

U.S. SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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Expires: September 30, 1998  
Estimated average burden  
hours per response.....0.5

[ ] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(f) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person*			2. Issuer Name and Ticker or Trading Symbol		6. Relationship of Reporting Person to Issuer (Check all applicable)	
Frantz	William	T.	Tera Computer Company (TERA)		Director	X 10% Owner
(Last)	(First)	(Middle)	IRS or Social Security Number of Reporting Person (Voluntary)	4. Statement for Month/Year	Officer (give title below)	Other (specify below)
P.O. Box 3965				6/97		
(Street)						
Bellevue	WA	98009	5. If Amendment, Date of Original (Month/Year)		7. Individual or Joint/Group Filing (Check Applicable Line)	
(City)	(State)	(Zip)			X Form filed by One Reporting Person	
					Form filed by More than One Reporting Person	

TABLE I -- NON-DERIVATIVE SECURITIES ACQUIRED, DISPOSED OF, OR BENEFICIALLY OWNED

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Direct Beneficial Ownership (Instr. 4)
		Code V	Amount or Price (A) or (D)			
Common Stock	06/16/97	X	182,815 A \$4.00	1,441,364	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\*If the form is filed by more than one reporting person, see Instruction 4(b)(v).

(Over)  
SEC 1474 (7-96)

FORM 4 (continued)

TABLE II -- DERIVATIVE SECURITIES ACQUIRED, DISPOSED OF, OR BENEFICIALLY OWNED (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned at End of Month (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Direct Beneficial Ownership (Instr. 4)
			Code V	(A) (D)	Exercisable Date	Title Amount or No. of Shares				
Common Stock Purchase Warrants (Right to Buy)	\$5.00	6/16/97	X	146,252	Immed. 6/25/97	Common Stock 182,815	n/a	0	D	

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Explanation of Responses:

\*\* Intentional misstatements or omissions of facts  
constitute Federal Criminal Violations.  
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

/s/ William T. Frantz

July 10, 1997

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\*\*Signature of Reporting Person

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Date

Note: File three copies of this Form, one of which must be manually signed.  
If space provided is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not  
required to respond unless the form displays a current valid OMB number.