

AFTER RECORDING RETURN TO:  
Hershner, Hunter, Andrews,  
Neill & Smith, LLP  
Attn: Carol B. Mart  
P.O. Box 1475  
Eugene, OR 97440

MTC - 61812

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**TRUSTEE'S NOTICE OF DEFAULT AND ELECTION TO SELL**  
**UNDER TERMS OF TRUST DEED**

03 JUL 18 AM 11:44

The Trustee under the terms of the Trust Deed described herein, at the direction of the Beneficiary, hereby elects to sell the property described in the Trust Deed to satisfy the obligations secured thereby. Pursuant to ORS 86.745, the following information is provided:

1. PARTIES:

Grantor: FRANCISCO VILLANUEVA-LOPEZ  
Trustee: WILLIAM L. SISEMORE  
Successor Trustee: NANCY K. CARY  
Beneficiary: KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION

2. DESCRIPTION OF PROPERTY: The real property is described as follows:

Lot 615, Block 128, MILLS 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.

3. RECORDING. The Trust Deed was recorded as follows:

Date Recorded: August 16, 1996  
Volume M-96, Page 25406  
Official Records of Klamath County, Oregon

State of Oregon, County of Klamath  
Recorded 07/18/2003 11:44 a m.  
Vol M03 Pg 50533  
Linda Smith, County Clerk  
Fee \$ 21.00 # of Pgs 1

4. DEFAULT. The Grantor or any other person obligated on the Trust Deed and Promissory Note secured thereby is in default and the Beneficiary seeks to foreclose the Trust Deed for failure to pay: Monthly payments in the amount of \$531.00 each, due the 10th of each month, for the months of April through July 2003; plus late charges and advances; plus any unpaid real property taxes or liens, plus interest.

5. AMOUNT DUE. The amount due on the Note which is secured by the Trust Deed referred to herein is: Principal balance in the amount of \$43,498.84 plus interest at the rate of 8.125% per annum from March 10, 2003; plus late charges of \$73.52; plus advances and foreclosure attorney fees and costs.

6. ELECTION TO SELL. The Trustee hereby elects to sell the property to satisfy the obligations secured by the Trust Deed.

7. TIME OF SALE.

Date: December 4, 2003  
Time: 11:05 a.m. as established by ORS 187.110  
Place: Front of the Klamath County Courthouse, 316 Main Street, Klamath Falls, Oregon

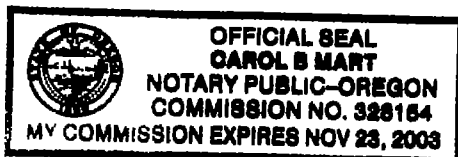
8. RIGHT TO REINSTATE. Any person named in ORS 86.753 has the right, at any time prior to five days before the Trustee conducts the sale, to have this foreclosure dismissed and the Trust Deed reinstated by payment to the Beneficiary of the entire amount then due, other than such portion of the principal as would not then be due had no default occurred, by curing any other default that is capable of being cured by tendering the performance required under the obligation or Trust Deed and by paying all costs and expenses actually incurred in enforcing the obligation and Trust Deed, together with the trustee's and attorney's fees not exceeding the amount provided in ORS 86.753.

DATED: July 16, 2003.

STATE OF OREGON )  
 ) ss.  
COUNTY OF LANE )

Nancy K. Cary, Successor Trustee

The foregoing instrument was acknowledged before me on July 16, 2003, by NANCY K. CARY.



Notary Public for Oregon  
My Commission Expires: 11-23-03

TRUSTEE'S NOTICE OF DEFAULT AND ELECTION  
TO SELL UNDER TERMS OF TRUST DEED