

RECORDED AT THE REQUEST OF
AND AFTER RECORDING RETURN TO:
Roger Clayton
H&L Services, Inc.
1111 Third Avenue, #3400
Seattle, WA 98101

State of Oregon, County of Klamath
Recorded 03/20/2002 1:23 p.m.
Vol M02, Pg 16360-63
Linda Smith, County Clerk
Fee \$ 36.00 # of Pgs 4

SALAS
93531-930482

K58190

NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to that certain trust deed made by JOHN EDWARD SALAS AND RAIMIE ANN SALAS, AS TENANTS BY THE ENTIRETY, as Grantors, to ASPEN TITLE, AN OREGON CORPORATION, as Trustee, in favor of WASHINGTON MUTUAL BANK, as Beneficiary, which is dated MAY 7, 1997, and recorded on MAY 8, 1997, in the Mortgage Records of Klamath County, Oregon, as INSTRUMENT NO. 37342, VOLUME M97, PAGE 14083, covering the following described real and personal property (the "Property") situated in the above county and state, to-wit:

THE NORTHERLY ONE-HALF OF LOTS 4 AND 5, BLOCK 48, FIRST ADDITION TO THE CITY OF KLAMATH FALLS, IN THE COUNTY OF KLAMATH, STATE OF OREGON.

THE PROPERTY INCLUDES A 1997, 28 X 56 MOBILE HOME, MANUFACTURER GUERDON, MODEL S7-56541, SERIAL NO. GDSTOR159718988. THE MOBILE HOME SHALL BE PERMANENTLY AFFIXED TO THE REAL ESTATE AND NOT SEVERED OR REMOVED THEREFROM WITHOUT THE PRIOR WRITTEN CONSENT OF THE BENEFICIARY. TOGETHER WITH ALL PERSONAL PROPERTY, WHICH IS NOW OR MAY HEREAFTER BE ATTACHED TO, LOCATED IN OR USED OR INTENDED TO BE USED IN CONNECTION THEREWITH (COLLECTIVELY 'THE PROPERTY').

THE BENEFICIARY HAS ELECTED TO TREAT THE PROPERTY AS REAL ESTATE AND TO SELL IT AS REAL ESTATE AT THE TRUSTEE'S SALE.

The Property is more commonly known as: 310 JEFFERSON STREET, KLAMATH FALLS, OR 97601.

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 Property is situate; further, that no action has been instituted to recover the debt, or any part thereof, now remaining secured by the trust deed, or, if such action has been instituted, such action has been dismissed except as permitted by ORS 86.735(4).

There is a default by the grantor or other person owing an obligation, the performance of which is secured by the trust deed, or by their successor 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:

MONTHLY PAYMENTS:	
Monthly Payments from AUGUST 1, 2001 through MARCH 1, 2002	\$6,693.24
LATE CHARGES:	\$252.27
TOTAL AMOUNT DUE:	\$6,945.51

In order to cure the default and reinstate this loan, the above amount must be paid in full, in addition to all trustee's and attorneys fees and costs incurred in connection with this or other past foreclosures, and any bankruptcy fees, plus all NSF check fees and miscellaneous lender fees; less any unapplied funds.

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

A principal balance of \$79,276.17, plus interest thereon at the rate of 11.375%, from August 13, 2001, until paid; plus late charges of \$42.00 for every month thereafter the regular monthly payment is more than 15 days late; plus reconveyance fees of \$65.00; plus miscellaneous lender fees of \$22.80; plus attorney and trustee's fees and costs for this foreclosure, less any unapplied funds; plus all sums expended by beneficiary to protect its interest during the pendency of this proceeding.

The Beneficiary has elected to proceed as to both the personal property and the real property in accordance with the rights with respect to the real property and as permitted by O.R.S. 79.5010(4). Notice hereby is given that the beneficiary and trustee, by reason of the default, have elected and to hereby elect to foreclose the 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 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 the grantor's successors in interest acquired after the execution of the trust deed, to satisfy the obligations secured by the 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.

The 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 FRIDAY, AUGUST 2, 2002, at the front entrance of the Klamath County Courthouse, 316 Main Street, in the City of Klamath Falls, State of Oregon, which is the hour, date and place last set for sale.

Other than as shown of record, neither the beneficiary nor the trustee has any actual notice of any person having or claiming to have any lien upon or interest in the 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:
John Edward Salas 310 Jefferson Street Klamath Falls, OR 97601	Grantor
Raimie Ann Salas 310 Jefferson Street Klamath Falls, OR 97601	Grantor
John Edward Salas P.O. Box 184 Dallas, OR 97338	Grantor
Raimie Ann Salas P.O. Box 184 Dallas, OR 97338	Grantor
John Edward Salas 331 Jefferson Street Klamath Falls, OR 97601	Grantor
Raimie Ann Salas 331 Jefferson Street Klamath Falls, OR 97601	Grantor
Occupants/Residents of Premises 310 Jefferson Street Klamath Falls, OR 97601	Occupants
Klamath County Tax Collector 305 Main Street, Floor 1 Klamath Falls, OR 97601	Lien Holder


Raimie Ann Salas c/o District Attorney/Family Support 305 Main Street Klamath Falls, OR 97601	Lien Holder
Susan G. Margiloff 706 Main Street Klamath Falls, OR 97601	Lien Holder
Carter-Jones Collections, LLC c/o Neal G. Buchanan 435 Oak Avenue Klamath Falls, OR 97601-6154	Lien Holder
City of Klamath Falls, Code Enforcement ATTN: Rick Bowman P.O. Box 237 Klamath Falls, OR 97601	Lien Holder
City of Klamath Falls Police Department Code Enforcement P.O. Box 237 226 South Fifth Street Klamath Falls, OR 97601	Lien Holder
State of Oregon, Dept of Human Resources 1495 Edgewater Street Northwest, #290 Salem, OR 97304	Lien Holder
State of Oregon, Dept of Justice Support Enforcement Division 1515 Southwest Fifth, Suite No. 415 Portland, OR 97201	Lien Holder
Hardy Myers, Attorney General State of Oregon Justice Building Salem, OR 97310	Lien Holder

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 (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 tending the performance required under the obligation or trust deed, and in addition to paying the above 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 incurred in connection with this or other past foreclosure and any related bankruptcy fees not exceeding the amounts provided by ORS 86.753.

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

DATED: March 19, 2002.


Cory B. Zion, Successor Trustee
c/o H&L SERVICES, INC.
1111 THIRD AVENUE, #3400
Seattle, Washington 98104-7006
(206) 386-5470


STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 19TH day of March, 2002, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Cory B. Zion, to me known to be the Successor Trustee that executed the foregoing instrument, and acknowledged the said instrument to be his free and voluntary act and deed for the uses and purposes therein mentioned.

Witness my hand and official seal hereto affixed the day and year first above written.



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Print name: DAVID CLAYTON
Notary Public in and for the State of Washington
Residing at EDMONDS
My Commission Expires: APRIL 19, 2002