

Return to:
Brandsness, Brandsness &
Rudd, P.C.
411 Pine Street
Klamath Falls, Oregon 97601

Clerk's Stamp:

RESCISSION OF NOTICE OF DEFAULT

Reference is made to that certain trust deed in which William Wilson was grantor, Klamath County Title Company was trustee and Gayle P. Nicholson was beneficiary, said trust deed was recorded March 4, 1994, in book/volume No. M94, at page 6802, of the mortgage records of Klamath County, Oregon, and conveyed to the said trustee the following real property situated in said county:

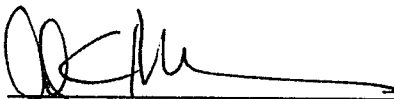
Lot 3 in Block 50 Hot Springs Addition to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

A notice of grantor's default under said trust deed, dated October 5, 1995, containing the beneficiary's or trustee's election to sell all or part of the above described real property to satisfy grantor's obligations secured by said trust deed was recorded on October 6, 1995, in said mortgage records, in book/volume/No. M95 at page 27061; thereafter by reason of certain payments on said obligations made as permitted by the provisions of Section 86.760, Oregon Revised Statutes, the default described in said notice of default has been removed, paid and overcome so that said trust deed should be reinstated.

NOW THEREFORE, notice hereby is given that the undersigned trustee does hereby rescind, cancel and withdraw said notice of default and election to sell; said trust deed and all obligations secured thereby hereby are reinstated and shall be and remain in force and effect the same as if no acceleration had occurred and as if said notice of default had not been given; it being understood, however, that this rescission shall not be construed as waiving or affecting any breach or default (past, present or future) under said trust deed or as impairing any right or remedy thereunder, or as modifying or altering in any respect any of the terms, covenants, conditions or obligations thereof, but is and shall be deemed to be only an election without prejudice, not to cause a sale to be made pursuant to said notice so recorded.

IN WITNESS WHEREOF, the undersigned trustee has hereunto set his hand and seal; if the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal to be affixed hereunto by its officers duly authorized thereunto by order of its Board of Directors.

DATED: February 14, 1996.



Andrew C. Brandsness, Trustee

STATE OF OREGON)
County of Klamath) ss. Feb. 14, 1996.

Personally appeared the above named Andrew C. Brandsness and acknowledged the foregoing instrument to be his voluntary act and deed.

Before me:

STATE OF OREGON, ss.
County of Klamath

Nancy L. Mann
Notary Public for Oregon
My commission expires: 11-1-99

Filed for record at request of:

on this 16th day of Feb A.D. 19 96
at 10:42 o'clock A M. and duly recorded
in Vol. M96 of Mortgages Page 4460

Bernetha G. Lotsch County Clerk

By Jupette M. Buehler

Deputy.

Fee, \$10.00