PARTIAL RECONVEYANCE

MT 68663-PS

State of Oregon, County of Klamath Recorded 03/16/2005 10.50 a Vol M05 Pg /7228-Linda Smith, County Clerk Fee \$ 2600 _# of Pgs

KNOW ALL MEN BY THESE PRESENTS, that the undersigned

Trustee or Successor Trustee under that certain Trust Deed

Dated: September 9, 1997

Executed and delivered by: Paradise Hill Development, L.L.C.

Recorded in Volume M97, page 29689, 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, expressed 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 real property covered by said Trust Deed, to wit:

SEE ATTACHED EXHIBIT "A"

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: March 16, 2005

MERIT

By:

Jean Phillips

STATE OF OREGO COUNTY OF KLAMATH

March 16, 2005

Personally appeared Jean Phillips, who, being duly sworn, did say that she is the Vice-President of AmeriTitle, an assumed business name of AmeriTitle, Inc., successor by merger to MTC, Inc., an Oregon corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and she acknowledged said instrument to be its voluntary act and deed.

Notary Public of Oregon

My commission expires:

After recording return to:

Paradise Hill Development, L.L.C.

PO Box 223

Klamath Falls, OR 97601

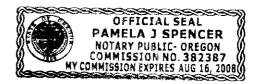




EXHIBIT "A"

Parcel 2, Land Partition 41-03, a replat of Lot 1 of Tract 1374 - GRAY ROCK PHASE 1, situated in NW1/4 NW1/4 and NE1/4 NW1/4 of Section 6, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

TOGETHER WITH an easement for ingress, egress and utilities as created by instrument recorded August 9, 2004 in Volume M04, page 52076, Microfilm Records of Klamath County, Oregon.

Tax Account No: 3809-

3809-006B0-00201-000

Key No: 89030