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2012-009328

Klamath County, Oregon



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RECORDING COVER SHEET

Pursuant to ORS 205.234

08/23/2012 02:59:42 PM

Fee: \$157.00

After recording return to:

Kamille L. Samper
BALL JANIK LLP
101 SW Main Street, Suite 1100
Portland, OR 97204-3219
(503) 228-2525

TITLE OF DOCUMENT: Notice of Default and Election to Sell

DIRECT PARTY/GRANTORS: M & L Enterprises, Inc., PO Box 629 Springfield, OR 97477

INDIRECT PARTY/BENEFICIARY: Bank of the Cascades, 1070 NW Bond Street, STE 301, Bend, OR 97701-2047

ORIGINAL TRUSTEE: First American Title Company, PO Box 323, Bend, OR 97709

SUCCESSOR TRUSTEE: Jeffrey C. Gardner, 101 SW Main Street, Suite 1100, Portland, OR 97204-3219.

Trust Deed Recording Information: Line of credit deed of trust dated May 31, 2005 and recorded on June 3, 2005, in Volume M05, Page 41614-620, in the Official Records of Klamath County, State of Oregon.

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

Recording Cover Sheet - General Auto Successor Trustee

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AMERITITLE has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

57Am

**AFTER RECORDING PLEASE
RETURN TO:**

Kamille L. Samper
BALL JANIK LLP
101 SW Main St, Ste 1100
Portland, OR 97204
(503) 228-2525

NOTICE OF DEFAULT AND ELECTION TO SELL

TRUST DEED AND PROPERTY DESCRIPTION:

This instrument makes reference to that certain line of credit deed of trust dated May 31, 2005 and recorded on June 3, 2005, in Volume M05, Page 41614-620, in the Official Records of Klamath County, State of Oregon, **M & L ENTERPRISES, INC**, an Oregon Corporation, is the **Grantor**, **FIRST AMERICAN TITLE COMPANY** is the **Trustee**, and **BANK OF THE CASCADES**, an Oregon state-chartered commercial bank, is the **Beneficiary** (the "Trust Deed"). The aforementioned Trust Deed covers property (the "Property") described as:

Parcel 2 of Land Partition 45-04, situated in the NE 1/4 of Section 2,
Township 25 South, Range 8 East of the Willamette Meridian,
Klamath County, Oregon.

Also commonly described as: 13390 Riverview Street, Crescent,
Oregon 97733

The tax parcel number(s) is 250800000001000

The undersigned hereby certifies that she/he has no knowledge of any assignments of the Trust Deed by the Trustee or by the Beneficiary or any appointments of a Successor Trustee other than the appointment of **JEFFREY C. GARDNER**, as **Successor Trustee** as recorded in the property records of the county in which the Property described above is situated. Further, the undersigned certifies that 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, it has been dismissed except as permitted by ORS 86.735(4).

The name and address of Successor Trustee are as follows:

Jeffrey C. Gardner
Successor Trustee
Ball Janik LLP
101 SW Main Street, Suite 1100
Portland, Oregon 97204-3219

The Trust Deed is not a "Residential Trust Deed", as defined in ORS 86.705(3), thus the requirements of Chapter 19, Section 20, Oregon Laws 2008, and Chapter 864 [S.B. 628], Oregon Laws 2009, do not apply.

DEFAULT BY BORROWER:

There are continuing and uncured defaults by M & L Enterprises, Inc. (the "Borrower") that based on the provisions of the Trust Deed and the written documents for Loan No. 30035069 including the adjustable rate promissory note dated and effective as of May 31, 2005 (the "Note"), authorize the foreclosure of the Trust Deed and the sale of the Property described above, which uncured and continuing defaults include but are not necessarily limited to the following:

1. Borrower's failure to pay to Beneficiary, when and in the full amounts due, monthly installments as set forth on the Note secured by said Trust Deed. Monthly installments in the approximate amount of \$1,545.50, which includes principal and interest, are due for the months of August through December of 2012 and January through June 2012 and each and every month thereafter until paid. Late charges and other fees through and including June 25, 2012 total \$5,265.98. Interest due as of (i.e., through and including) June 25, 2012 is in the amount of \$3,566.65 and continues to accrue at the rate of 15% per annum.¹ ALL AMOUNTS are now due and payable along with all costs and fees associated with this foreclosure.

