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Vol M05 Page 56804

Rescission of Notice of Default

Re: Trust Deed from
Leigh R. Grass and Doris Lee Grass, as trustees Grantor
or their successors in trust under the Grass
Living Trust dated April 13, 1995

To
Northwest Trustee Services, Trustee
Inc.

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

State of Oregon, County of Klamath
Recorded 07/22/05 3:46 p m

Vol M05 Pg 56804

Linda Smith, County Clerk

Fee \$ 26.00 # of Pgs 2

1st 601402

Reference is made to that certain trust deed dated 05/24/99 in which Leigh R. Grass and Doris Lee Grass, as trustees or their successors in trust under the Grass Living Trust dated April 13, 1995 was grantor, First American Title Insurance Company was trustee and Bank of America, federal savings bank was beneficiary and recorded 06/28/99, as Volume M99 Page 25593 of the mortgage records of Klamath County, Oregon. The trust deed conveyed to the trustee the following real property situated in said county:

See attached:

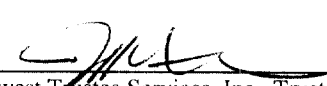
Commonly Known As: 1221 Wiard Street Klamath Falls, OR 97603

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 06/28/05, in the mortgage records of Klamath County, as M05, Page 48729.

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: July 7, 2005

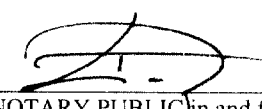

Northwest Trustee Services, Inc., Trustee
Northwest Trustee Services, Inc. is successor by
merger to Northwest Trustee Services, PLLC
(formerly known as Northwest Trustee Services,
LLC)

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Jeff Stenman 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: July 7, 2005

KEN L. PATNER
STATE OF WASHINGTON
NOTARY --- PUBLIC
MY COMMISSION EXPIRES 1-30-06


NOTARY PUBLIC in and for the State of
Washington, residing at Seattle
My commission expires 1-30-06

File Number: 7530.20113

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Parcel 2 of Land Partition 38-96 being Lot 11 of "Fair Acres Subdivision Number 1" situated in the NW1/4 SE1/4 of Section 35, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.