

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: Vito Vitarbo
- (B) SELLER: Robert L. Harris and Frances J. Harris, husband and wife.
- (C) MEMORANDUM OF CONTRACT RECORDED:
November 6, 1984, at Volume M84, page 18913,
Microfilm Records of Klamath County, Oregon.
- (D) AMOUNT AND TERMS OF CONTRACT:

The purchase price was Fifteen Thousand Dollars (\$15,000), with \$2,000 having been the down payment; the buyer agrees to pay the remainder of said purchase price (to-wit: \$13,000) to the order of the seller in monthly payments of not less than One Hundred Twenty Five and no/100 (\$125) each payable on the 5th of each month beginning with the month of November, 1984, and continuing until said purchase price is fully paid. All of said purchase price may be paid at any time; all deferred balances of said purchase price shall bear interest at the rate of 10 percent per annum from October 1, 1984, until paid, interest to be paid monthly and being included in the minimum monthly payments above required.

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

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

(A) The regular monthly payments due February 5, 1999, through September 5, 1999, which represents 8 months at \$125 or a total of \$1,000.

(B) Mobile Home Taxes for the fiscal year 1996-97 in the amount of \$4.67 plus interest, Account No. M072026, Key No. 33074; for the year 1997-98, in the amount of \$4.41 plus interest; for the year 1998-99, in the amount of \$7.59 plus interest, and for the year 1999-2000, a lien not yet due and payable. Key No. 33074, Acct. No. M-072026.

Real Property Taxes for the year 1998-99 in the amount of \$213.22 plus interest, plus taxes for the year 1999-2000 are a lien not yet due and payable. Account No. 3407-01600-00800; Key No. 808157.

3. SUM OWING ON OBLIGATION: Principal balance of \$7,830.34 plus interest in the

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Richard Fairclo
Attorney at Law
280 Main Street
Klamath Falls OR 97601

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amount of of \$1.9643 per diem from September 15, 1999, plus the above mentioned mobile home and real property taxes.

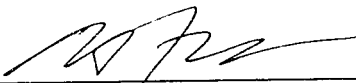
4. **DATE AFTER WHICH CONTRACT FORFEITED IF DEFAULT NOT CURED:**
Unless the default is cured as set forth in paragraph 5 of this Notice, after the Purchaser and all persons claiming through the Purchaser shall have no further rights in the contract or the property and no person shall have any right to 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 on or before December 30, 1999.

(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,
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.

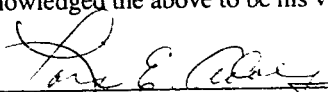

Richard Fairclo
Attorney for Seller

STATE OF OREGON

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}ss.
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County of Klamath

On this 21 day of Sept., 1999, personally appeared before me the above-named RICHARD FAIRCLO and acknowledged the above to be his voluntary act and deed.


Notary Public for Oregon

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Richard Fairclo
Attorney at Law
280 Main Street
Klamath Falls OR 97601

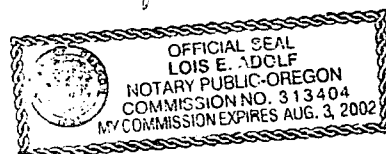


EXHIBIT "A"
LEGAL DESCRIPTION

A parcel of land situated in the SE1/4 of Section 16, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8" iron rod on the Western right of way line of Oregon State Highway No. 97, said iron rod being North 89 degrees 19' 39" West 467.89 feet and North 01 degrees 51' 20" East 639.07 feet from the Southeast corner of said Section 16; thence North 89 degrees 19' 39" West 698.00 feet to a 5/8" iron rod; thence South 13 degrees 31' 05" West, 306.61 feet to a 5/8" iron rod on the Northern line of that property conveyed to Charles A. Farley and wife by Deed recorded November 6, 1980 in Volume M80, page 21566, Microfilm Records of Klamath County, Oregon; thence South 89 degrees 19' 39" East along said Northern line, 760.00 feet to a 5/8" iron rod on said Western right of way line of Highway No. 97; thence North 01 degrees 51' 20" East along said Western right of way line of Highway No. 97, 299.00 feet to the point of beginning.

Above bearings and distances based on Major Partition No. 58-83, filed in the Klamath County Engineer's Office.

PROOF OF MAILING NOTICE OF DEFAULT
AND FORFEITURE OF CONTRACT

STATE OF OREGON]
] ss.
County of Klamath]

I, RICHARD FAIRCLO, being first duly sworn, depose and say:

That I am the attorney for ROBERT L. HARRIS, Seller under a Contract between ROBERT L. HARRIS and FRANCES J. HARRIS, husband and wife, as Sellers, and VITO VITARBO as Purchaser. Said contract was recorded November 6, 1984, in Vol. M84, page 18913, Deed Records, Klamath County, Oregon, covering the following-described real property:

See attached Exhibit "A"

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 OF CONTRACT 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:

<u>Date:</u>	<u>Person</u>	<u>Address:</u>
9/22/99	Vito Vitarbo	308 Thomas Barbour Dr. Melbourne FL 32935
9/22/99	Occupants	43404 Highway 97 No. Chiloquin OR 97624
9/22/99	Ramon E. Winters	43404 Highway 97 No. Chiloquin OR 97624
9/22/99	Garland Norris Gaines	34661 Apache Drive Julian CA 92036

SUBSCRIBED AND SWORN to before me this 22nd day of September, 1999.

Natalie D. Saunders
Notary Public of Oregon

My Commission expires: Feb 25, 2002

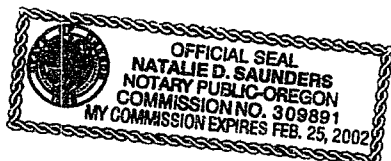


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State of Oregon, County of Klamath
Recorded 9/22/99, at 11:26 a. m.
In Vol. M99 Page 37638
Linda Smith,
County Clerk Fee \$ 30⁰⁰