

After recording, return to:
William M. Ganong
Attorney at Law
514 Walnut Avenue
Klamath Falls OR 97601

NOTICE OF DEFAULT AND ELECTION TO SELL

Pursuant to ORS 86.705-795, the undersigned Trustee and the Beneficiary have elected to foreclose the following described Trust Deed in the manner provided by said statute.

1. A. Grantor: Cheryl A. Lazerman
B. Trustee: William M. Ganong
C. Beneficiary: Brian L. Curtis and Dolores Curtis
2. The legal description of the property covered by the subject Trust Deed is:

Lot 4, Block 47, KLAMATH FALLS FOREST ESTATES
HIGHWAY 66 UNIT, PLAT NO. 2, according to the
official plat thereof on file in the office of the
Clerk of Klamath County, Oregon.

Klamath County Assessor's Account Nos.
3811-015BO-03800 and Property ID No. 469004 and
3811-015BO-03700 and Property ID No. 468997

The book, page number, and the date the subject Trust Deed was recorded in the Mortgage Records of Klamath County, Oregon are:

Book: M05 Page: 66842 Date Recorded: October 18, 2005

3. The default for which the foreclosure is made is the Grantor's failure to pay any of the monthly installments of \$525.67 due and payable since January 18, 2006, and Grantor's failure to keep the property insured.
4. The principal and interest owing on the obligation secured by the subject Trust Deed as of January 18, 2006 is \$43,980.74, plus interest at the Note rate of 12.0% from December 16, 2005, and monthly late fees of \$26.28 for each month a payment is 15 days late, until paid in full. Also owing is the sum of \$400.64 for the insurance premium paid for by the beneficiaries.
5. The Beneficiary and the Trustee have elected to foreclose the above referenced Trust Deed pursuant to the provisions of Oregon Revised Statutes 86.705 to 86.795.
6. The Trustee will conduct a sale of the above described property at 10:00 a.m. on the 28th day of July, 2006 at the front entrance to the office of William M. Ganong at 514 Walnut Avenue, Klamath Falls, Oregon.

7. Pursuant to ORS 86.753, the Grantors, the Grantors' successor in interest to all or any part of the above described property, any beneficiary under a subordinate Trust Deed, or any person having a subordinate lien or encumbrance of record on the property, may cure the default or defaults at any time prior to five days before the above said date of sale by paying the entire amount due at the time of cure under the terms of the obligation, other than such portion as would not then be due had no default occurred. In addition, the person affecting the cure shall pay all costs and expenses actually incurred in enforcing the obligation and Trust Deed, together with the Trustee's and attorney's fees specified in the said statute.

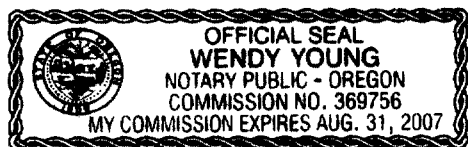
In construing this instrument, the masculine gender includes the feminine and the neuter, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor as well as any other persons owing an obligation, the performance of which is secured by said Trust Deed, the words "trustee" and "beneficiary" include their respective successors in interest, if any.

Dated this 13th day of March, 2006.

William M. Ganong
William M. Ganong, Trustee

STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on March 13, 2006 by William M. Ganong as Trustee.



Wendy Young
Notary Public for Oregon
My commission expires: 8.31.2007