

MITC680912 (ATE)

AFTER RECORDING RETURN TO:

Shapiro & Sutherland, LLC
5501 N.E. 109th Court, Suite N
Vancouver, WA 98662
10-105164

2010-011655

Klamath County, Oregon



00091081201000116550030031

10/01/2010 12:11:49 PM

Fee: \$47.00

NOTICE OF DEFAULT AND ELECTION TO SELL

A default has occurred under the terms of a trust deed made by John McClellan and Cheryl McClellan, as tenants by the entirety, as grantor to First American Title Insurance Company of Oregon, as trustee, in favor of Mortgage Electronic Registration Systems, Inc., as nominee for Gateway Business Bank, dba Mission Hills Mortgage Bankers, as beneficiary, dated January 23, 2007, recorded January 29, 2007, in the mortgage records of Klamath County, Oregon, in Book 2007, at Page 001510, beneficial interest having been assigned to EverHome Mortgage Company, as covering the following described real property:

See complete Legal Description attached hereto as Exhibit "A"

COMMONLY KNOWN AS: 4655 Austin Street, Klamath Falls, OR 97603

Kelly D. Sutherland, Successor Trustee, hereby certifies that no action has been instituted to recover the debt, or any part thereof, now remaining secured by the said trust deed, or, if such action has been instituted, such action has been dismissed except as permitted by ORS 86.735(4).

There is a default by the grantor or other person owing an obligation, the performance of which is secured by said trust deed, or by their successor in interest, with respect to provisions therein which authorize sale in the event of default of such provision; the default for which foreclosure is made is grantor's failure to pay when due the following sums:

Monthly payments in the sum of \$1,186.25, from June 1, 2010, together with all costs, disbursements, and/or fees incurred or paid by the beneficiary and/or trustee, their employees, agents or assigns.

By reason of said default, the beneficiary has declared all sums owing on the obligation that the trust deed secures immediately due and payable, said sums being the following, to-wit:

\$134,943.33, together with interest thereon at the rate of 7.5% per annum from May 1, 2010, together with all costs, disbursements, and/or fees incurred or paid by the beneficiary and/or trustee, their employees, agents or assigns.

Notice hereby is given that the beneficiary and trustee, by reason of said default, have elected and do hereby elect to foreclosure said trust deed by advertisement and sale pursuant to ORS 86.705 to 86.795, and to cause to be sold at public auction to the highest bidder for cash the

47411

execution by him of the trust deed, together with any interest the grantor or his successors in interest acquired after the execution of the trust deed, to satisfy the obligations secured by said trust deed and the expenses of the sale, including the compensations of the trustee as provided by law, and the reasonable fees of trustee's attorneys.

Said sale will be held at the hour of 10:00 AM PT, in accordance with the standard time established by ORS 187.110 on February 7, 2011, at the following place: at the main entrance of the Klamath County Courthouse, located at 316 Main Street, in the City of Klamath Falls, County of Klamath, State of Oregon, which is the hour, date and place last set for said sale.

Notice is further given to any person named in ORS 86.753 that the right exists, at any time that is not later than five days before the date last set for the sale, to have this foreclosure proceeding dismissed and the trust deed reinstated by paying to the beneficiary of the entire amount then due (other than such portion of the principal as would not then be due had no default occurred) and by curing any other default complained of herein that is capable of being cured by tendering the performance required under the obligation or trust deed, and in addition to paying said sums or tendering the performance necessary to cure the default by paying all costs and expenses actually incurred in enforcing the obligation and trust deed, together with trustee's fees and attorney fees not exceeding the amounts provided by said ORS 86.753.

In construing this notice, 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 person owing an obligation, the performance of which is secured by said trust deed, and the words "trustee" and "beneficiary" include their respective successors in interest, if any.

The Fair Debt Collection Practice Act requires that we state the following: This is an attempt to collect a debt, and any information obtained will be used for that purpose. If a discharge has been obtained by any party through bankruptcy proceedings: This shall not be construed to be an attempt to collect the outstanding indebtedness or hold you personally liable for the debt.

Dated: _____

9-30-2010

By: _____

KELLY D. SUTHERLAND
Successor Trustee

STATE OF WASHINGTON)
) SS.
COUNTY OF CLARK)

SUBSCRIBED AND SWORN to before me this 30th day of September, 2010,
by Kelly D. Sutherland, Successor Trustee.

