

UTC 67820-ATE

2010-011807

Klamath County, Oregon



00091257201000118070340344

10/05/2010 03:33:25 PM

Fee: \$222.00

RECORDING COVER SHEET

THIS COVER SHEET HAS BEEN PREPARED
BY THE PERSON REPRESENTING THE
ATTACHED INSTRUMENT FOR RECORDING.
ANY ERRORS IN THIS COVER SHEET DO NOT
AFFECT THE TRANSACTION(S) CONTAINED
IN THE INSTRUMENT ITSELF.

After Recording, Return To:

Shapiro & Sutherland, LLC
5501 NE 109th Court, Suite N
Vancouver, WA 98662

1. Name(s) of the Transaction(s):

Affidavit of Mailing
Trustee's Notice of Sale
Affidavit of Posting
Affidavit of Publication
Certificate of Non-Military Service
Trustee's Affidavit of Compliance

2. Direct Party (Grantor):

Jeff E. Kosten and Lisa K. Kosten

3. Indirect Party (Grantee):

4. True and Actual Consideration Paid:

5. Legal Description:

See attached

227AMT

AFTER RECORDING RETURN TO:
Shapiro & Sutherland, LLC
5501 N.E. 109th Court, Suite N
Vancouver, WA 98662
10-104641

OREGON
AFFIDAVIT OF MAILING OF NOTICE OF SALE

I, Kelly D. Sutherland, say and certify that:

I was and now am a resident of the State of Oregon, a competent person over the age of eighteen years and not the beneficiary or the successor in interest named in the Trust Deed described in the attached Notice of Sale.

I have given notice of sale of the real property described in the attached Notice of Sale by mailing a copy of the notice by registered or certified mail, return receipt requested, and first class mail to each of the following named persons at their last known addresses, to-wit:

Jeff E. Kosten
1850 Fremont Street
Klamath Falls, OR 97601

Jeff Kosten
3913 Santiam Pass Way
#101
Salem, OR 97305

Lisa K. Kosten
1850 Fremont Street
Klamath Falls, OR 97601

The persons mailed to include the grantor in the trust deed, any successor in interest to the grantor whose interest appears of record or whose interest the trustee or the beneficiary has actual notice and any person requesting notice as provided in ORS 86.785 and all junior lien holders as provided in ORS 86.740.

Each of the notices so mailed was certified to be a true copy of the original Notice of Sale by Kelly D. Sutherland, Shapiro & Sutherland, LLC, the trustee named in said notice; each copy was mailed in a sealed envelope, with postage prepaid, and was deposited by me in the United States post office at Vancouver, Washington, on July 2, 2010. Each notice was mailed after the date that the Notice of Default and Election to Sell described in said Notice of Sale was recorded which was at least 120 days before the day of the trustee sale.

As used herein, the singular includes the plural, trustee includes successor trustee, and person includes corporation and any other legal or commercial entity.

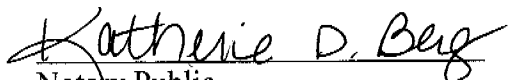


Kelly D. Sutherland

State of Washington)
)
County of Clark)

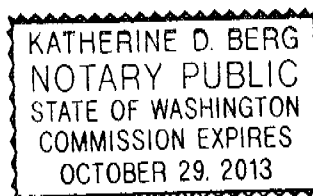
On this 4th day of October, in the year 2010, before me the undersigned, a Notary Public in and for said County and State, personally appeared Kelly D. Sutherland personally known to me to be the person whose name is subscribed to this instrument and acknowledged that he executed.

Witness my hand and official seal



Notary Public

My Commission Expires: 10-29-2013



AFTER RECORDING RETURN TO:
Shapiro & Sutherland, LLC
5501 N.E. 109th Court, Suite N
Vancouver, WA 98662
10-104641

OREGON
AFFIDAVIT OF MAILING OF NOTICE OF SALE

I, Kelly D. Sutherland, say and certify that:
I was and now am a resident of the State of Oregon, a competent person over the age of eighteen years and not the beneficiary or the successor in interest named in the Trust Deed described in the attached Notice of Sale.

I have given notice of sale of the real property described in the attached Notice of Sale by mailing a copy of the notice by registered or certified mail, return receipt requested, and first class mail to each of the following named persons at their last known addresses, to-wit:


State of Oregon, Employment Department
875 Union Street N.E.
Salem, OR 97311

Oregon Employment Department
C/O State of Oregon - Attorney General
1162 Court Street N.E.
Salem, OR 97301

The persons mailed to include the grantor in the trust deed, any successor in interest to the grantor whose interest appears of record or whose interest the trustee or the beneficiary has actual notice and any person requesting notice as provided in ORS 86.785 and all junior lien holders as provided in ORS 86.740.

Each of the notices so mailed was certified to be a true copy of the original Notice of Sale by Kelly D. Sutherland, Shapiro & Sutherland, LLC, the trustee named in said notice; each copy was mailed in a sealed envelope, with postage prepaid, and was deposited by me in the United States post office at Vancouver, Washington, on July 6, 2010. As evidenced by signed return receipt, each Notice was actually received by the named party at least 25 days before the day of Trustee's Sale, as provided in ORS 86.742(1).

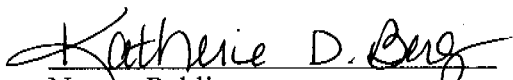
As used herein, the singular includes the plural, trustee includes successor trustee, and person includes corporation and any other legal or commercial entity.

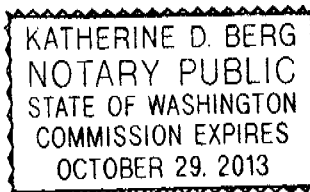

Kelly D. Sutherland

State of Washington)
)
County of Clark)

On this 4th day of October, in the year 2010, before me the undersigned, a Notary Public in and for said County and State, personally appeared Kelly D. Sutherland personally known to me to be the person whose name is subscribed to this instrument and acknowledged that he executed.

Witness my hand and official seal


Notary Public
My Commission Expires: 10-29-2013



THE
WALZ
CERTIFIED
MAILER™

FROM

WALZ™

FORM #35693 VERSION: 03/10
U.S. PAT. NO. 5,601,393

7160 3901 9849 0030 8880

Label #1

10-104641
Oregon Employment Department
c/o State of Oregon - Attorney General
1162 Court Street N.E.
Salem, OR 97301

Label #2

Label #3

10-104641
Oregon Employment Department
c/o State of Oregon - Attorney General
1162 Court Street N.E.
Salem, OR 97301

TO:

Oregon Employment Department
c/o State of Oregon - Attorney General
1162 Court Street N.E.
Salem, OR 97301

SENDER:

Shapiro & Sutherland, LLC

REFERENCE: 10-104641

0-2

TEAR ALONG THIS LINE

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	
	Return Receipt Fee	
	Restricted Delivery	
	Total Postage & Fees	

US Postal Service
**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

7-06-10

A FOLD AND TEAR THIS WAY → OPTIONAL

B

Label #5

10-104641
Oregon Employment Department
c/o State of Oregon - Attorney General
1162 Court Street N.E.
Salem, OR 97301

Label #6

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL



7160 3901 9849 0030 8880

Charge
Amount:

Charge
To:

FOLD AND TEAR THIS WAY →

C

2. Article Number



7160 3901 9849 0030 8880

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) ☐ Yes

1. Article Addressed to:

Oregon Employment Department
c/o State of Oregon - Attorney General
1162 Court Street N.E.
Salem, OR 97301

10-104641

Shapiro & Sutherland, LLC

PS Form 3811, January 2005

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)	B. Date of Delivery
C. Signature X	
<input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
D. Is delivery address different from item 1? If YES, enter delivery address below:	
<input type="checkbox"/> Yes <input type="checkbox"/> No	

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED
USPS MAIL CARRIER
DETACH ALONG PERFORATION

Thank you for using Return Receipt Service

[Home](#) | [Help](#) | [Sign In](#)[Track & Confirm](#)[FAQs](#)

Track & Confirm

Search Results

Label/Receipt Number: **7160 3901 9849 0030 8880**Status: **Delivered**

Your item was delivered at 10:52 am on July 08, 2010 in SALEM, OR 97301. A proof of delivery record may be available through your local Post Office for a fee.

