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Vol M04 Page 30486

Rescission of Notice of Default

State of Oregon, County of Klamath
Recorded 05/17/2004 11:20 a m
Vol M04 Pg 30486
Linda Smith, County Clerk
Fee \$ 21⁰⁰ # of Pgs 1

Re: Trust Deed from
Daniel G. Gray, a married man Grantor
To
Northwest Trustee Services, Inc. Trustee
Inc.

After Recording Return to
Attn: Becky Baker
Northwest Trustee Services, Inc.
P.O. Box 997
Bellevue, WA 98009-0997

Reference is made to that certain trust deed dated 03/08/02 in which Daniel G. Gray, a married man was grantor, David Fennell, Attorney was trustee and Union Federal Bank of Indianapolis was beneficiary and recorded 03/13/02, as Vol M02, Page 14971 of the mortgage records of Klamath County, Oregon. The trust deed conveyed to the trustee the following real property situated in said county:

A tract of land in the SW1/4 of the SW1/4 of Section 31, Township 39 South, Range 9 East of the Willamette Meridian, described as follows: Beginning at a point where the East line of the SW 1/4 of the SW 1/4 of said Section 31 intersects the Southerly right of way boundary of the County Road; thence South along the East line of said SW 1/4 of the SW 1/4 208 feet; thence West 208 feet; thence North and parallel with the East line of said SW 1/4 of the SW 1/4 to a point on the Southerly right of way boundary of the County Road; thence Southeasterly along said right of way boundary to the Point of Beginning.


Commonly Known As: 590 Old Midland Road Midland, OR 97634

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 02/26/04, in the mortgage records of Klamath County, as Volume M04, Page 11037.

NOW, THEREFORE, notice hereby is given that the undersigned trustee does hereby rescind, cancel and withdraw the notice of default and election to sell. 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 6, 2004

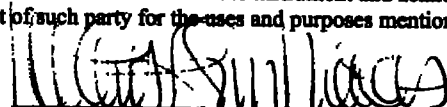

Northwest Trustee Services, Inc., Trustee
Assistant Vice President
Northwest Trustee Services, Inc. is successor by
merger to Northwest Trustee Services, PLLC
(formerly known as Northwest Trustee Services, LLC)

STATE OF WASHINGTON)
COUNTY OF KING) ss.

I certify that I know or have satisfactory evidence that Jeff Skorman 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 Assistant Vice President of Northwest Trustee Services, Inc. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 5 6 04

DOLORES L. SAN NICOLAS
STATE OF WASHINGTON
NOTARY --- PUBLIC
MY COMMISSION EXPIRES 2-16-05


NOTARY PUBLIC in and for the State of
Washington, residing at 1211
My commission expires 2-16-05

File Number: 7116.20047

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