public for Oregon

My commission expires:

(SEAL)

STATE OF OREGON,

County of Klamath

ss.

I certify that the within instrument was received for record on the 27th day of AUG., 1992,

at 11:23 o'clock A.M., and recorded

in book/reel/volume No. M93 on

page 21660 or as fee/file/instrument/microfilm/reception No. 66963

Record of Deeds of said county.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

State of Oregon, County of Klamath

Recorded 6/02/99, at 3:08 p.m.

In Vol. M99 Page 21702

Linda Smith, County Clerk

Fee \$ 30 - Linda Smith

FEE: \$30.00