

Prudential Loan No. 7 502 436

X-41888

MODIFICATION AGREEMENT

THIS AGREEMENT is made as of this 20th day of November, 1989, by and between HARRIS FARMS, INC., a California corporation and DAVID E. WOOD (herein called "Mortgagor") and THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey corporation (herein called "Mortgagee"):

WITNESSETH:

WHEREAS, Mortgagor executed and delivered to Mortgagee a certain note (herein called the "Note") dated November 10, 1988, payable to Mortgagee in the original principal amount of \$2,300,000.00, together with a mortgage (herein called the "Mortgage"), of even date securing the Note, the Mortgage being recorded on December 20, 1988 in the records of Klamath County, Oregon, in Book 88, Page 21523, and a Deed of Trust dated November 10, 1988, recorded December 20, 1988, as Document No. 88141175 (herein called the "Trust Deed"), covering the real property legally described on Exhibit A attached hereto and made a part hereof (herein called the "Mortgaged Premises"); and

WHEREAS, Mortgagor has requested that Mortgagee capitalize certain accrued interest, and Mortgagee is willing to do so subject to the terms of this Agreement and in consideration of Mortgagor giving additional security to Mortgagee evidenced by a Supplemental Mortgage of even date herewith.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained, and upon the express conditions that the lien of the Mortgage held by Mortgagee is a valid, first and subsisting lien on said Mortgaged Premises and that the execution of this Agreement will not impair the lien of the Mortgage and that there is no existing second mortgage or other lien subsequent to the lien of the Mortgage held by Mortgagee nor any outstanding contract to purchase, except for the mortgages, liens and/or contracts to purchase which are identified on the Consent(s) attached hereto and made a part hereof, if any (for breach of which conditions, or either of them, this Agreement shall not take effect and shall be void), it is hereby agreed as follows:

1. Effective as of October 1, 1989, \$74,264.70 of the interest due October 1, 1988, interest under the terms of the Note, is added to the principal balance due under the Note making the principal due under the Note as of October 1, 1989 the sum of \$2,305,264.79.

2. If any term, covenant, restriction or provision of the Note, Mortgage or this Modification Agreement is determined to be void, invalid, or unenforceable, the remainder of the terms, covenants, restrictions or provisions of the Note, Mortgage and this Modification Agreement shall remain in full force and effect and shall in no way be affected, impaired or restricted, and the Note, Mortgage and Modification Agreement shall be enforceable to the fullest extent permitted by applicable law.

3. Mortgagor and Mortgagee mutually covenant and agree that, except as expressly modified herein, the Note and Mortgage shall remain in full force and effect and all of the remaining terms and provisions of the Note and Mortgage are hereby ratified and confirmed.

90 MAR 9 PM 3 15

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in manner and form sufficient to bind them, all as of the date first above written

X David E. Wood  
David E. Wood

X HARRIS FARMS, INC.  
X [Signature], President  
X BY: [Signature], Sec

ATTEST: \_\_\_\_\_

THE PRUDENTIAL INSURANCE COMPANY  
OF AMERICA

X By: [Signature]  
Vice President

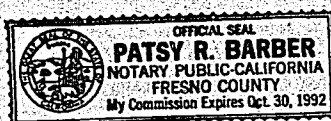
Attest:

[Signature]  
Assistant Secretary

STATE OF Calif } ss.:  
COUNTY OF Fresno

I, Patsy R Barber a Notary Public in and for and residing in said County, in the State aforesaid, do hereby certify that DAVID E. WOOD who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as having executed the same, appeared before me this day in person, and acknowledged that he had signed, sealed and delivered said instrument as his free and voluntary act and deed for the uses and purposes therein expressed.

Given under my hand and official seal, this 19<sup>th</sup> day of Feb., 1990



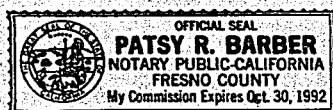
Patsy R Barber  
Notary Public

My Commission Expires: \_\_\_\_\_

STATE OF Calif } ss.:  
COUNTY OF Fresno

I, Patsy R. Barber, a Notary Public in and for said County, in the State aforesaid, do hereby certify that John E. Harris, personally known to me to be the President of HARRIS FARMS, INC., a corporation of the State of Calif, and Don Reunan, personally known to me to be the Secretary of said corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, as President and Secretary of said corporation, and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this 19th day of Feb, 19 70



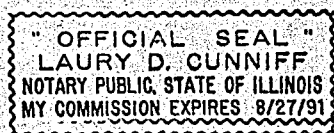
Patsy R. Barber  
Notary Public  
Fresno County, Calif

My commission expires \_\_\_\_\_, 19 \_\_\_\_.

