

Reference is made to that certain trust deed in which Grover C. Clark, Jr., was grantor Ameritile was trustee and Associates Financial Services Company of Oregon, Inc., was beneficiary, said trust deed was recorded January 13, 1997, in book No. M-97 at page 1058, Recorder's Fee no. 31262, of the mortgage records of Klamath County, Oregon, and conveyed to the said trustee the following real property situated in said county:

See Attached Exhibit 'A'

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 April 9, 1999, in said mortgage records, in book No M-99 at page 12793, Recorder's Fee No. 77788; thereafter by reason of the default being cured in accord with the provisions of Section 86.753, Oregon Revised Statutes, 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.

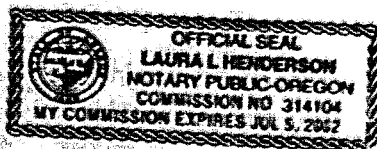
IN WITNESS WHEREOF, the undersigned trustee has executed this document; if the undersigned is a corporation, it has caused its name to be signed and seal affixed by an officer duly authorized thereto by order of its Board of Directors.

DATED: August 18, 1999

Paul S. Cosgrove
 Paul S. Cosgrove, Successor Trustee

STATE OF OREGON, County of Multnomah _____) ss.

This instrument was acknowledged before me on August 18, 1999
 By Paul S. Cosgrove.



Laura L. Henderson
 Notary Public for Oregon
 My commission expires July 5, 2002

RESCISSION OF NOTICE OF DEFAULT	
RE: Trust Deed from Grover C. Clark	
Ameritile	<div style="text-align: center;"> To Grantor Trustee </div>
AFTER RECORDING RETURN TO Paul S. Cosgrove Lindsay, Hart, Neil & Weigler 1300 SW Fifth Avenue, Suite 1400 Portland, OR 97201	

33985

Exhibit 'A'

Beginning on the point of the Southerly line of Laverne Avenue 180 feet Westerly from the intersection of said line with the Westerly right of way line of the Great Northern Railway; thence running Westerly along the Southerly line to Laverne Avenue 60 feet; then Southerly at right angles to Laverne Avenue 200 feet; thence Easterly parallel to Laverne Avenue 60 feet; thence Northerly 200 feet to the place of beginning, being a portion of TRACT 9 of ALTAMONT RANCH TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

State of Oregon, County of Klamath
Recorded 8/23/99, at 3:12 m.
In Vol. M99 Page 33984
Linda Smith,
County Clerk Fee \$ 15.00