

NOTICE OF DEFAULT AND ELECTION TO SELL

NOTICE is hereby given that the obligation secured by the trust deed described below is in default, and that the beneficiary has elected to foreclose the trust deed pursuant to ORS 86.705 to 86.795. No action is now pending to recover any part of the debt secured by the trust deed.

Information required by ORS 86.735 and ORS 86.745 is as follows:

1. Grantor: Russ Gentry and Pam Gentry, husband and wife  
Trustee: Mountain Title Company of Klamath County  
Successor Trustee: Bruce Kellington  
Beneficiary: D. L. Gressett, Trustee of the D. L. Gressett Trust

2. Property covered by trust deed:

Lot 13 in Block 203 of MILLS SECOND ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

3. Trust deed was recorded on April 18, 1988, in Volume M89, page 1451, Microfilm Records of Klamath County, Oregon.

4. Default for which foreclosure is made is the failure to pay the following: Failure to pay monthly payments, each in the sum of \$395.56, for the months of July through December 1990, and January 1991.

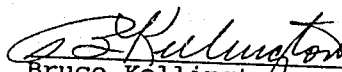
5. The sum owing on the obligation secured by the trust deed is: \$37,204.26, plus interest accrued prior to August 28, 1990 in the sum of \$374.50, plus interest on the sum of \$37,204.26, at the rate of 9% per annum from the 28th day of August, 1990, until paid, plus trustee's fees, attorney fees, foreclosure costs, and any sum advanced by the beneficiary pursuant to the terms of said trust deed.

6. The beneficiary has and does elect to sell the property to satisfy the obligation.

7. The property will be sold in the manner prescribed by law on May 17, 1991, at 10:30 o'clock a.m., based on the standard of time as established by ORS 187.110, at the front door of the Klamath County Courthouse, in the City of Klamath Falls, County of Klamath, Oregon.

8. Interested persons are notified of the right under ORS 86.753 to have this proceeding dismissed and the trust deed reinstated by payment of the entire amount then due, other than such portion as would not then be due had no default occurred, together with costs, trustee's and attorney's fees, and by curing any other default complained of in this Notice, at any time prior to five days before the date last set for sale.

DATED this 4th day of January, 1991.

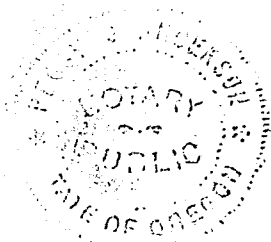
  
Bruce Kellington - Trustee

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STATE OF OREGON                    )  
  ss.  
County of Jackson                )

On this 4th day of January, 1991, personally appeared the above named Bruce Kellington and acknowledged the foregoing instrument to be his voluntary act and deed.

Before me:



James J. Anderson  
Notary Public for Oregon  
My Commission Expires: 4-13-93

STATE OF OREGON: COUNTY OF KLAMATH:               ss.

Filed for record at request of Mountain Title Co. the 8th day  
of Jan. A.D., 19 91 at 3:50 o'clock P M., and duly recorded in Vol. M91,  
of Mortgages on Page 477.

Evelyn Biehn               County Clerk

FEE     \$13.00

By Pauline Mueller

Return: MTC