

95 DEC 13 P2

TRUSTEE'S NOTICE OF DEFAULT

AND ELECTION TO SELL AND OF SALE

Reference is made to that Trust Deed wherein Terry L. Hager and Dessa L. Hager, husband and wife is Grantor; Klamath County Title Company is Trustee; and Donald T. Lawless and Lewis E. Lawless is Beneficiary, recorded in Official/Microfilm Records, Vol. M95, Page 24897, Klamath County, Oregon, covering the following-described real property in Klamath County, Oregon:

Parcel 1: Lots 1, 8, 9, 16, 17, 24, 25, and 32, in Section 16, Township 36 South, Range 12 East of the Wilamette Meridian, in the County of Klamath, State of Oregon.

Parcel 2: The E1/2E1/2 of Section 21, Township 36 South, Range 12, East of the Willamette Meridian, in the County of Klamath, State of Oregon.

No action is pending to recover any part of the debt secured by the trust deed.

The obligation secured by the trust deed is in default because the grantor has failed to pay the following: Failure to pay principal balance of \$110,000.00 plus accrued interest on October 23, 1995;

The sum owing on the obligation secured by the trust deed is: \$120,745.85 plus interest at the rate of 15% per annum from November 21, 1995.

plus trustee's fees, attorney's fees, foreclosure costs and any sums advanced by beneficiary pursuant to the terms of said trust deed.

Beneficiary has and does elect to sell the property to satisfy the obligation pursuant to ORS 86.705 to 86.795.

The property will be sold as provided by law on April 22, 1996, at 10:00 o'clock A.m. based on standard of time established by ORS 127.110 at 520 Main St., #301, Klamath Falls, Klamath County, Oregon.

Interested persons are notified of the right under ORS 86.753 to have this proceeding dismissed and the trust deed reinstated by payment of the entire amount then due, other than such portion as would not then be due had no default occurred, together with costs, trustee's and attorney's fees, and by curing any other default complained of in this Notice, at any time prior to five days before the date last set for sale.

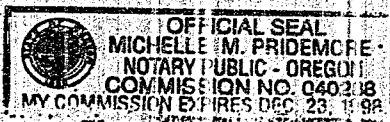
This communication is an attempt to collect a debt. Any information obtained will be used for that purpose.

Dated: December 13th, 1995. William L. Sisemore Successor, Trustee

STATE OF OREGON, County of Klamath 85
The foregoing was acknowledged before me on December 13th, 1995 by William L. Sisemore

Michelle M. Pridemore Notary Public for Oregon — My Commission Expires: 12-23, 1998

Certified to be a true copy:



Attorney for Trustee

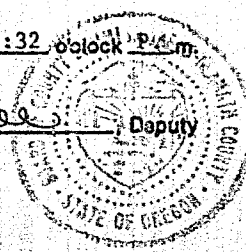
STATE OF OREGON, County of Klamath 85
Filed for record on Dec. 13, 1995 at 2:32 o'clock P.M.
and recorded in M95 page 33993 of mortgages.

Bernetha G. Letsch, Klamath County Clerk by Cathy Russell, Deputy

After recording return to: Fee \$10.00

INDEXED

WILLIAM L. SISEMORE
Attorney at Law
540 Main Street
Klamath Falls, OR 97601



96 Dec. 24, A 11:00

CK+CA
12/15/95

CERTIFICATE OF NON-MILITARY SERVICE

STATE OF OREGON)
) SS
County of Klamath)

THIS IS TO CERTIFY that I am the Attorney and Successor Trustee for beneficiary in that certain trust deed in which Terry L. Hager and Dessa L. Hager, husband and wife, as grantor, conveyed to Klamath County Title Company, as trustee, certain real property in Klamath County, Oregon; which said trust deed was dated October 22, 1992, and recorded October 23, 1992, in the mortgage records of said county, in book/reel/volume M92, page 24891; thereafter a notice of default with respect to said trust deed was recorded December 13, 1995, in book/reel/volume M95, at page 33993, of said mortgage records; thereafter the said trust deed was duly foreclosed by advertisement and sale and the real property covered by said trust deed was sold at the trustee's sale on December 26, 1996; I reasonably believe at no time during the period of three months and one day immediately preceding the day of said sale and including the day thereof, was the real property described in and covered by said trust deed, or any interest therein, owned by a person in the military service as defined in Article I of the "Soldiers' and Sailors' Civil Relief Act of 1940," as amended.

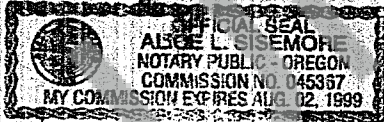
In construing this certificate the masculine includes the feminine, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor, the word "trustee" includes any successor trustee, and the word "beneficiary" includes any successor in interest to the beneficiary named in said trust deed.

