

## NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to that certain trust deed made by ROBERT W. NELSON and DELORES L. GAREY, with rights of survivorship, Grantor, AMERITITLE as the trustee, and WILLIAM K. KALITA is the beneficiary under that certain trust deed dated May 13, 1996, and recorded May 16, 1996, in Volume No. M96 page 14149, Microfilm Records of Klamath County, Oregon, covering the following-described real property:

Lots 24 and 25, Block 11 of TRACT NO. 1027, MT. SCOTT MEADOWS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, 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 Oregon Revised Statutes 86.735(3); the default of which the foreclosure is made is grantor's failure to pay when due the following sums:

Payments in the amount of \$186.83 due and payable on February 15, 1999, and each and every month thereafter, plus interest in the amount of 9 percent per annum from February 2, 1999, plus real property taxes for the fiscal year 1996-97, Account No. 3107-001DO-08600, in the amount of \$39.10 plus interest; Account No: 3107-001DO-08700, in the amount of \$93.67 plus interest; plus real property taxes for the fiscal year 1997-1998, Account No. 3107-001DO-08600, in the amount of \$64.04 plus interest; Account No: 3107-001DO-08700, in the amount of \$64.04 plus interest; plus real property taxes for the fiscal year 1998-1999, Account No. 3107-001DO-08600, in the amount of \$65.37 plus interest; Account No: 3107-001DO-08700, in the amount of \$65.37 plus interest; plus real property taxes for the fiscal year 1999-2000, Account No: 3107-001DO-08600 in the amount of \$66.46, Account No: 3107-001DO-08700, in the amount of \$66.46, plus taxes for the fiscal year 2000-2001, Account No. 3107-001DO-08600 and Account No: 3107-001DO-08700 are a lien not yet due and payable.

By reason of said default, the beneficiary has declared all sums owing on the obligation secured by said trust deed immediately due and payable, said sums being the following, to-wit:

Principal amount of \$5,144.30 plus interest in the amount of \$690.05 plus interest in the amount of \$1.2685 per day from August 1, 2000 until paid, plus real property taxes for the fiscal year 1996-97, Account No. 3107-001DO-08600, in the amount of \$39.10 plus interest; Account No: 3107-001DO-08700, in the amount of \$93.67 plus interest; plus real property taxes for the fiscal year 1997-1998, Account No. 3107-001DO-08600, in the amount of \$64.04 plus interest; Account No: 3107-001DO-08700, in the amount of \$64.04 plus interest; plus real property taxes for the fiscal year 1998-1999, Account No. 3107-001DO-08600, in the amount of \$65.37 plus interest; Account No: 3107-001DO-08700, in the amount of \$65.37 plus interest; plus real property taxes for the fiscal year 1999-2000, Account No: 3107-001DO-08600 in the amount of \$66.46, Account No: 3107-001DO-08700, in the amount of \$66.46, plus taxes for the fiscal year 2000-2001, Account No. 3107-001DO-08600 and Account No: 3107-001DO-08700 are a lien not yet due and payable.

WHEREFORE, notice hereby is given that the undersigned trustee will on January 4, 2001, at the hour of 10:00 o'clock, A.M., in accord with the standard of time established by ORS 187.110, at Klamath County Courthouse, front steps, 306 Main Street in the City of Klamath Falls, County of Klamath, State of Oregon, sell at public auction to

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Richard Fairclo  
Attorney at Law  
280 Main Street  
Klamath Falls OR 97601

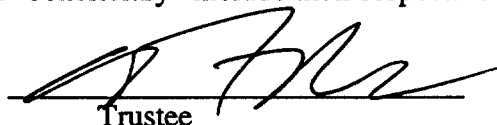
the highest bidder for cash the interest in the said described real property which the grantor had or had power to convey at the time of the execution by him of the said trust deed, together with any interest which the grantor or his successors in interest acquired after the execution of said trust deed, 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 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 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 of 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.

We are attempting to collect a debt and any information we obtain will be used for that purpose. The debt described in the Notice of Sale is assumed to be valid unless debtor disputes within 30 days and that, if disputed, debt collector will obtain and furnish to debtor the verification. If written request is made within 30 days by debtor, name of original lender will be given if different than the current creditor.

Written requests should be addressed to: Richard Fairclo, Attorney at Law,  
280 Main Street, Klamath Falls OR 97601.

In construing this notice, the masculine gender includes the feminine and the neuter, 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 which is secured by said trust deed, and the words "trustee" and "beneficiary" include their respective successors in interest, if any.

DATED: 8/21/00

  
Trustee

# AFFIDAVIT OF MAILING TRUSTEE'S NOTICE OF SALE

30519-A

STATE OF OREGON }  
County of Klamath } ss.

I, RICHARD FAIRCLO, being duly sworn, depose and say and certify that:

At all times hereinafter mentioned I was and am now a resident of the State of Oregon, a competent person over the age of eighteen years and not the beneficiary or his successor of interest named in the attached original notice of sale given under the terms of that certain trust 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 at their respective last known addresses, to-wit:

Robert W. Nelson  
49555 Hwy 62  
Chiloquin OR 97624

Myona Wilson  
c/o Rebecca Whitney-Smith  
Attorney at Law  
905 Main Street  
Klamath Falls OR 97601

Delores L. Garey  
49555 Hwy 62  
Chiloquin OR 97624

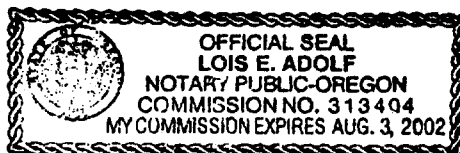
Internal Revenue Service  
Attention: Chief Special Procedures  
915 Second Avenue M/S W245  
Seattle WA 98174

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 of the beneficiary has actual notice of the lien or interest, and (d) any person request notice, as required by ORS 86.785.

Each of the notices so mailed was certified to be true copy of the original notice of sale by RICHARD FAIRCLO, 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 Klamath Falls, Oregon, on August 21, 2000, as 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 this 21 day of August, 2000.



*[Signature]*  
Notary Public of Oregon  
My Commission expires:

State of Oregon, County of Klamath  
Recorded 08/21/00, at 9:36 A m.  
In Vol. M00 Page 30518  
**Linda Smith,**  
County Clerk Fee\$ 31.00