

After recording return to: William M. Ganong, Attorney at Law, 635 Main Street, Klamath Falls, OR 97601.

**AFFIDAVIT OF MAILING
TRUSTEE'S NOTICE OF SALE**

STATE OF OREGON, County of Klamath, ss:

I, William M. Ganong, Attorney at Law, 635 Main Street, Klamath Falls, Oregon 97601, being first duly sworn, depose, say and certify that:

I am the Trustee or Successor Trustee for the Trust Deed more particularly described in the Notice of Default and Election to Sell and Trustee's Notice of Sale recorded in Volume M 94 at page 2917 of the records of the Clerk of Klamath County, Oregon.

On January 28, 1994, I deposited with the United States Postal Service at Klamath Falls, Oregon, sealed envelopes each containing a Trustee's Notice of Sale executed by me and containing the information shown on the Trustee's Notice of Sale attached hereto. I mailed one such envelope by First Class Mail and one such envelope by Certified Mail with Return Receipt Requested, postage prepaid, to each of the following named parties at the following addresses:

Richard K. Newman and Arla R. Newman
P.O. Box 7464 and 3730 Homedale Rd.
Klamath Falls, OR 97601 Klamath Falls, OR 97603

Occupant
3730 Homedale Rd.
Klamath Falls, OR 97603

Southern Oregon Credit Service, Inc.
c/o Its Registered Agent
Mark Eisenstein
841 Stewart Ave., Suite 11
Medford, OR 97501

The Commercial Agency
Cody, Barden, Daniels & Palo, Inc.
c/o Its Registered Agent
111 SW Columbia St., Suite 1040
Portland, OR 97201

Melvin Kendall and Marjeanne Kendall
dba American Flyer Express, Inc.
1600 Joe Wright Rd.
Klamath Falls, OR 97603

TRUSTEE'S AFFIDAVIT OF MAILING OF TRUSTEE'S NOTICE OF SALE - Page 1

15761

Chief Special Procedures Section
District Director of Internal Revenue
1220 SW Third Avenue
Portland, OR 97204

Carter Jones Collection Service
1143 Pine Street
Klamath Falls, OR 97601

Basin Tire Service
3313 Washburn Way
Klamath Falls, OR 97603

State of Oregon
Public Utility Commission
c/o Oregon Attorney General
Department of Justice
100 Justice Building
Salem, OR 97310

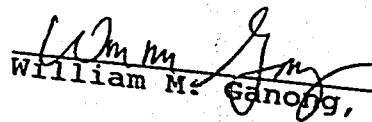
State of Oregon
Employment Division
c/o Attorney General
100 Justice Building
Salem, OR 97310

Personal Property Tax Warrant
Klamath County
c/o Reginald R. Davis, County Counsel
403 Pine Street
Klamath Falls, OR 97601

Asset Recovery Group, Inc.
P.O. Box 14188
Portland, OR 97214

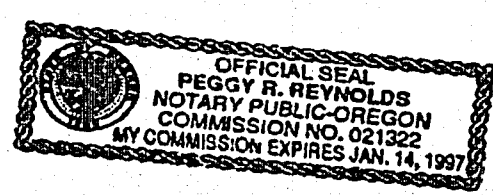
Said persons include: (a) the grantor in the trust deed; (b) any successor in interest to the grantor whose interest appears of record or of whose interest the trustee or the beneficiary has actual notice; (c) any person or agency having a lien or interest subsequent to the Trust Deed, which lien or interest appears of record or which the beneficiary has actual notice; and (d) any person requesting notice as provided in ORS 86.785.

The addresses shown above are the last known addresses of said parties.


William M. Ganong, OSB No. 78213

TRUSTEE'S AFFIDAVIT OF MAILING OF TRUSTEE'S NOTICE OF SALE - Page 2

Subscribed and sworn to before me this 18th day of May ~~January~~ 1994.
(SEAL)



Peggy R Reynolds
Notary Public for Oregon
My commission expires: 1-14-97

RETURN OF SERVICE

15763

STATE OF OREGON)
County of Klamath)

Date Received for Service: January 28, 1994

I hereby certify that I made service of the foregoing document (Notice of Default and Election to Sell and Trustee's Notice of Sale) upon the individuals and other legal entities to be served, named below, by delivering or leaving true copies of said documents mentioned therein, as follows:

PERSONAL SERVICE UPON INDIVIDUAL(S)

Upon Arla Newman, by delivering such true copy to him/her, personally and in person, at 3730 Homedale, K. Falls, Or, on February 4, 1994, at 9:15 o'clock A m.

SUBSTITUTED SERVICE UPON INDIVIDUAL(S)

Upon _____, by delivering such true copy at his/her dwelling house or usual place of abode, to-wit: _____, who is a person over the age of 14 years and a member of the household of the person served on _____, 1994, at _____ o'clock _____ m.

OFFICE SERVICE UPON INDIVIDUAL(S)

Upon _____, by
(Name of corporation, limited partnership, etc.)

