

NOTICE OF DEFAULT AND ELECTION TO SELL

RE: Trust Deed from Brian L. Davis and Sheila L. Davis, Husband and Wife, Grantor
To Floyd Cobb, Glenn D. Quigley and Rose M. Quigley, Beneficiary

AFTER RECORDING RETURN TO:
Scott D. MacArthur, P.C.
280 Main Street
Klamath Falls, OR 97601

NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to that certain trust deed made by BRIAN L. DAVIS and SHEILA L. DAVIS, Husband and Wife, as grantor, to ASPEN TITLE & ESCROW, INC., as trustee, in favor of FLOYD COBB, GLENN D. QUIGLEY and ROSE M. QUIGLEY as beneficiary, dated April 26, 1996, recorded May 1, 1996, in the mortgage records of Klamath County, Oregon, in book/reel/volume No. M96 at page 17315, covering the following described real property situated in said county and state, to-wit:

The Easterly 80.45 feet of Lots 1 and 2, Block 6, ALTAMONT ACRES, in the County of Klamath, State of Oregon.

EXCEPTING THEREFROM the Northerly 5 feet thereof.

The undersigned hereby certifies that no assignments of the trust deed by the trustee or by the beneficiary and no appointments of a successor-trustee have been made except as recorded in the mortgage records of the county or counties in which the above described real property is situate; further, that no action has been instituted to recover the debt, or any part thereof, now remaining secured by the said trust deed, or, if such action has been instituted, such action has been dismissed.

There is a default by the grantor or other person owing an obligation, the performance of which is secured by said trust deed, or by their successor in interest, with respect to provisions therein which authorize sale in the event of default of such provision; the default for which foreclosure is made is grantor's failure to pay when due the following sums:

Taxes for the fiscal year 1998-1999, delinquent in the sum of \$643.15, plus interest.

Taxes for the fiscal year 1999-2000, delinquent in the sum of \$690.57, plus interest.

Payments in the amount of \$326.22 per month from October 1999 through the present.
Failure to pay Klamath Irrigation District Lien in the amount \$864.71

By reason of said default, the beneficiary has declared all sums owing on the obligation secured by said trust deed immediately due and payable, said sums being the following, to-wit: \$36,363.37 as of September 21, 1999, plus interest.

Notice hereby is given that the beneficiary and trustee, by reason of said default, have elected

and do hereby elect to foreclose said trust deed by advertisement and sale pursuant to Oregon Revised Statutes Sections 86.705 to 86.795, and to cause to be sold at public auction to the highest bidder for cash the interest in the said described property which the grantor had, or had the power to convey, at the time of the execution by him of the trust deed, together with any interest the grantor or his successors in interest acquired after the execution of the trust deed, to satisfy the obligations secured by said trust deed and the expenses of the sale, including the compensation of the trustee as provided by law, and the reasonable fees of trustee's attorney.

Said sale will be held at the hour of 10:00 o'clock, A.M., Standard Time as established by Section 187.110 of Oregon Revised Statutes on April 2, 2000, at the following place: 280 Main Street, in the City of Klamath Falls, County of Klamath, State of Oregon, which is the hour, date and place fixed by the trustee of said sale.

Other than as shown of record, neither the said beneficiary or the said trustee has any actual notice of any person having or claiming to have any lien upon or interest in the real property hereinabove described subsequent to the interest of the trustee in the trust deed, or of any successor in interest to the grantor or of any lessee or other person in possession of or occupying the property, except:

NAME AND LAST KNOWN ADDRESS

Brian L. Davis
3606 Hilyard Avenue
Klamath Falls, OR 97603

Sheila L. Davis
3606 Hilyard Avenue
Klamath Falls, OR 97603

Department of Human Resources
Support Enforcement Division
39 North Central
Medford, OR 97501

Carter-Jones Collections
1143 Pine Street
Klamath Falls, OR 97601

Klamath County Building Dept.
Rod Davis, County Counsel
305 Main Street
Klamath Falls, OR 97601

Yvonne Higgins
1731 Winona Way
Klamath Falls, OR 97603

NATURE OF RIGHT, LIEN OR INTEREST

Default upon Trust Deed

Default upon Trust Deed

Judgment dated June 24, 1998
Klamath County Case No. 9802528-CV

Judgment dated September 21, 1999
Klamath County Case No. 9802528-CV
Klamath County Case No. 9804136-CV

Judgment dated December 29, 1998
Klamath County Case No. 9803611-CV

Judgment dated July 6, 1999
Klamath County Case No. 9902420-CV
Klamath County Case No. 9903230-CV

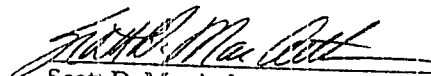
Bonnie Lam
Attorney at Law
707 Main Street
Klamath Falls, OR 97601

Judgment dated August 19, 1998
Klamath County Case No. 9801787-CV

Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes has the right, at any time prior to five days before the trustee conducts the sale, to have this foreclosure proceeding dismissed and the trust deed reinstated by payment to the beneficiary of the entire amount then due (other than such portion of the principal as would not then be due had no default occurred) and by curing any other default complained of herein that is capable of being cured by tendering the performance required under the obligation or trust deed, and in addition to paying said sums or tendering the performance necessary to cure the default, by paying all costs and expenses actually incurred in enforcing the obligation and trust deed, together with trustee's and attorney's fees not exceeding the amounts provided by said Section 86.753 of Oregon Revised Statutes.

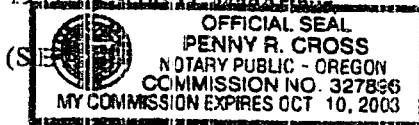
In construing this notice, the masculine gender includes the feminine and the neuter, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor as well as any other person owing an obligation, the performance of which is secured by said trust deed, and the words "trustee" and "beneficiary" include their respective successors in interest, if any.

DATED: December 10, 1999


Scott D. MacArthur
Successor Trustee

STATE OF OREGON, County of Klamath) ss.

The foregoing instrument was acknowledged before me this 10 day of December, 1999, by Scott D. MacArthur.



Before me: Penny R. Cross
Notary Public for Oregon
My Commissioner Expires: 10/10/03

STATE OF OREGON, County of Klamath)ss.

I certify that the within instrument received for record on the 10 day
Of December, 1999, at 2:06 o'clock P.M., and recorded in book/reel/
volume No. 48759 on page 20 or as fee/file/instrument/microfilm/reception
No. 48759, Recorded of Deeds of said County.
Witness my hand and seal of County affixed.

Name _____ Title _____
By _____ Deputy _____

State of Oregon, County of Klamath
Recorded 12/10/99, at 2:06 p.m.
In Vol. M99 Page 48759
Linda Smith,
County Clerk Fee \$ 20.00