

**NOTICE OF DEFAULT AND ELECTION TO SELL**

Re: Trust Deed From  
John W. Miller, Grantor  
To

State of Oregon, County of Klamath  
Recorded 01/09/2004 10:22 a.m.  
Vol M04 Pg 1033-33  
Linda Smith, County Clerk  
Fee \$ 3.00 # of Pgs 3

First American Title Co., Trustee

After recording return to:

**Michael L. Spencer**  
419 Main St.  
Klamath Falls, OR 97601

Reference is made to that certain trust deed made by John W. Miller, as grantor, to First American Title Co. as trustee, in favor of BRC Funding Corporation, as beneficiary, dated May 23, 2002, recorded June 18, 2002, in the mortgage records of Klamath County, Oregon, in Vol. No. M02 at page 35431-33, or as No. , covering the following described real property situated in said county and state, to-wit:

See attached Exhibit A

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 except as permitted by ORS 86.735(4).

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: \$250 per month for July 2003, August 2003, September 2003, October 2003, November 2003, December 2003 and January 2004

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: \$24,739.98 plus interest from 12/31/03 together with the costs of sale.

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 ORS 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 grantor of the trust deed, together with any interest the grantor or grantor's 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 compensations of the trustee as provided by law, and the reasonable fees of trustee's attorneys.

Said sale will be held at the hour of 10:00 o'clock, A.M., in accord with the standard of time established by ORS 187.110 on May 17, 2004, at the following place: 419 Main Street in the City of Klamath Falls, County of Klamath, State of Oregon, which is the hour, date and place last set for said sale.

Other than as shown of record, neither the said beneficiary nor 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:

31v

NATURE OF RIGHT, LIEN OR INTEREST:

01034

Notice is further given that any person named in ORS 86.753 has the right, at any time prior to five days before the date last set for 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 ORS 86.753.

In construing this notice, 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.

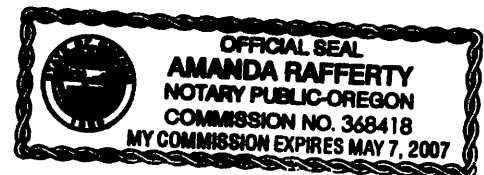
DATED: January 9, 2004

  
Michael L. Spencer, Successor Trustee

STATE OF OREGON, County of Klamath)ss.

This instrument was acknowledged before me on January 9, 2004, by Michael L. Spencer.

  
Notary Public for Oregon  
My Commission expires May 7<sup>th</sup>, 2007 <sup>AK</sup>



DESCRIPTION

The following described real property situate in Klamath County, Oregon:

Parcel 1:

The Southerly 110 feet of the N $\frac{1}{2}$  S $\frac{1}{2}$  SW $\frac{1}{4}$  NE $\frac{1}{4}$  SE $\frac{1}{4}$  of Section 6, Township 35 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon. EXCEPT that portion lying East of Sprague River.

Parcel 2:

The Northerly 55 feet of the N $\frac{1}{2}$  S $\frac{1}{2}$  SW $\frac{1}{4}$  NE $\frac{1}{4}$  SE $\frac{1}{4}$ , in Section 6, Township 35 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon. Excepting that part that lays East of the Sprague River.

That portion of the S $\frac{1}{2}$  N $\frac{1}{2}$  S $\frac{1}{2}$  NE $\frac{1}{4}$  SE $\frac{1}{4}$  that lays East of the access road, and West of the Sprague River, in Section 6, Township 35 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

Parcel 3:

That part of the S $\frac{1}{2}$  N $\frac{1}{2}$  S $\frac{1}{2}$  NE $\frac{1}{4}$  SE $\frac{1}{4}$  that lays West of the access road as now located on the said property.

TOGETHER WITH a 10 foot wide easement for access to the Sprague River along the South boundary of that part of the S $\frac{1}{2}$  of the N $\frac{1}{2}$  of the S $\frac{1}{2}$  of the NE $\frac{1}{4}$  of the SE $\frac{1}{4}$  that lays East of said access road and West of the Sprague River, in Section 6, Township 35 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.