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After recording, return to:

Sabrina Loiselle
 Miller Nash LLP
 111 S.W. Fifth Avenue, Suite 3500
 Portland, Oregon 97204-3699

K55629

NOTICE OF DEFAULT AND ELECTION TO SELL

1. This notice of default is recorded pursuant to ORS 86.735(3) with respect to a deed of trust (the "Trust Deed") dated **March 22, 1984**, by **Dennis Ray Mower and Pamala Ann Mower** (the "Grantor"), to **William Sisemore** (the "Trustee"), to secure payment and performance of certain obligations of the Grantor to **Klamath First Federal Savings and Loan Association** (the "Beneficiary"), including repayment of the promissory note (the "Note") dated **March 22, 1984**, in the principal amount of **\$18,400.00** ("the Note").

2. The description of the real property covered by the Trust Deed is:

Lot 3 Block 2, FAIRVIEW 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. The Trust Deed was recorded on **March 22, 1984**, in Volume M84 at Page 4689 in the real property records of Klamath County, Oregon.

4. The successor trustee hereby certifies that no action has been instituted to recover the obligation, or any part thereof, now remaining secured by the Trust Deed or, if such action has been instituted, such action has been dismissed except as permitted by ORS 86.735(4).

5. The default for which the foreclosure is made is the Grantor's failure to make monthly payments in full beginning February 1, 2000, and on the first day of each month thereafter, as required under the Note that is secured by the Trust Deed.

6. By reason of said default, Klamath First Federal Savings and Loan Association, as beneficiary under the Trust Deed, has declared all sums owing on the obligation secured by the Trust Deed immediately due and payable which sums are as follows: (a) the principal amount of \$7,452.36 (b) accrued interest of \$255.95 as of June 12, 2000, and interest accruing thereafter on the principal amount at the rate set forth in the Note, (c) late charges of \$42.85 as of June 12, 2000, and any late charges accruing thereafter, (d) amounts that the beneficiary has paid on or may hereinafter pay to protect the lien, including by way of illustration, but not limitation, taxes, assessments, interest on prior liens, and insurance premiums, and (e) costs and attorney and trustee fees incurred by the Beneficiary in foreclosure, including the cost of a trustee's sale guarantee and any other environmental or appraisal report.

7. Notice is hereby given that by reason of said default, Klamath First Federal Savings and Loan Association, as beneficiary under the Trust Deed, and the successor trustee have elected to foreclose the trust deed by advertisement and sale pursuant to ORS 86.705 to ORS 86.795 and to sell the real property identified in paragraph 2 to satisfy the obligation that is secured by the Trust Deed.

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8. The sale will be conducted on November 30, 2000, at one o'clock (1:00) p.m., based on the standard of time established by ORS 187.110, just outside the main entrance of the Klamath County Courthouse, 316 Main Street, Klamath Falls, Oregon 97601.

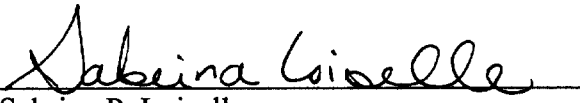
9. Notice is further given that any person named in ORS 86.753, has the right, at any time prior to five days before the date last set for the sale, to have this foreclosure proceeding dismissed and the trust deed reinstated by payment to Klamath First Federal Savings and Loan Association, as beneficiary, of the entire amount then due, (other than such portion of 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 and attorney fees not exceeding the amount provided by ORS 86.753.

10. 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 successor in interest, if any.

In accordance with the Fair Debt Collection Practices Act, this is an attempt to collect a debt, and any information obtained will be used for that purpose. This communication is from a debt collector.

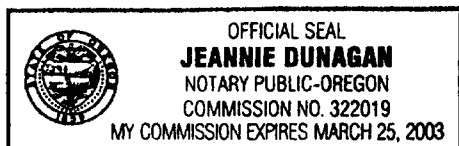
For further information, please contact Sabrina P. Loiselle at Miller Nash LLP, 111 S.W. Fifth Avenue, Suite 3500, Portland, Oregon 97204 or telephone her at (503) 224-5858.

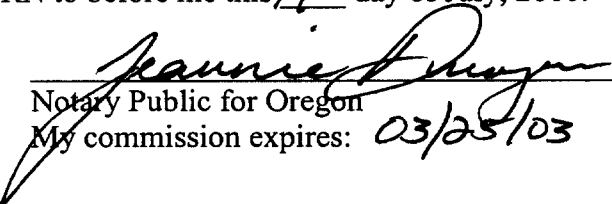
DATED: July 14th, 2000.


Sabrina P. Loiselle
Successor Trustee

STATE OF OREGON)
) SS
COUNTY OF MULTNOMAH)

SUBSCRIBED AND SWORN to before me this 14th day of July, 2000.




Notary Public for Oregon

My commission expires: 03/25/03

State of Oregon, County of Klamath
Recorded 07/17/00, at 10:59 A m.
In Vol. M00 Page 25883
Linda Smith,
County Clerk Fee \$ 26.00