

mtc 93776

TRUSTEE'S NOTICE OF DEFAULT AND ELECTION TO SELL  
UNDER TERMS OF TRUST DEED

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The Trustee under the terms of the Trust Deed described herein, at the direction of the Beneficiary, hereby elects to sell the property described in the Trust Deed to satisfy the obligations secured thereby. Pursuant to ORS 86.745, the following information is provided:

1. PARTIES:

Grantor: KEVIN N. JOLLY  
Trustee: AMERITITLE  
Successor Trustee: MICHAEL C. AROLA  
Beneficiary: OREGON HOUSING AND COMMUNITY SERVICES DEPARTMENT, STATE OF OREGON, assignee of Irwin Mortgage Corp. dba All Pacific Mortgage Co.

2. DESCRIPTION OF PROPERTY: The real property is described as follows:

As described on the attached Exhibit A.

3. RECORDING. The Trust Deed was recorded as follows:

Date Recorded: September 30, 1999  
Volume M99, Page 38840  
Official Records of Klamath County, Oregon

4. DEFAULT. The Grantor or any other person obligated on the Trust Deed and Promissory Note secured thereby is in default and the Beneficiary seeks to foreclose the Trust Deed for failure to pay: A partial monthly payment in the amount of \$103.07 due December 1, 2000, plus a monthly payment in the amount of \$595.00 due January 1, 2001, plus monthly payments in the amount of \$519.00 each for the months of February through April 2001; plus late charges and advances; plus any unpaid real property taxes or liens, plus interest.

5. AMOUNT DUE. The amount due on the Note which is secured by the Trust Deed referred to herein is: Principal balance in the amount of \$62,711.73 plus interest at the rate of 7% per annum from November 1, 2000; plus late charges of \$126.72.


6. ELECTION TO SELL. The Trustee hereby elects to sell the property to satisfy the obligations secured by the Trust Deed.

7. TIME OF SALE.

Date: August 30, 2001  
Time: 11:00 a.m. as established by ORS 187.110  
Place: Front of the Klamath County Courthouse, 316 Main Street, Klamath Falls, Oregon

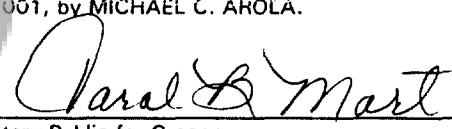
8. RIGHT TO REINSTATE. Any person named in ORS 86.753 has the right, at any time prior to five days before the Trustee conducts the sale, to have this foreclosure dismissed and the Trust Deed reinstated by payment to the Beneficiary of the entire amount then due, other than such portion of the principal as would not then be due had no default occurred, by curing any other default that is capable of being cured by tendering the performance required under the obligation of Trust Deed and by paying all costs and expenses actually incurred in enforcing the obligation and Trust Deed, together with the trustee's and attorney's fees not exceeding the amount provided in ORS 86.753.

DATED: April 19, 2001.

  
Michael C. Arola, Successor Trustee

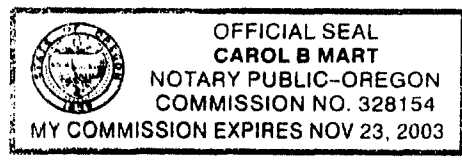
STATE OF OREGON        )  
                                  ) ss.  
COUNTY OF LANE        )

The foregoing instrument was acknowledged before me on April 19, 2001, by MICHAEL C. AROLA.



Notary Public for Oregon  
My Commission Expires: 11-23-03

AFTER RECORDING RETURN TO:  
Hershner, Hunter, Andrews,  
Neill & Smith, LLP  
Attn: Carol B. Mart  
P.O. Box 1475  
Eugene, OR 97440



ok.com

All that part of Lots 1, 7 and 8 in Block 56, NICHOLS ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, being more particularly described as follows:

Beginning at a point on the Westerly line of 10th Street 80 feet Northwest of the most Easterly corner of said Lot 1 of said Block; thence Northwesterly along Westerly line of 10th Street 60 feet; thence Southwesterly at right angles to 10th Street 130 feet; thence Southeasterly parallel with 10th Street 20 feet; thence Northeasterly at right angles to 10th Street 65 feet; thence Southeasterly parallel with 10th Street 40 feet; thence Northeasterly at right angles to 10th Street 65 feet to the point of beginning, being the Northwesterly 40 feet of Lot 1 and the Southeasterly 20 feet of Lots 7 and 8 of Block 56, NICHOLS ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

EXCEPTING THEREFROM the following described tract:

Beginning at a point on the Northeasterly line of Lot 8 of Block 56 of NICHOLS ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, which point lies 100 feet Southeasterly from the most Northerly corner of Lot 8; thence Southwesterly parallel with Lincoln Street a distance of 44 feet and 9 inches; thence Southeasterly parallel with 10th Street a distance of 9 inches; thence Northeasterly parallel with Lincoln Street a distance of 44 feet 9 inches, more or less, to the Northeasterly line of Lot 8; thence Northwesterly along said line of Lot 8 a distance of 9 inches to the point of beginning.

State of Oregon, County of Klamath

Recorded 04/20/01, at 3:29 p.m.

In Vol. M01 Page 17598

Linda Smith,

County Clerk Fee \$ 26<sup>00</sup>

EXHIBIT A