

After recording return to:

ROUTH CRABTREE & FENNEL
1750 - 112TH AVENUE NE, SUITE A-208
BELLEVUE, WA 98004

K-49665
NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to that certain trust deed made by JOHN T. BOWERS and DARLENE M. BOWERS, as grantor, to MOUNTAIN TITLE COMPANY, as trustee, in favor of FIRST INTERSTATE BANK OF OREGON, N.A., as beneficiary, dated August 7, 1981, recorded August 13, 1981, in the mortgage records of Klamath County, Oregon, in Volume M81, page 14351, covering the following described real property situated in said county and state, to wit:

See Exhibit A attached hereto and incorporated herein

PROPERTY ADDRESS: 2742 VALE ROAD, KLAMATH FALLS, OR 97601

There is a default by the grantor or other person owing an obligation or by their successor in interest, the performance of which is secured by said trust deed, or by their 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 of \$1,597.97 beginning April 1, 1996; plus late charges of \$63.92 each month beginning April 15, 1996; plus prior accrued late charges of \$-0-; plus escrow advances of \$-0-; together with title expense, costs, trustee's fees and attorney's fees incurred herein by reason of said default; and any further sums advanced by the beneficiary for the protection of the above described real property and its interest therein.

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: \$52,111.54 with interest thereon at the rate of 11.5000 percent per annum beginning March 1, 1996; plus late charges of \$63.92 each month beginning April 15, 1996 until paid; plus prior accrued late charges of \$-0-; plus escrow advances of \$-0-; together with title expense, costs, trustee's fees and attorneys fees incurred herein by reason of said default; and any further sums advanced by the beneficiary for the protection of the above described real property and its interest therein.

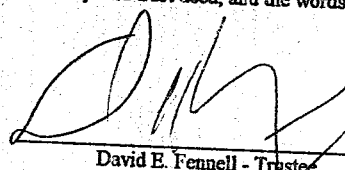
Notice is hereby given that the beneficiary and trustee, by reason of said default, have elected and do hereby elect to foreclose the trust deed by advertisement and sale pursuant to ORS 86.705 to 86.795, and to cause to be sold at public auction to the highest bidder for cash the interest in the described property which the grantor had, or had the power to convey, at the time grantor executed the trust deed, together with any interest the grantor or grantor's successors 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 reasonable fees of trustee's attorneys.

The sale will be held at the hour of 10:00 o'clock, A.M., in accord with the standard of time established by ORS 187.110 on February 21, 1997, at the following place: inside the main lobby of the Klamath County Courthouse, 316 Main St., in the City of Klamath Falls, County of Klamath, State of Oregon, which is the hour, date and place last set for the sale.

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 be due had no default occurred) and by curing every other default complained of herein by tendering the performance required under the obligation or trust deed, 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 ORS 86.753.

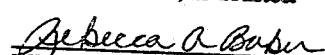
32024

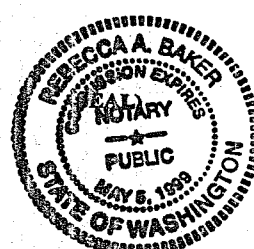
In construing this notice, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor as well as any other person owing an obligation, the performance of which is secured by said trust deed, and the words "trustee" and "beneficiary" include their respective successors in interest, if any.


David E. Fennell - Trustee

STATE of WASHINGTON)
County of King) ss.

This instrument was acknowledged before me on 10/7, 1996, by
David E. Fennell, as Trustee.


REBECCA A. BAKER
Notary Public for Washington, residing at Algona
My commission expires: 5/5/99



NOTICE OF DEFAULT AND ELECTION TO SELL

RE: Trust Deed from

JOHN T. BOWERS and DARLENE M. BOWERS
Grantor

to
DAVID E. FENNELL
Trustee

FB: No. 7070.20005/BOWERS

For Additional Information:

BECKY BAKER
ROUTH CRABTREE & FENNELL
1750 - 112TH AVENUE NE, SUITE A-208
BELLEVUE, WA 98004
(206) 453-5055

**THIS IS AN ATTEMPT TO COLLECT AND INFORMATION OBTAINED WILL
BE USED FOR THAT PURPOSE**

EXHIBIT A

(A) A tract of land situated in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 6, Township 39 South, Range 10 East of the Willamette Meridian, more particularly described as follows:

Beginning at the Southeast corner of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 6, said point being the Northeast corner of "Junction Acres" subdivision; thence South 89°07'30" West along the South line of said Section 6, which is also the North line of said Subdivision, a distance of 30 feet; thence Northerly, parallel with the East line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 6, a distance of 175 feet to the true point of beginning of this description; thence Northerly parallel with the East line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 6, a distance of 175 feet, more or less, to the intersection with the centerline of the Enterprise Irrigation District canal as it is presently located and constructed; thence Northwesterly and Southwesterly along the centerline of said canal to a point that is Northerly, measured on a line parallel with the East line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 6, a distance of 350 feet from the South line of said Section 6; thence South 89°07'30" West parallel with the South line of said Section 6, which is the North line of said Subdivision, to the intersection with the East line of that tract of land deeded to Heaton, as described in Deed Volume 359 page 448; thence South 28°23'30" East and South 00°21'45" East along the East line of said Heaton tract to a point that is Northerly, measured on a line parallel with the East line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 6, a distance of 175 feet from the Southline of said Section 6; thence North 89°07'30" East parallel with the Southline of said Section 6, which is the North line of said subdivision, to the true point of beginning of this description. EXCEPT that portion lying within the boundaries of Enterprise Irrigation District Canal.

(B) A tract of land situated in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 6, Township 39 South, Range 10 E.W.M., more particularly described as follows:

Beginning at a point on the South line of said Section 6, said point being on the North line of "Junction Acres" Subdivision and being South 89°07'30" West a distance of 30 feet from the Northeast corner of said subdivision which is also the Southeast corner of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 6; thence Northerly parallel with the East line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 6 a distance of 175 feet; thence South 89°07'30" West parallel with the South line of said Section 6, which is the North line of said subdivision to the intersection with the East line of the tract of land deeded to Heaton as described in Deed Volume 359 page 448; thence South 00°21'45" East along the East line of Heaton tract a distance of 175 feet, more or less, to the South line of said Section 6, which is the North line of said subdivision; thence North 89°07'30" East along the South line of said Section 6, and along the North line of said Subdivision to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title the 9th day
of October A.D., 19 96 at 11:15 o'clock A.M., and duly recorded in Vol. M96,
of Mortgages on Page 32023.

FEE \$20.00

Bernetha G. Letsch

County Clerk

By Kathleen Ross