

State of Oregon, County of Klamath
Recorded 12/10/04 2:40 p m
Vol M04 Pg 84857-58
Linda Smith, County Clerk
Fee \$ 26.00 # of Pgs 2

NOTICE OF DEFAULT AND ELECTION TO SELL - UNDER TRUST DEED

Trust Deed From:

Russell Mailloux and Larry Caldwell*

Grantor

To:

Aspen Title & Escrow Co.**

Trustee

In Favor of:

The Heirs and Devisees of Louis William Lowe***

Beneficiary

THIS Notice of Default and Election to Sell covers the following real property situated in the county and state, to wit:

Tract 34, PLEASANT HOME TRACTS NO. 2, in the County of Klamath, State of Oregon.

CODE 41, MAP 3909-2AD, TL 5600

*Which Grantors granted to Grover W. Risner and Mary E. Risner by Warranty Deed dated February 26, 2001 and recorded February 28, 2001 at Volume M01 at Page 7800, in the mortgage records of Klamath County, Oregon, which said Grantors, under Warranty Deed dated March 18, 2002 and recorded at Volume M02 at Page 17302, in the mortgage records of Klamath County, Oregon, granted to Harlan K. Watson and Melissa A. Watson.

**Which duties were assumed by Bradford J. Aspell, OSB# 74015, 122 South 5th Street, Klamath Falls, Oregon, 97601, an active member of the Oregon State Bar, by Assignment of Successor Trustee dated November 19, 2004, and recorded December 1, 2004, at Volume M04 at Page 82679, in the mortgage records of Klamath County, Oregon.

***Which interest was transferred to John R. Gallagher, by Assignment of Trust Deed by Beneficiary or Beneficiary's Successor in Interest dated August 14, 2000, and recorded August 16, 2000, at Volume M00 at Page 30062, in the mortgage records of Klamath County, Oregon.

Notice is hereby given by the undersigned trustee that under the trust deed, made, executed, and delivered by Russell Mailloux and Larry Caldwell, Beneficiary herein, to Aspen Title and Escrow as Trustee on February 1, 2000, covering certain real property described above to secure certain obligations in favor of The Heirs and Devisees of Louis William Lowe as Beneficiary, the trust deed being recorded on February 1, 2000, at Volume M00 Page 4420-4421, in the office of the Klamath County Recorder of Klamath County, State of Oregon, a breach of the obligations for which the trust deed is security has occurred in that default has been made in the payment of interest on the installment note secured by the trust deed, and that the undersigned Bradford J. Aspell, Successor Trustee herein, has elected to consider all of the principal and interest due in consequence of the default, according to the terms of the installment note and trust deed, and has elected to sell or cause to be sold the real property described in the trust deed to satisfy the obligation.

There are no assignment of the trust deed by the trustee or by the Beneficiary and no appointments of a Successor Trustee have been made, excepting those made in the deed records of the Klamath County Recorder, Klamath County, Oregon. Further, no actions have been commenced to recover the debt, or any part thereof, now remaining secured by the installment note and trust deed except as allowed under ORS 86.735(4). The following sums are now due and owing by the Grantors, Russell Mailloux and Larry Caldwell as follows:

- 1) \$43,687.61 plus interest at the rate of 8% per annum, from March 10, 2004;
 - 2) Real Property taxes for the year 2002-2003 in the amount of \$364.07; plus interest at 1.333% per month;
 - 3) Real Property taxes for the year 2003-2004 in the amount of \$753.91; plus interest at 1.333% per month;
 - 4) Real Property taxes for the year 2004-2005 in the amount of \$833.62, plus interest at 1.333% per month.
- Total amount due and owing: \$45,639.21.**

cc:

Deane McGraw

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Now therefore, pursuant to ORS 86.705 through 86.795, notice is hereby duly given that the Successor Trustee and Beneficiary herein, have elected to foreclose the trust deed by advertisement and sale to satisfy the obligations secured by the trust deed together with the expenses of the sale, including reasonable attorney's fees incurred herein. The sale will be conducted at:

10:00 o'clock a.m., as noted in ORS 187.110 on the 16th day of May, 2005, at the entry foyer, Klamath County Courthouse, 316 Main Street, Klamath Falls, Oregon, 97601, County of Klamath, State of Oregon. All persons who are entitled to notice are as follows:

Name and Last Known Address:

Nature of Right, Lien or Interest:

Russell Mailloux
P.O. Box 5080
Klamath Falls, OR 97601

Grantor of primary trust deed

Larry Caldwell
P.O. Box 5080
Klamath Falls, OR 97601

Grantor of primary trust deed

Sandra Simmons
3004 Western Street
Klamath Falls, OR 97603

Beneficiary of subordinate trust deed

Grover W. Risner
P.O. Box 400
Midland, OR 97634

Beneficiary of second subordinate trust deed

Mary E. Risner
P.O. Box 400
Midland, OR 97634

Beneficiary of second subordinate trust deed

Harlan K. Watson
5454 Miller Avenue
Klamath Falls, OR 97601

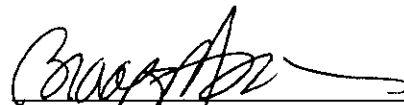
Grantor of second subordinate trust deed and holder of legal title

Melissa A. Watson
5454 Miller Avenue
Klamath Falls, OR 97601

Grantor of second subordinate trust deed and holder of legal title

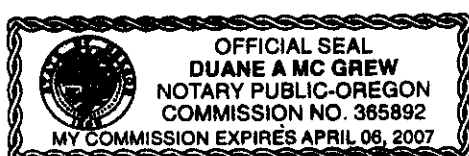
In accordance with ORS 86.753, any person named thereof, has the right, at any time before five (5) days, prior to the date last set for this sale as referenced above, to have this foreclosure action dismissed and the trust deed reinstated by payment to the beneficiary of the full amount as due (other than such part of the principal amount as would not then of been due had no default occurred) and by remedying any other default as set forth herein, under the terms of the of the trust deed, in addition to paying all actual costs and expenses incurred in enforcing the obligations and trust deed, including all attorney's fees as set forth in ORS 86.753.

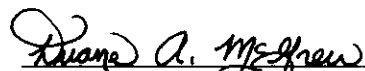
DATED this 10 day of December, 2004.


Bradford J. Aspell, Successor Trustee

STATE OF OREGON)
) ss.
County of Klamath)

SUBSCRIBED AND SWORN to before me this 10th day of December, 2004 by Bradford J. Aspell as Successor Trustee.




Duane A. McGrew
Notary Public for Oregon
My Commission Expires: 4/6/2007