DOWNEY FINANCIAL CORP

Form 4

November 30, 2006

Check this box Check this box Check this box

Symbol

[DSL]

(Middle)

OMB APPROVAL

OMB Number: 3235-0287

Expires: January 31, 2005

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5. Relationship of Reporting Person(s) to

(Check all applicable)

Issuer

if no longer subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Form 5 obligations may continue. See Instruction

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

2. Issuer Name and Ticker or Trading

DOWNEY FINANCIAL CORP

1(b).

(Print or Type Responses)

HUNTER JAMES

1. Name and Address of Reporting Person *

(Last) 1670 LA I	(First) FORCE ROAD	(Middle) 3. Date (Month 11/29	Transaction	ransaction be				% Owner ner (specify		
	(Street)	(Street) 4. If Amendment, Date Original Filed(Month/Day/Year)					6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person			
ALPINE,	CA 91901						Form filed by More than One Reporting Person			
(City)	(State)	(Zip) Ta	able I - Noi	n-Derivative S	ecuriti	ies Acqu	ired, Disposed of	, or Beneficia	ally Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transacti Code (Instr. 8)	4. Securities four Disposed (Instr. 3, 4 ar	of (D)	red (A)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
Common Stock	11/29/2006		S	1,500	D	\$ 73.09	25,820.817	I	By Llano Development Inc. Profit Sharing Plan & Trust and Downey Financial Corp. Stock Purchase Plan	
Common Stock	11/29/2006		S	300	D	\$ 73.08	<i>'</i>	I	By Llano Development Inc. Profit	

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								Sharing Plan & Trust and Downey Financial Corp. Stock Purchase Plan
Common Stock	11/29/2006	S	800	D	\$ 73.02	24,720.817	I	By Llano Development Inc. Profit Sharing Plan & Trust and Downey Financial Corp. Stock Purchase Plan
Common Stock	11/29/2006	S	4,400	D	\$ 72.99	20,320.817	I	By Llano Development Inc. Profit Sharing Plan & Trust and Downey Financial Corp. Stock Purchase Plan
Common Stock	11/29/2006	S	493	D	\$ 73.05	19,827.817	I	By Llano Development Inc. Profit Sharing Plan & Trust and Downey Financial Corp. Stock Purchase Plan
Common Stock	11/30/2006	S	5,000.706	D	\$ 72.9	14,827.111	I	By Llano Development Inc. Profit Sharing Plan & Trust and Downey Financial Corp. Stock Purchase Plan
Common Stock	11/30/2006	S	7,818	D	\$ 72.57	7,009.111	I	By Llano Development Inc. Profit Sharing Plan & Trust and Downey

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								Financial Corp. Stock Purchase Plan
Common Stock	11/30/2006	S	100	D	\$ 72.83	6,909.111	I	By Llano Development Inc. Profit Sharing Plan & Trust and Downey Financial Corp. Stock Purchase Plan
Common Stock	11/30/2006	S	5,000	D	\$ 72.72	2,457.391 (1)	I	By Llano Development Inc. Profit Sharing Plan & Trust and Downey Financial Corp. Stock Purchase Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exer	cisable and	7. Titl	e and	8. Price of
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transac	ctionNumber	Expiration D	ate	Amou	nt of	Derivative
Security	or Exercise		any	Code	of	(Month/Day	(Year)	Under	lying	Security
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8	B) Derivativ	/e		Securi	ities	(Instr. 5)
	Derivative		•		Securitie	S		(Instr.	3 and 4)	
	Security				Acquired	l		Ì	Í	
	J				(A) or					
					Disposed	l				
					of (D)					
					(Instr. 3,					
					4, and 5)					
					, ,					
									Amount	
						Date	Expiration		or	
						Exercisable	Date	Title Num of	Number	
						LACICISADIC	Dute		of	
				Code	V (A) (D)				Shares	

9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

HUNTER JAMES 1670 LA FORCE ROAD X ALPINE, CA 91901

Signatures

Shannon Monahan, Attorney-in-Fact

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Between 5/14/06 and 11/24/06, the reporting person acquired 548.28 shares of Downey Financial Corp. common stock under the Downey Financial Corp. Stock Purchase Plan. The information in this report is based on a Plan statement dated as of 11/24/06.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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