

NR 89441

2011-003518

Klamath County, Oregon



00098872201100035180060068

03/14/2011 11:33:25 AM

Fee: \$62.00

AFTER RECORDING RETURN TO:

SCHWABE, WILLIAMSON & WYATT  
Attn: Brian L. Gingerich  
360 Bond Street, Suite 400  
Bend, OR 97702

### NOTICE OF DEFAULT AND ELECTION TO SELL

The Trust Deed to be foreclosed pursuant to Oregon law is referred to as follows (the "Trust Deed"):

1. TRUST DEED INFORMATION:

Grantor:	Ronald H. Cole and Lisa B. Cole
Beneficiary:	High Desert Bank
Trustee:	Aspen Title & Escrow, Inc.
Successor Trustee:	Brian L. Gingerich 360 Bond Street, Suite 400 Bend, OR 97702 (541) 749-4044
Recording Date:	October 30, 2008
Recording Reference:	2008-014750
County of Recording:	Klamath

The Trust Deed was modified by the following modifications:

Partial Reconveyance recorded August 31, 2009 as Volume 2009, Page 011649

2. LEGAL DESCRIPTION OF PROPERTY (the "Property"):

PARCEL 1:

That portion of the SW1/4 of Section 24, Township 34 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, lying Northeast of the center thread of Sprague River.

PARCEL 2:

The East 1/2 of the West 1/2 of the NW1/4; the West 1/2 of the East 1/2 of the NW1/4; the North 1/2 of the SW1/4 of Section 19, Township 34 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

62Am

The North ½ of the SE1/4; the South ½ of the NE1/4; and the South ½ of the NW1/4 of Section 24, Township 34 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

3. **DEFAULT:** The Grantor or any other person owing an obligation, the performance of which is secured by the Trust Deed, is in default and the Beneficiary seeks to foreclose the Trust Deed. The default for which foreclosure is made is Grantor's failure to do the following:

***Failure to make monthly payments of \$5,471.83 beginning December 22, 2009 and continuing through the payment due February 22, 2011, failure to pay when due real property taxes for the years 2009-10 and 2010-11, plus interest and penalties and failure to pay when due payments to Northwest Farm Credit Services holder of the first and second lien on the Property.***

4. **AMOUNT DUE:** By reason of the default described above, the Beneficiary has declared all sums owing on the obligation secured by the Trust Deed immediately due and payable, those sums being the following:

***Principal balance of \$737,883.70, together with unpaid interest of \$74,458.57 through March 7, 2011, late charges of \$5,471.80 and other fees of \$4,535.18, Trustee's fees, attorney's fees, costs of foreclosure and any sums advanced by the Beneficiary pursuant to the terms of the Trust Deed. Interest continues to accrue on the unpaid principal balance at the rate of 12.35% per annum from March 8, 2011, until paid.***

5. **NOTICE OF ELECTION TO SELL:** Notice is hereby given that both the Beneficiary and the Trustee hereby elect to foreclose the Trust Deed by advertisement and sale as provided under ORS 86.705 to 86.795, and to cause the Property to be sold at public auction to the highest bidder for cash, the Grantor's interest in the described Property which the Grantor had, or had the power to convey, at the time of the execution by the Grantor of the Trust Deed, together with any interest the Grantor or Grantor's successor in interest acquired after the execution of the Trust Deed, to satisfy the obligations secured by the Trust Deed, including the expenses of the sale, compensation of the Trustee as provided by law and the reasonable fees of the Trustee's attorneys.

6. **DATE AND TIME OF SALE:**

**Date: July 19, 2011**

**Time: 10:00 A.M.** (in accord with the standard of time established by ORS 187.110)

**Location: Main Entrance of the Klamath County Courthouse;  
316 Main, Klamath Falls, OR 97601**

7. **RIGHT TO REINSTATE:** Any person named in ORS 86.753 has the right, at any time prior to five days before the Trustee conducts the sale, to have this foreclosure dismissed and the Trust Deed reinstated by doing all of the following:

- a. payment 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;
- b. curing any other default that is capable of being cured, by tendering the performance required under the obligation or Trust Deed; and
- c. paying all costs and expenses actually incurred in enforcing the obligation and Trust Deed, together with the Trustee's and attorney's fees not exceeding the amount provided in ORS 86.753.

8. NOTICE FOR PROPERTIES INCLUDING ONE OR MORE DWELLING UNITS:

**NOTICE TO RESIDENTIAL TENANTS**

The property in which you are living is in foreclosure. A foreclosure sale is scheduled for July 19, 2011. 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, 2014. 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 June 19, 2011 (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.

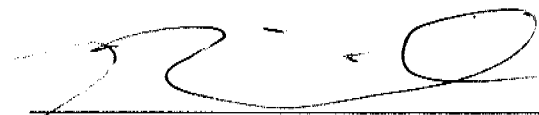
If you believe you need legal assistance with this matter, you may contact the Oregon State Bar and ask for the lawyer referral service. Contact information for the Oregon State Bar is **503-684-3763** or toll-free in Oregon at **800-452-7636** or you may visit its website at: [www.osbar.org](http://www.osbar.org). If you have a low income and meet federal poverty guidelines, you may be eligible for free legal assistance.

Contact information and a directory of legal aid programs for where you can obtain free legal assistance is available at <http://www.oregonlawhelp.org>.

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 the Trust Deed, and the words "Trustee" and "Beneficiary" include their respective successors in interest, if any.

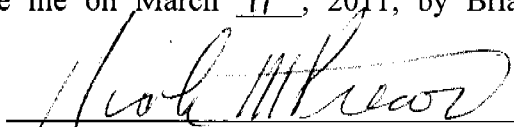
We are a debt collector attempting to collect a debt and any information we obtain will be used to collect the debt.

DATED: March 11, 2011.

  
\_\_\_\_\_  
Brian L. Gingerich, Successor Trustee

STATE OF OREGON            )  
  ) ss.  
County of Deschutes        )

This instrument was acknowledged before me on March 11, 2011, by Brian L. Gingerich, Successor Trustee.

  
\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: JUNE 5, 2014

