

NOTICE OF DEFAULT OF TRUST DEED AND ELECTION TO SELL

BRIAN J. MacRITCHIE, Successor Trustee under the Trust Deed described below, hereby elects to sell the real property described below at 10:00 a.m. on July 21, 1998, at the front steps of the Klamath County Courthouse, Klamath Falls, Oregon.

All obligations of Grantor which are secured by the Trust Deed hereinafter described are in default by reason of Grantor's failure to pay installments when due on the note secured by the Trust Deed described below.

GRANTOR: JAMES MICHAEL FARLEY

TRUST DEED RECORDED: February 25, 1997, in Volume M97, page 5553 of Klamath County, Oregon.


BENEFICIARY: KATHRYN FARNSWORTH and PAUL FARNSWORTH

PROPERTY COVERED BY TRUST DEED: Lot Thirty (30) in Block Two (2) of Tract 1002 LAWANDA HILLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

DEFAULT: Failure to pay the monthly installments of \$137.50 for the months of September, October, November, December of 1997, and January and February of 1998, together with late fees and taxes in the amount of \$139.98, plus interest.

SUM OWING ON OBLIGATION SECURED BY TRUST DEED: Principal balance of \$15,000.00, with interest at 11% per annum from July 26, 1997, until paid, plus accrued late fees.

Notice is given that any person named in the Oregon Revised Statutes, 86.740 has the right to have this foreclosure proceeding dismissed and the Trust Deed reinstated by payment of the entire amount due, other than such portions of principal as would not then be due had no default occurred, together with costs, trustees' and attorneys' fees, at any time prior to five (5) days before July 21, 1998.


Brian J. MacRitchie
Successor Trustee

After recording, return to:

MERRILL, O'SULLIVAN, MACRITCHIE, PETERSEN & DIXON, LLP

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Election To Sell

ATTORNEYS AT LAW
1070 N.W. BOND, SUITE 303
BEND, OR 97701

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STATE OF OREGON)
) ss.
 County of Deschutes)

The foregoing instrument was acknowledged before me this 6th
 day of March, 1998, by Brian J. MacRitchie.



Sue Elaine Fuller
 Notary Public for Oregon

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the 9th day
 of March A.D., 19 98 at 3:48 o'clock P M., and duly recorded in Vol. M98
 of Mortgages on Page 7623.

FEE \$15.00

By Kathleen Row Bernetha G. Leisch, County Clerk

MERRILL, O'SULLIVAN, MACRITCHIE, PETERSEN & DIXON, LLP

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