

NOTICE OF DEFAULT AND ELECTION TO SELL

RE: Trust Deed from Stonecrest Homes, Grantor
To Giovanni Mangione

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

AMENDED NOTICE OF DEFAULT AND ELECTION TO SELL

KNOW ALL MEN BY THESE PRESENTS, that STONECREST HOMES, is the grantor, and ASPEN TITLE & ESCROW, INC., is the trustee, and GIOVANNI MANGIONE, is the beneficiary under that certain trust deed dated April 14, 1997, and recorded on April 17, 1997, in book/reel/volume No. M97 at page 11674 of the Mortgage Records of Klamath County, Oregon.

Lot 3, Block 68 of KLAMATH FALLS FOREST ESTATES, HIGHWAY 66 UNIT, PLAT NO. 3, in the County of Klamath, State of Oregon.

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:

Payment in full due October 17, 1999.

Taxes for the year 1998-1999, delinquent in the amount of \$72.60 plus interest.

Taxes for the year 1999-2000, delinquent in the amount of \$73.87 plus interest.

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: \$6,310.87 as of February 27, 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 case 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 August 28, 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	NATURE OF RIGHT, LIEN OR INTEREST
Stonecrest Homes Lee Van Winkle, President 7350 Southside Expressway Klamath Falls, OR 97603	Default upon Trust Deed
Stonecrest Homes Lee Van Winkle, President C/O Terrance L. McCauley Attorney at Law 21975 S. Woodland Way Estacada, OR 97023	Default upon Trust Deed
State of Oregon County of Klamath 403 Pine Street, 3rd Floor Klamath Falls, OR 97601	Personal Property Tax Warrant 99-1510 Recorded May 13, 1999 at M-99, Page 18752 Account No. M57958
Supply One C/O Pamela Yee Attorney at Law 18525 SW Vincent Street Aloha, OR 97007	Judgment dated September 30, 1999 Klamath County Case No.9902929-CV
Jefferson State Redi-Mix, Inc. C/O Michael Rudd Attorney at Law 411 Pine Street Klamath Falls, OR 97601	Judgment dated November 10, 1999 Klamath County Case No.9902979-CV

Jack & Donna Brown
C/O B.J. Matzen,
Attorney at Law
435 Oak Street
Klamath Falls, OR 97601

Pending Proceedings
Klamath County Case No. 9901451-CV

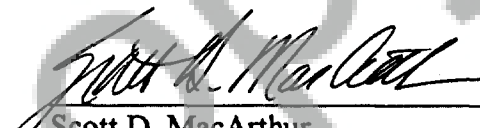
James & Kristi Morris
C/O James Dreyer,
Attorney at Law
P.O. Box 4687
Medford, OR 97501

Pending Proceedings
Klamath County Case No. 9904535-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: April 25, 2000.



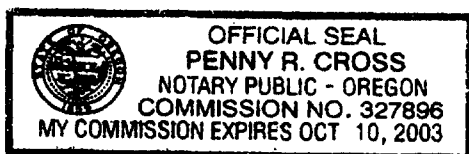
Scott D. MacArthur
Successor Trustee

STATE OF OREGON, County of Klamath) ss.

The foregoing instrument was acknowledged before me this 26 day of April, 2000, by Scott D. MacArthur.

(S E A L)

Before me: Penny R. Cross
Notary Public for Oregon
My Commissioner Expires: 10/10/2003



State of Oregon, County of Klamath
Recorded 04/26/00, at 10:05 a.m.
In Vol. M00 Page 14298
Linda Smith,
County Clerk Fee\$ 31⁰⁰