

After recording, return to:
Gerald M. Shean, III
Attorney at Law
145 S. Holly, Suite "B"
Medford, OR 97501

State of Oregon, County of Klamath
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Linda Smith, County Clerk
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NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to that certain Trust Deed made by Chanhpheth Phetsinorath and Thongphanh Phetsinorath, as grantors, to Aspen Title & Escrow, Inc, as trustee, in favor of Gary E. Adkins and Joan H. Adkins, as beneficiaries, dated June 7, 1999, recorded June 8, 1999, in the Records of Klamath County, Oregon, in Volume M99, Page 22472, covering the following described real property situated in the above-mentioned county and state, to-wit:

Lot 26, Block 305, DARROW ADDITION TO THE CITY OF KLAMATH FALLS,
in the County of Klamath, State of Oregon.
Map R38W09-33DD, TL 2500

The undersigned hereby certifies that no assignments of the trust deed by the trustee or by the beneficiaries and no appointments of a successor trustee have been made, except as recorded in the Records of the county or counties in which the above-described real property is situated. Further, no action has been instituted to recover the debt, or any part thereof, now remaining secured by the 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 grantors or other person owing an obligation, performance of which is secured by the trust deed, or by the 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 grantors' failure to pay when due the sum of \$449.87 due November 8, 2004 and \$449.87 due December 8, 2004.

By reason of the default, the beneficiaries have declared all sums owing on the obligation secured by the trust deed immediately due and payable, those sums being the following: \$45,852.63 principal balance on the note, plus interest at the rate of 9% per annum from October 14, 2004 until paid, plus the beneficiaries' attorney fees and collection costs.

Notice hereby is given that the beneficiaries and trustee, by reason of the default, have elected and do hereby elect to foreclose the 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 described property which grantors had, or had the power to convey, at the time of the execution by grantors of the trust deed, together with any interest grantors or grantors' successor in interest acquired after the execution of the trust deed, to satisfy the obligations secured by the 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.

This sale will be held at the hour of ten o'clock, A.M. (10:00), in accord with the standard of time established by ORS 187.110 on Tuesday, April 26, 2005, at the following place: The front entrance to the

Klamath County Courthouse, 316 Main Street, Klamath Falls, County of Klamath, State of Oregon, which is the hour, date and place last set for the sale.

Other than as shown of record neither the beneficiaries nor the trustee have 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 grantors 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
Oregon Account Systems, Inc.	\$5,191 judgment
State of Oregon	\$1,285 judgment
Oregon Youth Authority	\$132 per month child support judgment
State of Oregon	\$825 judgment

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 beneficiaries 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 the 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 fees not exceeding the amounts provided by ORS 86.753. The mailing address of the trustee is PO Box 789, Medford, OR 97501.

In construing this notice, the singular includes the plural, the word "grantors" includes any successor in interest to the grantors as well as any other person owing an obligation, the performance of which is secured by the trust deed, and the words "trustee" and "beneficiaries" include their respective successors in interest, if any.

Dated December 14, 2004.

Gerald M. Shean

Successor Trustee

STATE OF OREGON)
) ss.
County of Jackson)

Gerald M. Shean acknowledged this instrument before me on December 14, 2004, as Successor Trustee.

Margaret I. Wahl

Notary Public for Oregon

My commission expires: 5/16/2006

