

02 SEP 11 PM 3:20

Vol M02 Page 51812

After recording, return to:
Hershner, Hunter, Andrews,
Neill & Smith, LLP
Attn: Carol Mart
P.O. Box 1475
Eugene, OR 97440

State of Oregon, County of Klamath
Recorded 09/11/2002 3:20 p. m.
Vol M02, Pg 51812
Linda Smith, County Clerk
Fee \$ 21.60 # of Pgs 1

RESCISSION OF NOTICE OF DEFAULT AND ELECTION TO SELL
UNDER TERMS OF TRUST DEED
K-38880

A Notice of Default and Election to Sell Under Terms of Trust Deed having been recorded as follows:

Date: June 20, 2002
Volume M02, Page 35854
Official Records of Klamath County, Oregon

regarding the following Trust Deed:

PARTIES:

Grantor: KEITH E. BALEY and DEBORAH L. BALEY
Trustee: WILLIAM L. SISEMORE
Beneficiary: KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION

RECORDED:

Date: March 24, 1994
Volume M94, Page 8800
Official Records of Klamath County, Oregon

Notice is hereby given that the undersigned Successor Trustee hereby rescinds the above referred to Notice of Default and Election to Sell Under Terms of Trust Deed. The Trust Deed and all obligations secured thereby are reinstated and shall remain in force and effect the same as if no acceleration had occurred and as if the Notice of Default had not been given. This rescission shall not be construed as waiving or affecting any default under the Trust Deed, or as impairing any right thereunder, or as modifying any of the terms thereof, but is only an election without prejudice not to cause a sale to be made pursuant to the Notice of Default.

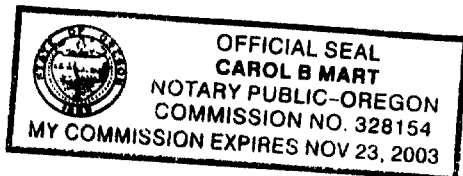
DATED: September 10, 2002

Michael C. Arola

Michael C. Arola,
Successor Trustee

STATE OF OREGON)
) ss.
COUNTY OF LANE)

Subscribed and sworn to before me on September 10, 2002, by MICHAEL C. AROLA, Successor Trustee.



Carol B. Mart
Notary Public for Oregon
My Commission Expires: 11-23-03

RESCISSION OF NOTICE OF DEFAULT AND ELECTION
TO SELL UNDER TERMS OF TRUST DEED

#212