

NOTICE OF DEFAULT AND ELECTION TO SELL

State of Oregon, County of Klamath  
Recorded 03/05/2002 9:25a m.  
Vol M02, Pg 13050-13053  
Linda Smith, County Clerk  
Fee \$ 36.00 # of Pgs 4

RE: Trust Deed from ROBERT ALLEN BARRY, Grantor.  
To FRANK E. THOMPSON and DANA M. THOMPSON, husband and wife, Beneficiary

AFTER RECORDING RETURN TO:

✓ MacArthur & Bennett, 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 ROBERT ALLEN BARRY, as grantor, to AMERITITLE, INC., trustee, in favor of FRANK E. THOMPSON and DANA M. THOMPSON, or the survivor thereof as beneficiary, dated October 22, 1999, recorded October 28, 1999, in the mortgage records of Klamath County, Oregon, in book/reel/volume No. M99 at page 43205, covering the following described real property situated in said county and state, to-wit:

Exhibit "A" attached hereto and incorporated herein by this reference.

Together with 1974 Fuqua Manufactured Dwelling, License X110104, Serial # S6879XXU

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:

Payments in the amount of \$600.00 per month from November 2001 through the present.

Failure to pay real property taxes for 2001-2002 tax year in the amount of \$375.52 plus interest.

Failure to pay Manufactured Dwelling taxes for 2000-2001 tax year in the amount of \$8.20 plus interest.

Failure to pay Manufactured Dwelling taxes for 2001-2002 tax year in the amount of \$132.61 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: \$69,218.80 as of October 30, 2001, 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 July 15, 2002, 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.

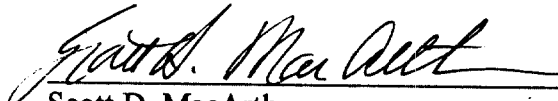
Other than as shown of record, neither the said beneficiary or the said trustee has any actual notice of any person having or claiming to have any lien upon or interest in the real property hereinabove described subsequent to the interest of the trustee in the trust deed, or of any successor in interest 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
Robert Allen Barry 9537 Marion Avenue Montclair, CA 91763-2430	Default upon Trust Deed
Jennifer L. Barry 9537 Marion Avenue Montclair, CA 91763-2430	Deeded Interest
Robert Allen Barry P.O. Box 1391 Chiloquin, OR 97624	Default upon Trust Deed
Larry Pritchett & Betty Pritchett 1255 Bronco Lane Chiloquin, OR 97624	Judgment Klamath County Circuit Court Case No. 0101037 CV, \$5,171.00
United Finance P.O. Box 1763 Klamath Falls, OR 97601	Judgment Klamath County Circuit Court Case No. 0103001 CV, \$5,221.00
Grover Wilson P.O. Box 257 Chiloquin, OR 97624	Judgment Klamath County Circuit Court Case No. 0104098 CV, \$1,667.19 Transcribed from Wood River Justice Court

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.

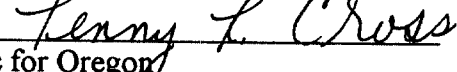
DATED: March 5, 2002

  
 Scott D. MacArthur  
 Successor Trustee

STATE OF OREGON, County of Klamath) ss.

The foregoing instrument was acknowledged before me this 25 day of March, 2002, by Scott D. MacArthur.

(S E A L)

Before me:   
 Notary Public for Oregon  
 My Commissioner Expires: 10/10/2003

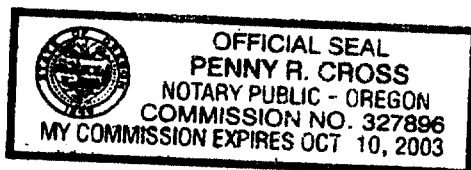


EXHIBIT "A"  
LEGAL DESCRIPTION

13053

3407-15-300

The E1/2 of the following described property:

The S1/2 NE1/4 of Section 15, Township 34 South, Range 7 East of the Willamette Meridian, in the County of Klamath, State of Oregon, lying South of Woodland Park, EXCEPTING THEREFROM the following described parcels of land:

That portion contained in Contract of Sale recorded December 11, 1975 in Book M75 at page 15639, Microfilm Records of Klamath County, Oregon, and that portion contained in Contract of Sale recorded July 19, 1976 in Book M76 at page 10913, Microfilm Records of Klamath County, Oregon, ALSO EXCEPTING THEREFROM that portion of the following described property lying in the S1/2 NE1/4 of Section 15, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon;

Beginning at the Northwest corner of the W1/2 SW1/4 NW1/4 of said Section 14, this corner being the true point of beginning of this description; thence East along the North line of said W1/2 SW1/4 NW1/4 of Section 14 to the Northeast corner of said W1/2 SW1/4 NW1/4 of Section 14; thence South along the East line of said W1/2 SW1/4 NW1/4 of Section 14 a distance of 1158 feet to a point; thence North 60 degrees West 541 feet to a point; thence West 429 feet to a point; thence North 887 feet more or less, to the South line of Woodland Park Subdivision; thence East along said South line of Woodland Park to the true point of beginning.

ALSO EXCEPTING THEREFROM the East 208.71 feet of the South 626.13 feet.