Additional information for this item is stored in files offline.

Track & Confirm

Enter Label/Receipt Number.

[Go >](#)[Restore Offline Details >](#)[Return to USPS.com Home >](#)[Site Map](#)[Customer Service](#)[Forms](#)[Gov't Services](#)[Careers](#)[Privacy Policy](#)[Terms of Use](#)[Business Customer Gateway](#)

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No FEAR Act EEO Data

FOIA



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The Equal Housing Opportunity logo is a registered trademark of the U.S. Department of Housing and Urban Development.

THE
WALZ
CERTIFIED
MAILER™

FROM

WALZ™

FORM #35683 VERSION: 03/10
U.S. PAT. NO. 5,501,393

7160 3901 9849 0030 8873

10-104641
State of Oregon, Employment Department
875 Union Street N.E.
Salem, OR 97311

Label #1

Label #2

Label #3

10-104641
State of Oregon, Employment Department
875 Union Street N.E.
Salem, OR 97311

TO:

State of Oregon, Employment Department
875 Union Street N.E.
Salem, OR 97311

SENDER:

Shapiro & Sutherland, LLC

REFERENCE: 10-104641

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	
	Return Receipt Fee	
	Restricted Delivery	
	Total Postage & Fees	

US Postal Service
**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

A FOLD AND TEAR THIS WAY → OPTIONAL

B

Label #5

10-104641
State of Oregon, Employment Department
875 Union Street N.E.
Salem, OR 97311

Label #6

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL



7160 3901 9849 0030 8873

Charge
Amount:

Charge
To:

FOLD AND TEAR THIS WAY →

C

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED
USPS MAIL CARRIER
DETACH ALONG PERFORATION

2. Article Number



7160 3901 9849 0030 8873

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) ☐ Yes

1. Article Addressed to:

State of Oregon, Employment Department
875 Union Street N.E.
Salem, OR 97311

10-104641

Shapiro & Sutherland, LLC

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X

☐ Agent
☒ Addressee

D. Is delivery address different from Item 1?
If YES, enter delivery address below:

☐ Yes
☒ No

PS Form 3811, January 2005

Domestic Return Receipt

Thank you for using Return Receipt Service

[Home](#) | [Help](#) | [Sign In](#)[Track & Confirm](#)[FAQs](#)

Track & Confirm

Search Results

Label/Receipt Number: **7160 3901 9849 0030 8873**Status: **Delivered**

Your item was delivered at 8:12 am on July 08, 2010 in SALEM, OR 97311. A proof of delivery record may be available through your local Post Office for a fee.

Additional information for this item is stored in files offline.

Track & Confirm

Enter Label/Receipt Number.

[Go >](#)[Restore Offline Details >](#)[Return to USPS.com Home >](#)[Site Map](#)[Customer Service](#)[Forms](#)[Gov't Services](#)[Careers](#)[Privacy Policy](#)[Terms of Use](#)[Business Customer Gateway](#)

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No FEAR Act EEO Data

FOIA

Equal Housing Opportunity
U.S. Department of Housing and Urban DevelopmentEqual Housing Opportunity
U.S. Department of Housing and Urban Development

TRUSTEE'S NOTICE OF SALE

A default has occurred under the terms of a trust deed made by Jeff E. Kosten, Lisa K. Kosten, as grantor to Cal-Western Reconveyance Corporation, as Trustee, in favor of Mortgage Electronic Registration Systems, Inc., as nominee for Fidelity Mortgage, as Beneficiary, dated January 13, 2006, recorded January 23, 2006, in the mortgage records of Klamath County, Oregon, in Book M06, at Page 01304, beneficial interest having been assigned to HSBC Mortgage Services Inc., as covering the following described real property:

Lot 9 and the Westerly 3 feet of Lot 8 in Block 30 of HOT SPRINGS 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.

COMMONLY KNOWN AS: 1850 Fremont Street, Klamath Falls, OR 97601

Both the beneficiary and the trustee have elected to sell the said real property to satisfy the obligations secured by said trust deed and a notice of default has been recorded pursuant to Oregon Revised Statutes 86.735(3); the default for which the foreclosure is made is grantor's failure to pay when due the following sums:

Monthly payments in the sum of \$1,187.70, from October 1, 2009, 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 sum being the following, to-wit:

\$168,046.56, together with interest thereon at the rate of 7.99% per annum from September 1, 2009, together with all costs, disbursements, and/or fees incurred or paid by the beneficiary and/or trustee, their employees, agents or assigns.

WHEREFORE, notice hereby is given that the undersigned trustee will on November 1, 2010, at the hour of 10:00 AM PT, in accord with the standard time established by ORS 187.110, 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, sell at public auction to the highest bidder for cash the interest in the said described real property which the grantor has or had power to convey at the time of the execution of said trust deed, together with any interest which the grantor or his successors in interest acquired after the execution of said trust deed, to satisfy the foregoing obligations thereby secured and the costs and expenses of sale, including a reasonable charge by the trustee. 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 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 obligations 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's 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.

Also, please be advised that pursuant to the terms stated on the Deed of Trust and Note, the beneficiary is allowed to conduct property inspections while property is in default. This shall serve as notice that the beneficiary shall be conducting property inspections on the said referenced property.

NOTICE TO TENANTS

If you are a tenant of this property, foreclosure could affect your rental agreement. A purchaser who buys this property at a foreclosure sale has the right to require you to move out after giving you notice of the requirement.

If you do not have a fixed-term lease, the purchaser may require you to move out after giving you a 30-day notice on or after the date of the sale.

If you have a fixed-term lease, you may be entitled to receive after the date of the sale a 60-day notice of the purchaser's requirement that you move out.

To be entitled to either a 30-day or 60-day notice, you must give the trustee of the property written evidence of your rental agreement at least 30 days before the date first set for the sale.

If you have a fixed-term lease, you must give the trustee a copy of the rental agreement. If you do not have a fixed-term lease and cannot provide a copy of the rental agreement, you may give the trustee other written evidence of the existence of the rental agreement. The date that is 30 days before the date of the sale is October 2, 2010. The name of the trustee and the trustee's mailing address are listed on this notice.

Federal law may grant you additional rights, including a right to a longer notice period. Consult a lawyer for more information about your rights under federal law.

You have the right to apply your security deposit and any rent you prepaid toward your current obligation under your rental agreement. If you want to do so, you must notify your landlord in writing and in advance that you intend to do so.

If you believe you need legal assistance with this matter, you may contact the Oregon State Bar and ask for the lawyer referral service. Contact information for the Oregon State Bar is included with this notice. If you have a low income and meet federal poverty guidelines, you may be eligible for free legal assistance. Contact information for where you can obtain free legal assistance is included with this notice.

