

200 JAN 27 PM 2: 56 MTC 50072

TRUSTEE'S NOTICE OF DEFAULT

AND ELECTION TO SELL

Western Homes, Inc., an Oregon corporation, as grantor, made, executed and delivered to AmeriTitle, as trustee, to secure the performance of certain obligations including the payment of the principal sum of \$30,000.00, in favor of Vernon G. Ludwig and Ofelia Ludwig, husband and wife, as beneficiaries, that certain trust deed dated July 28, 1999, and recorded August 12, 1999, in the official records of Klamath County, Oregon, in Volume M99, page 32589, covering the following described real property situated in said county:

See Exhibit "A" attached.

There is a default by the grantor owing the obligations in that the grantor has failed to pay, when due, the following sums thereon:

Monthly installments of \$300.00 per month, beginning with the installment due October 30, 1999, which were due on the 30th day of each month thereafter.

which are now past due, owing and delinquent. Grantor's failure just described is the default for which the foreclosure mentioned below is made.

By reason of said default, the beneficiary has declared all obligations secured by said trust deed immediately due, owing and payable, said sums being the following, to wit:

\$29,995.00, together with interest thereon at the rate of 12% per annum from September 17, 1999, until paid, plus a late fee of \$15 if any payment is not received within 15 days of its due date, plus trustee's fees, attorney's fees, foreclosure costs and any sums advanced by the beneficiary pursuant to the terms of said trust deed.

Notice hereby is given that the undersigned, by reason of said default, has elected and hereby does elect to foreclose said trust deed by advertisement and sale pursuant to Oregon Revised Statutes Section 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 a reasonable charge by the trustee as provided by law, and the reasonable fees of trustee's attorneys.

//

Trustee's Notice of Default and
Election to Sell -1-

LAW OFFICES OF
DAVIS, GILSTRAP, HEARN, SHAW, SALADOFF & SMITH
A Professional Corporation
515 EAST MAIN STREET
ASHLAND, OREGON 97520
(541) 482-3111 FAX (541) 488-4455

M/36

Said sale will be held at the hour of 9:30 o'clock, a.m., Pacific Daylight Time, as established by Section 187.110 of Oregon Revised Statutes, on June 21, 2000, at the following place: The offices of AmeriTitle, 222 S. Sixth Street in Klamath Falls, OR 97601.

Other than as shown of record, the trustee has no 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 NATURE OF RIGHT, LIEN OR
INTEREST

Western Homes, Inc.
5729 Altamont Drive
Klamath Falls, OR 97603

Fee Simple, Grantor

Shasta Glen, LLC
1576 NW City Heights
Bend OR 97701

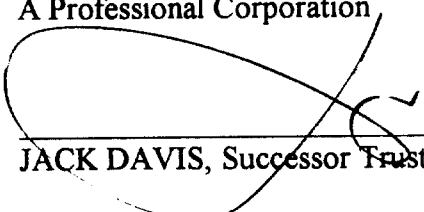
Judgment Creditor

Occupants
621 N 11th Street
Klamath Falls OR 97601

Notice is further given that any person named in Section 86.760 of Oregon Revised Statutes has the right to have the foreclosure proceeding dismissed and the trust deed reinstated by payment of the entire amount due (other than such portion of said principal as would not then be due had no default occurred), together with costs, trustee's and attorney's fees, at any time prior to five days before the date set for said sale.

DATED this 25th day of January, 2000.

DAVIS, GILSTRAP, HEARN, SHAW,
SALADOFF & SMITH
A Professional Corporation



JACK DAVIS, Successor Trustee

//

Trustee's Notice of Default and
Election to Sell -2-

LAW OFFICES OF
DAVIS, GILSTRAP, HEARN, SHAW, SALADOFF & SMITH
A Professional Corporation
515 EAST MAIN STREET
ASHLAND, OREGON 97520
(541) 482-3111 FAX (541) 488-4455

STATE OF OREGON)
)
COUNTY OF JACKSON) §

Personally appeared the above-named JACK DAVIS and acknowledged the foregoing instrument to be his voluntary act and deed. Before me:



Joan Christopher
Notary Public for Oregon
My Commission Expires: 9/17/02

PARCEL 1:

The Southwesterly 58 feet of the Southeasterly 40 feet of Lot 5, Block 60 NICHOLS ADDITION TO THE CITY OF KLAMATH FALLS, OREGON, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, more particularly described as follows:

Beginning at the most Southerly corner of Lot 5, Block 60, NICHOLS ADDITION; thence Northeasterly along the line between Lots 4 and 5 in Block 60, 58 feet; thence Northwesterly at right angles to the line between Lots 4 and 5, 40 feet; thence Southwesterly at right angles to 11th Street; 58 feet to the Northeasterly boundary line of 11th Street; thence Southeasterly along the Northeasterly boundary line of 11th Street, 40 feet to the point of beginning.

PARCEL 2:

The Northeasterly 72 feet of the Southeasterly 40 feet of Lots 5 and 6, Block 60, NICHOLS ADDITION TO THE CITY OF KLAMATH FALLS, OREGON, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the Southeasterly line of said Lot 5, which point bears North 38 degrees 56' East 58 feet from the most Southerly corner of said Lot 5; thence North 38 degrees 56' East along the Southeasterly line of Lots 5 and 6 in said Block 60, 72 feet; to the most Easterly corner of Lot 6; thence North 51 degrees 04' West along the line between Lots 6 and 7, 40 feet; thence South 38 degrees 56' West parallel to the Southeasterly line of Lots 5 and 6, 72 feet; thence South 51 degrees 04' East parallel to the line between Lots 6 and 7, 40 feet, more or less, to the point of beginning.

EXHIBIT "A" PAGE 1 of 1

State of Oregon, County of Klamath
Recorded 1/27/00, at 2:56 p.m.
In Vol. M00 Page 2792
Linda Smith,
County Clerk Fee \$ 36.00