2. As to the defaults which do not involve payment of money to the Beneficiary of the Trust Deed, the Borrower must cure each such default. Listed below are the defaults which do not involve payment of money to the Beneficiary of the Trust Deed. Opposite each such listed default is a brief description of the action necessary to cure the default and a description of the documentation necessary to show that the default has been cured. The list does not exhaust all possible other defaults; any and all defaults identified by Beneficiary or the Successor Trustee that are not listed below must also be cured.

OTHER DEFAULT	Description of Action Required to Cure and Documentation Necessary to Show Cure
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¹ On account of Borrower's continuing and uncured defaults, and pursuant to the express terms of the Note secured by said Trust Deed, effective from and after June 27, 2012, the fully floating interest rate applicable to Loan 30035069 was increased to the default interest rate applicable to the Loan.

Non-Payment of Taxes and/or Assessments.	Deliver to Successor Trustee written proof that all taxes and assessments against the Real Property are paid current.
Permitting liens and encumbrances to attach to the Property, including, a loan in the amount of \$35,082.97, secured by a Deed of Trust in favor of Walker Range Patrol Association dated December 15, 2011 and recorded on December 16, 2011 as Instrument No. 2011-013868.	Deliver to Successor Trustee written proof that all liens and encumbrances against the Real Property have been satisfied and released from the public record.

TOTAL UNCURED MONETARY (PAYMENT) DEFAULT:

By reason of said uncured and continuing defaults, the Beneficiary has accelerated and declared all sums owing on the obligation secured by the Trust Deed and the Property immediately due and payable. The sums due and payable being the following:

Unpaid principal amount owing pursuant to the Obligations, as of June 25, 2012:	\$29,204.68
Unpaid interest owing pursuant to the Obligations as of June 25, 2012:	\$3,566.65
Accrued and unpaid fees, costs and collection expenses not including attorney fees and costs to June 25, 2012:	\$5,265.98
TOTAL DUE:	\$38,037.31

Accordingly, the sum owing on the obligation secured by the Trust Deed is \$38,037.31, as of June 25, 2012, together with interest accruing on the principal portion of that amount, plus additional costs and expenses incurred by Beneficiary and/or the Successor Trustee (including their respective attorney's fees, costs, and expenses).

ELECTION TO SELL:

Notice is hereby given that the Beneficiary, by reason of the uncured and continuing defaults described above, has elected and does hereby elect to foreclose said Trust Deed by advertisement and sale pursuant to ORS 86.735 *et seq.*, and to cause to be sold at public auction to the highest bidder for cash, the Grantor's interest in the subject Property, which the Grantor had, or had the power to convey, at the time the Grantor executed the Trust Deed in favor of the Beneficiary, along with any interest the Grantor or the Grantor's successors in interest acquired after the execution of the Trust Deed, to satisfy the obligations secured by the Trust Deed as well as the expenses of the sale, including compensation of the Trustee as provided by law, and the reasonable fees of Trustee's attorneys.

PLEASE TAKE NOTICE that the sale will be held at the hour of 1:30 p.m., in accordance with the standard of time established by ORS 187.110, on January 22, 2013, inside the 1st floor lobby of the Klamath County Courthouse, located at 316 Main Street, Klamath Falls in Klamath County, Oregon, 97601.

RIGHT OF REINSTATEMENT:

Notice is further given that any person named in ORS 86.753 has the right, at any time prior to five (5) days before the date last set for the sale, to have this foreclosure proceeding dismissed and the Trust Deed satisfied by (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, together with the costs and expenses actually incurred in enforcing the terms of the obligation, as well as Successor Trustee and attorney fees as prescribed by ORS 86.753); and (B) by curing all such other continuing and uncured defaults as noted in this Notice.

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 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>.

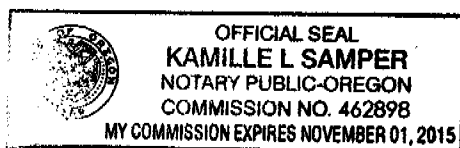
DATED 8-22-2012

By: _____

Jeffrey C. Gardner, OSB 980549
Successor Trustee
Ball Janik LLP
101 SW Main Street, Suite 1100
Portland, Oregon 97204-3219
Telephone: (503) 228-2525
Facsimile: (503) 295-1058
Email: jgardner@balljanik.com

STATE OF OREGON)
) ss.
County of Multnomah)

On 8-22-12, the above named, Jeffrey C. Gardner, personally appeared before me and acknowledged the foregoing instrument to be his voluntary act and deed.



Kamille L. Samper
Notary Public for Oregon