OREGON STATE BAR, 16037 S.W. Upper Boones Ferry Road, Tigard, Oregon 97224, Phone (503) 620-0222, Toll-free 1-800-452-8260 Website: <http://www.osbar.org>

Directory of Legal Aid Programs: <http://www.oregonlawhelp.org>

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: 10/29/2010

By: 

KELLY D. SUTHERLAND

Successor Trustee

SHAPIRO & SUTHERLAND, LLC

5501 N.E. 109th Court, Suite N

Vancouver, WA 98662

www.shapiroattorneys.com/wa

Telephone: (360) 260-2253

Toll-free: 1-800-970-5647

S&S 10-104641

I, the undersigned certify that the foregoing instrument is a complete and exact copy of the original Trustee's Notice of Sale

10104641 / KOSTEN
ASAP# 3633824

SHAPOR**AFFIDAVIT OF POSTING**

STATE OF OREGON
County of Klamath

ss.

I, Robert Bolenbaugh, hereby certify and swear that at all times herein mentioned I was and now am a competent person 18 years of age or older and a resident of the state wherein the service hereinafter set forth was made; that I am not the beneficiary or trustee named in the original trustee's Notice of Sale attached hereto, not the successor of either, nor an officer, director, employee of or attorney for the beneficiary, trustee, or successor of either, corporate or otherwise.

I made service of the attached original Trustee's Notice of Sale, Notice to Residential Tenants upon the individuals and/or entities named below, by delivering a copy of the aforementioned documents, upon an **OCCUPANT** at the following "Property Address":

**1850 Fremont Street
Klamath Falls, OR 97601**

As follows:

On 07/02/2010 at 2:56 PM, I attempted personal service at the Property Address. I received no answer at the front door and no one appeared to be home. At that time, I POSTED such true copy conspicuously on the front door, pursuant to ORS 86.750 (1)(b)(A).

On 07/06/2010 at 8:38 AM, I returned to the Property Address and, again, received no answer at the front door. At that time, I POSTED another such copy conspicuously on the front door, pursuant to ORS 86.750 (1)(b)(B).

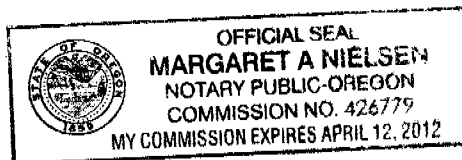
On 07/08/2010 at 9:10 AM, I returned to the Property Address and, again, received no answer at the front door. This attempt in person at the Property Address satisfies the third attempt requirement under ORS 86.750(1)(b)(C).

I declare under the penalty of perjury that the above statement is true and correct.

SUBSCRIBED AND SWORN BEFORE ME
this 14 day of July, 2010
by Robert Bolenbaugh.

Margaret A. Nielsen
Notary Public for Oregon

X *[Signature]*
Robert Bolenbaugh
Nationwide Process Service, Inc.
420 Century Tower
1201 SW 12th Avenue
Portland, OR 97205
(503) 241-0636



235750

10104641 / KOSTEN
ASAP# 3633824

SHAPOR

AFFIDAVIT OF MAILING

STATE OF OREGON

County of Multnomah

ss.

I, Brandy Socha, being first duly sworn, depose and say that I am employed by Nationwide Process Service, Inc. On July 13, 2010, I mailed a copy of the Trustee's Notice of Sale, Notice to Residential Tenants, by First Class Mail, postage pre-paid, to occupant, pursuant to ORS 86.750(1)(b)(C).

The envelope was addressed as follows:

**OCCUPANT
1850 Fremont Street
Klamath Falls, OR 97601**

This mailing completes service upon an occupant at the above address with an effective date of **07/02/2010** as calculated pursuant to ORS 86.750 (1)(c).

I declare under the penalty of perjury that the above statement is true and correct.

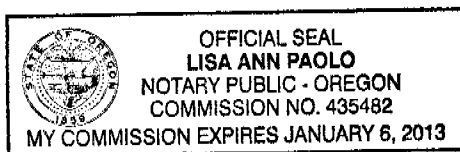
SUBSCRIBED AND SWORN BEFORE ME
this 13 day of July, 20 10
by Brandy Socha.

Notary Public for Oregon

X

BS

Brandy Socha
Nationwide Process Service, Inc.
420 Century Tower
1201 SW 12th Avenue
Portland, OR 97205
(503) 241-0636



235758

TRUSTEE'S NOTICE OF SALE

A default has occurred under the terms of a trust deed made by Jeff E. Kosten, Lisa K. Kosten,, as grantor to Cal-Western Reconveyance Corporation, as Trustee, in favor of Mortgage Electronic Registration Systems, Inc., as nominee for Fidelity Mortgage, as Beneficiary, dated January 13, 2006, recorded January 23, 2006, in the mortgage records of Klamath County, Oregon, in Book M06, at Page 01304, beneficial interest having been assigned to HSBC Mortgage Services Inc., as covering the following described real property:

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COMMONLY KNOWN AS: 1850 Fremont Street, Klamath Falls, OR 97601

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Monthly payments in the sum of \$1,187.70, from October 1, 2009, 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 sum being the following, to-wit:

\$168,046.56, together with interest thereon at the rate of 7.99% per annum from September 1, 2009, together with all costs, disbursements, and/or fees incurred or paid by the beneficiary and/or trustee, their employees, agents or assigns.

WHEREFORE, notice hereby is given that the undersigned trustee will on November 1, 2010, at the hour of 10:00 AM PT, in accord with the standard time established by ORS 187.110, at the main entrance of the Klamath County Courthouse, located at 316 Main Street, in the City of Klamath Falls, OR, County of Klamath, State of Oregon, sell at public auction to the highest bidder for cash the interest in the said described real property which the grantor has or had power to convey at the time of the execution of said trust deed, together with any interest which the grantor or his successors in interest acquired after the execution of said trust deed, to satisfy the foregoing obligations thereby secured and the costs and expenses of sale, including a reasonable charge by the trustee. 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 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 obligations 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's 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.

Also, please be advised that pursuant to the terms stated on the Deed of Trust and Note, the beneficiary is allowed to conduct property inspections while property is in default. This shall serve as notice that the beneficiary shall be conducting property inspections on the said referenced property.

NOTICE TO RESIDENTIAL TENANTS

The property in which you are living is in foreclosure. A foreclosure sale is scheduled for November 1, 2010. Unless the lender who is foreclosing on this property is paid, the foreclosure will go through and someone new will own this property. The following information applies to you only if you occupy and rent this property as a residential dwelling under a legitimate rental agreement. The information does not apply to you if you own this property or if you are not a residential tenant. If the foreclosure goes through, the business or individual who buys this property at the foreclosure sale has the right to require you to move out. The buyer must first give you an eviction notice in writing that specifies the date by which you must move out. The buyer may not give you this notice until after the foreclosure sale happens. If you do not leave before the move-out date, the buyer can have the sheriff remove you from the property after a court hearing. You will receive notice of the court hearing.

