

FOR VALUE RECEIVED, the undersigned who is the beneficiary or beneficiary's successor in interest under that certain trust deed dated April 8, 1985, executed and delivered by Gary D. Smelcer and Judy L. Smelcer, husband & wife, grantors, Mountain Title Co., Inc., trustee, in which Thomas E. Carland and Lelia Mae Carland, husband & wife are the beneficiaries, recorded on April 15, 1985, in book/reel/volume No. M85 on page 5383, of the Mortgage Records of Klamath County, Oregon, and conveying real property in said county described as follows:

The South half of Lots 1 and 2, Block 202, MILLS ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon,

hereby grants, assigns, transfers and sets over to Vernon G. Carland and Verna Fahnestock, as tenants in common, each as to an undivided one-half interest, hereinafter called assignee, and assignee's heirs, personal representatives, successors and assigns, all his beneficial interest in and under said trust deed, together with the notes, moneys and obligations therein described or referred to, with the interest thereon, and all rights and benefits whatsoever accrued or to accrue under said trust deed.

The undersigned hereby covenants to and with said assignee that the undersigned is the beneficiary or his successor in interest under said trust deed and is the owner and holder of the beneficial interest therein; that he has good right to sell, transfer and assign the same, and the note or other obligation secured thereby, and that there is now unpaid on the obligations secured by said trust deed the sum of not less than \$18,659.69 with interest thereon from July 10, 1997.

In construing this instrument and whenever the context hereof so requires, the masculine gender includes the feminine and the neuter and the singular includes the plural.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and seal.

Dated: August 29, 1997.

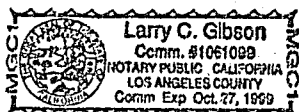
ESTATE OF THOMAS E. CARLAND

by Vernon G. Carland

Vernon G. Carland, Personal Representative

STATE OF CALIFORNIA, County of Los Angeles) ss

This instrument was acknowledged by the above-named Vernon G. Carland to be his voluntary act as Personal Representative.



Larry C. Gibson
Notary Public for LOS ANGELES, CALIFORNIA
My Commission Expires: OCT. 27, 1999

STATE OF OREGON, County of Klamath) ss

I certify that the within instrument was received for record on August 29, 1997, at 3:49 o'clock P.M. and recorded in book/reel/volume No. M97, on page 28618 or as fee/file/instrument/microfilm/reception No. 44443.
Record of Mortgages of said County.

WITNESS my hand and seal of County affixed.

Bernetha G. Letsch, Co. Clerk

Name

Title

BY Kathleen R. Ross

Deputy

Fee: \$10.00

AMERITITLE, has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

After recording return to:

Amerititle Collection Department
#14776