

Oregon

Prepared by:
Vera Goodrum, 1030441222
NationsBanc Mortgage Corporation
205 Park Club Lane
Buffalo, NY 14231-9000
1 (800) 285-6000

When recorded mail to:
Daniel H Nielsen
Raury A Nielsen
7941 Elliott Rd
Klamath Falls, OR 97603

Substitution of Trustee

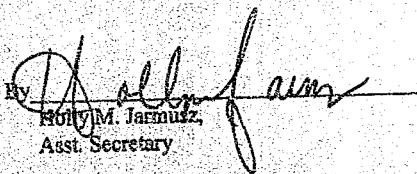
WHEREAS, Mountain Title Company of Klamath, the present Trustee of record under that certain Deed of Trust executed on September 9, 1994 by Daniel H Nielsen and Raury A Nielsen, Trustors, to Mountain Title Company of Klamath, Trustee, recorded in the official records of the County of Klamath, Oregon on September 19, 1994, Book M94, Page 29494 and described as follows:

AND WHEREAS the undersigned NationsBanc Mortgage Corporation is the present holder of the beneficial interest under said Deed of Trust and does hereby appoint NationsBank, N.A. as Trustee in place and stead of said Mountain Title Company of Klamath.

NOW, THEREFORE, upon recordation of this document, the undersigned does hereby discharge the present Trustee and appoint NationsBank, N.A. as new Trustee who shall succeed to all the powers, duties, authority and title of the former Trustee.

Dated January 15, 1998.

NationsBanc Mortgage Corporation as Successor by Merger to NationsBanc Mortgage Corporation of New York Formerly Known as KeyCorp Mortgage Inc.

By 
Holly M. Jarmusz,
Asst. Secretary

State of New York
County of Erie

On January 15, 1998 before me, the undersigned, personally appeared Holly M. Jarmusz, title of Asst. Secretary of NationsBanc Mortgage Corporation personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity and that by his/her signature on the instrument the person or entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal.

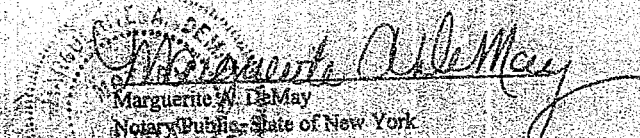

Marguerite A. DeMay
Notary Public, State of New York
Qualified in Niagara County
Commission Expires March 10, 1999

EXHIBIT "A" LEGAL DESCRIPTION

The Northeast Quarter of the Southwest Quarter and Government Lot 3 in Section 7 in Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING THEREFROM a portion of Government Lot 3 of Section 7, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, more or less described as follows:

Beginning at the Southeast corner of said Government Lot 3; thence West along the South boundary of said Lot 3, 275 feet to a point, thence North at right angles from the South boundary of said Lot 3 to a point on the mean high water line on the Southerly boundary of Lost River; thence Easterly along said mean high water line to a point on the Easterly line of said Lot 3; thence South along the East line of said Lot 3 to the point of beginning, EXCEPTING THEREFROM that portion lying within the County Road.

ALSO EXCEPTING THEREFROM that portion of land situated in Lot 3, Section 7, Township 40 South, Range 10 East of the Willamette Meridian Klamath County, Oregon, being more particularly described as follows:

Beginning at a point in the North right of way of the County Road known as the Elliot Road from which the Southeast corner of Lot 3, Section 7, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, bears East 1306.0 feet and South 30.0 feet instant; thence North 10 degrees 10' East along the centerline of an irrigation lateral to the North line of said Lot 3, thence East along the said North line of the said Lot 3, to the mean high water line of Lost River; thence Southeasterly along the mean high water line of Lost River to a point which is due North (measured at right angles to the South line of Lot 3) and 275.0 feet West of the Southeast corner of said Lot 3; thence South to the North right of way of Elliot Road to a point 30.0 feet North and 275.0 feet West of the Southeast corner of said Lot 3; thence West 1031.0 feet along the North right of way of Elliot Road to the point of beginning.

Account No: 4010-00700-01500 Key No: 97059 Code No: 164

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INITIAL by
(P)

(P)
INITIAL

STATE OF OREGON: COUNTY OF KLAMATH ss.

Filed for record at request of National Banc Mrgs Co the 26th day
of January A.D., 19 98 at 1:13 o'clock P M., and duly recorded in Vol. 898
of Mortgages on Page 2383

Bernetha G. Letsch, County Clerk

By Pauline M. Henderson

FEE \$15.00