FEDERAL LAW REQUIRES YOU TO BE NOTIFIED

IF YOU ARE OCCUPYING AND RENTING THIS PROPERTY AS A RESIDENTIAL DWELLING UNDER A LEGITIMATE RENTAL AGREEMENT, FEDERAL LAW REQUIRES THE BUYER TO GIVE YOU NOTICE IN WRITING A CERTAIN NUMBER OF DAYS BEFORE THE BUYER CAN REQUIRE YOU TO MOVE OUT. THE FEDERAL LAW THAT REQUIRES THE BUYER TO GIVE YOU THIS NOTICE IS EFFECTIVE UNTIL DECEMBER 31, 2012.

Under federal law, the buyer must give you at least 90 days' notice in writing before requiring you to move out. If you are renting this property under a fixed-term lease (for example, a six-month or one-year lease), you may stay until the end of your lease term. If the buyer wants to move in and use this property as the buyer's primary residence, the buyer can give you written notice and require you to move out after 90 days, even if you have a fixed-term lease with more than 90 days left.

KDB

STATE LAW NOTIFICATION REQUIREMENTS

IF THE FEDERAL LAW DOES NOT APPLY, STATE LAW STILL REQUIRES THE BUYER TO GIVE YOU NOTICE IN WRITING BEFORE REQUIRING YOU TO MOVE OUT IF YOU ARE OCCUPYING AND RENTING THE PROPERTY AS A TENANT IN GOOD FAITH. EVEN IF THE FEDERAL LAW REQUIREMENT IS NO LONGER EFFECTIVE AFTER DECEMBER 31, 2012, THE REQUIREMENT UNDER STATE LAW STILL APPLIES TO YOUR SITUATION.

Under state law, if you have a fixed-term lease (for example, a six-month or one-year lease), the buyer must give you at least 60 days' notice in writing before requiring you to move out. If the buyer wants to move in and use this property as the buyer's primary residence, the buyer can give you written notice and require you to move out after 30 days, even if you have a fixed-term lease with more than 30 days left. If you are renting under a month-to-month or week-to-week rental agreement, the buyer must give you at least 30 days' notice in writing before requiring you to move out.

IMPORTANT: For the buyer to be required to give you notice under state law, you must prove to the business or individual who is handling the foreclosure sale that you are occupying and renting this property as a residential dwelling under a legitimate rental agreement. The name and address of the business or individual who is handling the foreclosure sale is shown on this notice under the heading 'TRUSTEE.' You must mail or deliver your proof not later than October 2, 2010 (30 days before the date first set for the foreclosure sale). Your proof must be in writing and should be a copy of your rental agreement or lease. If you do not have a written rental agreement or lease, you can provide other proof, such as receipts for rent you paid.

ABOUT YOUR SECURITY DEPOSIT

Under state law, you may apply your security deposit and any rent you paid in advance against the current rent you owe your landlord. To do this, you must notify your landlord in writing that you want to subtract the amount of your security deposit or prepaid rent from your rent payment. You may do this only for the rent you owe your current landlord. If you do this, you must do so before the foreclosure sale. The business or individual who buys this property at the foreclosure sale is not responsible to you for any deposit or prepaid rent you paid to your landlord.

ABOUT YOUR TENANCY AFTER THE FORECLOSURE SALE

The business or individual who buys this property at the foreclosure sale may be willing to allow you to stay as a tenant instead of requiring you to move out. You should contact the buyer to discuss that possibility if you would like to stay. Under state law, if the buyer accepts rent from you, signs a new residential rental agreement with you or does not notify you in writing within 30 days after the date of the foreclosure sale that you must move out, the buyer becomes your new landlord and must maintain the property. Otherwise, the buyer is not your landlord and is not responsible for maintaining the property on your behalf and you must move out by the date the buyer specifies in a notice to you.

YOU SHOULD CONTINUE TO PAY RENT TO YOUR LANDLORD UNTIL THE PROPERTY IS SOLD TO ANOTHER BUSINESS OR INDIVIDUAL OR UNTIL A COURT OR A LENDER TELLS YOU OTHERWISE. IF YOU DO NOT PAY RENT, YOU CAN BE EVICTED. AS EXPLAINED ABOVE, YOU MAY BE ABLE TO APPLY A DEPOSIT YOU MADE OR PREPAID RENT YOU PAID AGAINST YOUR CURRENT RENT OBLIGATION. BE SURE TO KEEP PROOF OF ANY PAYMENTS YOU MAKE AND OF ANY NOTICE YOU GIVE OR RECEIVE CONCERNING THE APPLICATION OF YOUR DEPOSIT OR YOUR PREPAID RENT.

IT IS UNLAWFUL FOR ANY PERSON TO TRY TO FORCE YOU TO LEAVE YOUR HOME WITHOUT FIRST GOING TO COURT TO EVICT YOU. FOR MORE INFORMATION ABOUT YOUR RIGHTS, YOU MAY WISH TO CONSULT A LAWYER.

If you believe you need legal assistance, contact the Oregon State Bar and ask for the lawyer referral service. Contact information for the Oregon State Bar is included with this notice. If you do not have enough money to pay a lawyer and are otherwise eligible, you may be able to receive legal assistance for free. Information about whom to contact for free legal assistance is included with this notice.

OREGON STATE BAR, 16037 S.W. Upper Boones Ferry Road, Tigard, Oregon 97224, Phone (503) 620-0222, Toll-free 1-800-452-8260 Website: <http://www.osbar.org>

Directory of Legal Aid Programs: <http://www.oregonlawhelp.org>

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: 6/30/2010

By: 

KELLY D. SUTHERLAND
Successor Trustee
SHAPIRO & SUTHERLAND, LLC
5501 N.E. 109th Court, Suite N
Vancouver, WA 98662
www.shapiroattorneys.com/wa
Telephone: (360) 260-2253
Toll-free: 1-800-970-5647
S&S 10-10464

I, the undersigned certify that the foregoing instrument is a complete and exact copy of the original Trustee's Notice of Sale

Affidavit of Publication

STATE OF OREGON,
COUNTY OF KLAMATH

I, Heidi Wright, Publisher,
being first duly sworn, depose and say
that I am the publisher of the Herald and News
a newspaper in general circulation, as
defined by Chapter 193 ORS, printed and
published at Klamath Falls in the
aforesaid county and state; that I know from
my personal knowledge that the

Legal # 12581

Trustee's Notice of Sale

Kosten


a printed copy of which is hereto annexed,
was published in the entire issue of said
newspaper for: (4)

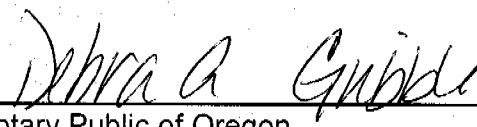
Four

Insertion(s) in the following issues:

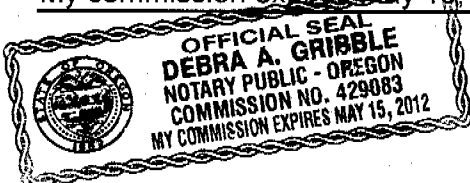
August 11, 18, 25, September 01, 2010

Total Cost: \$2,322.75


Subscribed and sworn by Heidi Wright
before me on: September 1, 2010


Notary Public of Oregon

My commission expires May 15, 2012



TRUSTEE'S NOTICE OF SALE

A default has occurred under the terms of a trust deed made by Jeff E. Kosten, Lisa K. Kosten,, as grantor to Cal-Western Reconveyance Corporation, as Trustee, in favor of Mortgage Electronic Registration Systems, Inc., as nominee for Fidelity Mortgage, as Beneficiary, dated January 13, 2006, recorded January 23, 2006, in the mortgage records of Klamath County, Oregon, in Book M06, at Page 01304, beneficial interest having been assigned to HSBC Mortgage Services Inc., as covering the following described real property: Lot 9 and the Westerly 3 feet of Lot 8 in Block 30 of HOT SPRINGS 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. **COMMONLY KNOWN AS: 1850 Fremont Street, Klamath Falls, OR 97601.**

Both the beneficiary and the trustee have elected to sell the said real property to satisfy the obligations secured by said trust deed and a notice of default has been recorded pursuant to Oregon Revised Statutes 86.735(3); the default for which the foreclosure is made is grantor's failure to pay when due the following sums: Monthly payments in the sum of \$1,187.70, from October 1, 2009, 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 sum being the following, to-wit: \$168,046.56, together with interest thereon at the rate of 7.99% per annum from September 1, 2009, together with all costs, disbursements, and/or fees incurred or paid by the beneficiary and/or trustee, their employees, agents or assigns.

