

AFFIDAVIT OF MAILING TRUSTEE'S NOTICE OF SALE

AFFIDAVIT OF MAILING TRUSTEE'S NOTICE OF SALE RE: Trust Deed from
Mark E. Gates and Julie M. Gates, Grantor

Vol M03 Page 42698

TO

Michael J. Grospitch and Claudia J. Grospitch, Beneficiary

State of Oregon, County of Klamath
Recorded 06/23/2003 11:56 a m.
Vol M03 Pg 42698-42702
Linda Smith, County Clerk
Fee \$ 4/00 # of Pgs 5

After recording return to:
MacArthur & Bennett, P.C.
280 Main Street
Klamath Falls, OR 97601

STATE OF OREGON, County of Klamath) ss.

I, Scott D. MacArthur, 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 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 (or their legal representatives, where so indicated) at their respective last known addresses, to-wit:

Mark E. Gates, 679 Longacre Lane, Klamath Falls, OR 97601

Julie M. Gates, 679 Longacre Lane, Klamath Falls, OR 97601

Carter-Jones Collections, 1143 Pine Street, Klamath Falls, OR 97601

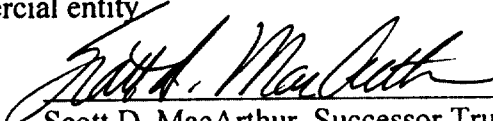
Cascade Collections, Inc., Assignee, P.O. Box 3166, Salem, OR 97302

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

Each of the notices so mailed was certified to be a true copy of the original notice of sale by Scott D. MacArthur, 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 15, 2003. With respect to each person listed above, one such notice was mailed with postage thereon sufficient for first class delivery to the address indicated, and another such notice was mailed with a proper form to request and obtain a return receipt and postage thereon in the amount sufficient to accomplish the

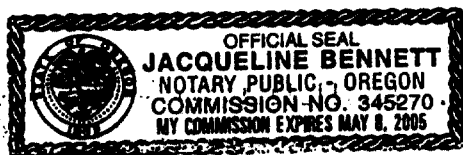
same. Each of said notices was mailed after the notice of default and election to sell described in said notice of sale was recorded.

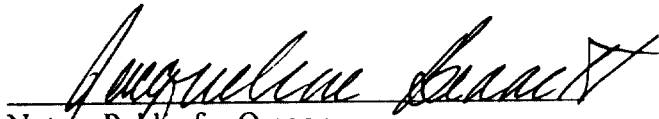
As used herein, the singular includes the plural, trustee includes successor trustee, and person includes corporation and any other legal or commercial entity



Scott D. MacArthur, Successor Trustee

Subscribed and sworn to before me this 16th day of April, 2003.





Notary Public for Oregon
My commission expires May 8, 2005

AFFIDAVIT OF POSTING NOTICE OF SALE IN LIEU OF SERVICE

42700

STATE OF OREGON, County of Klamath) ss.

I, Cale Arritola, being first duly sworn, depose 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 18 years and not the beneficiary or his successor in interest name in the notice of sale given under the terms of that certain trust deed described in said notice.

I posted the Notice of Sale of the real property in the Notice of Sale posting said notice on the premises of:

NAME:

Mark E. Gates

Julie M. Gates

ADDRESS:

679 Longacre Lane,

Klamath Falls, OR 97601

Each of the notices so posted was certified to be a true copy of the original notice of sale by Scott D. MacArthur, attorney for the trustee named in said notice; and was posted by me on 4-16-03. Each of said notices was posted after the Notice of Default and Election to Sell by the trustee was recorded and at least 30 days before the day fixed in said notice by the trustee for the trustee's sale.

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 16 day of April, 2003.

Notary Public for Oregon

My Commission Expires: 12-12-03

(SEAL)

CERTIFICATE OF POSTING

After Recording return to:
MacArthur & Bennett, P.C.
280 Main Street
Klamath Falls, OR 97601



Affidavit of Publication

42701

STATE OF OREGON, COUNTY OF KLAMATH

I, Larry L. Wells, Business Manager, being first duly sworn, depose and say that I am the principal clerk of the publisher of the Herald and News a newspaper in general circulation, as defined by Chapter 193 ORS, printed and published at Klamath Falls in the aforesaid county and state: that the

Legal # 5687

Notice of Sale/Gates

a printed copy of which is hereto annexed, was published in the entire issue of said newspaper for: (4)

Four

Insertion(s) in the following issues:

