

WTC 91978

2012-000568

Klamath County, Oregon



00112745201200005680040046

01/23/2012 11:34:57 AM

Fee: \$52.00

**RECORDING COVER SHEET**

**ORS 205.234**

This cover sheet has been prepared by the person presenting the attached instrument for recording. Any error in this cover sheet DOES NOT affect the transaction(s) contained in the instrument itself.

**1. AFTER RECORDING RETURN TO -**

Required by ORS 205.180(4) & 205.238:

Dennis M. Paterson, III

Davis Wright Tremaine LLP

1300 SW Fifth Avenue, Suite 2300

Portland, OR 97201-5630

**2. TITLE(S) OF THE TRANSACTION(S) - Required by ORS 205.234(1)(a)**

Note: "Transaction" means any action required or permitted by law to be recorded, including, but not limited to, any transfer, encumbrance or release affecting title to or an interest in real property. Enter descriptive title for the instrument:

**Notice of Default and Election to sell**

**Reference: M06, page 03880, Microfilm Records of Klamath County, Oregon**

**3. DIRECT PARTY / GRANTOR and Address - Required by ORS 234(1)(b)**

**(Grantor) Dennis M. Paterson, III**

**Davis Wright Tremaine LLP**

**Grantor's Address:**

**1300 SW Fifth Avenue, Suite 2300**

**Portland, OR 97201-5630**

**4. INDIRECT PARTY / GRANTEE and Address - Required by ORS 234(1)(b)**

**(Grantee) Pelican Butte Oil, LLC**

**Grantee's Address:**

**c/o Larry George, RA**

**922 HAMPTON WAY**

**Medford, OR 97501**

- 5. For an instrument conveying or contracting to convey fee title, the information required by ORS 93.260:**

**UNTIL A CHANGE IS REQUESTED,  
ALL TAX STATEMENTS SHALL BE  
SENT TO THE FOLLOWING**

**ADDRESS:**

**JPMorgan Chase Bank NA**

**Master Servicer**

**POB 4893**

**Houston TX 77252-4893**

**6. TRUE AND ACTUAL**

**CONSIDERATION - Required by**

ORS 93.030 for an instrument conveying or contracting to convey fee title or any memorandum of such instrument:

\$

524nd

After recording, please return to:

Dennis M. Paterson, III  
Davis Wright Tremaine LLP  
1300 SW Fifth Avenue, Suite 2300  
Portland, OR 97201-5630  
Phone: 503-778-5338

### **NOTICE OF DEFAULT AND ELECTION TO SELL**

Reference is made to that certain Deed of Trust and Assignment of Leases and Rents (the "Trust Deed") made, executed, and delivered by Pelican Butte Oil, LLC, as Grantor, to Lawyers Title Insurance Company, as Trustee, to secure certain obligations in favor of Pecten Funding Corp., as Beneficiary, dated February 16, 2006, and recorded March 2, 2006, at Vol. M06 page 03880, Microfilm Records of Klamath County, Oregon, covering the following described real property (the "Property") in such county and state:

**Beginning at the Southeasterly comer of Lot 1, Block 65, BUENA VISTA ADDITION to the City of Klamath Falls, Oregon; thence North 7 degrees 16' East, along the Easterly boundary of said Lot 1, a distance of 112.2 feet, more or less, to the South boundary of Prescott Street; thence South 89 degrees 31'30" West, along said South boundary of Prescott Street extended across said Lot 1, a distance of 62.26 feet, more or less, to the East boundary of Biehn Street as now improved and used; thence South 0 degrees 28'30" East along the East boundary of said Biehn Street, a distance of 66.85 feet, thence South 34 degrees 15' East, 51.2 feet, more or less to the Southerly boundary of said Lot 1; thence Easterly along said Southerly boundary of Lot 1, 18.0 feet, more or less, to the point of beginning, being all that portion of Lot 1, Block 65, Buena Vista Addition to Klamath Falls, not used as portions of Prescott and Biehn Streets.**

