

AFTER RECORDING RETURN TO:
Hershner, Hunter, Andrews,
Neill & Smith, LLP
Attn: Carol B. Mart
P.O. Box 1475
Eugene, OR 97440
(TS #21669.30039)

State of Oregon, County of Klamath
Recorded 02/02/2004 11:25 a m
Vol M04 Pg 6287-89
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: ROOKSTOOL & ALTER, A CO-PARTNERSHIP CONSISTING OF
JACK L. ROOKSTOLL and MARTIN D. ALTER
Trustee: WILLIAM L. SISEMORE
Successor Trustee: NANCY K. CARY
Beneficiary: STERLING SAVINGS BANK, successor to Klamath First Federal
Savings and 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: March 31, 1992
Volume M92, Page 6602
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 \$2,390.93 each, due the 20th of each month, for the months of November 2003 through January 2004; 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 \$176,205.37 plus interest at the rate of 9.875% per annum from October 20, 2003; plus late charges of \$1,912.64; 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.

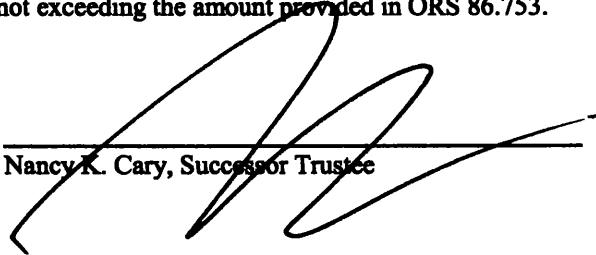
7. TIME OF SALE.

Date: June 10, 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

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: January 29, 2004.

STATE OF OREGON)
) ss.
COUNTY OF LANE)



Nancy K. Cary, Successor Trustee

The foregoing instrument was acknowledged before me on January 29, 2004, by NANCY K. CARY.



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



Exhibit "A"

Real property in the County of Klamath, State of Oregon, described as follows:

A portion of the SE 1/4 NW 1/4 of Section 2, Township 39 South, Range 9 E. W. M., more particularly described as follows: Beginning at a one-inch axle marking the Southwesterly corner of Lot 82 of Pleasant Home Tracts, a duly recorded Subdivision; thence North 89°24'30" East along the Southerly boundary of said Lot 82 and said Pleasant Home Tracts a distance of 660.20 feet to a 3/4 inch iron pipe; thence South 00°35'00" East a distance of 1301.82 feet to the Northerly right of way line of South Sixth Street (State Highway No. 140); thence North 88°59'04" East along said Northerly right of way line 102.50 feet to a P-K Nail; thence North 00°35'00" West a distance 115.88 feet to the true point of beginning of this description; thence continuing North 00°35'00" West 153.05 feet to a P-K Nail; thence North 45°25'00" East 27.79 feet to a P-K Nail; thence South 88°35'00" East 122.52 feet to a P-K Nail on the Easterly line of that parcel of land as described in Deed Volume M72 page 760, records of Klamath County, Oregon; thence South 00°35'00" East along said Easterly line a distance of 167.00 feet; thence South 88°59'04" West a distance of 142.50 feet to the true point of beginning. Bearings based on Survey No. 1480 as recorded in the office of the Klamath County Surveyor.

SAVING AND EXCEPTING the following described parcel of real property:

A portion of the SE 1/4 NW 1/4, Section 2, Township 39 South, Range 9 East of the Willamette Meridian, more particularly described as follows: Beginning at a 1 inch axle marking the Southwesterly corner of Lot 82, Pleasant Home Tracts, a duly recorded subdivision; thence North 89°24'30" East along the Southerly boundary of said Lot 82 and said Pleasant Home Tracts a distance of 660.20 feet to a 3/4 inch iron pipe; thence South 00°35'00" East a distance of 1301.82 feet to the Northerly right of way line of South Sixth Street (State Highway No. 140); thence North 88°59'04" East along said Northerly right of way line 102.50 feet to a P-K Nail; thence North 00°35'00" West a distance of 115.88 feet to the true point of beginning of this description, as marked by a 1/2 inch iron pin; thence North 88°59'04" East 142.50 feet to a 1/2 inch iron pin on the Easterly line of that parcel of land as described in Deed Volume M72 page 760, records of Klamath County, Oregon; thence along said Easterly line North 00°35'00" West 38.55 feet to a 5/8 inch iron pin; thence South 89°25'00" West 142.52 feet to a 5/8 inch iron pin; thence South 00°35'00" East 39.47 feet to the true point of beginning, containing 5559.71 square feet more or less, with bearings based on Survey No. 1480 as recorded in the office of the County Surveyor.

NOTE: There is an easement appurtenant to the above described property, said easement is described as follows: TOGETHER WITH an easement and right of way along and upon a strip 30 feet in width lying adjacent to and parallel with the Westerly boundary line of the above described property and extended Southerly to the North line of South Sixth Street, for ingress to and egress from said property.

Tax Parcel Number: 517453