

EFS-1

STATE OF OREGON
Corporation Division - UCC
255 Capitol Street NE, Suite 151
Salem, OR 97310-1327
(503) 986-2200 Facsimile (503) 373-1166

Vol M99 Page 18152

FARM PRODUCTS FINANCING STATEMENT STANDARD FORM
PLEASE TYPE OR PRINT LEGIBLY. READ INSTRUCTIONS BEFORE FILLING OUT FORM.

This FARM PRODUCTS EFFECTIVE FINANCING STATEMENT is presented to the filing officer pursuant to ORS Chapter 79.6020 to 79.7010. This statement remains effective for a period of five years from the date of filing, subject to extensions for additional periods as provided for by ORS Chapter 79.

A. DEBTOR NAME(S)

1. McVAY FARMS, INC.

Social Security No. or TIN

93-0480707

2. _____

3. _____

DEBTOR MAILING ADDRESS:21592 DRAZIL ROAD
MALIN, OR 97632**B. SECURED PARTY(IES) NAME AND ADDRESS**U.S. Bank National Association
PL-7 Commercial Loan Service-West, 555 S. W. Oak
Portland, OR 97204

Contact Name: _____

Phone No.: _____

C. ASSIGNEE(S) NAME AND ADDRESS (if any)

Contact Name: _____

Phone No.: _____

D. FARM PRODUCT CODE**COUNTY CODE****CROP YEAR**
(if applicable)**AMOUNT**
(if applicable)

0405	18	ALL	ALL
0106	18	ALL	ALL
0204	18	ALL	ALL
0403	18	ALL	ALL

F. FARM PRODUCT CODEDESCRIPTION/LOCATION (if applicable)
Code Description

0405

Potatoes: ALL

0106

Wheat: ALL

0204

Hay:

0403

Mint: SEE ATTACHED FOR
CROP LOCATION**E. SIGNATURE(S). SIGNATURE(S) OF DEBTOR AND SECURED PARTY(IES) IS REQUIRED.**

By: _____

McVAY FARMS, INC.

By: _____

By: _____

Debtor Signature(s)

By: _____

Secured Party Signature(s)

RETURN ACKNOWLEDGMENT LETTER TO: (Include name, address, and identifier for the debtor listed above. Limit the identifier to eight characters. REFER TO INSTRUCTION, NUMBER 5.) Please do not type or print outside of bracketed area.

U.S. Bank National Association
PL-7 Commercial Loan Service-West, 555 S. W.
Oak
Portland, OR 97204

434-5804351135

FEES

Make check for \$10.00 payable
to "Corporation Division."

NOTE: Filing fees may be paid with VISA or MasterCard.
The card number and expiration date should be submitted
on a separate sheet of paper for your protection.

THIS EXHIBIT "A" IS ATTACHED TO AND BY THIS REFERENCE MADE A PART OF THE SECURITY AGREEMENT AND THE UCC-1 FILING DATED MARCH 25, 1999 EXECUTED IN CONNECTION WITH A LOAN OR OTHER FINANCIAL ACCOMMODATION BETWEEN U.S. BANK NATIONAL ASSOCIATION AND McVAY FARMS, INC.

EXHIBIT "A"

THE FOLLOWING PROPERTY LEASED FROM RODNEY R. LYON AND MARIE M. LYON:

PARCEL 1:

The W 1/2 NW 1/4 of Section 4 and the E 1/2 NE 1/4 of Section 5 of Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 2:

Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

Section 4: That portion of the W 1/2 SW 1/4 lying Northerly of the Klamath Irrigation District "D" Canal.

Section 5: That portion of the E 1/2 SE 1/4 lying Northerly of the Klamath Irrigation District "D" Canal.

EXCEPTING THEREFROM that portion lying within Dodds Hollow Road.

PARCEL 3:

A Parcel of land situated in the SW 1/4 SE 1/4 of Section 36, Township 40 South, Range 11 East of the Willamette Meridian.

PARCEL 4:

A parcel of land situate in the SE 1/4 NE 1/4 of Section 3, Township 41 South, Range 11 E.W.M.

PARCEL 5:

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

Section 22: SE 1/4 SE 1/4

Section 23: SW 1/4 SW 1/4

Section 26: NW 1/4 NW 1/4

Section 27: NE 1/4 NW 1/4

Section 36: All, Except the SE 1/4 NE 1/4 and NE 1/4 SW 1/4

Section 35: All, Except the NE 1/4 NE 1/4 and SW 1/4 SW 1/4

Section 34: NE 1/4 SE 1/4

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PARCEL 6:

SE 1/4 SE 1/4 of Section 34, Township 40 South, Range 12 East of the Willamette Meridian.
SW 1/4 SW 1/4 of Section 35, Township 40 South, Range 12 East of the Willamette Meridian
W 1/2 NW 1/4 of Section 2, Township 41 South, Range 12 East of the Willamette Meridian.

PARCEL 7:

E 1/2 NE 1/4 EXCEPTING the West 30 Feet thereof in Section 5, Township 41 South, Range 11 East of the Willamette Meridian.

THE FOLLOWING PROPERTY LEASED FROM MONTE SEUS:

78 Acres on Hulse Place, TID Parcel 4519, Modoc County, California

THE FOLLOWING PROPERTY LEASED FROM CHRISTOPHER RATLIFF AND GAYLE S.
RATLIFF:

PARCEL 8:

Those certain tracts, pieces or parcels of land situate, lying and being in the County of Modoc, State of California, described as follows:

Township 48 North, Range 5 East, M.D.B. & M.