WHEREFORE, notice hereby is given that the undersigned trustee will on November 1, 2010, at the hour of 10:00 AM PT, in accordance with the standard time established by ORS 187.110, at the main entrance of the Klamath County Courthouse, located at 316 Main Street, in the City of Klamath Falls, OR, County of Klamath, State of Oregon, sell at public auction to the highest bidder for cash the interest in the said described real property which the grantor has or had power to convey at the time of the execution of said trust deed, together with any interest which the grantor or his successors in interest acquired after the execution of said trust deed, to satisfy the foregoing obligations thereby secured and the costs and expenses of sale, including a reasonable charge by the trustee. 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 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 obligations 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's 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. Also, please be advised that pursuant to the terms stated on the Deed of Trust and Note, the beneficiary is allowed to conduct property inspections while property is in default. This shall serve as notice that the beneficiary shall be conducting property inspections on the said referenced property. **NOTICE TO RESIDENTIAL TENANTS** The property in which you are living is in foreclosure. A foreclosure sale is scheduled for November 1, 2010. Unless the lender who is foreclosing on this property is paid, the foreclosure will go through and someone new will own this property. The following information applies to you only if you occupy and rent this property as a residential dwelling under a legitimate rental agreement. The information does not apply to you if you own this property or if you are not a residential tenant. If the foreclosure goes through, the business or individual who buys this property at the foreclosure sale has the right to require you to move out. The buyer must first give you an eviction notice in writing that specifies the date by which you must move out. The buyer may not give you this notice until after the foreclosure sale happens. If you do not leave before the move-out date, the buyer can have the sheriff remove you from the property after a court hearing. You will receive notice of the court hearing. **FEDERAL LAW REQUIRES YOU TO BE NOTIFIED IF YOU ARE OCCUPYING AND RENTING THIS PROPERTY AS A RESIDENTIAL DWELLING UNDER A LEGITIMATE RENTAL AGREEMENT. FEDERAL LAW REQUIRES THE BUYER TO GIVE YOU NOTICE IN WRITING A CERTAIN NUMBER OF DAYS BEFORE THE BUYER CAN REQUIRE YOU TO MOVE OUT. THE FEDERAL LAW THAT REQUIRES THE BUYER TO GIVE YOU THIS NOTICE IS EFFECTIVE UNTIL DECEMBER 31, 2012.** Under federal law, the buyer must give you at least 90 days' notice in writing before requiring you to move out. If you are renting this property under a fixed-term lease (for example, a six-month or one-year lease), you may stay until the end of your lease term. If the buyer wants to move in and use this property as the buyer's primary residence, the buyer can give you written notice and require you to move out after 90 days, even if you have a fixed-term lease with more than 90 days left. **STATE LAW NOTIFICATION REQUIREMENTS IF THE FEDERAL LAW DOES NOT APPLY, STATE LAW STILL REQUIRES THE BUYER TO GIVE YOU NOTICE IN WRITING BEFORE REQUIRING YOU TO MOVE OUT IF YOU ARE OCCUPYING AND RENTING THE PROPERTY AS A TENANT IN GOOD FAITH. EVEN IF THE FEDERAL LAW REQUIREMENT IS NO LONGER EFFECTIVE AFTER DECEMBER 31, 2012, THE REQUIREMENT UNDER STATE LAW STILL APPLIES TO YOUR SITUATION.** Under state law, if you have a fixed-term lease (for example, a six-month or one-year lease), the buyer must give you at least 60 days' notice in writing before requiring you to move out. If the buyer wants to move in and use this property as the buyer's primary residence, the buyer can give you written notice and require you to move out after 30 days, even if you have a fixed-term lease with more than 30 days left. If you are renting under a month-to-month or week-to-week rental agreement, the buyer must give you at least 30 days' notice in writing before requiring you to move out. **IMPORTANT:** For the buyer to be required to give you notice under state law, you must prove to the business or individual who is handling the foreclosure sale that you are occupying and renting this property as a residential dwelling under a legitimate rental agreement. The name and address of the business or individual who is handling the foreclosure sale is shown on this notice under the heading 'TRUSTEE.' You must mail or deliver your proof not later than October 2, 2010 (30 days before the date first set for the foreclosure sale). Your proof must be in writing and should be a copy of your rental agreement or lease. If you do not have a written rental agreement or lease, you can provide other proof, such as receipts for rent you paid. **ABOUT YOUR SECURITY DEPOSIT** Under state law, you may apply your security deposit and any rent you paid in advance against the current rent you owe your landlord. To do this, you must notify your landlord in writing that you want to subtract the amount of your security deposit or prepaid rent from your rent payment. You may do this only for the rent you owe your current landlord. If you do this, you must do so before the foreclosure sale. The business or individual who buys this property at the foreclosure sale is not responsible to you for any deposit or prepaid rent you paid to your landlord. **ABOUT YOUR TENANCY AFTER THE FORECLOSURE SALE** The business or individual who buys this property at the foreclosure sale may be willing to allow you to stay as a tenant instead of requiring you to move out. You should contact the buyer to discuss that possibility if you would like to stay. Under state law, if the buyer accepts rent from you, signs a new residential rental agreement with you or

you may like to stay. Under state law, if the buyer accepts rent from you, signs a new residential rental agreement with you or does not notify you in writing within 30 days after the date of the foreclosure sale that you must move out, the buyer becomes your new landlord and must maintain the property. Otherwise, the buyer is not your landlord and is not responsible for maintaining the property on your behalf and you must move out by the date the buyer specifies in a notice to you. YOU SHOULD CONTINUE TO PAY RENT TO YOUR LANDLORD UNTIL THE PROPERTY IS SOLD TO ANOTHER BUSINESS OR INDIVIDUAL OR UNTIL A COURT OR A LENDER TELLS YOU OTHERWISE. IF YOU DO NOT PAY RENT, YOU CAN BE EVICTED. AS EXPLAINED ABOVE, YOU MAY BE ABLE TO APPLY A DEPOSIT YOU MADE OR PREPAID RENT YOU PAID AGAINST YOUR CURRENT RENT OBLIGATION. BE SURE TO KEEP PROOF OF ANY PAYMENTS YOU MAKE AND OF ANY NOTICE YOU GIVE OR RECEIVE CONCERNING THE APPLICATION OF YOUR DEPOSIT OR YOUR PREPAID RENT. IT IS UNLAWFUL FOR ANY PERSON TO TRY TO FORCE YOU TO LEAVE YOUR HOME WITHOUT FIRST GOING TO COURT TO EVICT YOU. FOR MORE INFORMATION ABOUT YOUR RIGHTS, YOU MAY WISH TO CONSULT A LAWYER. If you believe you need legal assistance, contact the Oregon State Bar and ask for the lawyer referral service. Contact information for the Oregon State Bar is included with this notice. If you do not have enough money to pay a lawyer and are otherwise eligible, you may be able to receive legal assistance for free. Information about whom to contact for free legal assistance is included with this notice. OREGON STATE BAR, 16037 S.W. Upper Boones Ferry Road, Tigard, Oregon 97224, Phone (503) 620-0222, Toll-free 1-800-452-8260 Website: <http://www.osbar.org> Directory of Legal Aid Programs: <http://www.oregonlawhelp.org>. 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: 6/30/10 By: KELLY D. SUTHERLAND Successor Trustee SHAPIRO & SUTHERLAND, LLC 5501 N.E. 109th Court, Suite N Vancouver, WA 98662 www.shapiroattorneys.com/wa Telephone: (360) 260-2253 Toll-free: 1-800-970-5647 S&S 10-10464 I, the undersigned certify that the foregoing instrument is a complete and exact copy of the original Trustee's Notice of Sale ASAP# 3633624 08/11/2010, 08/18/2010, 08/25/2010, 09/01/2010. #12581 August 11, 18, 25, September 01, 2010.


