

AMENDED NOTICE OF DEFAULT AND ELECTION TO SELL

RE: Trust Deed from MARK E. GATES and JULIE M. GATES, Grantor.

To MICHAEL J. GROSPITCH and CLAUDIA J. GROSPITCH, husband and wife or the survivor thereof, Beneficiary

AFTER RECORDING RETURN TO:

cl | MacArthur & Bennett, P.C., Trustee
280 Main Street
Klamath Falls, OR 97601

State of Oregon, County of Klamath

Recorded 04/15/2003 12:26 p.m.

Vol M03 Pg 23850-53

Linda Smith, County Clerk

Fee \$ 36.00 # of Pgs 4

AMENDED NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to that certain trust deed made by MARK E. GATES and JULIE M. GATES, as grantor, to AMERITITLE, INC., trustee, in favor of MICHAEL J. GROSPITCH and CLAUDIA J. GROSPITCH, husband and wife or the survivor thereof as beneficiary, dated December 15, 1998, recorded December 31, 1998, in the mortgage records of Klamath County, Oregon, in book/reel/volume No. M98 at page 47970, covering the following described real property situated in said county and state, to-wit:

EXHIBIT "A".

Both the beneficiary and the trustee have elected to sell the said real property to satisfy the obligations secured by said trust deed and a notice of default has been recorded pursuant to ORS 86.735(3); the default for which foreclosure is made is grantor's failure to pay when due the following sums:

Payments in the amount of \$457.01 per month from April 2000 through January 2001 and May 2002 through the present.

Taxes for the fiscal year 1999-2000 delinquent in the sum of \$15.92, plus interest.

Taxes for the fiscal year 2000-2001 delinquent in the sum of \$620.47, plus interest.

Taxes for the fiscal year 2001-2002 delinquent in the sum of \$637.34, plus interest.

Taxes for the fiscal year 2002-2003 delinquent in the sum of \$666.42, 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: \$61,668.61 as of August 25, 2001, plus interest.

The Notice of Default and original Notice of Sale given pursuant thereto stated that the property would be sold at the hour of 10:00 o'clock, A.M., Standard Time as established by Section 187.110 of Oregon Revised Statutes on March 3, 2003, at the following place: 280 Main Street, in the City of Klamath Falls, County of Klamath, State of Oregon; however, subsequent to the recording of said Notice of Default the original sale proceedings were stayed by order of the court or by proceedings under the National Bankruptcy Act or for other lawful reason. The beneficiary did not participate in obtaining such

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stay. Said stay was terminated on April 11, 2003.

Wherefore, notice hereby is given that the undersigned trustee will hold the sell at the hour of 10:00 o'clock, A.M., Standard Time as established by Section 187.110 of Oregon Revised Statutes on June 16, 2003, at the following place: 280 Main Street, in the City of Klamath Falls, County of Klamath, State of Oregon, (which is the new date time and place fixed by the trustee for said sale) sell at public auction to the highest bidder for cash the interest in the said described real property which the grantor had or had power to convey at the time of the execution by grantor of the said trust deed, together with any interest which the grantor or grantor's successor in interest acquired after the execution of said trust deed, to satisfy the foregoing obligations thereby secured and the costs and expenses of sale, including a reasonable charge by the trustee.

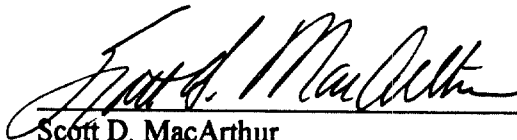
Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes has the right, at any time prior to five days before the trustee conducts the sale, to have this foreclosure proceeding dismissed and the trust deed reinstated by payment to the beneficiary of the entire amount 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.

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
Mark E. Gates 679 Longacre Lane Klamath Falls, OR 97601	Default upon Trust Deed
Julie M. Gates 679 Longacre Lane Klamath Falls, OR 97601	Default upon Trust Deed
Carter-Jones Collections 1143 Pine Street Klamath Falls, OR 97601	Judgment in the amount of \$1,527.85 Klamath County Case No. 0002294-CV Entered July 14, 2000
Cascade Collections, Inc., Assignee P.O. Box 3166 Salem, OR 97302	Judgment in the amount of \$4,873.05 Klamath County Case No. 0101131-CV Entered April 24, 2001

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 15, 2003

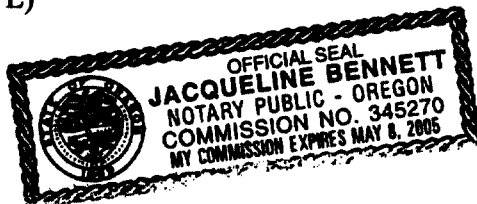


Scott D. MacArthur
Successor Trustee

STATE OF OREGON, County of Klamath) ss.

The foregoing instrument was acknowledged before me this 15th day of April, 2003,
by Scott D. MacArthur.

(S E A L)



Before me: 

Notary Public for Oregon

My Commission Expires: _____

EXHIBIT "A"
LEGAL DESCRIPTION

23853

PARCEL 1:

A tract of land situated in the SE1/4 of Section 7, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 3/4" iron pipe on the Northerly right of way line of Longacre Road, said pipe being the Southwest corner of Tract "E" according to the recorded Survey No. 627 of the Klamath County Surveyor's Records, and lying North along the quarter line a distance of 644.6 feet and North 59 degrees 53' 00" East along said right of way, a distance of 258.8 feet from the iron axle which marks the quarter section corner common to Sections 7 and 18, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence North 59 degrees 53' 00" East along said right of way line 162.20 feet to a 5/8" iron rod; thence North 20 degrees 50' 06" West a distance of 218.69 feet to a 5/8" iron rod; thence South 59 degrees 53' 00" West a distance of 39.60 feet to a 5/8" iron rod; thence South 06 degrees 04' 00" West along the West line of said Tract "E" of recorded Survey No. 627, a distance of 267.40 feet to the point of beginning.

PARCEL 2:

A tract of land situated in the SE1/4 of Section 7, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Commencing at a 3/4" iron pipe on the Northerly right of way line of Longacre Road, said pipe being the Southwest corner of Tract "E" according to the recorded Survey No. 627 of the Klamath County Surveyor's Records and lying North along the quarter line of a distance of 644.6 feet and North 59 degrees 53' 00" East along the said right of way, a distance of 258.8 feet from the iron axle which marks the quarter section corner common to Sections 7 and 18, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence North 59 degrees 53' 00" East along said right of way line 162.20 feet to a 5/8" iron rod at the true point of beginning; thence continuing North 59 degrees 53' 00" East a distance of 61.86 feet to a 3/4" iron pipe at the Southeast corner of Tract "F" of said recorded Survey No. 627; thence North 06 degrees 04' 07" East a distance of 481.65 feet to a 3/4" iron pipe at the Northeast corner of said Tract "F"; thence South 60 degrees 02' 18" West 223.97 feet to a 3/4" iron pipe at the Northwest corner of said Tract "E" thence South 06 degrees 04' 06" West a distance of 214.77 feet to a 5/8" iron rod on the West line of said Tract "E"; thence North 59 degrees 53' 00" East a distance of 39.60 feet to a 5/8" iron rod; thence South 20 degrees 50' 06" East a distance of 218.69 feet to the true point of beginning.

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