

MORTGAGE EXTENSION AGREEMENT

Mortgage Extension Agreement made as of this 29 day of July, 1988, by and between SHASTA VIEW PRODUCE, INC., an Oregon corporation (hereinafter referred to as "Mortgagor"), and UNITED STATES NATIONAL BANK OF OREGON (hereinafter "Bank"), a national banking association,

W I T N E S S E T H :

WHEREAS, Mortgagor pursuant to that certain mortgage dated April 3, 1987, and recorded on June 5, 1987, in Volume M87 at Page 9733 of the Mortgage Records of Klamath County, Oregon (hereinafter the "Mortgage"), and rerecorded in said records on June 11, 1987, in Volume M87 at Page 10131, have mortgaged unto Bank the real property legally described in the Mortgage in order to secure repayment of certain indebtedness described in the Mortgage;

WHEREAS, the indebtedness described in the Mortgage has been renewed into two promissory notes, one in the amount of \$675,334.42 with interest at 10.5 percent per annum payable by McVay Farms (the "McVay Note") and one in the amount of \$426,221.45 with interest at 10.5 percent per annum payable by Shasta View Produce, Inc., an Oregon corporation (the "Shasta Note"); and

WHEREAS, Mortgagor and Bank desire to amend the terms of the Mortgage to reflect said renewal;

NOW, THEREFORE, it is hereby acknowledged and agreed that the Mortgage secures payment of all sums owing under the McVay Note and the Shasta Note. The maturity date for the

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McVay Note and the Shasta Note when all unpaid principal and accrued interest shall be due and payable is June 30, 1993.

All terms and provisions of the Mortgage not expressly modified herein shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

UNITED STATES NATIONAL BANK
OF OREGON

By Joe Danelson
Title Commercial Lending Officer

SHASTA VIEW PRODUCE, INC.

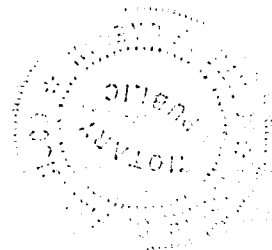
By Ronald C. McVay
President

By Barbara A. McVay
Secretary

STATE OF OREGON)
COUNTY OF Clatsop) SS

The foregoing instrument was acknowledged before me this 29 day of July, 1988, by Joe Danelson who is an Officer of United States National Bank of Oregon, a national banking association, on behalf of said association.

Wickie J. Francis
Notary Public for Oregon
My commission expires: 5-23-92



STATE OF OREGON

COUNTY OF Klamath } SS

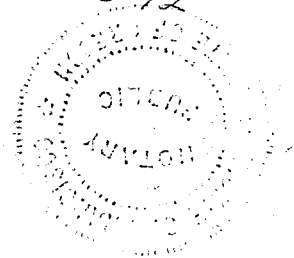
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The foregoing instrument was acknowledged before me this 29 day of July, 1988, by Ronald C McVay and Barbara A McVay who are respectively president and secretary of Shasta View Produce, Inc., an Oregon corporation, on behalf of said corporation.

Lucie L Francisco
Notary Public for Oregon
My commission expires: 5-23-92

After recording, return to:

U.S. National Bank of Oregon
PO BOX 789
Klamath Falls, OR 97601



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of U. S. National Bank
of Aug. A.D. 19 88 at 4:37 o'clock P.M., and duly recorded in Vol. M88 day
of Mortgages on Page 12421
Evelyn Biehn
By Pauline Mullendore County Clerk

FEE \$18.00

eb
18.15