AFTER RECORDING RETURN TO:
Shapiro & Sutherland, LLC
5501 N.E. 109th Court, Suite N
Vancouver, WA 98662
Telephone:(360) 260-2253
10-104641

CERTIFICATE OF NON-MILITARY SERVICE

STATE OF WASHINGTON)
) SS.
County of CLARK)

THIS IS TO CERTIFY THAT I, Kelly D. Sutherland, am the Successor Trustee of that certain trust deed serviced by HSBC Mortgage Services Inc., the current beneficiary, in which Jeff E. Kosten, Lisa K. Kosten,, as grantor, conveyed to Cal-Western Reconveyance Corporation, as trustee, certain real property in Klamath County, Oregon; which said trust deed was dated January 13, 2006, and recorded January 23, 2006, in the mortgage records of said county, in Book No. M06, at Page 01304, thereafter a Notice of Default with respect to said trust deed was recorded June 25, 2010, in Book 2010, at Page No. 7737, of said mortgage records; thereafter the said trust deed was duly foreclosed by advertisement and sale and the real property covered by said trust deed is scheduled to be sold at the trustee's sale on November 1, 2010. I reasonably believe at no time during the period of three months and one day immediately preceding the day of said sale and including the day thereof, was the real property described in and covered by said trust deed, or any interest therein, owned by a person in the military service as defined in Article I of the "Soldiers' and Sailor's Civil Relief Act of 1940," as amended, as evidenced by the attached Department of Defense certificate(s), or legally incompetent under the laws of the State of Oregon.

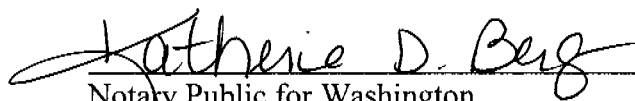
In construing this certificate, the masculine includes the feminine, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor, the word "trustee" includes any successor trustee, and the word "beneficiary" includes any successor in interest to the beneficiary named in said trust deed.



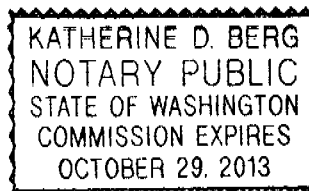
Kelly D. Sutherland
Successor Trustee

STATE OF WASHINGTON)
) SS.
COUNTY OF CLARK)

SUBSCRIBED AND SWORN to before me this 4th day of October, 2010,
by Kelly D. Sutherland, Successor Trustee.



Notary Public for Washington
My commission expires 10-29-2013



Department of Defense Manpower Data Center

May-28-2010 14:02:34



Military Status Report
Pursuant to the Service Members Civil Relief Act

Last Name	First/Middle	Begin Date	Active Duty Status	Active Duty End Date	Service Agency
KOSTEN	JEFF	Based on the information you have furnished, the DMDC does not possess any information indicating the individual status.			

Upon searching the information data banks of the Department of Defense Manpower Data Center, based on the information that you provided, the above is the current status of the individual as to all branches of the Uniformed Services (Army, Navy, Marine Corps, Air Force, NOAA, Public Health, and Coast Guard).

Mary M. Snavely-Dixon

Mary M. Snavely-Dixon, Director
Department of Defense - Manpower Data Center
1600 Wilson Blvd., Suite 400
Arlington, VA 22209-2593

The Defense Manpower Data Center (DMDC) is an organization of the Department of Defense that maintains the Defense Enrollment and Eligibility Reporting System (DEERS) database which is the official source of data on eligibility for military medical care and other eligibility systems.

The DoD strongly supports the enforcement of the Service Members Civil Relief Act (50 USC App. §§ 501 et seq, as amended) (SCRA) (formerly known as the Soldiers' and Sailors' Civil Relief Act of 1940). DMDC has issued hundreds of thousands of "does not possess any information indicating that the individual is currently on active duty" responses, and has experienced a small error rate. In the event the individual referenced above, or any family member, friend, or representative asserts in any manner that the individual is on active duty, or is otherwise entitled to the protections of the SCRA, you are strongly encouraged to obtain further verification of the person's status by contacting that person's Service via the "defenseink.mil" URL <http://www.defenselink.mil/fag/pis/PC09SLDR.html>. If you have evidence the person is on active duty and you fail to obtain this additional Service verification, punitive provisions of the SCRA may be invoked against you. See 50 USC App. §521(c).

If you obtain additional information about the person (e.g., an SSN, improved accuracy of DOB, a middle name), you can submit your request again at this Web site and we will provide a new certificate for that query.

This response reflects **active duty status** including date the individual was last on active duty, if it was within the preceding 367 days. For historical information, please contact the Service SCRA points-of-contact.

More information on "Active Duty Status"

Active duty status as reported in this certificate is defined in accordance with 10 USC § 101(d)(1) for a period of more than 30 consecutive days. In the case of a member of the National Guard, includes service under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under 32 USC § 502(f) for purposes of responding to a national emergency declared by the

President and supported by Federal funds. All Active Guard Reserve (AGR) members must be assigned against an authorized mobilization position in the unit they support. This includes Navy TARs, Marine Corps ARs and Coast Guard RPAs. Active Duty status also applies to a Uniformed Service member who is an active duty commissioned officer of the U.S. Public Health Service or the National Oceanic and Atmospheric Administration (NOAA Commissioned Corps) for a period of more than 30 consecutive days.

Coverage Under the SCRA is Broader in Some Cases

Coverage under the SCRA is broader in some cases and includes some categories of persons on active duty for purposes of the SCRA who would not be reported as on Active Duty under this certificate.

Many times orders are amended to extend the period of active duty, which would extend SCRA protections. Persons seeking to rely on this website certification should check to make sure the orders on which SCRA protections are based have not been amended to extend the inclusive dates of service. Furthermore, some protections of the SCRA may extend to persons who have received orders to report for active duty or to be inducted, but who have not actually begun active duty or actually reported for induction. The Last Date on Active Duty entry is important because a number of protections of SCRA extend beyond the last dates of active duty.

Those who would rely on this certificate are urged to seek qualified legal counsel to ensure that all rights guaranteed to Service members under the SCRA are protected.