**AND ALSO a portion of the vacated section of Lakeview Street that lies between Blocks 65 and 72 in Buena Vista Addition, and particularly described as follows: Beginning at the Southeast comer of Lot 1, Block 65, Buena Vista Addition to Klamath Falls, Oregon; thence North 7 degrees 16' East, along the Easterly boundary of said Lot 1, a distance of 112.2 feet, more or less, to the South boundary of Prescott Street; thence North 89 degrees 31'30" East along said South boundary of Prescott Street, a distance of 46.53 feet; thence South 0 degrees 28'30" East, 40.0 feet; thence South 89 degrees 31'30" West, 13.0 feet; thence South 0 degrees 28'30" East, 74.95 feet, more or less, to the Northerly boundary of Oregon Avenue; thence Northwesterly along said Northerly boundary of Oregon Avenue, a distance of 50.5 feet, more or less, to the point of beginning.**

The Trust Deed secures a SIX HUNDRED THIRTY SEVEN THOUSAND FIVE HUNDRED & 00/100 (\$637,500.00) note, dated February 16, 2006, (the "Secured Note") on which Pelican Butte Oil, LLC, is Borrower and Pecten Funding Corp. is Lender.

NOTICE IS HEREBY GIVEN that:

1. There is a default by the Grantor with respect to one or more provisions in the Trust Deed, which Trust Deed authorizes sale in the event of default of such provisions.
2. By reason of these defaults, Beneficiary has declared and hereby declares the indebtedness secured by the Trust Deed to be immediately due and payable.
3. The sum immediately due, owing, and payable on such indebtedness is:

Principal	\$476,812.33
Interest (to January 20, 2012)	\$118,279.54
Trustee's Sale Guaranty	\$ 1,557.00
<b>Total:</b>	<b>\$596,648.87</b>

Interest continues to accrue on the principal amount of \$476,812.33 at the rate of \$81.46 per diem, 6.15% per annum, from January 20, 2012, until paid. Attorney fees and costs incurred by the beneficiary or the trustee associated with the foreclosure, will also be part of the sum immediately due, owing, and payable on such indebtedness.

NOTICE IS FURTHER GIVEN that:

1. Beneficiary, by reason of said default, hereby elects to foreclose the Trust Deed by advertisement and sale in the manner provided in 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 Property which Grantors had, or had power to convey, at the time they executed the Trust Deed, together with any interest the Grantors or their successors in interest acquired after they executed the Trust Deed, to satisfy the obligations secured by the Trust Deed and the expenses of the sale, including a Trustee's fee as provided by law, and the reasonable fees of Trustee's attorneys.

2. The sale of the above-described property will be held at the hour of **1p.m.**, Standard Time as established by ORS 187.110, on **Friday, June 1, 2012**, at the following place: front entrance of the **Klamath County Courthouse**, located at 316 Main Street, in the City of Klamath Falls, County of Klamath and State of Oregon.

NOTICE IS FURTHER GIVEN that:

Grantors, or any person named in ORS 86.753 has the right, at any time prior to five days before the Trustee's sale, to require that the foreclosure proceeding be dismissed and the Trust Deed reinstated by the payment of the entire amount then due (other than such portion of the principal as would not be due had no default occurred) under the terms of the Trust Deed and obligations secured thereby, including all costs and

expenses actually incurred and Trustee's and attorneys' fees as provided by ORS 86.753, and by curing any other default complained of in the notice of default.

In construing this notice, the word "Grantors" shall include any successor in interest of Grantors as well as any other person owing an obligation the performance of which is secured by the Trust Deed and their successors in interest; the word "Trustee" shall include any successor Trustee, and the word "Beneficiary" shall include any successor in interest of Beneficiary named in the Trust Deed.

*THE UNDERSIGNED HEREBY CERTIFIES that: No action has been instituted to recover the debt, or any part of it, remaining secured by the Trust Deed, or, if such action has been instituted, the action has been dismissed.*

By: \_\_\_\_\_

Dennis M. Paterson, III OSB #823649  
Successor Trustee

STATE OF OREGON            )  
  ) ss.  
County of Multnomah        )

The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of January, 2012 by Dennis M. Paterson.

Michele Bradley  
My Commission Expires: 03-30-12

