

**NOTICE OF BREACH AND DEFAULT AND OF ELECTION TO CAUSE
SELL OF REAL PROPERTY UNDER DEED OF TRUST**

NOTICE IS HEREBY GIVEN THAT: QUALITY LOAN SERVICE CORP. is the duly appointed Trustee under a Deed of Trust dated 5/18/1988, executed by **JOSEPH E. SMITH, AN UNMARRIED MAN, AND PHILIP A. SMITH AND PAULA M. SMITH, HUSBAND AND WIFE, ALL AS JOINT TENANTS**, as trustor in favor of **FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF NEVADA**, recorded 5/24/1988, under instrument no. 178671, in book 588, page 3327, of Official Records in the office of the County recorder of **Douglas**, County, Nevada securing, among other obligations.

ONE (1) for the Original sum of **\$46,346.00**, that the beneficial interest under such Deed of Trust and the obligations secured hereby are presently held by the undersigned; that a breach of and default in the obligations for which such Deed of Trust is security has occurred or that payment has not been made of:

**FAILURE TO MAKE THE 4/1/2001 PAYMENT OF PRINCIPAL AND INTEREST AND ALL
SUBSEQUENT PAYMENTS, TOGETHER WITH LATE CHARGES, IMPOUNDS, TAXES ADVANCES AND
ASSESSMENTS.**

That by reason thereof the present Beneficiary under such deed of Trust has executed and delivered to said duly appointed Trustee a written Declaration of Default and Demand for Sale and has deposited with said duly appointed Trustee such Deed of Trust and all documents evidencing obligations secured thereby and has declared and does hereby declare all sums secured thereby immediately due and payable and has elected and does hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

NOTICE

You may have the right to cure the default hereon and reinstate the one obligation secured by such Deed of Trust above described. Section NRS 107.080 permits certain defaults to be cured upon the Payment of the amounts required by that statutory section without requiring payment of that portion of principal and interest which would not be due had no default occurred. Where reinstatement is possible, if the default is not cured within 35 days following recording and mailing of this Notice to Trustor or Trustors's successor in interest, the right of reinstatement will terminate and the property may thereafter be sold. The Trustor may have the right to bring a court action to assert the nonexistence of a default or any other defense of Trustor to acceleration and Sale.

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T.S. No.:F-26344-NV-AP

Loan No.:42580722

To determine if reinstatement is possible and the amount, if any, to cure the default, contact:

MIDFIRST BANK
C/O MIDLAND MORTGAGE CO.
C/O Quality Loan Service Corp.
319 Elm Street, 2nd Floor
San Diego, CA 92101-3006

Phone: (619) 645-7711

Dated:September 18, 2001

QUALITY LOAN SERVICE CORP., AS TRUSTEE

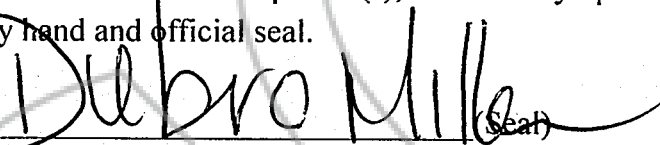
By: 
ALBERTO PONCE, TRUSTEE SALES OFFICER

State of California }ss
County of San Diego }

On September 18, 2001 before me, DEBRA MILLER Notary Public, personally appeared ALBERTO PONCE personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

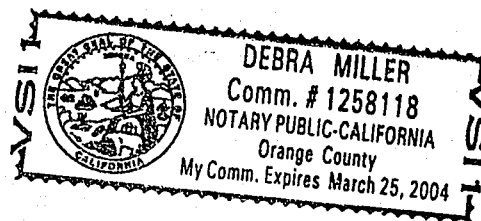
Signature

 (Seal)

DEBRA MILLER

WHEN RECORDED MAIL TO:

Quality Loan Service Corp.
319 Elm Street, 2nd Floor
San Diego, CA 92101-3006




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REQUESTED BY
FIRST AMERICAN TITLE CO.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2001 SEP 20 PM 3: 44

LINDA SLATER
RECORDER

\$8.50 PAID  DEPUTY

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