

TRUSTEE'S NOTICE OF DEFAULT AND ELECTION TO SELL
AND
TRUSTEE'S NOTICE OF SALE

Reference is made to that Trust Deed wherein Kenneth Scott Kirkham and Susan L. Kirkham, husband & wife, are grantors; William L. Sisemore, is Trustee; and Klamath First Federal Savings and Loan Association, is Beneficiary, recorded in Official/Microfilm Records, Vol. M96, page 37868, Klamath County, Oregon, covering the following described real property in Klamath County, Oregon:

Lots 11 and 12 in Block 5, Second Hot Springs 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.

Tax account no. 3809-2800-9200 Key no. 371957

No action is pending to recover any part of the debt secured by the trust deed.

The obligation secured by the trust deed is in default because the grantor has failed to pay the following: Failure to pay the sum of \$971.00 due December 1, 1998; \$975.00 on 01/1/99 and each month thereafter together with late charges of \$392.67.

The sum owing on the obligation secured by the trust deed is: \$80,078.01 plus interest at the rate of 9.125% per annum from 11/01/98, plus late charges,

plus trustee's fees, attorney's fees, foreclosure costs and any sums advanced by beneficiary pursuant to the terms of said trust deed.

Beneficiary has and does elect to sell the property to satisfy the obligation pursuant to ORS 86.705 to 86.795.

The property will be sold as provided by law on September 8, 1999 at 10:00 o'clock a.m. based on standard of time established by ORS 187.110 at 110 N. 6th St., #205, Klamath Falls, Klamath, County, Oregon.

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.

This communication is an attempt to collect a debt. Any information obtained will be used for that purpose.

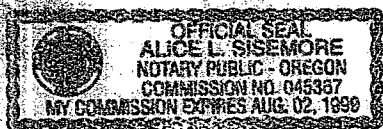
Dated: April 26, 1999.

William L. Sisemore
William L. Sisemore, Trustee

STATE OF OREGON, County of Klamath) ss

The foregoing was acknowledged before me on April 26, 1999, by William L. Sisemore,

Alice L. Sisemore, Notary Public for Oregon-My Commission Expires 8/2/99



Certified to be a true copy:

Attorney for Trustee

STATE OF OREGON, County of Klamath, ss

Filed for record on April 27, 19 99, at 10:14 o'clock A.m. and recorded in M99 page 15385 of mortgages.

Linda Smith, Klamath County Clerk, by Linda Smith
Deputy

After recording, return to:

Fee: \$10.00

William L. Sisemore

Attorney at Law

110 N. 6th Street

Klamath Falls, OR 97601