

## NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to that certain trust deed made by DANNY R. CLOSSER, SR., and DEBORAH F. CLOSSER, Grantor, KLAMATH COUNTY TITLE COMPANY as the trustee, and NORMAN DAVID NEWLAND and KATHY ANN NEWLAND as the beneficiaries under that certain trust deed dated September 25, 1996, and recorded September 27, 1996, in Volume No. M96 page 30768, Microfilm Records of Klamath County, Oregon, covering the following-described real property.

See Attached Exhibit "A."

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 \$1,500 due and payable on November 6, 2000, and each and every month thereafter, plus interest in the amount of 9 percent per annum from October 6, 2000, plus real property taxes for the fiscal year 2000-2001, in the amount of \$62.06 plus interest; Code 56; Account No. 610235; real property taxes for the fiscal year 1999-2000, in the amount of \$52.42, plus interest; and real property taxes for the fiscal year 2000-2001, in the amount of \$1,259.71 plus interest. Account 3912-36B-500; Key No. 610253. Also real property taxes paid by beneficiary in the amount of \$57.77; Oregon Taxes in the amount of \$1,173.42; plus fire insurance policy paid by beneficiary in the amount of \$870.00.

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:

\$195,622.65 plus interest at the rate of \$46.24 per day from March 30, 2001, plus real property taxes for the fiscal year 2000-2001, in the amount of \$62.06 plus interest; Code 56; Account No. 610235; real property taxes for the fiscal year 1999-2000, in the amount of \$52.42, plus interest; and real property taxes for the fiscal year 2000-2001, in the amount of \$1,259.71 plus interest. Account 3912-36B-500; Key No. 610253. Also real property taxes paid by beneficiary in the amount of \$57.77; Oregon Taxes in the amount of \$1,173.42; plus fire insurance policy paid by beneficiary in the amount of \$870.00.

WHEREFORE, notice hereby is given that the undersigned trustee will on August 15, 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, 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 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

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AND ELECTION TO SELL  
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*Let to*

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

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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: 4/2/01

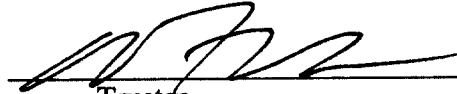
  
Trustee

EXHIBIT "A"  
DESCRIPTION OF PROPERTY

PARCEL ONE:

A parcel of land situated in the W $\frac{1}{2}$ NW $\frac{1}{4}$  of Section 36, Township 39 South, Range 12 E.W. M., Klamath County, Oregon, being more particularly described as follows: Beginning at the Southwest corner of the NW $\frac{1}{4}$  of said Section 36; thence S. 89°53'07" E. along the South line of said NW $\frac{1}{4}$  1328.28 feet to the Southeast corner of the W $\frac{1}{2}$ NW $\frac{1}{4}$  of said Section 36; thence N. 00°00'33" E. along the East line of said W $\frac{1}{2}$ NW $\frac{1}{4}$  608.31 feet to a point where a fence line intersects from the Northwest; thence Northwesterly along said fence line the following bearings and distances: N. 84°33'04" W. 151.14 feet; N. 32°10'32" W. 466.48 feet; S. 86°44'52" W. 101.88 feet; N. 60°24'37" W. 187.47 feet; N. 51°33'56" W. 58.38 feet; N. 88°40'36" W. 291.86 feet; S. 89°38'32" W. 326.26 feet to a point on the West line of said Section 36; thence S. 00°03'00" W. along said section line 1142.62 feet to the Point of Beginning.

ALSO, A parcel of land situated in the NW $\frac{1}{4}$  of Section 36, T. 39 S., R. 12 E.W.M., Klamath County, Oregon, being more particularly described as follows: Beginning at a point on the East line of the W $\frac{1}{2}$ NW $\frac{1}{4}$  of said Section 36 at a point where said East line intersects the Southerly right of way line of the U.S.B.R. North Canal; thence S. 00°00'33" W. 328.44 feet along said East line to a point where a fence intersects from the Northwest; thence leaving said East line and running Northwesterly along said fence the following bearings and distances: N. 84°33'04" W. 151.14 feet; N. 32°10'32" W. 466.48 feet; S. 86°44'52" W. 101.88 feet; N. 60°24'37" W. 187.47 feet; N. 51°33'56" W. 58.38 feet; N. 88°40'36" W. 291.86 feet; thence leaving said fence N. 00°29'37" E. 134.22 feet to a 1/2 inch iron pin; thence S. 68°11'17" E. 50.23 feet to a 1/2 inch iron pin; thence N. 53°19'03" E. 218.51 feet to a 1/2 inch iron pin on the Southerly right of way line of the U.S.B.R. North Canal, said point being hereinafter referred to as "Point A"; thence Southeasterly along said canal right of way line to the point of beginning.

