

03 FEB 27 PM 2:57

Vol M03 Page 12033

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 02/27/2003 2:57 p.m.
Vol M03 Pg 12033
Linda Smith, County Clerk
Fee \$ 21.00 # of Pgs 1

K59771
RESCISSION OF NOTICE OF DEFAULT AND ELECTION TO SELL
UNDER TERMS OF TRUST DEED

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

Date: December 2, 2002
Volume M02, Page 69759
Official Records of Klamath County, Oregon

regarding the following Trust Deed:

PARTIES:

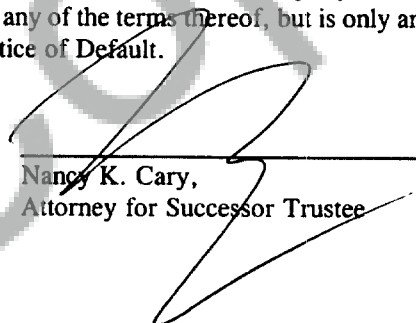
Grantor: MICHAEL McNERNEY
Trustee: WILLIAM L. SISEMORE
Successor Trustee: MICHAEL C. AROLA
Beneficiary: KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION

RECORDED:

Date: February 23, 1993
Volume M93, Page 3731
Official Records of Klamath County, Oregon

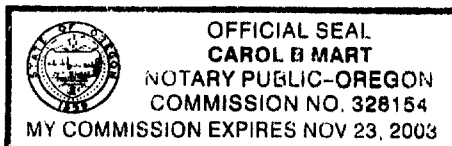
Notice is hereby given that the undersigned Successor Trustee hereby rescinds the above referred to Notice of Default and Election to Sell Under Terms of Trust Deed. The Trust Deed and all obligations secured thereby are reinstated and shall remain in force and effect the same as if no acceleration had 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.

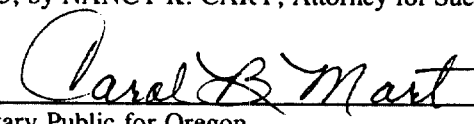
DATED: February 26, 2003.


Nancy K. Cary,
Attorney for Successor Trustee

STATE OF OREGON)
) ss.
COUNTY OF LANE)

Subscribed and sworn to before me on February 26, 2003, by NANCY K. CARY, Attorney for Successor Trustee.




Notary Public for Oregon
My Commission Expires: 11-23-03

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

K21.-