WARNING: This certificate was provided based on a name and SSN provided by the requester. Providing an erroneous name or SSN will cause an erroneous certificate to be provided.

Report ID:20E0EOKF2R

AFTER RECORDING RETURN TO:
Shapiro & Sutherland, LLC
5501 N.E. 109th Court, Suite N
Vancouver, WA 98662
10-104641

TRUSTEE'S AFFIDAVIT AS TO COMPLIANCE TO ORS 86.737

State of Washington)
)
County of Clark)

I, Kelly D. Sutherland, being first duly sworn, depose, say and certify that:

I am the Successor trustee in that certain trust deed executed and delivered by Jeff E. Kosten, Lisa K. Kosten, as grantor to Cal-Western Reconveyance Corporation as trustee, in which Mortgage Electronic Registration Systems, Inc., as nominee for Fidelity Mortgage is beneficiary, recorded on January 23, 2006, in the mortgage records of Klamath County, Oregon in Book No. M06, at Page 01304, covering the following described real property situated in said county:

Lot 9 and the Westerly 3 feet of Lot 8 in Block 30 of HOT SPRINGS 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.

Commonly known as: 1850 Fremont Street, Klamath Falls, OR 97601

I hereby certify that on June 28, 2010, the attached notice of risk of loss and loan modification request form was furnished by mailing a copy of the notice by registered or certified mail, return receipt requested, and first class mail to each of the following named persons:

Jeff E. Kosten
1850 Fremont Street
Klamath Falls, OR 97601

Lisa K. Kosten
1850 Fremont Street
Klamath Falls, OR 97601

Jeff Kosten
3913 Santiam Pass Way #101
Salem, OR 97305

Occupant(s)
1850 Fremont Street
Klamath Falls, OR 97601

The word "trustee" as used in this affidavit means any successor-trustee to the trustee named in the trust deed first mentioned above.

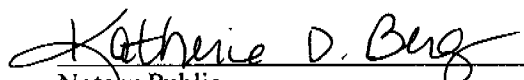


Kelly D. Sutherland

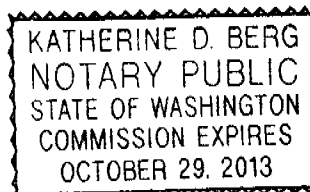
State of Washington)
)
County of Clark)

On this 4th day of October, in the year 2010, before me the undersigned, a Notary Public in and for said County and State, personally appeared Kelly D. Sutherland personally known to me to be the person whose name is subscribed to this instrument and acknowledged that he executed.

Witness my hand and official seal



Notary Public
My Commission Expires 10-29-2013



NOTICE:

**YOU ARE IN DANGER OF LOSING YOUR PROPERTY IF YOU DO NOT
TAKE ACTION IMMEDIATELY**

This notice is about your mortgage loan on your property at 1850 Fremont Street, Klamath Falls, OR 97601

Your lender has decided to sell this property because the money due on your mortgage loan has not been paid on time or because you have failed to fulfill some other obligation to your lender. This is sometimes called 'foreclosure'.

In order to bring your mortgage loan current, the amount you need to pay as of today, June 28, 2010 is \$12,452.95.

By law, your lender has to provide you with details about the amount you owe, if you ask. You may call this office at (360) 260-2253, or toll-free 1-800-970-5647, extension 278, to find out the exact amount you must pay to bring your mortgage loan current and to get other details about the amount you owe. You may also get these details by sending a request by certified mail to:

Shapiro & Sutherland, LLC
5501 N.E. 109th Court, Suite N
Vancouver, WA 98662
Our File #: 10-104641

**THIS IS WHEN AND WHERE
YOUR PROPERTY WILL BE SOLD
IF YOU DO NOT TAKE ACTION:**

November 1, 2010, at the hour of 10:00 AM PT, at the main entrance of the Klamath County Courthouse, located at 316 Main Street, in the City of Klamath Falls, OR

THIS IS WHAT YOU CAN DO TO STOP THE SALE:

1. You can pay the amount past due or correct any other default, up to five days before the sale.
2. You can refinance or otherwise pay off the loan in full anytime before the sale.
3. You can call the Loss Mitigation department of HSBC Consumer and Mortgage Lending at 800-365-6730 to find out if your lender is willing to give you more time or change the terms of your loan.
4. You can sell your home, provided the sale price is enough to pay what you owe.

There are government agencies and nonprofit organizations that can give you information about foreclosure and help you decide what to do. For the name and telephone number of an organization near you, please call the statewide phone contact number at **1-800-SAFENET (1-800-723-3638)**. You may also wish to talk to a lawyer. If you need help finding a lawyer, you may call the Oregon State Bar's Lawyer Referral Service at **(503) 684-3763**, or toll-free in Oregon at **1-800-452-7636** or you may visit its website at: www.osbar.org. Legal assistance may be available if you have a low income and meet federal poverty guidelines. For more information and a directory of legal aid programs, go to <http://www.oregonlawhelp.org>.

Your lender may be willing to modify your loan to reduce the interest rate, reduce the monthly payments or both. You can get information about possible loan modification programs by contacting your lender at 800-365-6730. If you can't reach your lender, you may contact the trustee at the telephone number at the bottom of this notice. If you have already entered into a loan modification with your lender, it is possible that you will not be able to modify your loan again unless your circumstances have changed. Your lender is not obligated to modify your loan.

You may request to meet with your lender to discuss options for modifying your loan. During discussions with your lender, you may have the assistance of a lawyer, a housing counselor or another person of your choosing. To receive a referral to a housing counselor or other assistance available in your community, call this toll-free consumer mortgage foreclosure information number 1-800-SAFENET (1-800-723-3638). Many lenders participate in new federal loan

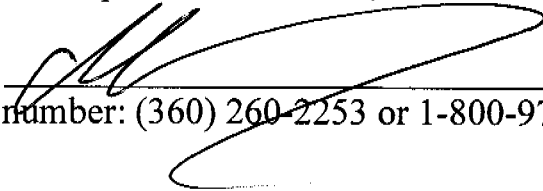
modification programs. You can obtain more information about these programs at:
<http://www.makinghomeaffordable.gov/>.

IF YOU WANT TO APPLY TO MODIFY YOUR LOAN, YOU MUST FILL OUT AND MAIL BACK THE ENCLOSED "MODIFICATION REQUEST FORM." YOUR LENDER MUST RECEIVE THE FORM BY JULY 31, 2010, WHICH IS MORE THAN 30 DAYS AFTER THE DATE SHOWN BELOW.

WARNING: You may get offers from people who tell you they can help you keep your property. You should be careful about those offers. Make sure you understand any papers you are asked to sign. If you have any questions, talk to a lawyer or one of the organizations mentioned above before signing.

DATED: June 28, 2010

Kelly D. Sutherland, Shapiro & Sutherland, LLC

Trustee signature: 

Trustee telephone number: (360) 260-2253 or 1-800-970-5647

LOAN MODIFICATION REQUEST FORM

Jeff E. Kosten
1850 Fremont Street
Klamath Falls, OR 97601

Lisa K. Kosten
1850 Fremont Street
Klamath Falls, OR 97601

RE: Loan#: 0013176839

Property Address: 1850 Fremont Street, Klamath Falls, OR 97601

Pursuant to Oregon law, we are providing you with this Modification Request Form. HSBC Consumer and Mortgage Lending is interested in helping you stay in your home. HSBC Consumer and Mortgage Lending wants you to know there are payment assistance programs available that may help you. If you qualify under the programs, HSBC Consumer and Mortgage Lending may be able to bring your loan current and /or decrease the monthly payment so that you can avoid foreclosure.

