

THIS AGREEMENT, made and entered into this 31ST day of MARCH, 19 2000 by and between
BARRY W. THOMPSON AND HOLLY A. THOMPSON

hereinafter called the "Borrower(s)" and South Valley Bank & Trust, an Oregon Banking Corporation, hereinafter called the "Lender".

WITNESSETH: On or about the 25TH day of OCTOBER, 19 99, the Borrower(s) (or the original maker(s) if the Borrower is an assignee of record) did make, execute and deliver to the Lender that certain promissory note in the sum of \$ 73,750.00, payable in monthly installments with interest at the rate of 10.25 % per annum. For the purpose of securing the payment of said promissory note, the Borrower(s) (or the original maker(s) if the Borrower is an assignee of record) did make, execute and deliver to the Lender their certain Mortgage or Trust Deed, hereinafter called a "Security Instrument" bearing date of OCTOBER 25, 19 99 conveying the following described real property, situated in the County of KLAMATH, State of OREGON to-wit:

SEE ATTACHED EXHIBIT "A"

which Security Instrument was duly recorded in the records of said county and state. VOL M99 PAGE 43282

There is now due and owing upon the promissory note aforesaid, the principal sum of SEVENTY

THREE THOUSAND SEVEN HUNDRED FIFTY AND NO/HUNDREDTHS.

DOLLARS(\$ 73,750.00), together with the accrued interest thereon, and the Borrower(s) desire a modification of the terms of payment thereof, to which the Lender is agreeable on the terms and conditions hereinafter stated and not otherwise.

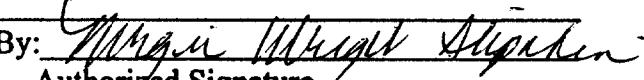
NOW THEREFORE, in consideration of the premises and of the promises and agreements hereinafter contained, the parties hereto do hereby agree that the balance now due and owing on the promissory note hereinabove described shall be and is payable in monthly installments of FIVE HUNDRED SIXTY AND 55/HUNDREDTHS DOLLARS (\$ 560.55) each, INCLUDING interest on the unpaid balance at the rate of 8.375 % per annum. The first installment shall be and is payable on the 1ST day of MAY, 2000 and a like installment shall be and is payable on the 1ST day of each month thereafter until the principal and interest are fully paid, except that the final payment of principal and interest if not sooner paid, shall be due and payable on the 1ST day of APRIL, 2030. If any of said installments or either principal or interest are not so paid, the entire balance then owing shall, at the option of the Lender or its successors in interest, become immediately due and payable without notice.

Except as herein modified in the manner and on the terms and conditions herein stated, the said promissory note and Security instrument shall be in full force and effect, with all the terms and conditions of which the Borrower(s) do agree to comply in the same manner and to the same extent as though the provisions thereof were in all respects incorporated herein and made a part of this agreement.

IN WITNESS WHEREOF, the Borrower(s) have hereunto set their hand(s) and seal (s) and the Lender has caused these presents to be executed on its behalf by its duly authorized representative this day and year first hereinabove written.


Signature of Borrower BARRY W. THOMPSON

South Valley Bank & Trust

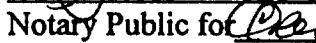
By: 
Authorized Signature


Signature of Borrower HOLLY A. THOMPSON

State of Oregon
County of Klamath
Personally appeared the above named

and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:




Notary Public for Oregon
My commission expires 29-03

STATE OF OREGON,

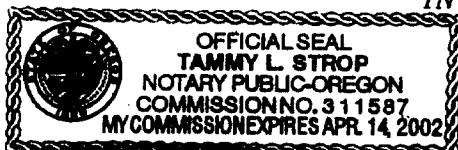
County of Klamath

ss

FORM NO. 23 — ACKNOWLEDGMENT
STEVENS-NESS LAW PUB CO., PORTLAND, ORE.

BE IT REMEMBERED, That on this 31st day of March, 2000,
before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within
named Barry W. Thompson.

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that 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.*

Notary Public for Oregon.

My Commission expires APRIL 14, 2002

EXHIBIT "A"

A parcel of land more particularly described as follows: Beginning at a point at the Northwest corner of the NE1/4 of SE1/4 of Section 12, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence East 460 feet; thence South 190 feet to the Northwesterly line of the O.C. & E. Railway right of way; thence Northwesterly along said right of way line to the place of beginning. SAVING AND EXCEPTING THEREFROM that portion lying within the right of way of the O.C. & E. Railway. TOGETHER WITH all improvements now located or, hereafter placed thereon, including but not limited to (1) 1999 Silvercrest manufactured home, Model #SU-54. Trustors covenant and agree that the improvements hereinabove described are now, or will be within a reasonable period of time hereafter, permanently affixed to, from, and remain a part of said real property, and that such improvements shall not be detached or removed therefrom. Account No. 3909 012DA 01000 Key No. 566532

State of Oregon, County of Klamath
Recorded 3/31/00, at 3:52 P.M.
In Vol. M00 Page 10797
Linda Smith,
County Clerk Fee\$ 26 -