

96 JUN 10 AM 1:36

After recording, return to:
 UMPQUA TITLE & ESCROW SERVICES
 Post Office Box 1609
 Roseburg, OR 97470

File No. 32513F
 JWS:bt

MTC 32513

RESCISSION OF NOTICE OF DEFAULT

Reference is made to that certain trust deed in which CHARLES A. GARRETT, D.V.M. is grantor, ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION, an agency of the Government of the United States of America is beneficiary, said trust deed was recorded May 21, 1984 in Book M84 at Page 8389 records of Klamath County, Oregon, and conveyed to said trustee real property situated in said county as described in said trust deed.

A notice of grantor's default under said trust deed, 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 February 1, 1996 as Volume M96 at Page 3052 as Instrument No. 12037 of said records; 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 compromised 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.

DATED: June 7, 1996

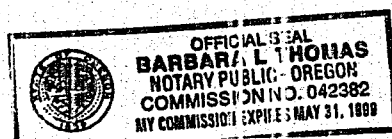
Umpqua Title & Escrow Services, Trustee


By: 

James W. Sibbald, President

STATE OF OREGON, County of Douglas) ss.

The foregoing instrument was acknowledged before me by James W. Sibbald, President of Umpqua Title & Escrow Services, an Oregon corporation.




 Notary Public for Oregon

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of AmeriTitle the 10th day
 of June A.D. 19 96 at 12:36 o'clock AM., and duly recorded in Vol. M96
 of Mortgages on Page 16878

FEE \$10.00

Bernetha G. Letsch, County Clerk
 By 