Section 28: W 1/2 of SE 1/4
Section 33: NW 1/4 of NE 1/4

PARCEL 9:

Township 48 North, Range 5 East, M.D.B. & M.

Section: 27: NW 1/4 of SW 1/4; N 1/2 of SW 1/4 of SW 1/4
Section 28: NE 1/4 of SE 1/4; N 1/2 of SE 1/4 of SE 1/4

All that real property situate in the County of Siskiyou, State of California, described as follows:

PARCEL 10:

The Farm Unit "P", according to the Farm Unit Plat, or the Southeast quarter of the Northeast quarter of Section twenty-two (22) and the South half of the Southwest quarter of the Northwest quarter, and the North half of the North half of the Northwest quarter of the Southwest quarter of Section twenty-three (23), all in Township 48 North, Range 4 East, M.D.B. & M.

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PARCEL 11:

Farm Unit "A" according to the Farm Unit Plat, or the Southeast quarter of the Southeast quarter and the Lot 1, of Section 15, Township 48 North, Range 4 East, M.D.B. & M., California

PARCEL 12:

Farm Unit "D", according to the Farm Unit Plat, or the Lot Four of Section Fourteen in Township 48 North, Range 4 East, M.D.B. & M., California, according to the Official Plat of the Survey of said land, on file in the General Land Office.

EXCLUDING THEREFROM: The farmstead, the residential building and all outbuildings located on this parcel, as well as 1.5 acres of pasture also located on this parcel; to be used exclusively by Lessor and Lessor's family.

PARCEL 13:

Farm Unit "A", according to the Farm Unit Plat, or the Northeast quarter of the Northeast quarter and the North half of the Southeast quarter of the Northeast quarter of Section 23, in Township 48 North, Range 4 East, Mount Diablo Base and Meridian.

THE FOLLOWING PROPERTY OWNED BY McVAY FARMS, INC. in KLAMATH COUNTY, OREGON:

PARCEL 14:

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

EXCEPTING THEREFROM that portion lying within public roads and that portion lying within the USBR "D" Canal.

PARCEL 15:

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 the NW 1/4 SW 1/4; beginning at the Southeast corner of the NW 1/4 of the SW 1/4 of said Section 32; thence North, along the East boundary 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 to the West boundary of said Section 32; thence South, along 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 16:

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

Section 32: SE 1/4 SW 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 wide.

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PARCEL 17:

The SE 1/4 NE 1/4 lying Southwest of the Low Line Canal, and the SW 1/4 NE 1/4 and N 1/2 SE 1/4.

EXCEPTING THEREFROM the following described portion thereof: Beginning at the Southwest corner of the NW 1/4 SE 1/4 of said Section 14 and running thence North 200 feet; thence East 130 feet; thence South 200 feet; thence West 180 feet to the point of beginning, all in Section 14, Township 41 South, Range 12 East of the Willamette Meridian.

ALSO EXCEPTING THEREFROM: Beginning at the Southwest corner of the Northwest Quarter of the Southeast Quarter of said Section 14; thence Northerly along the West line of the Northwest Quarter of the Southeast Quarter of said Section 14, to a point that is 640.00 feet, measured perpendicular to the South line of the Northwest Quarter of the Southeast Quarter of said Section 14; thence Easterly, parallel to the South line of the Northwest quarter of the Southeast Quarter of said Section 14, to a point that is 395.00 feet, measured perpendicular to the West line of the Northwest Quarter of the Southeast Quarter of said Section 14; thence Southerly, parallel with the West Line of the Northwest Quarter of the Southeast Quarter of said Section 14, 640.00 feet, measured perpendicular to the South line of the Northwest Quarter of the Southeast Quarter of said Section 14; thence Westerly along the South line of the Northwest Quarter of the Southeast Quarter of said Section 14, 395.00 feet, measured perpendicular to the West line of the Northwest Quarter of the Southeast Quarter of said Section 14, to a point of beginning.

PARCEL 18:

The NE 1/4 NW 1/4 of Section 9, Township 41 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, EXCEPTING THEREFROM that portion for road as described in Klamath County Deeds, Volume 153 page 588, located in Section 9, Township 41 south, Range 12 East of the Willamette Meridian.

PARCEL 19:

Beginning at the Southwest corner of the SW 1/4 NE 1/4 of Section 10, Township 41 South, Range 12 East of the Willamette Meridian; thence North along the West line of said SW 1/4 NE 1/4 a distance of 468 feet; more or less, to the Southerly right of way line of the low Line Canal of the Malin Irrigation District, as now constructed across said SW 1/4 NE 1/4, thence Southeasterly along the Southerly boundary line of said Canal to the intersection with the South line of said SW 1/4 NE 1/4; thence West along the South line of said SW 1/4 NE 1/4 a distance of 712 feet, more or less, to the point of beginning.

PARCEL 20:

The NW 1/4 NW 1/4 of Section 9 and the NE 1/4 of Section 8, Township 41 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING THEREFROM that portion lying within the boundaries of Micka County Road #1078.

PARCEL 21:

The South 1/2 of the Northwest 1/4 of Section 14, Township 41 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, less that portion conveyed to Klamath County for roads.

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McVay Farms, Inc.

BORROWER:

McVAY FARMS, INC.

By: Armed C. White, Pres.
Authorized Signer Title

State of Oregon, County of Klamath
Recorded 5/11/99, at 11:53 AM
at the referenced page, Vol. M99.
Linda Smith, County Clerk
Fee \$ 30 -

Linda Smith