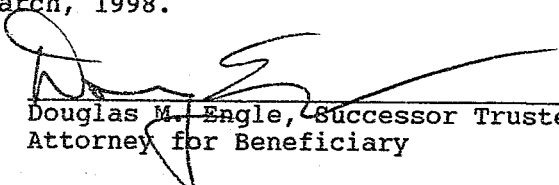


NOTICE OF DEFAULT AND ELECTION TO SELL

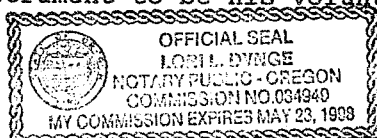
Referring to the Trust Deed made by Douglas R. Sunday, Grantor, Mountain Title Company of Klamath County as Trustee, and Amelia Frost, Beneficiary, covering the property described as the south one-half of Lot 8, Block 212, of Mills Second Addition to the City of Klamath Falls, according to the Official Plat thereof on file in the office of the County Clerk of Klamath County, Oregon, recorded on September 30, 1992, in Volume M 92, Page 22783, in the records of Klamath County, Oregon: There is a default by Anne P. Sunday, who is the successor to Douglas R. Sunday, Grantor, which default is failure to pay when due monthly payments of \$146.80 starting with the payment due November 30, 1993. By reason of the default, the Beneficiary hereby declares all sums owing on the obligation secured by the Trust Deed immediately due and payable, to-wit: \$15,440.34, plus interest at 4.0% per annum from February 21, 1998. The Beneficiary has elected to foreclose the Trust Deed by advertisement and sale pursuant to Oregon law, and to sell the property at public auction to satisfy the obligation, including the expenses of sale and Trustee's and attorney's fees as provided by law. The sale will be held on July 30, 1998 at 10:00 a.m. at the front of the Klamath County Courthouse, 507 Main Street, Klamath Falls, Oregon. Any person named in ORS 86.753 has the right, at any time prior to five days before the date last set for the sale, to have this foreclosure proceeding dismissed and the Trust Deed reinstated by payment of the entire amount then due (other than such portion of the principal which would not be due had no default occurred), together with all costs and expenses actually incurred in enforcing the obligation and Trust Deed, together with Trustee's and attorney's fees not exceeding \$550.


DATED this 3rd day of March, 1998.


Douglas M. Engle, Successor Trustee
Attorney for Beneficiary

STATE OF OREGON)
) ss.
County of Jackson)

On the 3rd day of March, 1998, personally appeared before me the above-named Douglas M. Engle, and acknowledged the foregoing instrument to be his voluntary act and deed.




Notary Public for Oregon
My Commission Expires: 5/23/98

After recording, return to: Douglas M. Engle, Attorney at Law, 219 S. Holly Street, Medford, Oregon 97501.

NOTICE OF DEFAULT AND ELECTION TO SELL

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Douglas M. Engle the 4th day of March A.D., 1998 at 2:00 o'clock P. M., and duly recorded in Vol. M98 of Mortgages on Page 7028.

FEE \$10.00

By Bernetha G. Letsch, County Clerk
