

2008-013573

Klamath County, Oregon



00054085200800135730020025

10/01/2008 08:27:47 AM

Fee: \$26.00

After recording, return to:

Irving Potter, Esq.
Josselson & Potter
425 NW 10th Avenue, Suite 306
Portland, OR 97209

NOTICE OF DEFAULT AND ELECTION TO SELL

Washburn II LLC, an Oregon limited liability company, is the Grantor, Irving Potter is the Trustee, and Aspen Stone LLC, an Oregon limited liability company, is the Beneficiary of the trust deed dated July 25, 2007, recorded on August 8, 2007, recorded as Recorder's Fee No. 2007-013977, of the mortgage records of Klamath County, Oregon. The trust deed covers the real property described as follows:

An undivided One Half interest in the following described real property:

Parcel 1 of Land Partition 18-06, said Land Partition being a replat of Parcel 3 of Land Partition 34-04, said Land Partition being situated in the NW 1/4 NW 1/4 of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

The Trust Deed in which the Beneficiary named as Trustee, Irving Potter, was recorded August 8, 2007, in the Official Klamath County Records, Klamath County, Oregon.

The undersigned, Irving Potter, certifies that there have been no assignments of the trust deed by the Trustee or the Beneficiary, and no appointment of a successor trustee. No action has been instituted to recover any part of the debt secured by the trust deed, except as allowed by ORS 86.735(4).

There is a default by the Grantor of the obligations secured by the trust deed, authorizing the sale of the collateral to satisfy the obligations of the trust deed and secured note. The default is as follows:

Failure to pay when due the unpaid balance of \$2,185,802.63; plus accrued interest plus impounds and/or advances which became due on February 1, 2008, plus late charges, and all subsequent installments of principal, interest, balloon payments, plus impounds and/or advances and late charges that become payable.

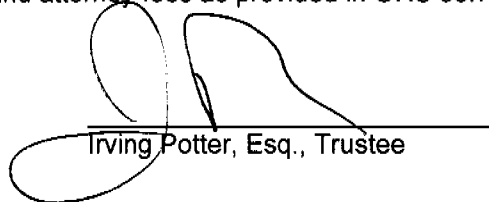
Notice is given that the Beneficiary and Trustee have elected to foreclose the trust deed by advertisement and sale of Grantor's interest, at public auction to the highest bidder for cash or cash equivalent, under ORS 86.705-86.795, to satisfy the secured debt, together with expenses of sale and compensation of the trustee and reasonable attorney fees, as provided by law.

The sale will be held in the interior foyer of the main entrance of the Klamath County Courthouse, located at 316 Main Street, Klamath Falls, Oregon 97601, County of Klamath, at 3:00 p.m., on Wednesday, March 11, 2009.

Except as shown of record, neither the Beneficiary nor the Trustee has any actual notice of a person claiming or having a junior interest to the interest of the Trustee, or of the Grantor or successor, or of any lessee or other person in possession.

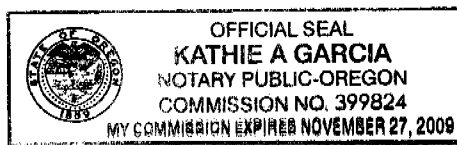
Any person named in ORS 86.753 has the right up to (5) five days before the date last set for sale, to reinstate the trust deed and have this foreclosure proceeding dismissed by payment to the Beneficiary of the entire amount then due (other than accelerated principal) and curing any other default complained of here that is capable of being cured, and paying all costs and expenses actually incurred in enforcing the obligation and trust deed, together with trustee's and attorney fees as provided in ORS 86.753.

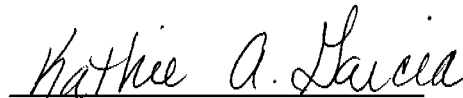
Date: September 29, 2008


Irving Potter, Esq., Trustee

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on September 29, 2008, by Irving Potter.




Notary Public