



01/16/2008 02:56:01 PM

Fee: \$31.00

After recording, return to:

Sabrina P. Loiselle
Miller Nash LLP
111 S.W. Fifth Avenue, Suite 3400
Portland, Oregon 97204-3699

1st 1130621

NOTICE OF DEFAULT AND ELECTION TO SELL

1. This notice of default and election to sell is recorded pursuant to ORS 86.735(3) with respect to that deed of trust, as amended (the "Trust Deed") dated **November 7, 2006**, as amended, by **Camco Development and Construction Inc.** (the "Grantor"), to **U.S. Bank Trust Company, N.A.** (the "Trustee"), to secure payment and performance of certain obligations of Grantor to **U.S. Bank N.A.** (the "Beneficiary"), including repayment of a promissory note dated **November 7, 2006**, in the principal amount of \$257,000, as amended (the "Note"). In addition to the Note, the Trust Deed secures other obligations owed by Grantor to Beneficiary. These additional unpaid obligations are not included within the default described herein and are not the subject of this Notice of Default and Election to Sell.

2. The legal description of the real property covered by the Trust Deed is as follows:

Lots 5 and 6, Block 19, and Lots 11 and 12, Block 20, Second Addition to the City of Klamath Falls, according to the official plat thereof on file in the Office of the Clerk of Klamath County, Oregon.

Commonly known as: 2024 Lancaster Ave. & 2006 Lexington Ave.,
Klamath Falls, Oregon 97601

3. The Trust Deed was recorded on **November 9, 2006**, in **Volume 2006 at Page 022484** in the official real property records of Klamath County, Oregon, and was amended by that instrument recorded August 13, 2007, in Volume 2007, at Page 014243 in the official real property records of Klamath County, Oregon.

4. The successor trustee hereby certifies that no action has been instituted to recover the obligation, 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).

5. The default for which the foreclosure is made is Grantor's failure to pay the Note in full on its maturity date.

6. By reason of said default, U.S. Bank N.A., as beneficiary under the Trust Deed, has declared all sums owing on the obligation secured by the Trust Deed immediately due and payable which sums are as follows: (a) the principal amount of \$257,000.00 as of December, 20, 2007, (b) accrued interest of \$16,672.88 as of December 20, 2007, and interest

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accruing thereafter on the principal amount at the rate set forth in the Note until fully paid, (c) late charges in the amount of \$99.05 as of December 20, 2007, plus any late charges accruing thereafter and any other expenses or fees owed under the Note or Trust Deed, (d) amounts that U.S. Bank N.A., has paid on or may hereinafter pay to protect the lien, including by way of illustration, but not limitation, taxes, assessments, interest on prior liens, and insurance premiums, and (e) expenses, costs and attorney and trustee fees incurred by U.S. Bank N.A., in foreclosure, including the cost of a trustee's sale guarantee and any other environmental or appraisal report.

7. Notice is hereby given that by reason of said default, U.S. Bank N.A., as beneficiary under the Trust Deed, and the successor trustee have elected to foreclose the Trust Deed by advertisement and sale pursuant to ORS 86.705 to ORS 86.795 and to sell the real property identified in paragraph 2 to satisfy the obligation that is secured by the Trust Deed.

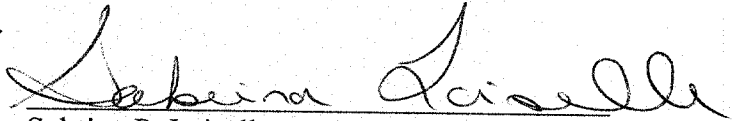
8. The sale will be conducted on **May 28, 2008, at one o'clock (1:00) p.m., based on the standard of time established by ORS 187.110, just outside the main entrance of the Klamath County Courthouse, 316 Main Street, Klamath Falls, Oregon.**

9. 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 U.S. Bank N.A., as beneficiary, of the entire amount then due, (other than such portion of 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 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 and attorney fees not exceeding the amount provided by ORS 86.753.

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

For further information, please contact Sabrina P. Loiselle at her mailing address of Miller Nash LLP, 111 S.W. Fifth Avenue, Suite 3400, Portland, Oregon 97204 or telephone her at (503) 224-5858.

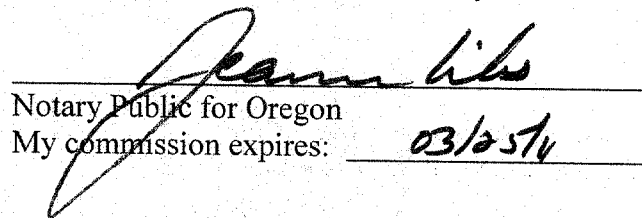
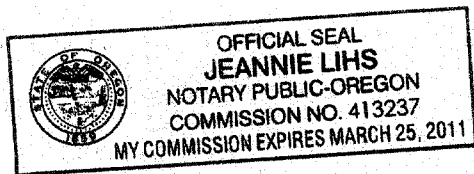
DATED: January 14, 2008.



Sabrina P. Loiselle
Successor Trustee

STATE OF OREGON)
) SS
COUNTY OF MULTNOMAH)

This instrument was acknowledged before me on January 14, 2008, by Sabrina P. Loiselle as successor trustee.



Notary Public for Oregon
My commission expires: 03/25/11

File No. 080121-0333
Grantor: Camco Development and Construction Inc.
Beneficiary: U.S. Bank N.A.