(a) delivering such true copy, personally and in person, to _____, who is a/the * _____ thereof; OR

(b) leaving such true copy with _____, the person who is apparently in charge of the office of _____, who is a/the * _____ thereof;

*Specify registered agent, officer (by title), director, etc.

at _____, on _____, 1994, at _____ o'clock _____ m.

DATED: _____, 1994.

I further certify that I am a competent person 18 years of age or older and a resident of the state of service or the State of Oregon, and that I am not a party to nor an officer, director or employee of, nor attorney for any party, corporate or otherwise; that the person, firm or corporation served by me is the identical person, firm or corporation named in the action.

All search and service was made within Klamath County, State of Oregon.

David Feigenbutz
DAVID FEIGENBUTZ

15764

After Recording Return to:
William M. Ganong
635 Main Street
Klamath Falls, OR 97601

**NOTICE OF DEFAULT AND ELECTION TO SELL
AND TRUSTEE'S NOTICE OF SALE**

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. The names of the Grantor, Trustee and Beneficiary named in the subject Trust Deed are:

- A. Grantor: Richard K. Newman and Arla R. Newman
- B. Trustee: Mountain Title Company of Klamath County
- C. Beneficiary: Vincent A. Jacobs and Patricia A. Jacobs

William M. Ganong, Attorney at Law, has been appointed as Successor Trustee by the Beneficiaries.

2. The legal description of the property covered by the subject Trust Deed is more particularly described on Exhibit A, attached hereto.

3. The Book, page number and the date the subject Trust Deed was recorded in the Mortgage Records of Klamath County, Oregon are:
Book: M-90 Page: 12063 Date Recorded: June 19, 1990.

4. The default for which the foreclosure is made is the Grantor's failure to pay when due installment payments of not less than \$266.67, each, on the 14th day and the 28th day of each month for a period of 19 months (38 such payments) and the failure to pay a \$50 per month extension fee for a total of 19 months to and including the month of January, 1994, plus advances made by the beneficiaries on behalf of Grantor in the sum of \$757.49.

5. The sum owing on the obligation secured by the subject Trust Deed is the principal amount of \$20,000 plus interest thereon at the rate of 16% per annum which totalled \$4,713.84 through January 18, 1994, and which accrues at the rate of \$8.89 per day for each day after January 18, 1994, that the principal remains unpaid, plus late payments fees of \$1,013.46, extension fees of \$950.00, and advances of \$757.49. Said amounts were computed as of January 18, 1994, and are subject to increases after that date. A current "sum owing" can be obtained from the Successor Trustee on reasonable notice.

6. 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.

7. The Trustee will conduct a sale of the above described property at 10:00 a.m. on the 15th day of June, 1994, at 635 Main Street, Klamath Falls, Oregon.

8. Pursuant to ORS 86.753, the Grantor, the Grantor's 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.

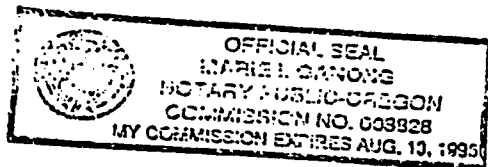
In construing this instrument, the masculine gender includes the feminine and the neuter, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor as well as any other persons owing an obligation, the performance of which is secured by said Trust Deed, the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

Dated this 24th day of January, 1994.

William M. Ganong
William M. Ganong

STATE OF OREGON)
) ss
County of Klamath)

Personally appeared this 24th day of January, 1994, the above named William M. Ganong, Successor Trustee, and acknowledged the foregoing instrument to be his voluntary act and deed (SEAL)



Marie L. Ganong
Notary Public for Oregon
My commission expires: 8-13-95

15766

EXHIBIT A

PARCEL 1:

All that portion of Tract 48 of HOMEDALE, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, described as follows:

Beginning at a point in the west right of way line of the County Road known as Homedale Road, which bears South 0°20' West 258.4 feet from the Northeasterly corner of said Tract No. 48, and running thence North 43°30' West parallel with First Avenue in Homedale, 201.8 feet; thence at right angles North 46°30' East 60 feet; thence at right angles South 43°30' East 139 feet, more or less to the Westerly right of way line of said Homedale Road; thence South 0°20' West 86.61 feet, more or less to the place of beginning.

PARCEL 2:

All that portion of Tract No. 48 of Homedale, according to the official plat thereof on file at the office of the County Clerk of Klamath County, Oregon, described as follows:

Beginning at the most Southerly corner of said Tract No. 48; thence North 54°30' West 194.5 feet; thence North 43°30' West 65.9 feet; thence North 46°30' East 121 feet; thence South 43°30' East 168.4 feet, more or less, to the Westerly line of Homedale Road; thence South 0°20' West along the Westerly line of Homedale Road 121.5 feet, more or less to the point of beginning.

THE STREET ADDRESS OF THIS PROPERTY IS 3730 HOMEDALE ROAD, KLAMATH FALLS, OR 97603.

STATE OF OREGON: COUNTY OF KLAMATH: SS.

Filed for record at request of Wm. M. Ganong
of May A.D. 19 94 at 10:04 o'clock A M., and duly recorded in Vol. M94
of Mortgages on Page 15760

FEE \$40.00

Evelyn Biehn

By

County Clerk