

receiver may serve without bond if permitted by law. The Lender's right to the appointment of a receiver shall exist whether or not apparent value of the Property exceeds the Indebtedness by a substantial amount.

(f) The right to obtain a deficiency judgment in the event the net sale proceeds of any foreclosure sale are insufficient to pay the entire unpaid Indebtedness.

(g) Any other right or remedy provided in this mortgage, the promissory notes evidencing the Indebtedness, any construction loan agreement, any other security document, or under the law.

15.2 In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately or to sell certain portions of the Property and refrain from selling other portions. The Lender shall be entitled to bid at any public sale on all or any portion of the Property.

15.3 The Lender shall give Mortgagor reasonable notice of the time and place of any public sale of any personal property or of the time after which any private sale or other intended disposition of the Property is to be made. Reasonable notice shall mean notice given at least ten days before the time of the sale or disposition.

15.4 A waiver by either party of a breach of a provision of this agreement shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. Election by the Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Mortgagor under this Mortgage after failure of Mortgagor to perform shall not affect the Lender's right to declare a default and exercise its remedies under this paragraph 15.

15.5 In the event suit or action is instituted to enforce any of the terms of this Mortgage the Lender shall be entitled to recover from Mortgagor such sum as the court may adjudge reasonable as attorneys' fees at trial and on

any appeal. All reasonable expenses incurred by the Lender that are necessary at any time in the Lender's opinion for the protection of its interest or the enforcement of its rights, including without limitation, the cost of searching records, obtaining title reports, surveyors' reports, attorneys' opinions or title insurance, whether or not any court action is involved, shall become a part of the Indebtedness payable on demand and shall bear interest at the highest rate as provided in any note from the date of expenditure until paid.

16. Notice.

Any notice under this Mortgage shall be in writing and shall be effective when actually delivered or, if mailed, when deposited as registered or certified mail directed to the address stated in this Mortgage. Either party may change the address for notices by written notice to the other party.

17. Succession; Terms.

17.1 Subject to the limitations stated in this Mortgage on transfer of Mortgagor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns.

17.2 In construing this Mortgage the term Mortgage shall encompass the term security agreement when the instrument is being construed with respect to any personal property.

17.3 Attorneys' fees. "Attorneys' fees," as that term is used in the note and in this Mortgage, shall include attorneys' fees, if any, which may be awarded by an appellate court.

Barbara A. McVay - Individual
Barbara A. McVay, Individual

INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON)

County of Klamath) ss.

Dec 5, 1986

Personally appeared the above-named Ronald C. McVay and Barbara A. McVay and acknowledged the foregoing instrument to be A voluntary act.



Before me: Robert L. Owen
Notary Public for Oregon
My commission expires: Oct 30, 1989

McVay Farms, A Partnership
Ronald C. McVay - Partner
Ronald C. McVay, Partner
Barbara A. McVay - Partner
Barbara A., McVay, Partner
Ronald C. McVay - Individual
Ronald C. McVay, Individual

CORPORATE ACKNOWLEDGEMENT

STATE OF OREGON)

County of _____) ss.

Personally appeared _____, 19____ and _____, who, being sworn, stated that _____ is a _____ and _____ is a _____

of Mortgagor corporation and that the seal affixed hereto is its seal and that this Mortgage was voluntarily signed and sealed in behalf of the corporation by Authority of its Board of Directors.

Before me: _____
Notary Public for Oregon
My commission expires: _____

PARTNERSHIP ACKNOWLEDGMENT

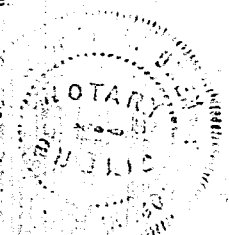
STATE OF OREGON)

County of Klamath) ss.

THIS CERTIFIES that on this 5th day of December, 1986, personally appeared before me, the undersigned, a Notary Public in and for said County and State, the within named Ronald C. McVay and Barbara A. McVay known to me to be the persons named in and who executed the foregoing instrument and who are members of the partnership of McVay Farms and who are known to me to be acknowledged to me that they executed said instrument freely and voluntarily for the purposes and use therein mentioned, on behalf of said partnership.

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

Before me:



Before me: Robert L. Owen
Notary Public for Oregon
My commission expires: Oct 30, 1989

EXHIBIT A

22625

Exhibit to Mortgage
 McVay Farms, A Partnership
 Ronald C. and Barbara A. McVay
 September 26, 1986

<u>Note Date</u>	<u>Note Amount</u>	<u>Borrower</u>	<u>Maturity Date</u>
May 6, 1986	\$350,000.00	McVay Farms	Sept. 15, 1991
Sept. 15, 1986	332,500.00	Shasta View Produce, Inc.	Sept. 15, 1991
March 1, 1985	150,000.00	McVay Farms	March 15, 1990
May 6, 1986	254,323.00	McVay Farms	February 15, 1987
March 1, 1985	8,400.00	Jeffrey L. McVay	February 15, 1990
April 30, 1986	27,745.00	Jeffrey L. McVay	February 15, 1987
March 1, 1985	44,950.00	Mathew K. McVay	April 15, 1989
May 1, 1986	88,481.00	Mathew K. McVay	February 15, 1987
May 1, 1986	70,600.00	Michael K. McVay	February 15, 1987
Sept. 26, 1986	100,000.00	Shasta View Produce, Inc.	September 15, 1987

RCM

Barbara A. McVay, Partner & Individual
 Barbara A. McVay, Partner & Individual

Ronald C. McVay, Partner & Individual
 Ronald C. McVay, Partner & Individual

Exhibit to Mortgage dated September 26, 1986
McVay Farms, A Partnership
Ronald C. and Barbara A. McVay

McVay Farms

Parcel #1:

Township 40 South, Range 12, East of the Willamette Meridian, Klamath County, Oregon.

Section 32: SW 1/4 SW 1/4; the following described portion of NW 1/4 SW 1/4; beginning at the Southeast corner of the NW 1/4 of the SW 1/4 of said Section to a point 245.00 feet North of the High Line Canal of the Shasta View Irrigation District; thence West, parallel with the North boundary of the NW 1/4 of the SW 1/4 of said Section boundary to the Southwest corner of the NW 1/4 of the SW 1/4 of said Section 32; thence East, along the South boundary of the NW 1/4 of the SW 1/4 of said section to the point of beginning.

Parcel #2:

Township 40 South, Range 12, East of the Willamette Meridian, Klamath County, Oregon.

Section 32: SE 1/4; SW 1/4 SE 1/4, less 12 acres off the North side of said SW 1/4 SE 1/4 being a strip of land 396 feet wide.

Ronald C. and Barbara A. McVay

NE 1/4 NW 1/4; S 1/2 NW 1/4; N 1/2 SW 1/4, Section 9, Township 41 South, Range 12, East of the Willamette Meridian.

RCM

Barbara A. McVay, Partner & Individual
Barbara A. McVay, Partner & Individual

*Let. U.S. National Bank
Box 489
KFO 97607*

Ronald C. McVay, Partner & Individual
Ronald C. McVay, Partner & Individual

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the _____ 9th day
of December A.D., 19 86 at 11:30 o'clock A.M., and duly recorded in Vol. M86
of _____ on Page 22622
of Mortgages

By Evelyn Biehn, County Clerk
Ann Smith

FEE \$21.00