

76349

After recording return to:
 Laurie Miller/Eagle Crest Inc.
 P.O. Box 1215
 Redmond, OR.
 97756

99 MAR 17 AM 02

Vol. 119 Page 9322

MTC 1396-9784

ASSIGNMENT AND ASSUMPTION AGREEMENT

FOR VALUE RECEIVED, (i) Running Y, Inc., an Oregon corporation ("Assignor"), assigns, transfers and sets over to South Valley Bank & Trust ("Assignee"), all of Assignor's right, title and interest as of the Effective Time in the Acquired Purchase Contracts described in that certain Purchase Agreement dated as of December 30, 1998, between Assignor and Assignee ("Agreement"), and listed in the attached Schedule A; and (ii) Assignee hereby assumes and agrees to perform all obligations of Assignor under said contracts, which arise or mature after the Effective Time.

This Assignment and Assumption Agreement is executed pursuant to the Agreement, which contains warranties, rights and limitations with respect to the obligations assigned and assumed hereunder and which Agreement is incorporated herein by this reference. All capitalized terms in this instrument shall have the meanings set forth in the Agreement, unless separately defined herein.

DATED this 30th day of December, 1998.

South Valley Bank & Trust

Running Y, Inc.

By: [Signature]
 Its: vice President

By: [Signature]
 Its: Secretary

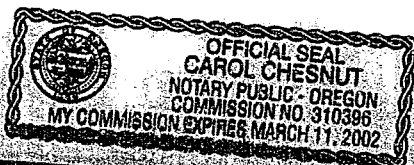
STATE OF OREGON,

County of Klamath } ss.

FORM No. 23—ACKNOWLEDGMENT.
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BE IT REMEMBERED, That on this 30th day of December, 1998, before me, the undersigned, a Notary Public in and for the State of Oregon, personally appeared the within named Douglas P. Kutzinger, Secretary of Running Y, Inc. known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



Carol Chesnut
 Notary Public for Oregon
 My commission expires 3-11-02

AMERITELE 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.

EXHIBIT A

Escrow #	Name	Description	Book/Page	Recording Instrument	
				Date	Number
70142	C Corp	Lot 272, Phase 3	M98-32621	9/4/98	65735
70283	Beasley	Lot 259, Phase 3	M98-40673	11/6/98	69255
70284	Bender	Lot 572, Phase 5	M98-40724	11/6/98	69273
70285	Pond	Lot 241, Phase 3	M98-41406	11/13/98	69596
70287	Malicki	Lot 495, Phase 5	M98-44329	12/4/98	70866
70288	Treadway	Lot 592, Phase 5	M98-45836	12/15/98	71511
70289	Johnston	Lot 280, Phase 5	M98-46355	12/18/98	71639

STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of AmeriTitle the 17th day
of March A.D., 1999 at 11:02 o'clock AM., and duly recorded in Vol. M99
of Mortgages on Page 9322

FEE \$45.00

Linda Smith, County Clerk

by Kathleen Ross*[Handwritten signature]*