

AFFIDAVIT OF MAILING SECOND AMENDED TRUSTEE'S NOTICE OF DEFAULT
200 JAN -7 AM 11:53 AND

SECOND AMENDED TRUSTEE'S NOTICE OF SALE

STATE OF OREGON)
) SS
County of Klamath)

Vol M00 Page 661

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 Second Amended Trustee's Notice of Default and Second Amended Trustee's Notice of Sale by mailing a copy thereof by 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:

Carter-Jones Collection LLC
1143 Pine Street
Klamath Falls, OR 97601

Kenneth Scott Kirkham
Susan L. Kirkham
3305 Bandolino
Plano, TX 75023

Robert Mark Karnes
Attorney at Law
6116 N. Centray Expwy, Ste 250
Dallas, TX 75206-000

Hukill's Ready Rooter, Inc.
3830 Hal Court
Klamath Falls, OR 97603

Occupant
1421 Esplanade #2
Klamath Falls, OR 97601

James W. Thomas
or current occupant
1421 Esplanade #1
Klamath Falls, OR 97601

Scott Ore
or current occupant
1421 Esplanade #3
Klamath Falls, OR 97601

Jennifer Lambert
or current occupant
1421 Esplanade #4
Klamath Falls, OR 97601

Evelyn Lowe
or current occupant
1421 Esplanade #5
Klamath Falls, OR 97601

Esther Eriksen
or current occupant
1421 Esplanade #6
Klamath Falls, OR 97601

Jodi Teeple
Ronald Teeple
or current resident
1421 Esplanade #7
Klamath Falls, OR 97601

Said Second Amended Trustee's Notice of Default and Election to Sell and Second 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 Second Amended Trustee's Notice of Default and Election to Sell and Second 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 17, 1999, 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.

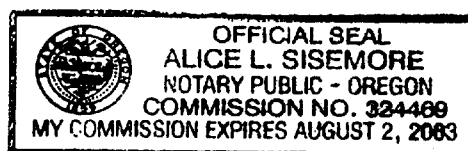
William L. Sisemore
William L. Sisemore

Subscribed and sworn to before me on December 17, 1999.

Alice L. Sisemore
Notary Public for Oregon
My Commission Expires: 08/02/2003

After recording, return to:

WILLIAM L. SISEMORE
Attorney at Law
110 N. 6th
Klamath Falls, OR 97601



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

SECOND AMENDED TRUSTEE'S NOTICE OF SALE

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Reference is made to that certain trust deed made by Kenneth Scott Kirkham & Susan L. Kirkham, husband & wife, is grantor; William L. Sisemore, is Trustee; and Klamath First Federal Savings and Loan Association, is Beneficiary, recorded in Official/Microfilm Records, Vol. M96, page 37868, Klamath County, Oregon, covering the following described real property in Klamath County, Oregon, to-wit:

Lots 11 and 12, Block 5, Second Hot springs Addition to the City of Klamath Falls, 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 the sum of \$971.00 due December 1, 1998; \$975.00 on 01/01/99 and each month thereafter together with late charges of \$392.67.

The sum owing on the obligation secured by the trust deed is: \$80,078.01 plus interest at the rate of 9.125% per annum from 11/01/98, plus late charges.

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 September 8, 1999, at the hour of 10:00 o'clock A.M. Standard Time, as established by Section 187.110 Oregon Revised Statutes, at 110 N. 6th Street, #205, Klamath Falls, County of Klamath, State of Oregon; The sale was held on September 13, 1999 to allow sufficient time to serve notice of the sale on occupants on the subject property. After the sale was held, the beneficiary and the trustee received notice that the grantors had filed for relief under the bankruptcy act on August 8, 1999, which filing acted as a stay to the foreclosure proceedings. Therefore, the sale held on September 13, 1999, was void. The beneficiary did not participate in obtaining such stay. Said stay was finally terminated on December 13, 1999.

WHEREFORE, notice is hereby given that the undersigned trustee will on January 7, 2000, at the hour of 10:00 o'clock, A.M., Standard Time, as established by Section 187.110, Oregon Revised Statutes, at 110 N. 6th St., #205, 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.

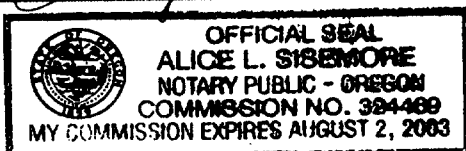
Dated: December 17, 1999.

William L. Sisemore
William L. Sisemore, Trustee

STATE OF OREGON, County of Klamath) ss

The foregoing was acknowledged before me on December 17, 1999, by William L. Sisemore.

Alice L. Sisemore, Notary Public for Oregon—My Commission Expires: 08/02/2003



Certified to be a true copy:

Attorney for Trustee

After recording, return to:
William L. Sisemore
Attorney at Law
110 N. 6th Street
Klamath Falls, OR 97601

CERTIFICATE OF NON-MILITARY SERVICE

STATE OF OREGON)
) SS
County of Klamath)

THIS IS TO CERTIFY that I am the Attorney and Trustee for beneficiary in that certain trust deed in which Kenneth Scott Kirkham and Susan L. Kirkham, husband & wife, as grantor, conveyed to William L. Sisemore, as trustee, certain real property in Klamath County, Oregon; which said trust deed was dated December 3, 1996, and recorded December 4, 1996, in the mortgage records of said county, in book/reel/volume M96, page 37868; thereafter a notice of default with respect to said trust deed was recorded April 27, 1999, in book/reel/volume M99, at page 15385, 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 January 7, 2000; 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.

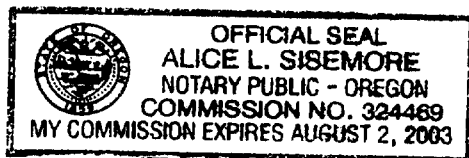
In construing this certificate the masculine includes the feminine, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor, the word "trustee" includes any successor trustee, and the word "beneficiary" includes any successor in interest to the beneficiary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

William L. Sisemore
William L. Sisemore, Trustee

STATE OF OREGON)
) SS
County of Klamath)

This instrument was acknowledged before me on January 7, 2000, by William L. Sisemore.

Alicia J. Sisk
Notary Public for Oregon
My Commission Expires: 08/02/2003



After recording, return to:
William L. Sisemore
Attorney at Law
110 N. 6th Street #205
Klamath Falls, OR 97601

State of Oregon, County of Klamath
Recorded 1/7/00, at 11:53 a.m.
In Vol. M00 Page 661
Linda Smith,
County Clerk Fee \$ 31.00