

AFTER RECORDING RETURN TO:

Valerie T. Auerbach [DL]
Farleigh, Wada & Witt, P.C.
121 SW Morrison, Suite 600
Portland, OR 97204

Vol M00 Page 2401

NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to a certain trust deed ("Trust Deed") made, as follows:

Trust Deed dated May 4, 1999, by Karen E. Williams, as grantor, to Aspen Title & Escrow, Inc., as trustee, in favor of Alfred E. Edgar, as beneficiary, recorded on May 13, 1999, in Vol. M99, Page 19139, in the mortgage records of Klamath County, Oregon. The beneficial interest under said Deed of Trust was assigned to Western United Life Assurance Company by assignment recorded May 13, 1999, in Vol. M99, Page 19141, records of Klamath County, Oregon.

The Trust Deed covers the following described real property ("Property") situated in said county and state, to-wit:

Lot 13, Block 3, Chiloquin Drive Addition, in the County of Klamath, State of Oregon.

There are defaults by the grantor or other person owing an obligation, the performance of which is secured by the Trust Deed, with respect to provisions therein which authorize sale in the event of default of such provision; the defaults for which foreclosure is made is grantor's failure to pay when due the following sums:

Arrearage in the sum of \$2,249.86 as of January 16, 2000, plus additional payments, late charges, property expenditures, taxes, liens, assessments, insurance, attorney's and trustee's fees and costs, and interest due at the time of reinstatement or sale.

By reason of said defaults, the beneficiary has declared all sums owing on the obligations secured by said Trust Deed immediately due and payable, said sums being the following, to-wit:

Payoff in the sum of \$40,423.12 as of January 16, 2000, plus taxes, liens, assessments, property expenditures, insurance, accruing interest, late charges, attorney's and trustee's fees and costs incurred by beneficiary or its assigns.

Notice hereby is given that the beneficiary and trustee, by reason of said defaults, have elected and do hereby elect to foreclose said Trust Deed by advertisement and sale pursuant to ORS 86.705 to 86.795, and to cause to be sold at public auction to the highest bidder for cash the interest in the above-described Property which the grantor had, or had the power to convey, at the time of the execution by grantor of the Trust Deed, together with any interest the grantor or grantor's successor 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 compensations of the trustee as provided by law, and the reasonable fees of trustee's attorneys.

Said sale will be held at the hour of 10:00 o'clock, a.m., in accord with the standard of time established by ORS 187.110 on June 16, 2000, at the following place: Main Entrance of the Klamath County Courthouse, 317 S. 7th Street, Klamath Falls, Oregon, in the City of Klamath Falls, County of Klamath, State of Oregon, which is the hour, date and place last set for said sale.

Other than as shown of record, neither the said beneficiary nor the said trustee has any actual notice of any person having or claiming to have any lien upon or interest in the Property subsequent to the interest of the trustee in the Trust Deed, or of any successor in interest to the grantor or of any lessees or other persons in possession of or occupying the Property.

Notice is further given that any person named in ORS 86.753 has the right, at any time prior to five days before the date last set for the sale, to have this foreclosure proceeding dismissed and the Trust Deed reinstated by payment to the beneficiary of the entire amount then due and by curing any other default complained of herein that is capable of being cured by tendering the performance required under the obligations or Trust Deed, and in addition to paying said sum or tendering the performance necessary to cure the default, by paying all costs and expenses actually incurred in enforcing the obligations and Trust Deed, together with trustee's and attorney's fees not exceeding the amounts provided by said ORS 86.753.

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

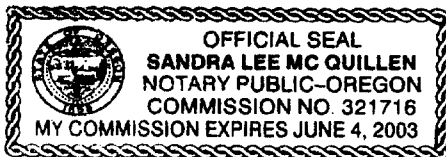
THIS IS A COMMUNICATION FROM A DEBT COLLECTOR.

DATED: January 18, 2000

Valerie T. Auerbach
Valerie T. Auerbach, Successor Trustee

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on January 18, 2000, by Valerie T. Auerbach.



Sandra Lee McQuillen
Notary Public for Oregon
My Commission Expires: 6-4-2003

State of Oregon, County of Klamath
Recorded 1/24/00, at 11:06 A.m.
In Vol. M00 Page 2401
Linda Smith,
County Clerk Fee\$ 26.00