

After recording, return to:  
William M. Ganong  
Attorney at Law  
514 Walnut Avenue  
Klamath Falls OR 97601

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**NOTICE OF DEFAULT AND ELECTION TO SELL**

Pursuant to ORS 86.705-795, the undersigned Trustee and the Beneficiary have elected to foreclose the following described Trust Deed in the manner provided by said statute.

1.   A.   Grantor:           Lloyd Coffing and Jacqueline Coffing  
      B.   Trustee:       William M. Ganong  
      C.   Beneficiary: Deborah Bonderow, Successor Trustee of the  
            Bonderow Family Trust dated October 14, 1991
2.   The legal description of the property covered by the subject Trust Deed is:

A portion of Lot 355, Block 123, MILLS 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, said parcel being more particularly described as follows:

Beginning at the Southeast corner of the intersection of Home Avenue with Division Street; thence Easterly along the South line of Home Avenue a distance of 200 feet; thence Southerly at right angles to Home Avenue to the North line of the alley running through said Block 123; thence Easterly along the North line of said alley a distance of 115 feet, which said point is the Southeast corner of that certain parcel of land described in deed to Hubert C. Lane, et ux, recorded April 10, 1962 in Volume 336, page 512, Deed Records of Klamath County, Oregon, and which said point is the true point of beginning of the property herein conveyed; thence Easterly along the North line of said alley to the West line of Mitchell Street; thence Northerly along the West line of Mitchell Street to the South line of the right of way of the main canal of the U.S.R.S.; thence Northwesterly along the said Southerly line of said canal right of way to a point which is perpendicular to the point of beginning and which said point is the Northeasterly corner of that certain parcel of property described in deed to Hubert C. Lane, et ux, recorded April 10, 1962 in Volume 336, page 512, Deed Records of Klamath County, Oregon; thence Southerly to the point of beginning.

Tax Account No:   3809-033AD-05600-000

Key No:           481437

The book, page number, and the date the subject Trust Deed was recorded in the Mortgage Records of Klamath County, Oregon are:

Book: M91           Page: 3592           Date Recorded: February 27, 1991

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3. The default for which the foreclosure is made is the Grantor's failure to pay the remaining balance of the Installment Note, both principal and interest, in full on or before February 21, 2006, and to pay the real property taxes and assessments levied against the property before they became delinquent.

4. The principal and interest owing on the obligation secured by the subject Trust Deed as of March 14, 2006 is \$29,669.88, plus interest at the note rate of 11.0% from March 15, 2006 until paid. The beneficiary paid \$568.56 on November 4, 2004 and \$502.11 on March 15, 2006 to the Klamath County Tax Collector for delinquent real property taxes and interest to prevent foreclosure by Klamath County. The beneficiary is entitled to be reimbursed for said payments and is entitled to interest on said payment amounts at the rate of 9.0 percent per annum from the date of said payments. The amount owed as of March 15, 2006 is \$1,140.21. Additional interest accrues at the rate of 9.0 percent per annum from March 15, 2006 until paid.

5. The Beneficiary and the Trustee have elected to foreclose the above referenced Trust Deed pursuant to the provisions of Oregon Revised Statutes 86.705 to 86.795.

6. The Trustee will conduct a sale of the above described property at 10:00 a.m. on the 21st day of August, 2006 at the front entrance to the office of William M. Ganong at 514 Walnut Avenue, Klamath Falls, Oregon.

7. Pursuant to ORS 86.753, the Grantor, the Grantor's successor in interest to all or any part of the above described property, any beneficiary under a subordinate Trust Deed, or any person having a subordinate lien or encumbrance of record on the property, may cure the default or defaults at any time prior to five days before the above said date of sale by paying the entire amount due at the time of cure under the terms of the obligation, other than such portion as would not then be due had no default occurred. In addition, the person affecting the cure shall pay all costs and expenses actually incurred in enforcing the obligation and Trust Deed, together with the Trustee's and attorney's fees specified in the said statute.

In construing this instrument, the masculine gender includes the feminine and the neuter, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor as well as any other persons owing an obligation, the performance of which is secured by said Trust Deed, the words "trustee" and

"beneficiary" include their respective successors in interest, if any.

Dated this 7<sup>th</sup> day of April, 2006.

William M. Ganong  
William M. Ganong Trustee

STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on April 7, 2006 by William M. Ganong.

Wendy Young  
Notary Public for Oregon

My Commission Expires: 8.31.2007