William L. Sisemore
William L. Sisemore, Successor Trustee

STATE OF OREGON)
) SS
County of Klamath)

This instrument was acknowledged before me on December 26, 1996, by William L. Sisemore.

Alice L. Sisemore
Notary Public for Oregon
My Commission Expires: 08/02/99



After recording, return to:
William L. Sisemore
540 Main St., #301
Klamath Falls, OR 97601

STATE OF OREGON)
County of Klamath) SS
I certify that the within instrument was received for record of the _____ day of _____ 19____, at _____ o'clock _____ M., and recorded in book/reel/volume _____ on page _____, or as fee/file/instrument/microfilm/reception No. _____ of the _____ Mortgage Records of said county.

Name _____ Title _____
BY _____ Deputy _____

AFFIDAVIT OF MAILING TRUSTEE'S NOTICE OF SALE

STATE OF OREGON)
) SS
County of Klamath)

I, William L. Sisemore, being first duly sworn, depose and say and certify that:

At all times hereinafter mentioned I was and now am a resident of the State of Oregon, a competent person over the age of eighteen years and not the beneficiary or beneficiary's successor in interest named in the attached original notice of sale given under the terms of that certain deed described in said notice.

I gave notice of the sale of the real property described in the attached notice of sale by mailing a copy thereof by both first class and certified mail with return receipt requested to each of the following named persons (or their legal representatives, where so indicated) at their respective last known addresses, to-wit:

NAME AND ADDRESS

Forest Products ✓
Federal Credit Union
2972 Washburn Way
Klamath Falls, OR 97603

Dessa L. Hager ✓
P.O. Box 85
Beatty, OR 97621

Terry L. Hager ✓
P.O. Box 85
Beatty, OR 97621

Highland Community ✓
Federal Credit Union
3737 Shasta Way
Klamath Falls, OR 97603

South Valley State Bank
5215 S. 6th Street
Klamath Falls, OR 97603

Donald W. Rice ✓
P.O. Box 251
Bonanza, OR 97623

L. Elizabeth Rice ✓
P.O. Box 251
Bonanza, OR 97623

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, including the Department of Revenue or any other state agency, having a lien or interest subsequent to the trust deed if the lien or interest appears of record or the beneficiary has actual notice of the lien or interest, and (d) any person requesting notice, as required by ORS 86.785.

Each of the notices so mailed was certified to be a true copy of the original notice of sale by William L. Sisemore, attorney for the trustee named in said notice; each such copy was contained in a sealed envelope, with postage thereon full prepaid, and was deposited by me in the United States post office at Klamath Falls, Oregon, on December 13th, 1995. With respect to each person listed above, one such notice was mailed with postage thereon sufficient for first class delivery to the address indicated, and another such notice was mailed with a property form to request and obtain a return receipt and postage thereon in the amount sufficient to accomplish the same. Each of said notices was mailed after the notice of default and election to sell described in said notice of sale was recorded.

As used herein, the singular includes the plural, trustee includes successor trustee, and person includes corporation and any other legal or commercial entity.

William L. Sisemore

William L. Sisemore

Subscribed and sworn to before me on December 13th, 1995.

Michelle M. Pridemore

Notary Public for Oregon
My Commission Expires: 12-23-99



STATE OF OREGON)
) SS

County of Klamath) I certify that the within instrument was received for record on the
day of _____, 19____, at _____ o'clock _____ M. and recorded in
book/real/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.

After recording, return to:

BY _____ Deputy

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

Reference is made to that certain trust deed made by Terry L. Hager and Dessa L. Hager, husband and wife, is grantor; Klamath County Title Company, is Trustee; and Donald T. Lawless and Lewis E. Lawless, is Beneficiary, recorded in Official/Microfilm Records, Vol. 192, page 24891, or as file/reel/document/instrument number _____, Klamath County, Oregon, covering the following described real property in Klamath County, Oregon, to-wit:

PARCEL 1: Lots 1, 8, 9, 16, 17, 24, 25, and 32, in Section 16, Township 36 South Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

PARCEL 2: The E1/2E1/2 of Section 21, Township 36, South, Range 12, East of the Willamette Meridian, in the County of Klamath, State of Oregon.

Both the beneficiary and the trustee have elected to sell the said real property to satisfy the obligations secured by said trust deed and a notice of default has been recorded pursuant to Section 86.735(3) of Oregon Revised Statutes; the default for which the foreclosure is made is grantor's failure to pay when due the following sums:

- Failure to pay principal balance of \$110,000.00 plus accrued interest on October 23, 1995;
- The sum owing on the obligation secured by the trust deed is: \$120,745.85 plus interest at the rate of 15% per annum from November 21, 1995.

