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2401

ASPEN 04043415/F
NOTICE OF DEFAULT AND ELECTION TO SELL

Vol. 1195 Page 17408

Reference is made to that certain trust deed made by EUGENE MORTENSON and KATHY MORTENSON, husband and wife with full rights of survivorship, as grantor, to ASPEN TITLE & ESCROW, INC., as trustee, in favor of MAURICE A. CHAPPEL and JENNIE L. CHAPPEL, husband and wife, as beneficiary, dated MAY 21, 1990, recorded MAY 25, 1990, in the mortgage records of KLAMATH County, Oregon, in book KLAMATH No. M90 at page 10010, or as fee file reception No. 15296 (indicate which), covering the following described real property situated in the above-mentioned county and state, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF AS THOUGH FULLY SET FORTH HEREIN.....

The undersigned hereby certifies that no assignments of the trust deed by the trustee or by the beneficiary and no appointments of a successor trustee have been made except as recorded in the mortgage records of the county or counties in which the above-described real property is situated, further, that no action has been instituted to recover the debt, 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).

There is a default by the grantor or other person owing an obligation, the performance of which is secured by the trust deed, or by the successor in interest, with respect to provisions therein which authorize sale in the event of default of such provision; the default for which foreclosure is made is grantor's failure to pay when due the following sums: Balance of monthly installments of not less than \$462.80 due for the month of July 5, 1995, plus interest and subsequent installments of like amounts; subsequent amounts for assessments due under the terms and provisions of the Note and Trust Deed.

By reason of the default, the beneficiary has declared all sums owing on the obligation secured by the trust deed immediately due and payable, those sums being the following, to-wit: \$44,780.74 plus interest and late charges, thereon from July 5, 1995 at the rate of NINE POINT FIVE PERCENT (9.5%) PER ANNUM until paid and all sums expended by the beneficiary pursuant to the terms and provisions of the Note and Trust Deed, plus any and all property taxes owing.

— OVER —

**NOTICE OF DEFAULT
AND ELECTION TO SELL**

Re: Trust Deed from

Grantor

TO

Trustee

After recording return to (Name, Address, Zip):

ASPEN TITLE & ESCROW, INC.

ATTN: FORECLOSURE DEPARTMENT

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,

County of _____ } ss.

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ or as fee/file/instrument/microfilm/reception No. _____, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

NAME

TITLE

By _____, Deputy

07-05-95A11:36 RCVD

Notice hereby is given that the beneficiary and trustee, by reason of the default, have elected and do hereby elect to foreclose the trust deed by advertisement and sale pursuant to ORS 86.705 to 86.795, and to cause to be sold at public auction to the highest bidder for cash the interest in the described property which the grantor had, or had the power to convey, at the time of the execution by grantor of the trust deed, together with any interest the grantor or grantor's successor in interest acquired after the execution of the trust deed, to satisfy the obligations secured by the trust deed and the expenses of the sale, including the compensations of the trustee as provided by law, and the reasonable fees of trustee's attorneys.

The sale will be held at the hour of 11:00 o'clock, A.M., in accord with the standard of time established by ORS 187.110 on December 11, 1995, at the following place: FRONT ENTRY TO ASPEN TITLE & ESCROW, INC AT 525 MAIN STREET in the City of KLAMATH FALLS, County of KLAMATH, State of Oregon, which is the hour, date and place last set for the sale.

Other than as shown of record, neither the beneficiary nor the trustee has any actual notice of any person having or claiming to have any lien upon or interest in the real property hereinabove described subsequent to the interest of the trustee in the trust deed, or of any successor in interest to the grantor or of any lessee or other person in possession of or occupying the property, except:

NAME AND LAST KNOWN ADDRESS

EUGENE K. MORTENSON and
VERNA KATHLEEN MORTENSON
3514 GREENSPRINGS DRIVE
KLAMATH FALLS, OREGON 97601

INTERNAL REVENUE SERVICE
P.O. BOX 3550
Portland, OREGON 97208

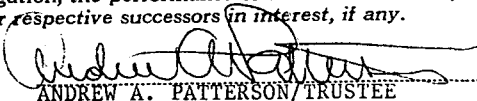
NATURE OF RIGHT, LIEN OR INTEREST

GRANTOR

LIEN HOLDER

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 the 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's and attorney's fees not exceeding the amounts provided by ORS 86.753.

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 the trust deed, and the words "trustee" and "beneficiary" include their respective successors in interest, if any.


ANDREW A. PATTERSON/TRUSTEE

DATED JULY 5, 1995

Trustee

~~BENEFICIARY~~

(state which)

STATE OF OREGON, County of KLAMATH ss.

This instrument was acknowledged before me on _____, 19____,

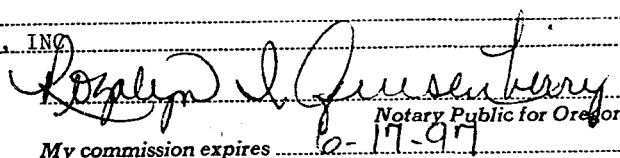
by _____

This instrument was acknowledged before me on JULY 5, 1995,

by ANDREW A. PATTERSON

as ASSISTANT SECRETARY

of ASPEN TITLE & ESCROW, INC


Notary Public for Oregon
My commission expires 6-17-97

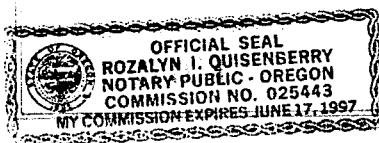


EXHIBIT "A"

Beginning at the Southeast corner of the SW 1/4 NE 1/4 of Section 7, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon; thence North along the East line of said SW 1/4 NE 1/4 a distance of 250.0 feet; thence West at right angles to said East line a distance of 200.0 feet; thence South, parallel to said East line, a distance of 250.0 feet; thence East along the South line of said SW 1/4 NE 1/4 a distance of 200.0 feet to the point of beginning.

LESS AND EXCEPTING all that portion of the above described property heretofore conveyed to the State of Oregon, by and through its State Highway Commission by Deed dated January 15, 1968, recorded January 22, 1968 as Document #19727 in Volume M-68 at Page 473, Microfilm Records of Klamath County, Oregon, and by deed recorded December 18, 1967 in M-67 at Page 9768, Microfilm Records of Klamath County, Oregon.

CODE 7 MAP 3909-700 TL 900

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title & Escrow the 5th day
of July A.D., 19 95 at 11:36 o'clock A M., and duly recorded in Vol. M95
of Mortgages on Page 17408

FEE \$20.00

Bernetha G. Letsch County Clerk
By [Signature]