

97 OCT -9 P3:14

K-51407

NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to that certain trust deed made by William Darrell Gregory and Rebecca Marie Gregory as grantor, to Klamath County Title Company, as trustee, in favor of Associates Financial Services Company of Oregon, Inc., as beneficiary, dated November 3, 1995, recorded November 9, 1995, in the mortgage records of Klamath County, Oregon, in volume No. M95 at page 30618, covering the following described real property situated in the above-mentioned county and state, to-wit:

See Exhibit A

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:

Monthly payments for April 1997 through September 1997, for a total of \$8,283.00, plus real property taxes for 1996-97.

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:

As of April 16, 1997, the principal sum of \$ 103,431.05 plus interest thereafter; plus any sums advanced by the beneficiary or beneficiary's successor in interest for the protection of the above described property, plus attorney and trustee's fees incurred by reason of said default.

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

NOTICE OF DEFAULT AND ELECTION TO SELL		STATE OF OREGON,	
RE: Trust Deed from William Darrell Gregory	Grantor) ss.
to Klamath County Title Company	Trustee	County of _____)
<small>(DON'T USE THIS SPACE RESERVED FOR RECORDING LABEL IN COUNTIES WHERE USED.)</small>		I certify that the within instrument was received for record on _____, 19____, at _____ o'clock ____M., and recorded in book/reel/volume No. _____ on page _____ or as file/instrument/microfilm/reception No. _____, Record of Mortgages of said County.	
		Witness my hand and seal of County affixed.	
<small>AFTER RECORDING RETURN TO</small> Paul S. Cosgrove Lindsay, Hart, Neil & Weigler, LLP Suite 3400, 1300 S.W. Fifth Avenue Portland, OR 97201-5696		NAME _____	TITLE _____
		By _____ Deputy	

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 11:15 a.m., in accord with the standard of time established by ORS 187.110 on Tuesday, February 17, 1998, at the following place: Main entrance to Klamath County Courthouse, 317 South 7th 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:

<u>NAME AND LAST KNOWN ADDRESS</u>	<u>NATURE OF RIGHT, LIEN OR INTEREST</u>
Credit Bureau of Klamath County c/o Mills, Ltd, Arthur Mills, Registered Agent 839 Main Street, Klamath Falls OR 97601	Judgment
Klamath County Tax Collector P.O. Box 340 Klamath Falls, OR 97601	Tax Warrant

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.

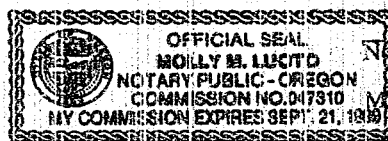
In construing this notice, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor as well as any other person owing an obligation, the performance of which is secured by the trust deed, and the words "trustee" and "beneficiary" include their respective successors in interest, if any.

Dated October 8, 1997.

Paul S. Cosgrove
Paul S. Cosgrove, Successor Trustee

STATE OF OREGON, County of Multnomah) ss.

This instrument was acknowledged before me on October 8, 1997,
By Paul S. Cosgrove.



Molly M. Lucio
Notary Public for Oregon

commission expires 9-21-99

EXHIBIT "A"
DESCRIPTION OF PROPERTY

A tract of land situated in the SE ¼ SE ¼ of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the East line of said Section 10, said point being N 0°21' W (North by recorded legal description) a distance of 633.125 feet from the Southeast corner of said Section 10; thence N. 0°21' W., a distance of 102.0 feet; thence S. 89°52' W. (West by recorded legal description) a distance of 270.2 feet to an iron pin; thence S. 0°21' E. parallel with the East line of said Section 10 a distance of 102.0 feet to an iron pin on the Northwest corner of Lot 26 "Debirk Homes"; thence N. 89°52' E. (East by recorded legal description) along the North line of "Debirk Homes" a distance of 270.2 feet, more or less to the point of beginning. SAVING AND EXCEPTING therefrom that portion lying within the boundaries of Summers Lane.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title the 9th day
of October A.D. 19 97 at 3:14 o'clock P. M., and duly recorded in Vol. M97,
of Mortgages on Page 33326.

FEE \$20.00

By Bernetha G. Letsch, County Clerk
Kathleen B. Bann