

PARTIAL RECONVEYANCE

MT 45908-LW

KNOW ALL MEN BY THESE PRESENTS, That the undersigned Trustee, or Successor Trustee, under that certain trust deed dated October 16, 1997, delivered by The Pennbrook Company, an Oregon corporation, as grantor to Running Y Resort, Inc., an Oregon corporation, as beneficiary, and recorded in Volume M97 at page 34865, Microfilm Records of Klamath County, Oregon, having received from the Beneficiary under said Trust Deed, or Beneficiary's successor in interest, a written request to reconvey a portion of real property covered by said Trust Deed does hereby, for value received, grant, bargain, sell and convey, but without covenant or warranty, express or implied, to the person or persons legally entitled thereto, all of the estate held by the undersigned in and to the following described portion of the real property covered by said trust deed, to wit:

Lot 303, RUNNING Y RESORT, PHASE 4, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

The remaining property described in said trust deed shall continue to be held by the said Trustee under the terms of said trust deed. This partial reconveyance is made without affecting the personal liability of any person for payment of the indebtedness secured by said trust deed.

In construing this instrument and whenever the context so requires the singular includes the plural.

IN WITNESS WHEREOF, the undersigned Trustee has executed this document; if the undersigned is a corporation, it has caused its name to be signed by an officer or another person duly organized to do so by order of its Board of Directors.

Dated: November 4, 1998

Jean Phillips
Jean Phillips, Assistant Secretary of AmeriTitle
(Formerly Mountain Title Company of Klamath County)

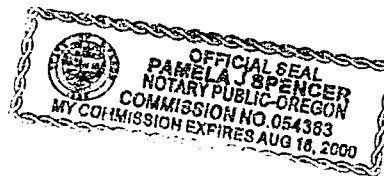
State of Oregon, County of Klamath) ss.

This instrument was acknowledged before me this 4th day of November 1998, by Jean Phillips as Assistant Secretary of AMERITITLE.

Pamela J. Spencer
Notary Public for Oregon
SEAL

8/16/2000
My commission expires

Return:
Don Bauhofer
The Pennbrook Company
869 NW Wall St., Suite 204
Bend, OR 97701



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of AmeriTitle the 5th day of November A.D., 19 98 at 11:30 o'clock A. M., and duly recorded in Vol. M98 of Mortgages on Page 40522.

FEE \$10.00

By Kathleen Ross Bernetha G. Letsch, County Clerk