The Trustee's Notice of Default and Election to Sell and Trustee's Notice of Sale given pursuant thereto stated that the property would be sold on April 22, 1996, at the hour of 10:00 o'clock A. M., Standard Time, as established by Section 187.110 Oregon Revised Statutes, at 540 Main St., #301, Klamath Falls, County of Klamath, State of Oregon; however, subsequent to the recording of said Notice of Default and Election to Sell and Trustee's Notice of Sale the original sale proceedings were stayed by order of the court or by proceedings under the National Bankruptcy Act or for other lawful reason. The beneficiary did not participate in obtaining such stay. Said stay was terminated on December 2, 1996.

WHEREFORE, notice is hereby given that the undersigned trustee will on December 26, 1996, at the hour of 10:00 o'clock, A. M., Standard Time, as established by Section 187.110, Oregon Revised Statutes, at 540 Main St., #301, in the City of Klamath Falls, County of Klamath, State of Oregon, (which is the new date, time and place set for said sale) sell at public auction to the highest bidder for cash the interest in the said trust deed, together with any interest which the grantor or his successors in interest acquired after the execution of said trust deed, to satisfy the foregoing obligations thereby secured and the costs and expenses of sale, including a reasonable charge by the trustee. 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 to 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 said Section 86.753 of Oregon Revised Statutes.

This communication is an attempt to collect a debt. Any information obtained will be used for that purpose.

Dated: December 4, 1996.

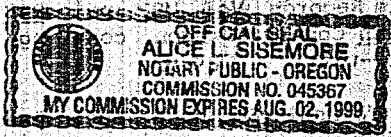
William L. Sisemore
William L. Sisemore, Successor Trustee

STATE OF OREGON, County of Klamath ss. HANDED TO NOTARY PUBLIC ALICE L. SISEMORE

The foregoing was acknowledged before me on December 7 day, 1996, by William L. Sisemore,

Alice L. Sisemore

Notary Public for Oregon My Commission Expires 08/02/99



Certified to be a true copy.

Attorney for Trustee

STATE OF OREGON, County of Klamath ss. Filed for record on December 7, 1996, at 10 o'clock a.m. and recorded in 1-4 page 1 of as file/reel/document/instrument number 1-4 of mortgages. Klamath County Clerk, by Deputy

After recording, return to:
William L. Sisemore
Attorney at Law
540 Main Street, #301
Klamath Falls, OR 97601

[Faint, mostly illegible text, likely bleed-through from the reverse side of the page.]

AFFIDAVIT OF MAILING AMENDED TRUSTEE'S NOTICE OF DEFAULT AND AMENDED TRUSTEE'S NOTICE OF SALE

STATE OF OREGON)) SS County of Klamath)

I, William L. Sisemore, being first duly sworn, depose and say and certify that:

At all times hereinafter mentioned I was and now am a resident of the State of Oregon, a competent person over the age of eighteen years and not the beneficiary or beneficiary's successor in interest named in the attached original notice of sale given under the terms of that certain deed described in said notice.

I gave notice of the sale of the real property described in the attached Amended Trustee's Notice of Default and Amended Trustee's Notice of Sale by mailing a copy thereof by both first class and certified mail with return receipt requested to each of the following named persons (or their legal representatives, where so indicated) at their respective last known addresses, to-wit:

NAME AND ADDRESS

Forest Products Federal Credit Union 2972 Washburn Way Klamath Falls, OR 97603

Dessa L. Hager P.O. Box 85 Beatty, OR 97621

Terry L. Hager P.O. Box 85 Beatty, OR 97621

Highland Community Federal Credit Union 3737 Shasta Way Klamath Falls, OR 97603

South Valley State Bank 5215 S. 6th Street Klamath Falls, OR 97603

Keith Y. Boyd, P.C. Attorney at Law P.O. Box 616 Grants Pass, OR 97526

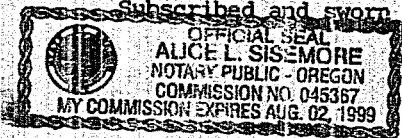
Said Amended Trustee's Notice of Default and Election to Sell and Amended Trustee's Notice of Sale was given in compliance with ORS 86.755(6), within 30 days after release from a stay of a foreclosure proceedings, and the above named persons include all of those persons listed in ORS 86.740 and ORS 86.750(1).

Each of the notices so mailed was certified to be a true copy of the original Amended Trustee's Notice of Default and Election to Sell and Amended Trustee's Notice of Sale by William L. Sisemore, attorney for the trustee named in said notice; each such copy was contained in a sealed envelope, with postage thereon full prepaid, and was deposited by me in the United States post office at Klamath Falls, Oregon, on December 4, 1996, which was within 30 days after release from a stay of the foreclosure proceeding set forth therein.

As used herein, the singular includes the plural, trustee includes successor trustee, and person includes corporation and any other legal or commercial entity.

