

After recording, return to:

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Portland, Oregon 97204-3699

K55837

RESCISSION OF NOTICE OF DEFAULT AND ELECTION TO SELL

Reference is made to a certain deed of trust (the "Trust Deed") dated and made on December 5, 1986, by Ralph W. Almeter, Jr., and Caroline R. Almeter, husband and wife (the "Grantor"), to William L. Sisemore (the "Trustee"), to secure payment and performance of certain obligations of the Grantor to Klamath First Federal Savings and Loan Association (the "Beneficiary") that was recorded on December 11, 1986, in Volume M86 at Page 22849 in the official real property records of Klamath County, Oregon.

The description of the real property covered by the Trust Deed is:

Lot 3, Block 66, LAKEVIEW ADDITION TO THE CITY OF KLAMATH FALLS, ALSO that portion of Harriman Street, vacated by Ordinance No. 5830 filed September 24, 1971, in Book M71 at Page 10129 in the County of Klamath, State of Oregon, and being more particularly described as follows:

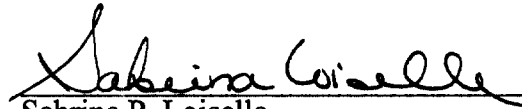
Beginning at the Southeast corner of Lot 3, Block 66, LAKEVIEW ADDITION TO THE CITY OF KLAMATH FALLS, and running North on the East line of said Lot 3 a distance of 73 feet to the Northeast corner of said Lot 3; thence East on the North line of Lot 3 extended, a distance of 40 feet; thence South, parallel to the East line of said Lot 3, a distance of 73 feet; thence West a distance of 40 feet to the point of beginning.

A notice of default and election sell which contained the Beneficiary's and Successor Trustee's election to sell the above described real property to satisfy Grantor's obligations secured by the Trust Deed was recorded on August 30, 2000, in Volume M00 at Page 31744 in the official real property records of Klamath County, Oregon. By reason of the default being cured as permitted by the provisions of ORS 86.753, the default described in the notice of default has been removed, paid, and overcome so that the Trust Deed should be reinstated.

Now, therefore, notice is given that the undersigned successor trustee does hereby rescind, cancel, and withdraw the notice of default and election to sell. The Trust Deed and all obligations secured thereby are reinstated and shall be and remain in full force and effect as if no acceleration had occurred and as if the notice of default and election to sell had not been given; it

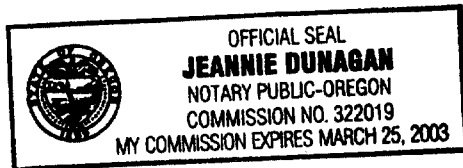
being understood, however, that this rescission, shall not be construed as waiving or affecting any breach or default under the Trust Deed or as impairing any right or remedy thereunder, or as modifying or altering in any respect any of the terms, covenants, conditions, or obligations thereof, but is and shall be deemed to be only an election without prejudice, not to cause a sell to be made pursuant to the notice of default and election to sell so recorded.

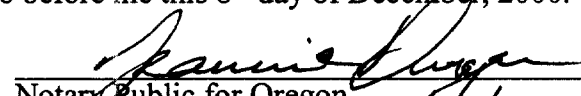
DATED: December 8, 2000.


 Sabrina P. Loiselle
 Successor Trustee

STATE OF OREGON)
) SS
 COUNTY OF MULTNOMAH)

SUBSCRIBED AND SWORN to before me this 8th day of December, 2000.




 Notary Public for Oregon
 My commission expires: 03/25/03

State of Oregon, County of Klamath
 Recorded 12/11/00, at 3:15 p.m.
 In Vol. M00 Page 44386
Linda Smith,
 County Clerk Fee \$ 26⁰⁰