STATE OF ILLINOIS )  
COUNTY OF DU PAGE ) ss.:

I, LAURY D. CUNIFF, a Notary Public in and for DUPAGE County, Illinois, do hereby certify that JOHN NITZ personally known to me to be the Vice President of THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey corporation, and WILLIAM M. TARNOW personally known to me to be the Assistant Secretary of said corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they signed and delivered the said instrument as Vice President and Assistant Secretary of said corporation, and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and official seal this 6th day of MARCH, 1990.



Laury D. Cuniff  
Notary Public

My Commission Expires: 8-27-91

This instrument prepared by C. W. Grisamore, The Prudential Insurance Company of America, Midwest Agricultural Office, 1431 Opus Place, Suite 665, Downers Grove, Illinois 60515.



Legal Description:**PARCEL 1:**

In Township 32 South, Range 7 1/2 East of the Willamette Meridian, in the County of Klamath, State of Oregon:

- Section 32: The South 550 feet of the SE 1/4; The South 550 feet of the SE 1/4 SW 1/4
- Section 33: The South 550 feet of the SW 1/4; The South 550 feet of the SW 1/4 SE 1/4 and All the SE 1/4 SE 1/4
- Section 34: All that portion of the SW 1/4 and the SW 1/4 SE 1/4 lying Westerly of the following described line:

Beginning at a point on the South line of the SW 1/4 SE 1/4 of said Section 34, said point being 2578.0 feet North and 2239.1 feet West of the quarter corner common to Sections 2 and 3, Township 33 South, Range 7 1/2 East of the Willamette Meridian; thence along said line North 32 degrees 41' West, 189.5 feet; thence North 44 degrees 24' West, 413.0 feet more or less to a point on the West line of said SW 1/4 SE 1/4; said point also being 2232.7 feet South and 2693.3 feet East of the quarter corner common to Sections 33 and 34, Township 32 South, Range 7 1/2 East of the Willamette Meridian; thence North 40 degrees 16' West, 261.6 feet; thence North 44 degrees 21' West, 124.6 feet; thence North 57 degrees 07' West, 99.7 feet; thence North 47 degrees 58' West, 76.5 feet; thence North 40 degrees 56' West, 191.3 feet; thence North 36 degrees 35' West, 186.8 feet; thence North 33 degrees 07' West, 98.3 feet; thence North 26 degrees 13' West, 82.2 feet more or less to a point on the North boundary of the SE 1/4 SW 1/4, said point being 1388.2 feet South and 1970.0 feet East of the quarter corner common to Sections 33 and 34, said Township and Range; thence North 10 degrees 40' West, 102.1 feet; thence North 20 degrees 39' West, 227.6 feet; thence North 39 degrees 26' West, 397.4 feet; thence North 47 degrees 59' West, 334.7 feet more or less, to a point on the West boundary of the NE 1/4 SW 1/4, said point being 543.9 feet South and 1369.7 feet East of said quarter corner between Section 33 and 34; thence North 37 degrees 07' West, 188.6 feet; thence North 33 degrees 09' West, 130.5 feet; thence North 26 degrees 13' West 324.7 feet, more or less, to a point on the North boundary of the NW 1/4 SW 1/4, said point also being 7.1 feet North and 1041.1 feet East of the quarter corner common to Sections 33 and 34, Township 32 South, Range 7 1/2 East of the Willamette Meridian.

In Township 33 South, Range 7 1/2 East of the Willamette Meridian, in the County of Klamath, State of Oregon:

- Section 3: Government Lots 2, 3, 4, 5, 6, 7, 8, 11, 12, 13, 14, 15, 16, 17 and 18, EXCEPTING THEREFROM all that portion of Lots 2, 7, 8 and 11, lying Easterly of the following described line:

Beginning at a point on the South boundary of said Lot 8, said point being 43.9 feet South and 1004.3 feet West of the quarter corner common to Sections 2 and 3, said Township and Range; thence North 20 degrees 48' West, 120.0 feet; thence North 25 degrees 30' West 191.4 feet; thence North 5 degrees 04' West, 129.0 feet; thence North 1 degree 19' East, 134.7 feet; thence North 9 degrees 38' West, 163.2 feet; thence North 18 degrees 16' West, 223.0 feet; thence North 28 degrees 06' West, 256.7 feet; thence North 36 degrees 37' West, 233.0 feet; thence North 38 degrees 08' West, 207.5 feet; thence North 44 degrees 36' West, 200.8 feet; thence North 26 degrees 20' West, 186.0 feet; thence North 49 degrees 19' West, 173.6 feet; thence North 23 degrees 06' West, 173.8 feet; thence North 14 degrees 49' West, 360.6 feet; thence North 27 degrees 37' West, 217.7 feet, more or less to a point on the North boundary of said Lot 2, Section 3, Township 33 South, Range 7 1/2 East of the Willamette Meridian.

