

Reference is made to that certain trust deed dated 08/06/97 in which Anthony J. Deperro and Samantha A. Deperro, as tenants by the entirety was grantor, AmerTitle was trustee and North American Mortgage Company was beneficiary and recorded 08/12/97, as Volume M97 Page 26403 of the mortgage records of Klamath County, Oregon. The trust deed conveyed to the trustee the following real property situated in said county:

Lot 31, in Block 4 of Tract 1299, Second Addition to Ferndale, according to the Official Plat thereof on File in the Office of the County Clerk of Klamath County, Oregon.

Commonly Known As: 5718 Ferndale Place Klamath Falls, OR 97603

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 the trust deed was recorded 12/29/00, in the mortgage records of Klamath County, as Vol. MOO Page 47181; thereafter by reason of the default being cured as permitted by the provisions of 86.753, ORS 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 hereby is given that the undersigned 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 force and effect the same as if no acceleration had occurred and as if the 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 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 sale to be made pursuant to the notice so recorded.

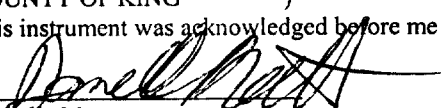
IN WITNESS WHEREOF, the undersigned trustee has executed this document; if the undersigned is a corporation, it has caused its name to be signed and seal affixed by an officer duly authorized thereto by order of its Board of Directors.

Dated: May 3, 2001


DAVID E. FENNELL, Trustee
Authorized Signature

STATE OF WASHINGTON)
COUNTY OF KING)

This instrument was acknowledged before me on May 3, 2001, by DAVID E. FENNELL


Danielle Marcott
Notary Public for Washington
Residing at Snohomish County
My Commission expires: 03-02-04

DANIELLE MARCOTT
STATE OF WASHINGTON
NOTARY --- PUBLIC
MY COMMISSION EXPIRES 3-02-04

Rescission of Notice of Default

RE: Trust Deed from
Anthony J. Deperro and Samantha Grantor
A. Deperro, as tenants by the entirety
to
DAVID E. Trustee
FENNELL

State of Oregon

After Recording Return to
Northwest Trustee Services, LLC
PO Box 4143
Bellevue WA 98009-4143
Attn: Kathy Taggart
NTS Number: 7301.20096

State of Oregon, County of Klamath
Recorded 05/10/01, at 3:33 p.m.
In Vol. M01 Page 21563
Linda Smith,
County Clerk Fee\$ 21.00