

THIS AGREEMENT, made and entered into SEPTEMBER 20, 2001 by and between JAMES L. RAVENSCRAFT JR & RITA C. RAVENSCRAFT hereinafter called the "Borrower(s)" and South Valley Bank & Trust, an Oregon Banking Corporation, hereinafter called the "Lender".

WITNESSETH: On or about MAY 14, 2001, 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 \$264,900, payable in monthly installments with interest at the rate of 8.50% per annum. For the purpose of securing the payment of said promissory note, the Borrower(s) (or the original maker(s) if the Borrower(s) 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 5/14/01, conveying the following described real property, situated in the County of Klamath, State of Oregon to-wit:

Lot 6, Block 4, BEVERLY HEIGHTS, in the County of Klamath, State of Oregon.

which Security Instrument was duly recorded in the records of said county and state, V M01 PAGE 22053

There is now due and owing upon the promissory note aforesaid, the principal sum of TWO HUNDRED SIXTY FOUR THOUSAND NINE HUNDRED AND 00/100th, 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 ONE THOUSAND SIX HUNDRED SEVENTY FOUR AND 35/100TH each, including interest on the unpaid balance at the rate of 6.50% per annum. The first installment shall be and is payable on the DECEMBER 1, 2001 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 NOVEMBER 1, 2031. 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 hereinafove written.

James L. Ravenscraft, Jr.
JAMES L. RAVENSCRAFT, JR

South Valley Bank & Trust

Rita C. Ravenscraft
RITA C. RAVENSCRAFT

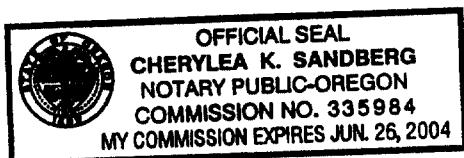
By: Vergie Wright Stepahin
VERGIE WRIGHT STEPACHIN

State of OREGON

County of KLAMATH

Personally appearing the above named _____

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



Cherylea K. Sandberg
Notary Public for South Valley Bank & Trust
My commission expires 6-26-04

State of Oregon, County of Klamath
Recorded 11/02/01 11:5a m.
In Vol. M01 Page 56268
Linda Smith,
County Clerk Fee\$ 21.00