

mtc-74980

M06-10881

Klamath County, Oregon

05/30/2006 03:31:17 PM

Pages 2 Fee: \$26.00

RETURN TO:

Brandsness, Brandsness, Rudd & Bunch, P.C.

411 Pine Street

Klamath Falls, OR 97601

mtc 74980

**NOTICE OF DEFAULT
AND ELECTION TO SELL AND OF SALE**

Reference is made to a certain trust deed ("Trust Deed") made, as follows:

10 Bears of Chiloquin, Inc., an Oregon corporation, Grantor; AmeriTitle, Trustee; and Taylor A. Day and Lisa I. Day, husband and wife, Beneficiary, Memorandum of which recorded in Official/Microfilm Records, Volume M04, Page 30782, Klamath County, Oregon, covering the following-described real property in Klamath County, Oregon, commonly known as 33551 Highway 97 North, Chiloquin, OR 97624 ("Property"):

See Exhibit "A" attached hereto and incorporated herein by reference.

The defaults for which foreclosure is made is grantor's failure to pay when due the following sums:

Failed to make the monthly payment due March 17, 2006 and the 17th day of each month thereafter; failed to make the April 2006 and May 2006 payments due on the first position deed of trust; failed to pay 2005-2006 Klamath County Real Property Taxes; failed to provide Beneficiary proof of insurance.

By reason of said defaults, the beneficiary has declared all sums owing on the obligations secured by said Trust Deed immediately due and payable, said sums being the following, to-wit:

Principal in the amount of \$759,363.50 plus interest at the rate of 8% per annum from April 10, 2006; unpaid interest of \$4,763.75; \$7,998.04 reimbursement to Beneficiary for payment of April 2006 and May 2006 payments on the first position deed of trust; 2005-2006 Klamath County Real Property Taxes in the total amount of \$4,998.01 plus interest, plus trustee's fees, attorney's fees, foreclosure costs and any further sums advanced by beneficiary pursuant to the terms of said trust deed.

WHEREFORE, notice hereby is given that the undersigned trustee will, on October 17, 2006, at the hour of 10:00 a.m. o'clock a.m., in accord with the standard of time established by ORS 187.110, at the following place: Offices of Brandsness, Brandsness & Rudd, P.C., 411 Pine Street, Klamath Falls, Oregon, sell at public auction to the highest bidder for cash the interest in the above-described Property, which the grantor had or had power to convey at the time of the execution by grantor of the said Trust Deed, together with any interest which the grantor or grantor's successors in interest acquired after the execution of the Trust Deed, to satisfy the obligations thereby secured and the costs and expenses of sale, including a reasonable charge by the trustee. 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 sum 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 each and every grantor, any successor in interest to the grantor as well as any other person owing an obligation, the performance of which is secured by said Deeds of Trust, and the words "trustee" and "beneficiary" include their respective successors in interest, if any.

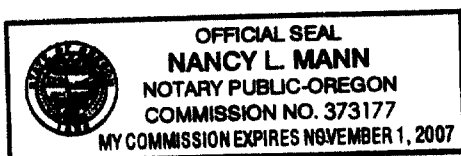
Dated: May 30, 2006.




Andrew C. Brandsness, Successor Trustee
411 Pine Street
Klamath Falls, OR 97601

STATE OF OREGON)
) ss.
County of Klamath)

Personally appeared before me this 30 day of May, 2006, the above-named Andrew C. Brandsness and acknowledged the foregoing instrument to be his voluntary act and deed.




Notary Public for Oregon
My Commission expires: 11-1-07

26.00

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

All of Government Lots 2, 3, 9, 14, 40 and 41 in Section 21, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying East of Highway 97 and Northwesterly of the Williamson River.

PARCEL 2:

A part of Lots 33 and 32, Section 16, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying East of U.S. Highway Number 97 and being more particularly described as follows:

Beginning at the quarter section corner on the South boundary of Section 16, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon; thence North along the center section line of Section 16 a distance of 1320.0 feet to the Northwest corner of Lot 33, which corner is marked with a 3/4 inch iron pipe; thence East along the North boundary of Lot 33 a distance of 323.30 feet more or less to a point on the Easterly right of way boundary of U.S. Highway Number 97, which point is marked with a 3/4 inch iron pipe; thence South 2° 22' West along said right of way boundary a distance of 333.30 feet to a 3/4 inch iron pipe marking the true point of beginning of this description; thence North 62° 07' East a distance of 395.00 feet to the center of an existing water well; thence continuing North 62° 07' East 234.30 feet to a 1/4 inch iron pipe which bears South 40.00 feet distant from the North boundary of Lot 33; thence East parallel with aforesaid boundary, 454.20 feet to the East boundary of Lot 33; thence South along same, 95.00 feet; thence in Lot 32, East 107.27 feet; thence South 32° 20' East 381.50 feet; thence South 9° 30' West 205.30 feet to a 2 inch iron pipe on the South boundary of Lot 32; thence West along the South boundary of Lots 32 and 33 a distance of 1301.30 feet more or less to the Easterly right of way boundary of U.S. Highway Number 97; thence North 2° 22' East along same, 326.00 feet to the true point of beginning.

Saving and excepting that portion acquired by the State of Oregon in Stipulated Final Judgment filed in Circuit Court Case 90-493CV, and recorded in M-91, page 4868, Records of Klamath County, Oregon.

PARCEL 3:

Government Lots 38 and 39 of Section 16, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, lying East of Highway 97.

Saving and excepting that portion acquired by the State of Oregon in Stipulated Final Judgment filed in Circuit Court Case 90-493CV, and recorded in M-91, page 4868, Records of Klamath County, Oregon.