

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: DEBRA A. MILLIGAN and LARRY D. MILLIGAN
Trustee: MOUNTAIN TITLE COMPANY
Successor Trustee: MICHAEL C. AROLA
Beneficiary: BANK OF AMERICA NT & SA, successor by merger to Bank of America Oregon

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

Lot 3 in Block 7 of SECOND ADDITION TO WINEMA GARDENS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon; situate in the County of Klamath and State of Oregon.

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

Date Recorded: October 28, 1994
Volume M94, Page 33468
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 \$723.02 each, due the first of each month, for the months of March through May 1997, plus monthly payments in the amount of \$729.62 each, for the months of June 1997 through January 1998; plus late charges and advances; plus any unpaid real property taxes or liens, 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 \$76,886.08 plus interest at an adjustable rate pursuant to the terms of the Promissory Note from February 1, 1997; plus late charges of \$393.96, plus advances of \$149.70.

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: June 4, 1998
Time: 10:00 a.m. as established by ORS 187.110
Place: Front of the United States Post Office, 317 S. 7th Avenue, 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 20, 1998.

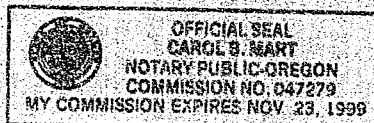
STATE OF OREGON)
) ss.
COUNTY OF LANE)

Michael C. Arola
Michael C. Arola, Successor Trustee

The foregoing instrument was acknowledged before me on January 20, 1998, by MICHAEL C. AROLA.

AFTER RECORDING RETURN TO:
Hershner, Hunter, Andrews,
Neill & Smith, LLP
Attn: Carol B. Mart
P.O. Box 1478
Eugene, OR 97440

Carol B. Mart
Notary Public for Oregon
My Commission Expires: 11-23-99



STATE OF OREGON: COUNTY OF KLAMATH ss.

Filed for record at request of First American Title the 22nd day
of January A.D. 19 98 at 3:09 o'clock P. M., and duly recorded in Vol. M98
of Mortgages on Page 2160

FEE \$10.00

By *Bernetha G. Letch* Bernetha G. Letch, County Clerk