

## NOTICE OF DEFAULT AND ELECTION TO SELL

RE: Trust Deed from Ronald A. Bonneville and Vickie E. Bonneville, Grantor  
TO Leigh R. Grass and Doris Lee Grass, individually and as Trustees or their successors in Trust, under the Grass  
Loving Trust dated April 13, 1995 and any amendments thereof, Beneficiary

AFTER RECORDING RETURN TO:  
Scott D. MacArthur, P.C.  
280 Main Street  
Klamath Falls, OR 97601

## NOTICE OF DEFAULT AND ELECTION TO SELL

KNOW ALL MEN BY THESE PRESENTS, that RONALD A. BONNEVILLE and VICKIE E. BONNEVILLE, is the grantor, and ASPEN TITLE AND ESCROW, INC., is the trustee, and LEIGH R. GRASS and DORIS LEE GRASS, individually and as Trustees or their successors in Trust, under the Grass Loving Trust dated April 13, 1995 and any amendments thereof, is the beneficiary under that certain trust deed dated September 25, 1996, and recorded on October 2, 1996, in book/reel/volume No. M96 at page 31280 of the Mortgage Records of Klamath County, Oregon.

Lot 92, PLEASANT HOME TRACTS, in the County of Klamath, State of Oregon.

The undersigned hereby certifies that no assignments of the trust deed by the trustee or by the beneficiary and no appointments of a successor-trustee have been made except as recorded in the mortgage records of the county or counties in which the above described real property is situate; further, that no action has been instituted to recover the debt, or any part thereof, now remaining secured by the said trust deed, or, if such action has been instituted, such action has been dismissed.

There is a default by the grantor or other person owing an obligation, 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:

Taxes for the fiscal year 1996-1997, delinquent in the sum of \$317.48, plus interest.

Taxes for the fiscal year 1997-1998, delinquent in the sum of \$470.68, plus interest.

Payments in the amount of \$250.00 per month from February 1997 through September 1997, November 1997, and May 1998 to the present.

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: \$22,575.98 as of July 3, 1998, plus interest.

Notice hereby is given that the beneficiary and trustee, by reason of said default, have elected and do hereby elect to foreclose said trust deed by advertisement and sale pursuant to Oregon Revised Statutes Sections 86.705 to 86.795, and to cause to be sold at public auction to the highest bidder for cash the interest in the said described property which the grantor had, or had the power to convey, at the time of the execution by him of the trust deed, together with any interest the grantor or his successors in interest acquired after the execution of the trust deed, to satisfy the obligations secured by said trust deed and the expenses of the sale, including the compensation of the trustee as provided by law, and the reasonable fees of trustee's attorney.

Said sale will be held at the hour of 10:00 o'clock, A.M., Standard Time as established by Section 187.110 of Oregon Revised Statutes on December 28, 1996, at the following place: 280 Main Street, in the City of Klamath Falls, County of Klamath, State of Oregon, which is the hour, date and place fixed by the trustee of said sale.

Other than as shown of record, neither the said beneficiary or the said trustee has any actual notice of any person having or claiming to have any lien upon or interest in the real property hereinabove described subsequent to the interest of the trustee in the trust deed, or of any successor in interest to the grantor or of any lessee or other person in possession of or occupying the property, except:

NAME AND LAST KNOWN ADDRESS	NATURE OF RIGHT, LIEN OR INTEREST
Ronald A. Bonneville 1772 Hope Street Klamath Falls, OR 97603	Default upon Trust Deed
Vickie E. Bonneville 1772 Hope Street Klamath Falls, OR 97603	Default upon Trust Deed
Oregon Dept. of Revenue Medford District Office 24 West Sixth Street Medford, OR 97501-2705	State Income Tax Lien No. R550-62-5086 100 94 12 1, Recorded February 25, 1997 M97, Page 5616, Fee 33411, Vickie E. Bonneville
Oregon Dept. of Revenue Medford District Office 24 West Sixth Street Medford, OR 97501-2705	State Income Tax Lien No. R550-62-5086 100 94 12 1, Recorded February 25, 1997 M97, Page 5617, Fee No. 33412, Vickie E. Bonneville
Oregon Dept. of Revenue Medford District Office 24 West Sixth Street Medford, OR 97501-2705	State Income Tax Lien No. R568-52-8576 100 88 12 1, Recorded February 25, 1997 M97, Page 5618, Fee No. 33413, Ronald A. Bonneville & Vickie E. Bonneville

31271

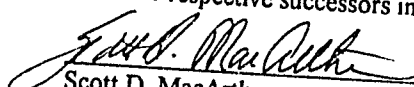
Oregon Dept. of Revenue  
Medford District Office  
24 West Sixth Street  
Medford, OR 97501-2705

State Income Tax Lien. No. R568-52-8576 100  
88 12 1, Recorded April 16, 1997  
M97, Page 11311, Fee No, 36088, Ronald A  
Bonneville & Vickie E. Bonneville

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 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 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.

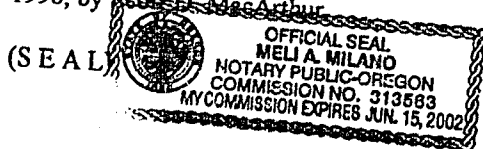
In construing this notice, the masculine gender includes the feminine and the neuter, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor as well as any other person owing an obligation, the performance of which is secured by said trust deed, and the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

DATED: August 24, 1998.

  
Scott D. MacArthur  
Successor Trustee

STATE OF OREGON, County of Klamath) ss.

The foregoing instrument was acknowledged before me this 25 day of August 1998, by Scott D. MacArthur



Before me: Meli A. Milano  
Notary Public for Oregon  
My Commissioner Expires: June 15, 2002

STATE OF OREGON, County of Klamath) ss.

I certify that the within instrument received for record on the 25th day of August, 19 98, at 3:21 o'clock P. M., and recorded in book/reel/ volume No. M98 on page 31269 or as fee/file/instrument/microfilm/reception No. 65137, Recorded of Deeds of said County.  
Mortgages

Witness my hand and seal of County affixed.

Bernetha G. Letsch, Co. Clerk

Name Kathleen Rose Title Deputy

Fee: \$20.00