

After Recording Return to:

William M. Ganong

Attorney at Law

514 Walnut Avenue

Klamath Falls OR 97601

AFFIDAVIT OF MAILING NOTICE OF DEFAULT

STATE OF OREGON, County of Klamath) ss.

I, William M. Ganong, under oath, state as follows:

1. Attached as Exhibit A is a true and correct copy of the Notice of Default pertaining to the contract described therein (Contract).

2. The Contract contains a "forfeiture remedy" as defined in ORS 93.905(2).

3. The Notice of Default was mailed by both first-class and by certified mail with return receipt requested to the following persons at the last-known address indicated.

3.1 Brad Alsman
1250 S Nehalem
Clatskanie OR 97016

Brad Alsman
Post Office Box 1291
Ranier OR 97048

Brad Alsman
5500 N E Minnehaha Street
Vancouver WA 98661-1836

Brad Alsman
25222 E Welches Road
Welches OR 97067

36✓

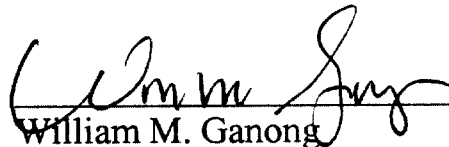
Brad Alsman
13932 SE 282 ND Lane
Boring OR 97009

Brad Alsman
2117 NE Everett Street
Camas WA 98607

Brad Alsman
527 16th Avenue
Longview WA 98632

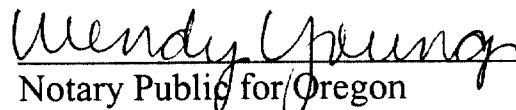
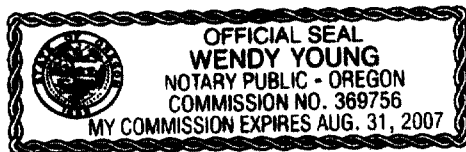
5. I make this affidavit as attorney for and on behalf of Borislav Milojkovic and Mirjana Krokhar-Milojkovic.

Dated this 3rd day of January, 2006.



William M. Ganong
Attorney for Borislav Milojkovic and
Mirjana Krokhar-Milojkovic

Signed and sworn to before me on January 3, 2006 by William M. Ganong.



Notary Public for Oregon

My Commission Expires: 8.31.2007

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 David Ragan and Kimberly L. Ragan as Seller, and Brad Alsman as Purchaser, a memorandum of which was recorded on March 2, 2004 in Volume M04 at Page 11977 of the Official Records of Klamath County, Oregon. Sellers' interest in said Contract was assigned to Borislav Milojkovic and Mirjana Krokhar-Milojkovic by Assignment of Contract and Warranty Deed recorded March 22, 2004 in Volume M04 at Page 15915 of the Official Records of Klamath County, Oregon.

2. Property. The property which is the subject of the Contract is more particularly described as follows:

Lot 9, Block 3, Tract 1027, Mt. Scott Meadow, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

Code 008 Map 3107-001AO TL 09800 Key 80165

3. Nature of Default. The default consists of Purchaser's failure to pay the 2005-2006 taxes in the sum of \$51.27 before they became delinquent; Purchaser's failure to make the monthly installment payments of \$104.33 each for the months of January 2005 through December 2005; and Purchaser's failure to pay the late payment fees of \$10.43 each for the months of January 2005 through December 2005.

4. Date Contract Will Be Forfeited. The Contract will be forfeited if the default is not cured by March 10, 2005.

5. How to Cure Default. The default will be cured if by March 10, 2006 the following occur:

5.1 The sum of \$9,110.89, plus interest at 10% per annum from November 12, 2005, until paid, plus monthly late payment fees of \$10.43 each from December 2005 until paid, plus real property taxes of \$51.27 paid by Sellers' assignees, is received on account of the Contract by William M. Ganong, attorney

at law, 514 Walnut Avenue, Klamath Falls, Oregon 97601.

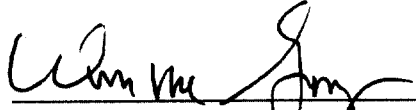
5.2 The additional sum of \$652 is received on account of this matter by William M. Ganong, the attorney for Seller. This sum consists of the following:

5.2.1 Title search	\$200.00
5.2.2 Recording fees	\$ 62.00
5.2.3 Mailing fees	\$ 40.00
5.2.4 Attorney Fees	\$350.00

5.3 The additional sum of \$104.33 due each month from January 1, 2006 until paid in full, plus interest at the rate of 10% per annum is received by the attorney for Seller.

6 Name and Address of Attorney for Seller.
William M. Ganong, OSB No. 78213
Attorney for Borislav Milojkovic and Mirjana Krokhar-Milojkovic
514 Walnut Avenue
Klamath Falls OR 97601
541/882-7228 - office 541/883-1923 - fax
E-Mail: wganong@aol.com

7. Date Notice Mailed. This notice is being deposited in both first-class and certified mail with return receipt requested, on January 3, 2006.



William M. Ganong, OSB No. 78213
Attorney for Borislav Milojkovic and
Mirjana Krokhar-Milojkovic