

State of Oregon, County of Klamath
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 Linda Smith, County Clerk
 Fee \$ 3/00 # of Pgs 3

Aspen 85209

**TRUSTEE'S NOTICE OF DEFAULT
 AND ELECTION TO SELL**

John M. Kohler, Sr., as grantor, made, executed and delivered to Aspen Title and Escrow, Inc., as trustee, to secure the performance of certain obligations including the payment of the principal sum of \$9,000.00, in favor of Vernon G. Ludwig and Ofelia Ludwig, husband and wife, as beneficiary, that certain trust deed dated November 18, 1998, and recorded November 20, 1998, in the official records of Klamath County, Oregon, in Book M-98, Page 42597, covering the following described real property situated in said county:

Lot 9, HAGER ACRES, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

Together with a 1971 Fleetwood Manufactured Structure, Plate No. X 13322
 VIN S12945.

There is a default by the grantor owing the obligations in that the grantor has failed to pay, when due, the entire principal and interest, which debt matured November 19, 2003. Grantor's failure just described is the default for which the foreclosure mentioned below is made, in addition to Grantor's failure to pay delinquent personal property taxes for fiscal tax years 1999-00, 2000-01, 2001-02, 2002-03, 2003-04 and real property taxes for tax years 2000-01, 2001-02, 2002-03, 2003-04.

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

\$9,497.78, together with interest thereon at the rate of 12% per annum from May 11, 2003, until paid, plus a late fee of \$4.50 for each payment not made within 15 days of its due date, plus trustee's fees, attorney's fees, foreclosure costs and any sums advanced by the beneficiary pursuant to the terms of said trust deed.

Notice hereby is given that the undersigned, by reason of said default, has elected and hereby does elect to foreclose said trust deed by advertisement and sale pursuant to Oregon Revised Statutes Section 86.705 to 86.795, and to cause to be sold at public auction to the highest bidder for cash 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 a reasonable charge by the trustee as provided by law, and the reasonable fees of trustee's attorneys.

Trustee's Notice of Default and
 Election to Sell -1-

LAW OFFICES OF
 DAVIS, GILSTRAP, HEARN, SALADOFF & SMITH
 A Professional Corporation
 515 EAST MAIN STREET
 ASHLAND, OREGON 97820
 (541) 482-3111 FAX (541) 488-4455

Said sale will be held at the hour of 10:00 o'clock, a.m., Pacific Daylight Time, as established by Section 187.110 of Oregon Revised Statutes, on April 20, 2004, at the following place: The offices of Aspen Title, 525 Main Street in Klamath Falls, Oregon, 97601.

Other than as shown of record, the trustee has no 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

John M. Kohler, Sr.
4751 Bellm Drive, Space #39
Klamath Falls, OR 97603

Fee Simple, Grantor

Klamath County Tax Assessor
Klamath County Courthouse
603 Main Street
Klamath Falls OR 97601

County Tax Warrants

Fireside Thrift Company
P O Box 9080
Pleasanton CA 94566

Judgment Lien Holder

Enterprise Irrigation District
4806 Highway 39
Klamath Falls, OR 97603

Lien Claimant

Verna E. and Norma E. Kohler
7341 Hager Way
Klamath Fall, OR 97603

Owners of Manufactured Home

Klamath Irrigation District
6640 KID Lane
Klamath Falls, OR 97603

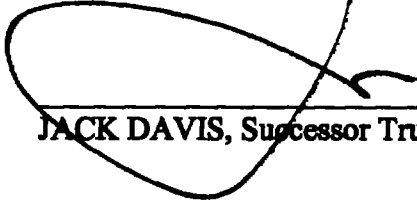
Lien Claimant

Notice is further given that any person named in Section 86.760 of Oregon Revised Statutes has the right to have the foreclosure proceeding dismissed and the trust deed reinstated by payment of the entire amount due (other than such portion of said principal as would not then be

due had no default occurred), together with costs, trustee's and attorney's fees, at any time prior to five days before the date set for said sale.

DATED this 9th day of November, 2003.

DAVIS, GILSTRAP, HEARN,
SALADOFF & SMITH
A Professional Corporation



JACK DAVIS, Successor Trustee

STATE OF OREGON)
) §
COUNTY OF JACKSON)

Personally appeared the above-named JACK DAVIS and acknowledged the foregoing instrument to be his voluntary act and deed. Before me:



Notary Public for Oregon

My Commission Expires: 9/17/06

