

STATE OF WASHINGTON, County of KING) ss:

I, the undersigned, 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 Washington, 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 address, to-wit:

NAME

ADDRESS

Diane K. Labuwi	2040 Del Moro St., Klamath Falls, OR 97601
Diane K. Labuwi	2310 Mountain View Blvd., Klamath Falls, OR 97601
Diane K. Labuwi	429 N. 4 th St., Klamath Falls, OR 97601
Diane K. Labuwi	1987 VanNess, Klamath Falls, OR 97601
Charles M. Labuwi	2310 Mountain View Blvd., Klamath Falls, OR 97601
Charles M. Labuwi	429 N. 4 th Street, Klamath Falls, OR 97601
Gary L. Hedlund, Atty.	303 Pine St., Klamath Falls, OR 97601
U.S. National Bank of Oregon	501 SE Hawthorne Blvd. #301, Portland, OR 97208
Klamath First Federal Savings & Loan Assoc.	540 Main St. Klamath Falls, OR 97601

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 DAVID E. FENNELL, attorney for the trustee named in said notice, each such copy was contained in a sealed envelope, with postage thereon fully prepaid, and was deposited by me in the United States post office at Bellevue, Washington, on 10/30/96. 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 proper 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.

Subscribed and sworn to before me on _____ 199 _____ by J. Ngr

Notary Public for Washington

Residing at _____

My commission expires: _____

TRUSTEE'S NOTICE OF SALE

Reference is made to that certain trust deed made by Charles M. LaBuwi, as grantor, to U.S. Bank of Washington, NA, as trustee, in favor of U.S. Bancorp Mortgage Company, as beneficiary, dated January 5, 1993, recorded January 29, 1993, in the mortgage records of Klamath County, Oregon, in Microfilm Volume M93, Page 2141, covering the following described real property situated in said county and state, to wit:

Lots 7 and 8 in Block 38, Hillside Addition to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon.

PROPERTY ADDRESS: 2040 Del Moro St., Klamath Falls, Oregon 97601

Both the beneficiary and the trustee have elected to sell the real property to satisfy the obligations secured by the trust deed and a notice of default has been recorded pursuant to Oregon Revised Statutes 86.735(3); the default for which the foreclosure is made is grantor's failure to pay when due the following sums: monthly payments of \$891.00 beginning July 1, 1996; plus late charges of \$35.06 each month beginning July 16, 1996; together with title expense, costs, trustee's fees and attorney's fees incurred herein by reason of said default; and any further sums advanced by the beneficiary for the protection of the above described real property and its interest therein.

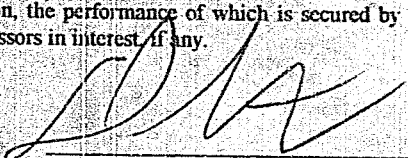
By reason of said default the beneficiary has declared all sums owing on the obligation secured by the trust deed immediately due and payable, said sums being the following, to wit: \$64,490.65 with interest thereon at the rate of 7.75 percent per annum beginning June 1, 1996; plus late charges of \$35.06 each month beginning July 16, 1996 until paid; together with title expense, costs, trustee's fees and attorneys fees incurred herein by reason of said default; and any further sums advanced by the beneficiary for the protection of the above described real property and its interest therein.

WHEREFORE, notice hereby is given that the undersigned trustee will on February 28, 1997 at the hour of 10:00 o'clock, A.M., in accord with the standard of time established by ORS 187.110, at the following place: 316 Main Street, in the City of Klamath Falls, County of Klamath, State of Oregon, sell at public auction to the highest bidder for cash the interest in the the described real property which the grantor had or had power to convey at the time of the execution by grantor of the the trust deed, together with any interest which the grantor or grantor's successors in interest acquired after the execution of the 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 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 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 ORS 86.753.

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

DATED 10-16, 1996


David E. Fennell -- Trustee

For further information, please contact:

Julie Bouffleur
ROUTH CRABTREE & FENNELL
1750 - 112TH AVENUE NE, SUITE A-208
BELLEVUE, WA 98004
(206) 453-5055

State of Washington, County of King) ss:

I, the undersigned, certify that the foregoing is a complete and accurate copy of the original trustee's notice of sale.

David E. Fennell -- Trustee

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE

STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of Amerititle the 26th day
of February A.D., 19 97 at 2:43 o'clock P M., and duly recorded in Vol. 1497
of Mortgages on Page 5764.

FEE \$20.00

Bernetha G. Letsch, County Clerk

by Kerstin Rose