FORM NO. 884 – NOTICE OF DEFAULT AND ELECTION TO SELL

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RE: Trust Deed from Ernst Brothers, LLC PO Box 637	
Gilchrist, OR 97737	
То	Grantor
EARNCO	
	Trustee
After recording, return to (Name, Address, Zip): James R. Uerlings	
Boivin, Uerlings & Dilaconi,	P.C.
803 Main Street, Ste 201	
Klamath Falls, OR 97601	

STATE OF OREGON,

2011-013350

Klamath County, Oregon

00110841201100133500050058

SPACE RESEF FOR RECORDER'S

NAME TITLE

By \_\_\_\_\_, Deputy

Reference is made to that certain trust deed made byErnst_Brothers, LLC	•
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EARNCO	
in favor of South Valley Bank & Trust	, as beneficiary,
dated December 30, 2002 , recorded on January 15, 2003	
Klamath County, Oregon, in WhookxxxxxxX volume NoMO3	at page2790,
BKBIHBIYXXXXXXXXXXXXXKHKKBHHQBY94VBYHKYOKHMVXXXXXXXMBMBHYMHXZHBKXXXXXXXXXXXXXXXX	жиния), covering the following
described real property situated in the above-mentioned county and state, to-wit:	

See Exhibit A, attached hereto and incorporated by this reference.

James R. Uerlings was appointed Successor Trustee on October 26, 2010 and recorded October 26, 2010 in Volume No. 2010-012615 in the Microfilm Records of Klamath County, Oregon.

The undersigned hereby certifies that no assignments of the trust deed by the trustee or by the beneficiary and no appointments of a successor trustee have been made, except as recorded in the Records of the county or counties in which the above-described real property is situated. Further, no action has been instituted to recover the debt, or any part thereof, now remaining secured by the 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 grantor or other person owing an obligation, performance of which is secured by the trust deed, or by the 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:

See Exhibit B, attached hereto and incorporated by this reference.

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

See Exhibit C, attached hereto and incorporated by this reference.





Notice hereby is given that the beneficiary and trustee, by reason of the default, have elected and do hereby elect to foreclose the 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 interest in the described property which grantor had, or had the power to convey, at the time of the execution by grantor of the trust deed, together with any interest grantor or grantor's successor in interest acquired after the execution of the trust deed, to satisfy the obligations secured by the 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. Klamath , State of Oregon, which is the hour, date and place last set for the sale. Other than as shown of record, neither the beneficiary nor the trustee has any actual notice of any person having or claiming to have any lien upon or interest in the real property hereinabove described subsequent to the interest of the trustee in the trust deed, or of any successor in interest to grantor or of any lessee or other person in possession of or occupying the property, except: Name and Last Known Address Nature of Right, Lien or Interest See Exhibit D, attached hereto and incorporated by this reference. Notice is further given that any person named in ORS 86.753 has the right, at any time prior to five days before the date last set for the sale, to have this foreclosure proceeding dismissed and the trust deed reinstated by 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) 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 the 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 and attorney fees not exceeding the amounts provided by ORS 86.753. In construing this notice, 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. DATED November 30,201 ☐ Trustee ☐ Beneficiary (indicate which) STATE OF OREGON, County of \_\_\_\_ Klamath ) ss. James R. Uerlings, Successor Trustee This instrument was acknowledged before me on \_\_\_\_\_\_ Notary Public for Oregon My commission expires 10/21/2013 OFFICIAL SEAL JULIÉ A. STENKAMP OTARY PUBLIC-OREGON COMMISSION NO. 442030 MY COMMISSION EXPIRES OCT. 21, 2013

## **Property Address:**

150 MOUNTAIN VIEW DRIVE GILCHRIST, OREGON 97737

### Legal Description:

Lot 3 of TRACT 1318 - GILCHRIST TOWNSITE, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

EXCEPTING THEREFROM: Beginning at a 5/8 inch iron rod marking the Southeast corner of Lot 4 TRACT 1318 - GILCHRIST TOWNSITE as shown on the original plat thereof, thence North 75°15'28" West, 169.29 feet to a 5/8 inch iron rod; thence North 14°49'53" East, 84.00 feet to a 5/8 inch iron rod marking the adjusted Northwest Lot Corner of Lot 4, of said Tract 1318 - Gilchrist Townsite, from which a 5/8 inch iron rod marking the original Northwest corner of Lot 4, Tract 1318 - Gilchrist Townsite as shown on the original plat thereof bears South 14°49'53" West, 20.00 feet; thence South 75°15'28" East, 170.34 feet to a 5/8 inch iron rod marking the Westerly right-of-way of Manzanita Street from which a 5/8 inch iron rod marking the original Northeast corner of Lot 4, Tract 1318 - Gilchrist Townsite as shown on the original plat thereof bears South 15°32'50" West, 20.00 feet; thence South 15°32'50" West, 84.01 feet along the said Westerly right-of-way of Manzanita Street to the point of beginning.

#### EXHIBIT B

1) Failure to make payments due:

Principal past due:

\$26,764.24

Interest past due:

\$11,805.33

Late charges past due:

\$ 300.00

Plus principal, interest and late charges due after 08/15/2011

- 2) Failure to pay property taxes and provide proof of payment to beneficiary.
- 3) Failure to pay liens filed against collateral.
- 4) Failure to pay advances made by beneficiary to protect collateral.
- 5) Failure to remediate probability of hazardous substance and/or environmental contamination of property and provide proof of such to beneficiary.
- 6) Failure to provide proof of insurance on collateral to beneficiary.
- 6) Failure to provide current financial information on Grantor from 2008 to present.

### **EXHIBIT C**

1)	Principal	\$602,093.65
2)	Accrued interest to 07/26/2011	\$ 23,022.28
3)	Late charges to 07/26/2011	\$ 300.00
4)	Expenses advanced by beneficiary to protect collateral	\$120,897.68
5)	Attorney fees, as incurred	
6)	Trustee fees, as incurred	
7)	Plus interest, late fees, foreclosure costs and other advance	es after 07/26/2011

## EXHIBIT D

# Name and Last Known Address

Nature of Right, Lien or Interest

1) Dave Kornish Kornish Forest Contracting, Inc. 19372 Piute Circle Bend, OR 97702

Kornish Forest Contracting, Inc. 150 Mountain View Drive Gilchrist, OR 97737

2) Glenda Eaton Crescent Creek Property Management 150 Mountain View Drive Gilchrist, OR 97737 Rental agreement (Tenant)

Rental agreement (Tenant)