

TRUSTEE'S NOTICE OF DEFAULT AND ELECTION TO SELL
UNDER TERMS OF TRUST DEED

The Trustee under the terms of the Trust Deed described herein, at the direction of the Beneficiary, hereby elects to sell the property described in the Trust Deed to satisfy the obligations secured thereby. Pursuant to ORS 86.745, the following information is provided:

1. PARTIES:

Grantor: NAOMI SYNODIS and ANGELO PAUL SYNODIS
Trustee: OLD NATIONAL BANK
Successor Trustee: MICHAEL C. AROLA
Beneficiary: UNITED STATES NATIONAL BANK OF OREGON

2. DESCRIPTION OF PROPERTY: The real property is described as follows:

As described on the attached Exhibit A

3. RECORDING. The Trust Deed was recorded as follows:

Date Recorded: December 22, 1987
Volume M87, Page 22681
Official Records of Klamath County, Oregon

4. DEFAULT. The Grantor or any other person obligated on the Trust Deed and Promissory Note secured thereby is in default and the Beneficiary seeks to foreclose the Trust Deed for failure to pay: Monthly payments in the amount of \$186.38 each, due the first of each month, for the months of June, 1991 through January, 1992; plus late charges and advances; plus any unpaid real property taxes, plus interest.

5. AMOUNT DUE. The amount due on the Note which is secured by the Trust Deed referred to herein is: Principal balance in the amount of \$15,496.78 plus interest at the rate of 10.250% per annum from May 1, 1991; plus late charges of \$148.03.

6. ELECTION TO SELL. The Trustee hereby elects to sell the property to satisfy the obligations secured by the Trust Deed.

7. TIME OF SALE.

Date: May 28, 1992
Time: 10:00 a.m. as established by ORS 187.110
Place: Front of the Klamath County Courthouse, 316 Main Street, Klamath Falls, Oregon

8. RIGHT TO REINSTATE. Any person named in ORS 86.753 has the right, at any time prior to five days before the Trustee conducts the sale, to have this foreclosure 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, by curing any other default that is capable of being cured by tendering the performance required under the obligation or Trust Deed and by paying all costs and expenses actually incurred in enforcing the obligation and Trust Deed, together with the trustee's and attorney's fees not exceeding the amount provided in ORS 86.753.

DATED: January 15, 1992.

Michael C. Arola
Michael C. Arola, Successor Trustee

STATE OF OREGON)
) ss.
COUNTY OF LANE)

The foregoing instrument was acknowledged before me on January 15, 1992, by MICHAEL C. AROLA.

AFTER RECORDING RETURN TO:
Hershner, Hunter, Moulton,
Andrews & Neill
Attn: Carol B. Mart
P.O. Box 1475
Eugene, OR 97440

Patricia L. Anderson
Notary Public for Oregon
My Commission Expires: 2/10/95

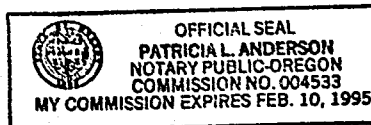


EXHIBIT A

The following described real property situate in Klamath County, Oregon:

Parcel 1:

Lot 2 in Block 1; Lots 8 and 9 in Block 2; Lots 1 and 2 in Block 3 Sprague River Estates, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. TOGETHER WITH an undivided 5/15ths interest in and to the river frontage and recreation area shown on instrument recorded June 9, 1980 in Volume M80 page 10501, Deed records of Klamath County, Oregon.

Parcel 2:

The E½SW¼ of Section 18, Township 36 South, Range 13 East of the Willamette Meridian, Klamath County, Oregon, lying Southerly of the center line of Sprague River and Northerly of State Highway #140, EXCEPT any portion in Sprague River Estates. ALSO EXCEPT that portion of the E½SW¼ of said Section 18 conveyed to certain property owners in Sprague River Estates for river frontage and recreation area shown on instrument recorded June 9, 1980, in Volume M80 page 10501, Deed records of Klamath County, Oregon.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co. the 16th day
of Jan. A.D., 19 92 at 3:57 o'clock PM., and duly recorded in Vol. M92,
of Mortgages on Page 1030

Evelyn Biehn - County Clerk

By Pauline Mullendore

FEE \$13.00