If you want to apply to modify you must fill out this form and provide all the documentation to the address shown in Step 2 of this form. Please make sure to provide your current address, phone number and electronic mail address (Email). **The form must be received by the mortgage servicer no later than July 31, 2010 at the address shown in Step 2 of this form.** Please indicate by checking the applicable location whether or not you would like your Loan Modified, whether you would like to meet the mortgage servicer, or both

_____ I would like to have my loan modified.

_____ I would like to meet with the mortgage servicer.

Borrower's signature

Borrower's signature

Borrower's Printed Name

Borrower's Printed Name

Borrower's Address

Borrower's Address

Borrower's Phone Number

Borrower's Phone Number

Borrower's E-mail Address

Borrower's E-mail Address

STEP 1: GATHER THE INFORMATION NEEDED TO HELP YOU

Detailed Instructions on what you need to do to take advantage of this program are set forth below. Generally, you will need to:

- Explain the financial hardship that makes it difficult for you to pay your mortgage loan.
- Submit the required documentation of your income.

If you meet the eligibility criteria, you may be offered either a temporary or permanent payment assistance program with a decreased monthly payment. The monthly payments will be based on the Income documentation that you provide.

STEP 2: COMPLETE AND SUBMIT

Please submit all the required income documentation by no later than July 31, 2010. If you have any questions, please contact HSBC Consumer and Mortgage Lending at (800) 365-6730.

Act Now!

To see if you qualify for this program, send the items listed below to HSBC Consumer and Mortgage Lending no later than July 31, 2010 to the address provided below:

HSBC Consumer and Mortgage Lending

P.O. Box 3437

Buffalo, NY 14240-9734

Documentation to verify all of the income of each borrower. (Including any alimony or child support that you choose to rely upon to qualify). This documentation should include:

The most recent paystubs for all account holders, or
If self-employed, one (1) current month, of the complete bank statements, or
If you're not currently employed, your social security/unemployment benefit letters or denial letter, or
If you're disabled, your disability benefits letters denial letter, or
If you're retired, a pension or retirement letter

Additional Information on your expenses:

Medical bills (if applicable)
Childcare (if applicable)
Copy of court order for child support and/or alimony (if applicable)

If you have other types of Income, cannot locate required documents, or have questions about the documentation required, please contact us at (800) 365-6730.

You must send in all required documentation by no later than July 31, 2010.

Keep a copy of documents for records. Don't send original income documents, as copies are acceptable.

NEXT STEPS: HERE'S WHAT WILL HAPPEN:

Once the mortgage servicer receives all of your documentation and verifies your information, the mortgage servicer will determine whether you qualify for a payment assistance program. The mortgage servicer will contact you, as reasonably practical but not less than 45 days after receiving the form, to notify you whether the mortgage servicer approves or denies your request, or requires additional information. During this period, the mortgage servicer may require additional information to determine whether the loan can be modified. IF you do not qualify, the mortgage servicer will discuss other alternative with you that may help you keep your home or ease your transition to another home.

DATED: June 28, 2010

Kelly D. Sutherland, Shapiro & Sutherland, LLC

Trustee signature.

Trustee telephone number: (360) 260-2253 or 800-970-5647

AFTER RECORDING RETURN TO:

Shapiro & Sutherland, LLC
5501 N.E. 109th Court, Suite N
Vancouver, WA 98662
10-104641

Affidavit of Compliance with Oregon SB 628 (2009)

County Clerk Recording Info: Book M06, Page 01304

Grantor (name): Jeff E. Kosten, Lisa K. Kosten,

Trustee (name): Cal-Western Reconveyance Corporation

Original Beneficiary (name): Mortgage Electronic Registration Systems, Inc., as nominee for Fidelity Mortgage

Assignee(s), if any (name(s)): HSBC Mortgage Services Inc.

Original Loan Amount: \$171,000.00

Borrower name(s): Kosten, Jeff E. & Lisa K.

Property Address: 1850 Fremont Street, Klamath Falls, OR 97601

The undersigned, on behalf of HSBC Mortgage Services Inc., on information and belief, declare under penalty of perjury that the following is true and correct:

That HSBC Mortgage Services Inc. ("Beneficiary") is a party to a Deed of Trust under a certain Deed of Trust recorded on January 23, 2006, as , in the office of the County Recorder of Klamath County, Oregon, which Deed of Trust serves as security for a promissory note in the original principal amount of \$171,000.00, dated January 13, 2006, entered into by Jeff E. Kosten, Lisa K. Kosten, ("Borrower") in favor of Mortgage Electronic Registration Systems, Inc., as nominee for Fidelity Mortgage, for the property located at 1850 Fremont Street, Klamath Falls, OR 97601.

Please select applicable option(s) below.

The undersigned beneficiary or authorized agent for the beneficiary hereby represents and declares under the penalty of perjury that [check the applicable box and fill in any blanks so that the trustee can insert, on the beneficiary's behalf, the applicable affidavit of compliance required under Oregon SB 628]:

The foreclosure trustee has sent the borrower a Modification Request Form with the Foreclosure Notice required under ORS 86.737(1) (contact provision to "assess the borrower's financial ability to pay the debt secured by the deed of trust and explore options for the borrower to avoid foreclosure").

(1) ☒] Neither the beneficiary nor its agent received the required Loan Modification Request Form from the borrower that was sent by the borrower within 30 days of the date the Trustee signed the notice required by Section 20, Chapter 19, Oregon Laws 2008.

(2) [☐] The beneficiary or beneficiary's authorized agent has exercised due diligence to by either speaking to or meeting with the borrower to determine whether the borrower's loan could be modified:

1. Spoke with the borrower on _____ and/or,

2. Met with the borrower on _____

(3) [] The beneficiary or beneficiary's authorized agent was unable to contact the borrower.

(4) [] The beneficiary or beneficiary's authorized agent has exercised due diligence to contact the borrower, however the borrower was not eligible for a loan modification due to:

1. _____

2. _____

(5) [] The borrower has surrendered the secured property as evidenced by either a letter confirming the surrender or by delivery of the keys to the secured property to the beneficiary, the beneficiary's authorized agent or to the trustee.

(6) [] The beneficiary or the beneficiary's authorized agent has verified information that, on or before the date of this affidavit, the borrower(s) has filed for bankruptcy, and the bankruptcy stay remains in place, or the borrower has filed for bankruptcy and the bankruptcy court has granted relief from the bankruptcy stay allowing the enforcement of the deed of trust.

If the borrower's loan modification request was denied, the beneficiary or beneficiary's agent provided the grantor with the information described in subsection (1)(b) of (c) of Section 3, Chapter 864, Oregon Laws 2009.

By: Maria Vadney
Name: Maria Vadney
Title: VP

STATE OF IL

County of Waukegan

On this 15 day of September, 2010, before me, the undersigned a Notary Public in and for the State of IL, duly commissioned and sworn, personally appeared Maria Vadney to me known to be the VP of USBC Mortgage Services Inc., the corporation that executed the foregoing instrument, and acknowledge the said therein instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein, mentioned, and on oath stated that (s)he is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation. Witness my hand and official seal hereto affixed the day and year first above written.

Notary Public In and for the State of IL
My commission expires: 2011

