



Victor and Alla Kolesnikow  
6510 Poplar Grove Road  
Cookeville, TN 38506

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April 8, 1998

Greg Lance  
1515 Ford Drive  
Cookeville, TN 38501

*Via Certified Mail Return Receipt Requested*

Re: Secured Debt to Victor and Alla Kolesnikow

Dear Mr. Lance:

We are the lawful holders and owners of a certain Promissory Note (the "Note"), executed by you on October 21, 1996, as evidence of an original indebtedness to the undersigned in the amount of \$370,000, plus interest. The obligations pursuant to said Note are secured by a Deed of Trust executed by you, dated October 21, 1996.

The indebtedness due is in default due to nonpayment of property taxes for the year 1997; failure to maintain the whole of the property in ready to rent condition; failure to expand the mobile home park as agreed in the contract; and failure to assign the securities set forth in enumerated paragraphs 1(a) and (b) of a contract for the purchase and sale of real estate, dated October 21, 1996.

As is the option of the lawful owner and holder of the Note upon default, we are hereby accelerating all payments, such that the entire indebtedness is now due and payable. If payment in full of the outstanding balance of the indebtedness evidenced by the Note, plus interest thereon at the default rate, attorney's fees, and other costs incurred in collecting the same, have not been received within fifteen (15) days from the date of this letter, we will take such further action as we deem necessary to protect our interest. In this regard, you are specifically advised that it is our intention, if the indebtedness due is not paid in full within the time allowed by this letter, to commence foreclosure proceedings under the Deed of Trust.

Should you desire to challenge our right to foreclose under the Deed of Trust, such challenge should be asserted at this time. You should contact us in order to find the exact amount of the principal balance, interest, attorney's fees, and other costs that will be due on the date that you intend to make payment. This letter is formal written notice of demand for full payment of the indebtedness evidenced by the Note owed by you to us.

If you have any questions with regard to this letter, please contact us immediately at the above address.

Sincerely,

Victor Kolesnikow

Alla Kolesnikow