Katherine D. Berg
Notary Public for Washington
My commission expires 10-29-2013

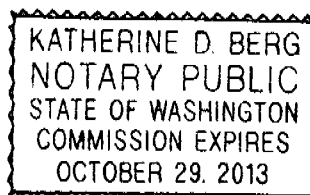


EXHIBIT A

LEGAL DESCRIPTION:

PARCEL 1:

THE WEST 174 FEET OF THE FOLLOWING DESCRIBED TRACT, TO WIT:

BEGINNING AT A POINT SOUTH 0° 06' EAST A DISTANCE OF 131.4 FEET FROM THE NORTHWEST CORNER OF LOT 10 IN THE RESUBDIVISION OF TRACTS 25 TO 32 OF ALTAMONT RANCH TRACTS LOCATED IN SECTION 15, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, AND RUNNING THENCE AT RIGHT ANGLES NORTH 89° 54' EAST A DISTANCE OF 542.4 FEET TO A POINT ON THE EASTERLY BOUNDARY LINE OF SAID LOT 10; THENCE SOUTH 00° 06' EAST ALONG THE EASTERLY LINE OF SAID LOT 10 TO A POINT WHICH MARKS THE NORTHEASTERLY CORNER OF THE LAND HERETOFORE DEEDED TO G.H. STILES AND RECORDED IN BOOK 107, PAGE 354, DEED RECORDS OF KLAMATH COUNTY, OREGON; THENCE WESTERLY ALONG THE NORTH BOUNDARY OF SAID STILES TRACT TO A POINT ON THE WESTERLY BOUNDARY OF SAID LOT 10; THENCE NORTH 0° 06' WEST ALONG THE WESTERLY BOUNDARY OF SAID LOT 10 TO THE POINT OF BEGINNING.

PARCEL 2:

BEGINNING AT A POINT ON THE LINE BETWEEN TRACTS 9 AND 10 OF THE SUBDIVISION OF TRACTS 25 TO 32, INCLUSIVE, OF ALTAMONT RANCH TRACTS, A PLATTED SUBDIVISION OF KLAMATH COUNTY, OREGON, WHICH IS SOUTH 0° 06' EAST A DISTANCE OF 131.4 FEET FROM THE NORTHEAST CORNER OF SAID TRACT 9, AND WHICH POINT OF BEGINNING IS THE NORTHWEST CORNER OF A PARCEL OF LAND DESCRIBED IN A DEED RECORDED IN VOLUME 132, PAGE 535, DEED RECORDS OF KLAMATH COUNTY; THENCE SOUTH 0° 06' EAST ALONG THE LINE BETWEEN SAID TRACTS 9 AND 10, A DISTANCE OF 160.6 FEET, TO THE NORTHWEST CORNER OF A PARCEL OF LAND DESCRIBED IN A DEED RECORDED IN VOLUME 117, PAGE 92, DEED RECORDS KLAMATH COUNTY; THENCE NORTH 88° 46' WEST 48.69 FEET; THENCE NORTH 1° 40' WEST 159.54 FEET; THENCE NORTH 89° 54' EAST 53.05 FEET TO THE POINT OF BEGINNING; BEING A PORTION OF TRACT 9 OF THE SUBDIVISION OF TRACTS 25 TO 32, INCLUSIVE, OF ALTAMONT RANCH TRACTS.

PARCEL 3:

A STRIP OR PARCEL OF LAND TEN FEET WIDE AND 159.54 FEET LONG OFF THE EAST SIDE OF A TRACT OR PARCEL OF LAND LYING IN TRACT 9, RESUBDIVISION OF TRACTS 25 TO 32 INCLUSIVE, OF ALTAMONT RANCH TRACTS, SAID TRACT BEING MORE PARTICULARLY DESCRIBED IN A DEED RECORDED IN VOLUME 186, PAGE 201, DEED RECORDS OF KLAMATH COUNTY, OREGON, SAID STRIP ABUTTING UPON THE WEST LINE OF A TRACT OWNED BY THE SAID GRANTOR AND DESCRIBED IN A DEED RECORDED IN VOLUME 169, PAGE 123, DEED RECORDS OF KLAMATH COUNTY, OREGON.