

Return to: Brandsness, Brandsness & Rudd, P.C. 411 Pine Street Klamath Falls, Oregon 97601	Clerk's Stamp:
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**TRUSTEE'S NOTICE OF DEFAULT
AND ELECTION TO SELL AND OF SALE**

Reference is made to the following Trust Deed: Trace L. Pederson and Lisa L. Pederson, Grantor; Mountain Title Company of Klamath County, Trustee; and James F. Benson and Joanna R. Benson, Beneficiary, recorded in Official/Microfilm Records, Volume M94, Page 27109, Klamath County, Oregon, covering the following-described real property in Klamath County, Oregon:

See attached Exhibit "A"

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: Failed to make the payment of \$300 due on February 28, 1999, and monthly thereafter; failed to pay Klamath County Real Property Taxes for the years 1995 through 1999, inclusive.

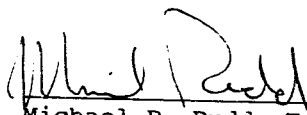
The sum owing on the obligation secured by the trust deed is: The sum of \$24,800.95 plus interest thereon at the rate of 10% per annum from July 8, 1999; plus Klamath County Real Property taxes for the tax years 1995 through 1999, inclusive, plus trustee's fees, attorney's fees, foreclosure costs and 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 January 28, 2000, at 10 o'clock a.m. based on standard of time established by ORS 187.110 at the Offices of Brandsness, Brandsness & Rudd, P.C., 411 Pine Street, Klamath Falls, OR 97601.

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: September 2, 1999.


Michael P. Rudd, Trustee
411 Pine Street
Klamath Falls, OR 97601

STATE OF OREGON)
) ss.
County of Klamath)

September 2, 1999.

Personally appeared Michael P. Rudd and acknowledged the foregoing instrument to be his voluntary act and deed. Before me:



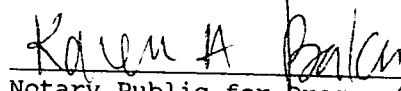

Notary Public for Oregon
My Commission expires: 9-28-01

EXHIBIT "A"

Lots 27 and 28, Block 4, ORIGINAL TOWN OF CHILOQUIN, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

EXCEPTING THEREFROM that portion of Lot 27 conveyed by instrument recorded May 26, 1983 in Volume M83 at page 8277, Microfilm Records of Klamath County, Oregon, being more particularly described as follows:

The North 20 feet of Lot 27, Block 4, ORIGINAL CITY OF CHILOQUIN, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, being the 20 foot portion of Lot 27 that is parallel and adjacent to Lot 26 of said Block 4.

State of Oregon, County of Klamath
Recorded 9/10/99, at 11:00 a.m.
In Vol. M99 Page 36276
Linda Smith,
County Clerk Fee \$ 15.00