

200 DEC 29 AM 11: 22

After recording, please return to

South Valley Bank & Trust

P.O. Box 5210

Klamath Falls, OR 9760

MTL 1396-2367

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ASSIGNMENT AND ASSUMPTION AGREEMENT

FOR VALUE RECEIVED, (i) Eagle Crest, 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 28, 2000, between Assignor and Assignee ("Agreement"), and listed in the attached Schedule; 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 28th day of December, 2000.

South Valley Bank & Trust

Eagle Crest, Inc.

By: [Signature]  
Its: Exec VP & CFO

By: [Signature]  
Its: Treasurer

96M  
~~96M~~  
Please do not cross-reference items on attached schedule

**EXHIBIT A**  
Running Y Lot Loans

<u>Contract Number</u>	<u>Name</u>	<u>Principal</u>	<u>Accrued</u>	<u>Property</u>		<u>Recording Instrument</u>	
		<u>balance as of</u>	<u>interest as of</u>	<u>Description</u>		<u>Date</u>	<u>Volume/Page</u>
		<u>12/27/00</u>	<u>12/27/00</u>	<u>Lot</u>	<u>Phase</u>		
10120070293	Shipley, Thomas E	\$ 52,108.34	\$ 426.86	547	5	01/22/1999	M99/2200
10120070300	Westfall, Kevin C	\$ 50,789.49	\$ 452.23	271	3	03/05/1999	M99/7810
10120070319	Revis, Karen	\$ 59,980.15	\$ 534.06	522	5	07/30/1999	M99/30442
10120070320	Wallis, Debra	\$ 81,032.91	\$ 777.02	501	5	08/02/1999	M99/30749
10120070329	Ames, Patricia	\$ 63,258.52	\$ 281.63	520	5	09/10/1999	M99/36270
10120070333	Jaskoviak, Paul A	\$ 85,195.40	\$ 437.64	498	5	10/01/1999	M99/39194
10120070336	Marostica, George	\$ 47,178.21	\$ 227.48	233	3	10/01/1999	M99/39185
10120070338	Nash, William C	\$ 52,497.96	\$ 467.44	260	3	10/08/1999	M99/40065
10120070346	Thomet, Glen	\$ 69,674.05	\$ 595.56	549	5	11/05/1999	M99/44400
10120070356	Mikhalev, Andrei	\$ 52,949.86	\$ 471.47	262	3	02/18/2000	M00/5274
10120070361	Revis, Karen	\$ 62,932.77	\$ 560.36	521	5	04/14/2000	M00/12187
10120070362	Wurzburg, Horst &	\$ 62,320.74	\$ 341.48	510	5	04/14/2000	M00/12184
10120070363	Mootz, Doug J	\$ 56,337.14	\$ 461.50	584	5	04/21/2000	M00/13545
10120070370	Varley, R Scot	\$ 62,180.83	\$ 276.83	509	5	06/23/2000	M00/22863
10120070371	Varley, R Scot	\$ 63,076.80	\$ 280.82	508	5	06/23/2000	M00/22860
10120070380	Elkins, Michael	\$ 56,225.74	\$ 237.22	506	5	08/04/2000	M00/28594
16	Totals	\$ 977,738.91	\$ 6,829.60				
	Daily interest:		326.65				
Total principal and interest at 12/28/00:			<u>\$ 984,895.16</u>				

State of Oregon, County of Klamath  
Recorded 12/29/00, at 11:22 a.m.  
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**Linda Smith,**  
County Clerk Fee\$ 96<sup>00</sup>

Please do not cross-reference