

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:

JAMES W. HAYES and ROBERTA M. HAYES, assumed by DANIEL R. VAN METER and DIANA L. VAN METER

Trustee:

ASPEN TITLE & ESCROW, INC.

Successor Trustee:

MICHAEL C. AROLA

Beneficiary:

U.S. BANCORP MORTGAGE COMPANY, successor by merger to Peoples Mortgage Company, assignee of Town & Country Mortgage, Inc.

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

Lot 1 in Block 8, BUENA VISTA ADDITION to the City of Klamath Falls, according to the official plat thereof on filed in the Office of the County Clerk of Klamath County, Oregon, in the County of Klamath, State of Oregon.

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

Date Recorded: March 14, 1985

Volume M85, Page 3773

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 \$545.00 each, due the first of each month, for the months of February through August, 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 \$40,642.94 plus interest at the rate of 12.5% per annum from January 1, 1992; plus late charges of \$107.58, less an escrow balance of \$694.09.

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: December 31, 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: August 13, 1992.

Michael C. Arola
Michael C. Arola, Successor Trustee

STATE OF OREGON)

) ss.

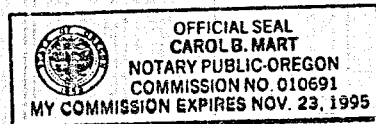
COUNTY OF LANE)

The foregoing instrument was acknowledged before me on August 13, 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

Carol B. Mart
Notary Public for Oregon
My Commission Expires: 11-23-95



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

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co. the 17th day of Aug. A.D., 19 92 at 11:16 o'clock A.M., and duly recorded in Vol. 18317 of Mortgages on Page 18317.

FEE \$10.00

Evelyn Biehn - County Clerk

By Pauline M. Mendenhall