

OREGON NOTICE OF DEFAULT AND ELECTION TO SELL

After recording return to:

T.D. SERVICE COMPANY
2630 116th Avenue NE, Ste. 200
Bellevue, WA 98004
(206) 739-8800

RE: Loan #: 00200100980877998
Title #: K-51073
TD #: 0-933C

Reference is made to that certain trust deed made by BEVERLY A. KRUNGLEVICH AND SUNSHINE
KRUNGLEVICH

, as grantor,

to U.S. BANK OF WASHINGTON, NATIONAL ASSOCIATION

, as trustee,

in favor of UNITED STATES NATIONAL BANK OF OREGON

, as beneficiary,

dated NOVEMBER 08, 1994

, recorded NOVEMBER 29, 1994

mortgage records of KLAMATH

volume NO. M94

at page 36259

, in the

County, Oregon, in book / reel /

covering the following described property situated in said county and state, to wit:

SEE ATTACHED EXHIBIT "A"

COMMONLY KNOWN AS: 2217 OGDEN STREET, KLAMATH FALLS, OREGON 97603.

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 situated; further, that no action has been instituted to recover the debt, or any part thereof, now remaining secured by the said deed of trust, 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:

1 Late Charge(s) of \$11.16 from 07/22/97	11.16
1 Payments of \$223.22 from 07/07/97	223.22
1 Late Charge(s) of \$11.16 from 06/22/97	11.16
1 Payments of \$223.39 from 06/07/97	223.39
1 Late Charge(s) of \$11.27 from 05/22/97	11.27
1 Payments of \$225.43 from 05/07/97	225.43
COLLECTIONS	60.00
SUB-TOTAL OF AMOUNTS IN ARREARS:	765.63

By reason of said default, the beneficiary has declared all sums owing on the obligation secured by said deed of trust immediately due and payable, said sums being the following, to wit: Principal \$ 24,644.24 , together with interest as provided in the note or other instrument secured from the 7TH day of APRIL , 1997 and such other costs and fees as are due under the note or other instrument secured, and as are provided by statute.

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 cash 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 compensations of the trustee as provided by law, and the reasonable fees of trustee's attorneys.

Said sale will be held at the hour of 10:00 A.M.

Time as established by Section 187.110 of Oregon Revised Statutes on DECEMBER 5, 1997, Standard
at the following place: MAIN ST. ENTRANCE, KLAMATH COUNTY COURTHOUSE, KLAMATH FALLS

County of KLAMATH, State of Oregon.

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

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 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 deed of trust, and the words "trustee" and "beneficiary" include their respective successors in interest, if any.

DATED: JULY 22, 1997

David A. Kubat, OSBA# 84205
(Successor Trustee)

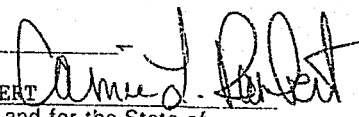
By: 

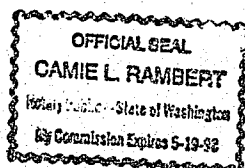
DIRECT INQUIRIES TO:
T.D. SERVICE COMPANY
FORECLOSURE DEPARTMENT
(206) 739-8800

STATE OF WASHINGTON)
COUNTY OF SNOHOMISH) SS.

On this day personally appeared before me DAVID A. KUBAT
to me known to be the individual described in and who executed the within and foregoing instrument, and
acknowledged that HE signed the same as HIS free and voluntary act and deed, for
the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 22 day of JULY


CAMIE L. RAMBERT
Notary Public in and for the State of
WASHINGTON, residing at BOTHELL
My commission expires: 5/19/98



TD #: 0-933C

EXHIBIT "A"

A TRACT OR PARCEL OF LAND 90 FEET WIDE BY 132 FEET LONG OFF THE NORTH SIDE OF THE FOLLOWING DESCRIBED TRACT, IN THE COUNTY OF KLAMATH, STATE OF OREGON.

BEGINNING AT A POINT 720 FEET EAST OF A IRON PIN DRIVEN INTO THE GROUND AT THE S.W. CORNER OF THE N.W. QUARTER OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, ON THE PROPERTY OF OTIS V. SAYLOR, WHICH IRON PIN IS 30 FEET EAST OF THE CENTER OF A ROAD INTERSECTING THE DALLES-CALIFORNIA HIGHWAY FROM NORTH AND WHICH PIN IS ALSO 30 FEET NORTH OF THE CENTER OF SAID DALLES-CALIFORNIA HIGHWAY; THENCE NORTH 330 FEET; THENCE EAST 132 FEET; THENCE SOUTH 330 FEET; THENCE WEST 132 FEET TO THE POINT OF BEGINNING.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title the 28th day
of July A.D., 19 97 at 3:12 o'clock P M., and duly recorded in Vol. M97
of Mortgages on Page 23986

FEE \$20.00

Bernetha G. Letsch, County Clerk

By Bernetha G. Letsch