

2008-001714

Klamath County, Oregon



02/11/2008 11:47:31 AM

Fee: \$26.00

After Recording Return to:

Joseph E. Kellerman
Hornecker, Cowling, Hassen & Heysell, L.L.P.
717 Murphy Road
Medford, OR 97504

NOTICE OF DEFAULT AND ELECTION TO SELL

NOTICE is hereby given that the obligation secured by the Trust Deed described below is in default, and that the beneficiary has elected to foreclose the Trust Deed pursuant to ORS 86.705 to 86.795. No action is now pending to recover any part of the debt secured by the Trust Deed.

Information required by ORS 86.735 and ORS 86.745 is as follows:

1. Grantor(s): Dorothy M Schultz, an estate in fee simple as to an undivided 2/3rds interest and Earl O. Schultz, Jr., an estate in fee simple as to an undivided 1/3rd interest
 Trustee: First American Title Insurance Company of Oregon;
 Successor Trustee: Joseph E. Kellerman
 Beneficiary: PremierWest Bank, successor in interest by merger to Mid-Valley Bank (original grantee/beneficiary)

2. Property covered by the Trust Deed:

FARM UNIT "M" ACCORDING TO THE FARM UNIT PLAT, OR LOTS 9 AND 16 OF SECTION 13, TOWNSHIP 41 SOUTH, RANGE 11 EAST OF THE WILLAMETTE MERIDIAN, AND THE N1/2 OF LOTS 5 AND 23, AND LOTS 17 AND 22 OF SECTION 19, TOWNSHIP 41 SOUTH, RANGE 12 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON

3. Trust Deed was recorded on March 28, 2001 as instrument found at volume M01, Page 12375 of the records of Klamath County, Oregon.

4. Default for which foreclosure is made is failure of Grantor(s) to pay real property taxes assessed against the property in violation of the trust deed, failure to make payments pursuant to the terms of the promissory note including the entire balance upon maturity on January 1, 2006.

5. The principal sum owing on the obligation secured by the Trust Deed is \$436,368.08 as of the 27th day of September, 2007. Interest accrues at 10.4% and as of September 27, 2007, \$263,167.12 in interest had accrued and is continuing to accrue at

10.4%. There is also due and owing trustee, attorney fees and costs incurred and such sums as may be advanced by beneficiary (i.e., real property taxes).

6. The Beneficiary has and does elect to sell the property to satisfy the obligation.

7. The property will be sold in the manner prescribed by law on the 8th day of July 2008, at 10:00 a.m. standard time as established by ORS 187.110, at the front steps of the Klamath County Courthouse, 316 Main Street, Klamath Falls, Oregon, 97601, Jackson County, Oregon.

8. Interested persons are notified of the right under ORS 86.753 to have this proceeding dismissed and the Trust Deed reinstated by payment of the entire amount then due, other than such portion as would not then be due had no default occurred, together with costs, trustee and attorney's fees, and by curing any other default complained of in this Notice, at any time prior to five days before the date last set for sale.

9. In construing this notice and whenever the context hereof so requires, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor as well as any other person owing an obligation, the performance of which is secured by said Trust Deed, and their successors in interest, the word "trustee" includes any successor trustee and the word "beneficiary" includes any successor in interest of the beneficiary named in the Trust Deed, and any collateral beneficiary, and their successors in interest.

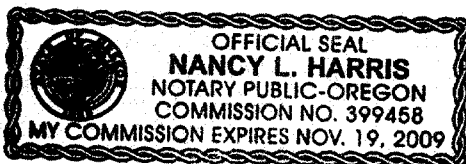
DATED this 6th day of February, 2008.

HORNECKER, COWLING,
HASSEN & HEYSELL, L.L.P.

By: _____
Joseph E. Kellerman, Successor Trustee

STATE OF OREGON)
) ss.
County of Jackson)

On this 6th day of February, 2008, personally appeared before me Joseph E. Kellerman, as Successor Trustee, and acknowledged said instrument to be his voluntary act and deed.



Nancy L. Harris
Notary Public for Oregon
My Commission Expires: 11-19-2009