

OREGON NOTICE OF DEFAULT AND ELECTION TO SELL

After recording return to:

T.D. SERVICE COMPANY
12910 TOTEM LAKE BLVD. #130
KIRKLAND, WA 98034-2950
(206) 820-8000

RE: Loan #: 9124970
Title #: K-49776 K-49895
TD #: 0-799C

Reference is made to that certain trust deed made by DIANE K. LA BUWI

to U.S. BANK OF WASHINGTON, NATIONAL ASSOCIATION

in favor of U.S. BANCORP MORTGAGE COMPANY,

dated APRIL 07, 1993

mortgage records of KLAMATH

volume NO. M93

at page 8104

covering the following described property situated in said county and state, to wit:

SEE ATTACHED EXHIBIT "A"

COMMONLY KNOWN AS: 1910-1920 AUBURN STREET, KLAMATH FALLS, OR 97601.

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 said deed of trust, or, if such action has been instituted, such action has been dismissed.

There is a default by the grantor or other person owing an obligation, the performance of which is secured by said trust deed, or by their 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:

6 Late Charge(s) of \$27.89 from 05/16/96	167.34
6 Payments of \$721.00 from 05/01/96	4,326.00
UNPAID OTHER FEES (PROPERTY INSPECTIONS)	30.00
SUB-TOTAL OF AMOUNTS IN ARREARS:	4,523.34

By reason of said default, the beneficiary has declared all sums owing on the obligation secured by said deed of trust immediately due and payable, said sums being the following, to wit: Principal \$ 53,773.18, together with interest as provided in the note or other instrument secured from the 1ST day of APRIL, 1996 and such other costs and fees as are due under the note or other instrument secured, and as are provided by statute.

Notice hereby is given that the beneficiary and trustee, by reason of said default, have elected and do hereby elect to foreclose said trust deed by advertisement and sale pursuant to Oregon Revised Statutes Sections 86.705 to 86.795, and to cause to be sold at public auction to the highest bidder for cash the interest in the said described property which the grantor had, or had the power to convey, at the time of the execution by him of the trust deed, together with any interest the grantor or his successors in interest acquired after the execution of the trust deed, to satisfy the obligations secured by said 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.

Said sale will be held at the hour of 10:00 A.M.

Time as established by Section 187.110 of Oregon Revised Statutes on MARCH 07, 1997, Standard
at the following place: MAIN ST. ENTRANCE, KLAMATH COUNTY COURTHOUSE, KLAMATH FALLS

County of KLAMATH, State of Oregon.

Other than as shown of record, neither the said beneficiary or the said 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

NATURE OF RIGHT, LIEN OR INTEREST

Notice is further given that any person named in Section 86.753 of Oregon Revised Statutes has the right, at any time prior to five days before the trustee conducts 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 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 Section 86.753 of Oregon Revised Statutes.

In construing this notice, 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 person owing an obligation, the performance of which is secured by said deed of trust, and the words "trustee" and "beneficiary" include their respective successors in interest, if any.

DATED: October 17, 1996

David A. Kubat, OSBA# 84265
(Successor Trustee)

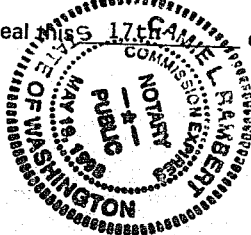
By: [Signature]

DIRECT INQUIRIES TO:
T.D. SERVICE COMPANY
FORECLOSURE DEPARTMENT
(206) 820-8000

STATE OF WASHINGTON)
COUNTY OF SNOHOMISH) SS.

On this day personally appeared before me David A. Kubat
to me known to be the individual described in and who executed the within and foregoing instrument, and
acknowledged that He signed the same as His free and voluntary act and deed, for
the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 17th day of October



[Signature] Camie L. Rambert
Notary Public in and for the State of
Washington, residing at Bothell
My commission expires: 5/19/98

EXHIBIT "A"

The following described real property situate in Klamath County, Oregon:

All of Lot 10 and a portion of Lot 11 in Block 41 of Hot Springs Addition to the City of Klamath Falls, according to the official plat thereof; said portion of Lot 11 more fully described as follows: Beginning at the Southerly corner common to Lots 10 and 11 of Block 41 of Hot Springs Addition to the City of Klamath Falls, Oregon; thence Northeasterly along the Westerly line of said Lot 11 a distance of 138.7 feet, more or less, to corner of Lots 10 and 11 at intersection with Auburn Street; thence Northeasterly along Auburn Street and the Westerly line of said Lot 11 a distance of 8.16 feet to an iron pipe; thence Southerly at an angle 32°50' Easterly from Auburn Street a distance of 75.44 feet to an iron pipe; thence Southerly at an angle 3°35' Westerly from last course a distance of 70.3 feet to a cross on the cement sidewalk marking the Southerly boundary of said Lot 11 and Alameda Avenue at a point which is 1.0 feet Easterly from the Southerly corner common to Lots 10 and 11; thence 1.0 foot Westerly to the point of beginning.

25051 / K-49895

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title the 22nd day of Oct. A.D., 19 96 at 2:47 o'clock P. M., and duly recorded in Vol. M96 of Mortgages on Page 33460.
Bernetha G. Letsch County Clerk
By Kathleen Ross

FEE \$20.00