

03DEC10 PM11:04

WTC-63601

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AFTER RECORDING RETURN TO:  
Hershner, Hunter, Andrews,  
Neill & Smith, LLP  
Attn: Carol B. Mart  
P.O. Box 1475  
Eugene, OR 97440  
(TS #21669.30036)

State of Oregon, County of Klamath  
Recorded 12/10/03 11:01 a m  
Vol M03 Pg 90118-20  
Linda Smith, County Clerk  
Fee \$ 3.00 # of Pgs 3

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

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:	DALE R. HILL, DVM and NANCY HILL
Trustee:	PACIFIC CASCADES FINANCIAL INC.
Successor Trustee:	NANCY K. CARY
Beneficiary:	KLAMATH FIRST FEDERAL SAVINGS & LOAN ASSOCIATION

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

As described on the attached Exhibit A.

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

Date Recorded: February 22, 2002  
Volume M02, Page 10826  
Official Records of Klamath County, Oregon

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 \$1,648.79 each, due the 25th of each month, for the months of September through December 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 \$201,782.83 plus interest at the rate of 8.3% per annum from August 25, 2003; plus late charges of \$247.29; 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: April 22, 2004  
Time: 11:00 a.m. as established by ORS 187.110  
Place: Front of the Klamath County Courthouse, 316 Main Street, Klamath Falls, Oregon

31.00  
am

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.

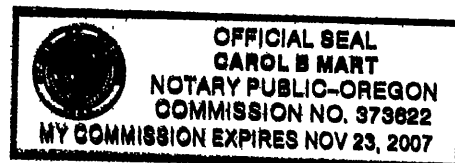
DATED: December 9, 2003.

STATE OF OREGON     )  
                              ) ss.  
COUNTY OF LANE     )

  
\_\_\_\_\_  
Nancy K. Cary, Successor Trustee

The foregoing instrument was acknowledged before me on December 9, 2003, by NANCY K. CARY.

  
\_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires: 11-23-07



90120

A parcel of land situated in the NE1/4 SW1/4 of Section 1, Township 39 South, Range 9 East, Willamette Meridian, more particularly described as follows:

Beginning at a point which bears North 0° 51' West 462.3 feet, North 89° 06' East 262.2 feet, and South 46° 09' East 198.4 feet from the Southwest corner of said NE1/4 SW1/4; thence continuing South 46° 09' East a distance of 106.0 feet to the TRUE POINT OF BEGINNING of this description; thence continuing South 46° 09' East a distance of 124.0 feet to a 5/8 inch iron pin; thence North 43° 51' East a distance of 384.0 feet to the Southerly right-of-way line of the Klamath Falls-Lakeview Highway, 30 feet Southwesterly at right angles from its center-line; thence North 46° 09' West, along said right-of-way line, a distance of 124.0 feet to a 1/2 inch iron pin; thence South 43° 51' West a distance of 384.0 feet, more or less, to the point of beginning. EXCEPTING THEREFROM that portion thereof conveyed to STATE OF OREGON, by and through its Department of Transportation, Highway Division, by deed recorded in Volume M-73, page 15379, Microfilm Records of Klamath County, Oregon.

Tax Account No.: 3909-001CA-01700-000

Key No.: 508114

EXHIBIT A