Legal Description:

AND FURTHER EXCEPTING THEREFROM all that portion of Lots 17 and 18 of said Section 3, more particularly described as follows:

Beginning at the Southeast corner of Lot 19, being the corner common to Lots 17, 19, 24 and 25; thence North along the East line of Lot 19 and its Northerly extension thereof to the center thread of the Wood River; thence Easterly and Southerly upstream along said center thread to the East line of Lot 18; thence South along said East line to the Southeast corner of Lot 18; thence West along the South line of Lot 18 and the most Southerly line of Lot 17 to the point of beginning.

Section 4: Government Lots 1 through 19, both inclusive and Lots 22 and 23

Section 5: Government Lot 3; SE 1/4 NW 1/4; All that portion of the SW 1/4 lying Northerly of the State Highway; The SE 1/4

Section 9: Government Lot 7, EXCEPTING THEREFROM any portion of said Lot 7 described in Deed recorded May 5, 1932 in Book 97 at page 412, Deed Records of Klamath County, more particularly described as follows:

Beginning at the Southeast corner of Lot 7; thence North along the East line thereof, 574 feet; thence West 524 feet to the County Road; thence Southeasterly along the Easterly line of said County Road to the Southerly line of Lot 7; thence East along said Southerly line to the point of beginning.

ALSO EXCEPTING THEREFROM any portion of the above described tract lying Westerly of the Easterly right of way of the State Highway.

All that portion of Government Lot 12 described as follows:

Beginning at the Southeast corner of said Lot 12; thence North 0 degrees 20' East, along the Easterly line thereof, 594.88 feet to the centerline of the Wood River Ditch; thence South 35 degrees 44' West along said centerline, 648.78 feet to the Easterly right of way of the Crater Lake Highway; thence South 18 degrees 26' East, along said right of way, 85.80 feet to the Southerly line of Lot 12; thence along said Southerly line North 89 degrees 42' East, 348.48 feet to the point of beginning.

Government Lot 13; EXCEPTING THEREFROM any portion of said Lot 13 described as follows:

Beginning at the Northwest corner of said Lot 13; thence South 0 degrees 20' West along the West line thereof, 729.30 feet to the centerline of the Wood River Ditch; thence North 37 degrees 37' East along said centerline, 914.76 feet to the North line of Lot 13; thence South 89 degrees 46' West along said North line 559.68 feet to the point of beginning.

Section 10: Government Lots 20 and 21 and all that portion of Government Lot 22 lying Westerly of the Westerly right of way of the State Highway

Section 15: Government Lots 2, 9, 10, 14, 15, 16, 17 and 18, EXCEPTING THEREFROM any portion of the above described lots lying Easterly of the Westerly right of way of the State Highway

The E 1/2 W 1/2 SW 1/4 SE 1/4; The E 1/2 SW 1/4 SE 1/4

Section 16: Government Lot 5

Legal Description:

Section 22: The E 1/2 W 1/2 W 1/2 NE 1/4; The E 1/2 W 1/2 NE 1/4; EXCEPTING THEREFROM that parcel of land described in Warranty Deed recorded June 13, 1960 in Book 322 at page 55, Deed Records; ALSO LESS AND EXCEPT any portion of the W 1/2 NE 1/4 of said Section lying Southerly of the State Highway

EXCEPTING THEREFROM any portion of all the above described parcels of land lying within the rights of way of State Highway #62, State Highway #232 and County road #624 (Dixon Road)

Note: Where the context of the above described requires, the lottings refer to those shown on Government Land Office Special Plat of the Fort Klamath abandoned Military and Hay Reservations in Township 33 South, Range 7 1/2 East of the Willamette Meridian approved by the Surveyor General's Office May 22, 1901.

## PARCEL 2:

In Township 33 South, Range 6 East of the Willamette Meridian, in the County of Klamath, State of Oregon:

Section 23: E 1/2 SE 1/4 SE 1/4; and the E 1/2 W 1/2 SE 1/4 SE 1/4

Section 25: All

Section 26: E 1/2 NE 1/4 NE 1/4; E 1/2 W 1/2 NE 1/4 NE 1/4; SE 1/4 NE 1/4; NE 1/4 SE 1/4 and the S 1/2 SE 1/4

Section 36: E 1/2 NW 1/4

In Township 33 South, Range 7 1/2 East of the Willamette Meridian, in the County of Klamath, State of Oregon:

Section 30: SE 1/4 NW 1/4; E 1/2 SW 1/4; NE 1/4 NW 1/4 and Government Lots 1, 2, 3 and 4

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co. the 8th day of March A.D., 19 90 at 3:15 o'clock PM., and duly recorded in Vol. M90, of Mortgages on Page 4410.  
 Evelyn Biehn County Clerk  
 By Pauline Muelndorfe

FEE \$33.00

LCYC  
 Debbie