

AFTER RECORDING RETURN TO:

MICHAEL J. BIRD, Attorney

P. O. BOX 10

GRANTS PASS, OR 97528

Re: Trust Deed from:

Nicholas Krusmark &
Kelly Maheu,

Grantor,

to

Aspen Title & Escrow, Inc.

Trustee,

State of Oregon, County of Klamath

Recorded 03/21/2002 3:12 p. m.

Vol M02. Pg 16698-16700

Linda Smith, County Clerk

Fec \$ 31.00 # of Pgs 3

NOTICE OF DEFAULT AND ELECTION TO SELL

REFERENCE is made to that certain Trust Deed made by **NICHOLAS KRUSMARK and KELLY MAHEU, not as tenants in common, but with rights of survivorship**, as grantor, and **ASPEN TITLE & ESCROW, INC.**, as trustee, in favor of **RON MILLER and JACKIE MILLER, TRUSTEES OF THE MILLER FAMILY TRUST U.A.D. July 25, 1989**, as beneficiary, dated August 15, 2001, recorded August 24, 2001, as Vol No. M01, Page 43325, Official Records of Klamath County, Oregon, covering the following described real property situated in the above-mentioned county and state, to-wit:

Lot 3, Block 100, BUENA VISTA ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the Office of the Clerk of Klamath County, Oregon.

The undersigned hereby certifies that no assignments of the aforementioned 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 in which the above-described real property is situated, further, that no action has been instituted to recover the debt, or any part thereof, now remaining secured by the aforementioned 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 aforementioned Trust Deed, or by the 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:

- (a) Monthly payments of \$641.47 each commencing September 24, 2001, and thereafter.
- (b) Unpaid taxes for 2001/2002, in the amount of \$182.23, plus interest thereon; 2001/2002 mobile home taxes in the amount of \$11.97, plus interest thereon;
- (c) Late penalty charges in the amount of \$32.08 for any payment that is more than 15 days late;
- (d) Municipal liens, if any, imposed by the City of Klamath Falls;

By reason of the default, the beneficiary has declared all sums owing on the obligations secured by the aforementioned Trust Deed immediately due and payable, those sums being the following, to-wit:

- (a) The principal sum of \$55,000.00 with accrued interest thereon at the rate of 14.000 percent per annum beginning 3/24/02, until paid;
- (b) Unpaid taxes for 2001/2002, in the amount of \$182.23, plus interest thereon; 2001/2002 mobile home taxes in the amount of \$11.97, plus interest thereon;
- (c) Late penalty charges in the amount of \$32.08 for any payment that is more than 15 days late;
- (d) Municipal liens, if any, imposed by the City of Klamath Falls;
- (e) Title expense, costs, trustee's fees and attorney's fees incurred herein by reason of said default; and any further sums advanced by the beneficiary for the protection of the above described real property and beneficiary's interest therein.
- (f) Any other defaults which may exist prior to the foreclosure sale not hereinabove mentioned for the protection of the above-described real property and beneficiary's interest therein.

Notice hereby is given that the beneficiary and trustee, by reason of the default, have elected and do hereby elect to foreclose the aforementioned 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 described 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 grantor's successor 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 August 6, 2002, at the front steps of Aspen Title & Escrow, Inc. 525 Main Street, Klamath Falls, Oregon, 97601, Klamath County, Oregon, which is the hour, date and place last set for the sale.

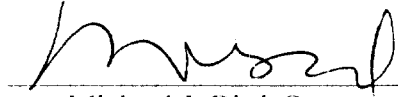
Other than as shown of record, neither the beneficiary nor the trustee has any actual notice of any person having or claiming to have any lien upon or interest in the real property hereinabove described subsequent to the interest of the trustee in the Trust Deed, or of any successor in interest to the grantor or of any lessee or other person in possession of or occupying the property, except: NONE.

Notice is further given that any person named in ORS 86.753 has the right, at any time prior to five (5) 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 tendering the performance required under the obligation or Trust Deed, and in addition to paying the 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 ORS 86.753.

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 an obligation, the performance of which is secured by the aforementioned Trust Deed, and the words "trustee" and "beneficiary" include their respective successors in

interest, if any.

DATED this 19th day of March 2002.

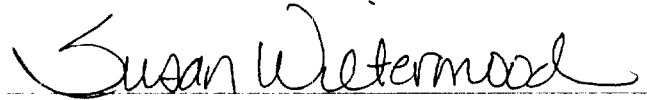


Michael J. Bird, Successor Trustee

STATE OF OREGON, County of Josephine) ss

On this 19th day of March, 2002, personally appeared the above named Michael J. Bird, and acknowledged the foregoing instrument to be his voluntary act and deed.

Before Me:



Notary Public for Oregon

My Commission Expires: 08/01/2003

