

2000 JAN 13 AM 10:55

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**APPOINTMENT OF
SUCCESSOR TRUSTEE**

RE: Trust Deed from
Teresita M. Otero

Grantor

to

Paul S. Cosgrove, Esq.

Trustee

AFTER RECORDING RETURN TO

Paul S. Cosgrove
Lindsay, Hart, Neil & Weigler, LLP
1300 SW Fifth Avenue, Suite 3400
Portland, Oregon 97201-5696

65009-161

State of Oregon, County of Klamath
Recorded 1/18/00, at 10:55 a.m.
In Vol. M00 Page 1520
Linda Smith,
County Clerk Fee \$ 21.00

APPOINTMENT OF SUCCESSOR TRUSTEE

KNOW ALL MEN BY THESE PRESENTS, that Teresita M. Otero, is the grantor, and Amerititle Associates Financial Services Company of Oregon, Inc. is the trustee, and Associates Financial Services Company of Oregon, Inc. is the beneficiary under that certain trust deed dated July 31, 1996 and recorded on August 5, 1996 in Book M96 Page 23851 Fee No. 22645 of the Mortgage Records of Klamath County, Oregon.

The undersigned, who is the present beneficiary under said trust deed desires to appoint a new trustee in the place and stead of the original trustee named above;

NOW THEREFORE, in view of the premises, the undersigned hereby appoints Paul S. Cosgrove whose address is 1300 SW Fifth Avenue, Suite 3400, Portland, Oregon, as successor trustee under said trust deed, to have all the powers of said original trustee, effective immediately.

In construing this instrument, and whenever the context so requires, the singular includes the plural.

IN WITNESS WHEREOF, the undersigned beneficiary has executed this document. If the undersigned is a corporation, it has caused its name to be signed and its seal affixed by an officer or other person duly authorized to do so by its board of directors.

DATED: January 13, 2000

ASSOCIATES FINANCIAL SERVICES COMPANY OF OREGON, INC.

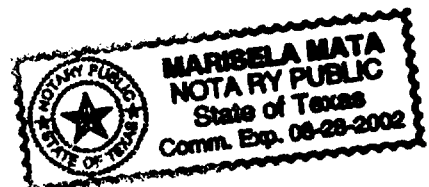
By: Marsha Fogle

Marsha Fogle, Operations Vice President

STATE OF TEXAS County of DALLAS) ss.

This instrument was acknowledged before me on January 13, 2000 by Marsha Fogle, Operations Vice President of Associates Financial Services Company of Oregon, Inc.

[Signature]
Notary Public for Texas
My commission expires 8-28-2002



**NOTICE OF DEFAULT
AND ELECTION TO SELL**

RE: Trust Deed from
Teresita M. Otero

Grantor

to

Paul S. Cosgrove, Esq.

Trustee

AFTER RECORDING RETURN TO:

Paul S. Cosgrove
Lindsay, Hart, Neil & Weigler LLP
1300 SW Fifth, Suite 3400
Portland, OR 97201

65009-161

PAUL S. COSGROVE, SUCCESSOR TRUSTEE, HEREBY GIVES NOTICE OF DEFAULT AND ELECTION TO SELL:

Reference is made to that certain trust deed made by Teresita M. Otero, as grantor, to Amerititle, as trustee, in favor of Associates Financial Services Company of Oregon, Inc., as beneficiary, dated July 31, 1996, recorded August 5, 1996 in the mortgage records of Klamath County, Oregon, in book M-96 at page 23851 as Recorder's Fee No. 22645, covering the following described real property situated in said county and state, to-wit:

Lot 33, FIRST ADDITION TO MADISON PARK, in the County of Klamath, State of Oregon.

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 July 1999 through January 2000, in the amount of \$7,769.30, plus that portion of real property taxes now due and owing for 1999-2000.

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 July 6, 1999 the principal sum of \$93,513.67 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 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.