

NOTICE OF DEFAULT AND ELECTION TO SELL

RE: Trust Deed from CAROLLE B. WILLIAMS and PATRICIA L. BAXTER, with the rights of survivorship, Grantor.

To ROBERT E. HARRIS and JACQUELINE S. HARRIS, husband and wife with the rights of survivorship, Beneficiary

AFTER RECORDING RETURN TO:

MacArthur & Bennett, P.C.

280 Main Street

Klamath Falls, OR 97601

NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to that certain trust deed made by CAROLLE B. WILLIAMS and PATRICIA L. BAXTER, with the rights of survivorship, as grantor, to MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY, trustee, in favor of ROBERT E. HARRIS and JACQUELINE S. HARRIS, husband and wife with the rights of survivorship, as beneficiary, dated May 12, 1995, recorded May 17, 1995, in the mortgage records of Klamath County, Oregon, in book/reel/volume No. M95 at page 12784, covering the following described real property situated in said county and state, to-wit:

That portion of the NW 1/4 SE 1/4 of Section 4, Township 41 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, lying East of the Malin Irrigation District lateral, said lateral described as follows:

Beginning 904 feet East of the Northwest corner of NW 1/4 SE 1/4 of Section 4; thence South 25 degrees East 356 feet; South 3 degrees 45' East 424 feet; South 40 degrees East 441 feet.

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:

Payments in the amount of \$1,141.56 per month from December 2001 through the present.

Failure to make payment of Irrigation fees for Shasta View Irrigation District in the sum of \$2,135.00.

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: \$100,240.05 as of November 11, 2001, 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 case 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 September 30, 2002, 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
Patricia L. Baxter 30980 Transformer Road Malin, OR 97632	Default upon Trust Deed
Southern Oregon Credit Service 841 Stewart Avenue, Ste 11 Medford, OR 97501	Judgment dated January 9, 1996 Klamath County Case No. 9600106 CV
South Valley Bank & Trust P.O. Box 5211 Klamath Falls, OR 97601	Judgment dated April 25, 1997 Klamath County Case No. 9701704 CV
Lorena Wellington, P.R. Estate of Gertrude Viola Hogg C/O Neal Buchanan, Attorney at Law 435 Oak Street Klamath Falls, OR 97601	Judgment dated April 30, 1998 Klamath County Case No. 9801703 CV

State of Oregon, County of Klamath
Klamath County Tax Collector
P.O. Box 340
Klamath Falls, OR 97601

Personal Property Tax Warrant, 97-2366
Recorded August 6, 1997,
M97, Page 25773

State of Oregon, County of Klamath
Klamath County Tax Collector
P.O. Box 340
Klamath Falls, OR 97601

Personal Property Tax Warrant, 98-292
Recorded June 22, 1998,
M98, Page 21455

State of Oregon, County of Klamath
Klamath County Tax Collector
P.O. Box 340
Klamath Falls, OR 97601

Personal Property Tax Warrant, 99-242
Recorded April 23, 1999,
M99, Page 15031

Oregon Dept. Of Revenue
Attn. Elizabeth Harchenko
955 Center Street NE
Salem, OR 97301

Distrain Warrant R536-48-8763 100 94 12 2
Recorded September 22, 1998
M98, Page 34687

Oregon Dept. Of Revenue
Attn. Elizabeth Harchenko
955 Center Street NE
Salem, OR 97301

Distrain Warrant R536-48-8763 100 93 12 1
Recorded September 22, 1998
M98, Page 34687

Oregon Dept. Of Revenue
Attn. Elizabeth Harchenko
955 Center Street NE
Salem, OR 97301

Distrain Warrant R536-48-8763 100 90 12 2
Recorded September 22, 1998
M98, Page 34687

Department of Justice
Attn. Tax Section
1162 Court Street NE
Salem, OR 97301

Distrain Warrant R536-48-8763 100 94 12 2
Recorded September 22, 1998
M98, Page 34687

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Recorded September 22, 1998
M98, Page 34687

Shasta View Irrigation District
P.O. Box 46
Malin, OR 97632

Claim of Lien
Recorded November 25, 1998
M98, Page 43323

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: May 23, 2002



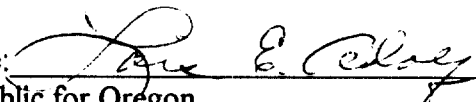
Scott D. MacArthur
Successor Trustee

STATE OF OREGON, County of Klamath) ss.

The foregoing instrument was acknowledged before me this 23rd day of May, 2002, by Scott D. MacArthur.

(S E A L)



Before me: 

Notary Public for Oregon
My Commission Expires: _____