

mtc 9252 >  
After Recording Return to:  
Joseph E. Kellerman  
Hornecker, Cowling, Hassen & Heysell, L.L.P.  
717 Murphy Road  
Medford, OR 97504

2013-004180  
Klamath County, Oregon  
04/19/2013 11:30:53 AM  
Fee: \$42.00

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

NOTICE is hereby given that the obligation secured by the Trust Deed described below is in default, and that the beneficiary has elected to foreclose the Trust Deed pursuant to ORS 86.705 to 86.795. No action is now pending to recover any part of the debt secured by the Trust Deed.

A Beneficiary Exemption Affidavit is being recorded concurrently with this notice of default and election to sell.

Information required by ORS 86.735 and ORS 86.745 is as follows:

1.     Grantor:               James M. Espinoza and Irene Espinoza  
       Trustee:             AmeriTitle  
       Successor Trustee:   Joseph E. Kellerman  
                              717 Murphy Road  
                              Medford, OR 97504  
       Beneficiary:         Washington Federal, a federal savings association,  
                              successor by merger to South Valley Bank & Trust
2.     Property covered by the Trust Deed: Lot 220, RUNNING Y RESORT, PHASE 3, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.
3.     Trust Deed was originally recorded on July 17, 1998 at Volume M98, page 26115, Microfilm Records of Klamath County, Oregon and as thereafter modified and assigned.
4.     Default for which foreclosure is made is 1) failure of Grantor to pay payments as required under the terms of the promissory note; and 2) failure to pay real property taxes assessed against the premises.
5.     The sum owing on the obligation secured by the Trust Deed is \$25,199.58 as of April 1, 2013 plus interest at the per diem rate of \$6.58 until paid, plus trustee's, attorneys' costs and fees incurred plus such sums as the Beneficiary may advance for the benefit of Grantor (*i.e.*, real property taxes, insurance premiums, etc.) The Beneficiary has accelerated the entire balance as due and owing.

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6. The Beneficiary has and does elect to sell the property to satisfy the obligation.
7. The property will be sold in the manner prescribed by law on the 30<sup>th</sup> day of August, 2013, at 10:00 a.m. standard time as established by ORS 187.110, at the front steps of the Klamath County Courthouse, 316 Main Street, Klamath Falls, Oregon, 97601, Klamath County, Oregon.
8. Interested persons are notified of the right under ORS 86.753 to have this proceeding dismissed and the Trust Deed reinstated by payment of the entire amount then due, other than such portion as would not then be due had no default occurred, together with costs, trustee and attorney's fees, and by curing any other default complained of in this Notice, at any time prior to five days before the date last set for sale.
9. In construing this notice and whenever the context hereof so requires, 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 their successors in interest, the word "trustee" includes any successor trustee and the word "beneficiary" includes any successor in interest of the beneficiary named in the Trust Deed, and any collateral beneficiary, and their successors in interest.

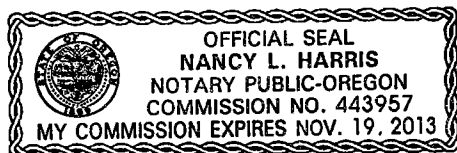
DATED this 12 day of April, 2013.

HORNECKER, COWLING,  
HASSEN & HEYSELL, L.L.P.

By: [Signature]  
Joseph E. Kellerman, Successor Trustee

STATE OF OREGON            )  
  ) ss.  
County of Jackson         )

On this 12 day of April, 2013, personally appeared before me Joseph E. Kellerman, as Successor Trustee, and acknowledged said instrument to be his voluntary act and deed.



Nancy L. Harris  
Notary Public for Oregon  
My Commission Expires: 11-19-2013