April 20, 27, May 4, 11, 2003

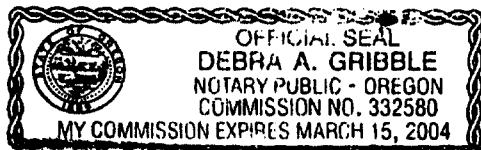
Total Cost: \$1,107.00

Subscribed and sworn

before me on: May 11, 2003

Notary Public of Oregon

My commission expires March 15, 2004



AMENDED NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to that certain trust deed made by MARK E. GATES and JULIE M. GATES, as grantor, to AMERITITLE, INC., as trustee, in favor of MICHAEL J. GROSPITCH and CLAUDIA J. GROSPITCH as beneficiary, dated December 15, 1998, recorded December 31, 1998, in the mortgage records of Klamath County, Oregon, in book/reel/ volume No. M98 at page 47970, covering the following described real property situated in said county and state, to-wit:

EXHIBIT "A" Legal Description

PARCEL 1: A tract of land situated in the SE 1/4 of Section 7, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon more particularly described as follows:

Beginning at a 3/4" iron pipe on the Northerly right of way line of Longacre Road, said pipe being the Southwest corner of Tract "E" according to the recorded Survey No. 627 of the Klamath County Surveyor's Records, and lying North along the quarter line a distance of 644.6 feet and North 59 degrees 53' 00" East along said right of way, a distance of 258.8 feet from the iron axle which marks the quarter section corner common to Sections 7

and 18, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence North 59 degrees 53' 00" East along said right of way line 162.20 feet to a 5/8" iron rod; thence North 20 degrees 50' 06" West a distance of 218.69 feet to a 5/8" iron rod; thence South 59 degrees 53' 00" West a distance of 39.60 feet to a 5/8" iron rod; thence South 59 degrees 53' 00" West a distance of 39.60 feet to a 5/8" iron rod; thence South 06 degrees 04' 00" West along the West line of said Tract "E" of recorded Survey No. 627, a distance of 267.40 feet to the point of beginning.

PARCEL 2: A tract of land situated in the SE 1/4 of Section 7, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Commencing at a 3/4" iron pipe on the Northerly right of way line of Longacre Road, said pipe being the Southwest corner of Tract "E" according to the recorded Survey No. 627 of the Klamath County Surveyor's records and lying North along the quarter line of a distance of 644.6 feet and North 59 degrees 53' 00", East along the said right of way, a distance of 258.8 feet from the

iron axle which marks the quarter section corner common to Sections 7 and 18 Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence North 59 degrees 53' 00" East along said right of way line 162.20 feet to a 5/8" iron rod at the true point of beginning; thence continuing North 59 degrees 53' 00" East a distance of 61.86 feet to a 3/4" iron pipe at the Southeast corner of Tract "F" of said recorded Survey No. 627; thence North 06 degrees 04' 07" East a distance of 481.65 feet to a 3/4" iron pipe at the Northeast corner of said Tract "F"; thence South 60 degrees 02' 18" West 223.97 feet to a 3/4" iron pipe at the Northwest corner of said Tract "E"; thence South 06 degrees 04' 06" West, a distance of 214.77 feet to a 5' 8" iron rod on the West line of said Tract "E"; thence North 59 degrees 58' 00" East a distance of 39.60 feet to a 5/8" iron rod; thence South 20 degrees 50' 06" East a distance of 218.69 feet to the true point of beginning.

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 86.73593) of Oregon Revised Statutes. The Default for which the foreclosure is made is grantor's failure to pay when due the following sums: Payments in the amount of \$457.01 per month from April 2000 through

January 2001 and May 2002 through the present.

Taxes for the fiscal year 1999-2000 delinquent in the amount of \$15.92, plus interest. Taxes for the fiscal year 2000-2001 delinquent in the amount of \$620.47, plus interest. Taxes for the fiscal year 2001-2002 delinquent in the amount of \$637.34, plus interest. Taxes for the fiscal year 2002-2003 delinquent in the amount of \$666.42, plus interest.

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: \$61,668.61 as of August 25, 2001 plus interest.

WHEREFORE, notice hereby is given that the undersigned trustee will on June 16, 2003 at the hour of 10:00 AM Standard time, as established by Section 187.110, Oregon Revised Statutes, at 280 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 said described real property which the grantors had or had power to convey at the time of the execution by him of said trust deed, to satisfy the foregoing obligations thereby secured and the costs or their 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 proceed-

ing 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 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.

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 of which is secured by said trust deed, and the words "trustee" and "beneficiary" include their respective successors in interest, if any.

Dated: April 15, 2003. Scott D. MacArthur, Successor Trustee.
#5687 April 20, 27, May 4, 11, 2003.