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RESCISSION OF NOTICE OF DEFAULT

Reference is made to that certain trust deed dated 03/09/01 in which Don V. Berry, Trustee of the Don V. Berry Revocable Living Trust dated December 1, 2000 was grantor, Pacific Cascades Financial, Inc. was trustee and Klamath First Federal Savings and Loan Association was beneficiary and recorded 03/12/01, as Volume M01, Page 9845 of the mortgage records of Klamath County, Oregon. The trust deed conveyed to the trustee the following real property situated in said county:

Lot 4, Block 4, Shadow Hills 1st Addition, in the County of Klamath, State of Oregon.

Commonly Known As:

4176 Adelaide Avenue Klamath Falls, OR 97601

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 12/28/01, in the mortgage records of Klamath County, as Vol MOI Page 66571; 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.

STATE OF WASHINGTON) **COUNTY OF KING**

Dated: January 18, 2002

I certify that I know or have satisfactory evidence that is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as an Associate Member of Northwest Trustee Services, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

18/62 YVONNE M. NAVE STATE OF WASHINGTONIOTA

NOTARY———PUBLIC Washington, residing at King County

IY COMMISSION EXPIRES 5-04-05

My donimission expires 05/04/05

Northwest Trustee Services, LLC, Trustee

Authorized Signature

Rescission of Notice of Default Re: Trust Deed from Don V. Berry, Trustee of the Don V. Grantor Berry Revocable Living Trust dated December 1, 2000 Northwest Trustee Trustee Services, LLC

After Recording Return to Northwest Trustee Services, LLC P.O. Box 4143 Bellevue, WA 98009-4143 Attn: Vonnie Nave File Number: 7043.22210

State of Oregon State of Oregon, County of Klamath

Recorded 01/24/2002 Vol M02, Pg 4820

Linda Smith, County Clerk Fee \$ 2/06 # of Pgs