

NOTICE OF DEFAULT AND ELECTION TO SELL

RE: Trust Deed from Leonard A. Lewis, Grantor
To Fred A. Wallace and Patricia A. Wallace, Beneficiary

State of Oregon, County of Klamath
Recorded 04/17/2003 2:33 P.m.
Vol M03 Pg 24493-24495
Linda Smith, County Clerk
Fee \$ 21.00 # of Pgs 3

AFTER RECORDING RETURN TO:

OC Scott D. MacArthur,, Successor Trustee
MacArthur & Bennett, P.C.
280 Main Street
Klamath Falls, OR 97601

NOTICE OF DEFAULT AND ELECTION TO SELL

KNOW ALL MEN BY THESE PRESENTS, that LEONARD A. LEWIS, is the grantor, and ASPEN TITLE & ESCROW, INC., is the trustee, and FRED A. WALLACE and PATRICIA A. WALLACE, is the beneficiary under that certain trust deed dated November 21, 2001, and recorded on November 28, 2001, in book/reel/volume No. M01 at page 60525 of the Mortgage Records of Klamath County, Oregon.

Lots 15, 16, 17, 18, 19, 20, 21 and 22, Block 12 of INDUSTRIAL 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.

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 \$663.72 per month from February, 2002, May, 2002 and August, 2002 through the present.

Taxes for the year 2002-2003, delinquent in the amount of \$1,062.72 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: \$59,944.22 as of May 19, 2002, 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

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Sections 86.705 to 86.795, and to cause to be sold at public auction to the highest bidder for case 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 August 25, 2003, 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:

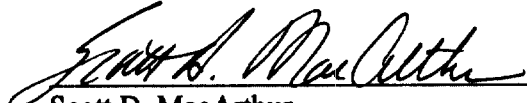
| NAME AND LAST KNOWN ADDRESS | NATURE OF RIGHT, LIEN OR INTEREST |
|---|--|
| Leonard A. Lewis 1726 Menlo Way Klamath Falls, OR 97601 | Default upon Trust Deed |
| Susan D. Wood 912 Susan Lee Lane Modesto, CA 95351 | Inferior Deed of Trust Dated November 8, 2001 Recorded November, 2001 M01 at Page 60527, Klamath County |
| Billy A. Wood 715 E. Sunrise Road Roswell, NM 88201 | Inferior Deed of Trust Dated November 8, 2001 Recorded November, 2001 M01 at Page 60527, Klamath County |

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: April 17, 2003.




Scott D. MacArthur
Successor Trustee

STATE OF OREGON, County of Klamath) ss.

The foregoing instrument was acknowledged before me this 17th day of April, 2003,
by Scott D. MacArthur.

(SEAL)

Before me: 
Notary Public for Oregon
My Commissioner Expires: March 19, 07