PARCEL TWO:

That portion of W $\frac{1}{2}$ NW $\frac{1}{4}$  of Section 36, Township 39 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at a point on the West line of Section 36, said point being S. 0°03' W. 1494.44 feet from the Northwest corner of Section 36; thence continuing S. 0°03' E. approximately 20 feet; thence East 326.26 feet; thence North 134.22 feet; thence Southeasterly 50.23 feet and Northeasterly 218.54 feet to a point on the Southwesterly right of way of USBR North Canal referred to as Point A in instrument recorded July 12, 1976, in Volume M76 page 10481, Deed records of Klamath County, Oregon; thence N. 42°35'53" W. 179.01 feet; thence N. 79°39'35" W. 190.08 feet more or less; thence S. 23°51'30" E. 151.61 feet; thence S. 0°06'40" W. 257.02 feet; thence N. 89°53'20" W. 301.94 feet to the point of beginning.

EXCEPTING FROM ABOVE MENTIONED PARCELS, that parcel conveyed to United States of America by Deed recorded July 8, 1924 in Deed Volume 64 on page 299, Deed Records of Klamath County, Oregon.

## AFFIDAVIT OF MAILING TRUSTEE'S NOTICE OF SALE

STATE OF OREGON                     ]  
   ] ss.  
 County of Klamath                   ]

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:

Danny R. Closser  
 17112 Se Powell Blvd. Suite #2  
 Portland OR 97236-8702

Deborah F. Closser  
 17112 SE Powell Blvd. Suite #2  
 Portland OR 97236

Danny R. Closser  
 10079 E. Langell Valley Road  
 Bonanza OR 97623

Deborah F. Closser  
 10079 E. Langell Valley Road  
 Bonanza OR 97623

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

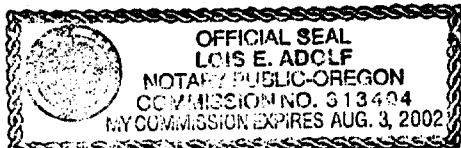
Tom Lee  
 9540 E. Langell Valley Road  
 Bonanza OR 97623

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 April 2, 2001, as mailed with a proper form to request and obtain a return receipt and postage thereon i 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 25 day of April, 2001



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

AFFIDAVIT OF MAILING TRUSTEE'S NOTICE OF SALE

13609

STATE OF OREGON            ]  
                                      ] ss.  
County of Klamath         ]

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:

State of Oregon, Department of Human Resources/Cheryl Constantin  
1495 Edgewater NW, Suite 290  
Salem Oregon 97304

Tepco Premium Finance  
C/o Antonio Porras, Jr.  
Attorney at Law  
419 Main Street  
Klamath Falls OR 97601

Oregon Department of Revenue  
PO Box 14725  
Salem OR 97309-5018

Oregon Bureau of Labor and Industries  
Wage and Hour Division, Room 1150  
800 NE Oregon Street #32  
Portland OR 97232

Quick Collect, Inc.  
PO Box 55457  
Portland OR 97230

Evergreen Stageline, Inc., dba Gray Line of Portland  
4320 North Settle Road  
Portland OR 97217

State of Oregon  
Employment Department  
875 Union Street NE, Room 107  
Salem Oregon 97311

Department of Consumer & Business Services  
Acting by and through Debbie Lincoln, Acting Director  
350 Winter Street NE Room 300  
Salem Oregon 97310

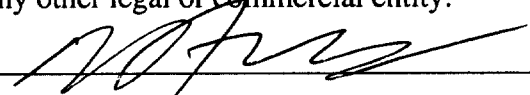
Carter-Jones Collection Service  
1143 Pine Street  
Klamath Falls, Oregon 97601

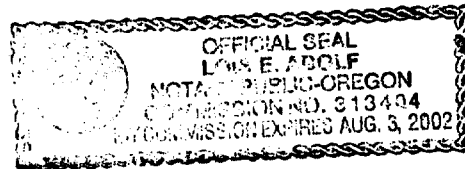
Said persons include (a) the grantor in the trust deed, (b) any successor in interest to the grantor whose interest appears of record or of whose interest the trustee or the beneficiary has actual notice (c) any person, including the Department of Revenue or any other state agency, having a lien or interest, subsequent to the trust deed if the lien or interest appears of record 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 April 3, 2001, as mailed with a proper form to request and obtain a return receipt and postage thereon i 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 31 day of April, 2001

  
\_\_\_\_\_  
Notary Public of Oregon  
My Commission expires:



State of Oregon, County of Klamath  
Recorded 04/03/01, at 2:35 p. m.  
In Vol. M01 Page 13605  
Linda Smith,  
County Clerk Fee\$ 46.00