William L. Sisemore (Signature) William L. Sisemore

Subscribed and sworn to before me on December 4, 1996.



(Signature) Notary Public for Oregon My Commission Expires: 08/02/99

STATE OF OREGON)) SS County of Klamath)

I certify that the within instrument was received for record on the ___ day of December, 19___, at ___ o'clock ___ M, and recorded in book/real/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.

After recording, return to: WILLIAM L. SISEMORE Attorney at Law 540 Main Street Klamath Falls, OR 97601

BY Deputy

Affidavit of Publication

STATE OF OREGON,
COUNTY OF KLAMATH

I, Julie Hughes, Office Manager,
being first duly sworn, depose and say
that I am the principal clerk of the
publisher of the Herald and News
a newspaper in general circulation, as
defined by Chapter 193 ORS, printed and
published at Klamath Falls in the
aforesaid county and state; that the

LEGAL #7962

TRUSTEE'S NOTICE OF

a printed copy of which is hereto annexed,
was published in the entire issue of said
newspaper for FOUR

(4) insertions) in the following issues:

DECEMBER 20/27, 1995

JANUARY 3/10, 1996

Total Cost: \$328.64

Julia A. Hughes

Subscribed and sworn before me this 10TH
day of JANUARY 1996

Debra A Moore

Notary Public of Oregon

The undersigned, Julie Hughes, Office Manager, being first duly sworn, depose and say that I am the principal clerk of the publisher of the Herald and News, a newspaper in general circulation, as defined by Chapter 193 ORS, printed and published at Klamath Falls in the aforesaid county and state; that the legal #7962, Trustee's Notice of a printed copy of which is hereto annexed, was published in the entire issue of said newspaper for four (4) insertions) in the following issues: DECEMBER 20/27, 1995 and JANUARY 3/10, 1996. The total cost of the publication of the aforesaid notice was \$328.64. I am the principal clerk of the publisher of the Herald and News, a newspaper in general circulation, as defined by Chapter 193 ORS, printed and published at Klamath Falls in the aforesaid county and state; that the legal #7962, Trustee's Notice of a printed copy of which is hereto annexed, was published in the entire issue of said newspaper for four (4) insertions) in the following issues: DECEMBER 20/27, 1995 and JANUARY 3/10, 1996. The total cost of the publication of the aforesaid notice was \$328.64. I am the principal clerk of the publisher of the Herald and News, a newspaper in general circulation, as defined by Chapter 193 ORS, printed and published at Klamath Falls in the aforesaid county and state; that the legal #7962, Trustee's Notice of a printed copy of which is hereto annexed, was published in the entire issue of said newspaper for four (4) insertions) in the following issues: DECEMBER 20/27, 1995 and JANUARY 3/10, 1996. The total cost of the publication of the aforesaid notice was \$328.64.

TRUSTEE'S AFFIDAVIT AS TO NON-OCCUPANCY

STATE OF OREGON)
) ss
County of Klamath)

I, William L. Sisemore, being first duly sworn, depose, say and certify that: I am the successor trustee in that certain trust deed executed and delivered by Terry L. Hager and Dessa L. Hager, husband & wife as grantors to Klamath County Title Company as trustee, in which Donald T. Lawless and Lewis T. Lawless are beneficiaries, recorded on October 23, 1992, in the mortgage records of Klamath County, Oregon, in book/reel/volume no. M92, at page 24891, covering the following described real property situated in said county:

Parcel 1: Lot 1, 8, 9, 16, 17, 24, 25 and 32, in Section 16, Township 36 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

Parcel 2: The E1/2E1/2 of Section 21, Township 36 South, Range 12 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

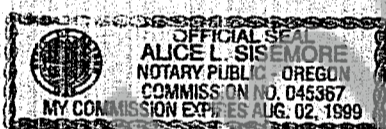
I hereby certify that on December 13, 1995, the above-described real property was not occupied.

The word "trustee" as used in this affidavit means any successor trustee to the trustee named in the trust deed first mentioned above.

William L. Sisemore
William L. Sisemore, Successor Trustee

Subscribed, sworn to and acknowledged before me this 24th day of December, 1996.

Alice L. Sisemore
Notary Public for Oregon
My Commission Expires: 08/02/99



STATE OF OREGON)
) ss
County of Klamath)

I certify that the within instrument was received for record on the 24th day of December, 1996, at 11:00 o'clock A. M., and recorded in book/reel/volume No. M96 on page 39855 or as fee/file/instrument/microfilm/reception No. 30374, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Bernetha G. Letsch, Co. Clerk
Name Title

BY Kathleen Ross

After recording, return to:

William L. Sisemore
Attorney at Law
540 Main St., #301
Klamath Falls, OR 97601

Fee: \$45.00