

RECORDATION REQUESTED BY:

Washington Mutual Bank doing business as Western Bank
421 South 7th Street
P.O. Box 669
Klamath Falls, OR 97601-0322

Vol. M89 Page

WHEN RECORDED MAIL TO:

Washington Mutual Bank doing business as Western Bank
421 South 7th Street
P.O. Box 669
Klamath Falls, OR 97601-0322

SEND TAX NOTICES TO:

Art Ochoa and Deborah M. Kness-Ochoa
46060 Gerber Road
Bonanza, OR 97623

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

LANDLORD'S CONSENT

THIS LANDLORD'S CONSENT is entered into among Art Ochoa and Deborah M. Kness-Ochoa ("Borrower"), whose address is 46060 Gerber Road, Bonanza, OR 97623; Washington Mutual Bank doing business as Western Bank ("Lender"), whose address is 421 South 7th Street, P.O. Box 669, Klamath Falls, OR 97601-0322; and ("Landlord"), whose address is Circle Five Ranch Inc., 45850 Gerber Road, Bonanza, OR 97623. Borrower and Lender have entered into, or are about to enter into, an agreement whereby Lender has acquired or will acquire a security interest or other interest in the Collateral. Some or all of the Collateral may be affixed or otherwise become located on the Premises. To induce Lender to extend the Loan to Borrower against such security interest in the Collateral and for other valuable consideration, Landlord hereby agrees with Lender and Borrower as follows.

DEFINITIONS. The following words shall have the following meanings when used in this Agreement. Terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Agreement. The word "Agreement" means this Landlord's Consent, as this Landlord's Consent may be amended or modified from time to time, together with all exhibits and schedules attached to this Landlord's Consent from time to time.

Borrower. The word "Borrower" means Art Ochoa and Deborah M. Kness-Ochoa.

Collateral. The word "Collateral" means certain of Borrower's personal property in which Lender has acquired or will acquire a security interest, including without limitation the following specific property:

All Accounts, Chattel Paper, General Intangibles, Inventory, Equipment, Farm Products, Livestock and Farm Equipment

Landlord. The word "Landlord" means . The term "Landlord" is used for convenience purposes only. Landlord's interest in the Premises may be that of a fee owner, lessor, sublessor or fienholder, or that of any other holder of an interest in the Premises which may be, or may become, prior to the interest of Lender.

Lease. The word "Lease" means that certain lease of the Premises, dated January 1, 1993, between Landlord and Borrower.

Lender. The word "Lender" means Washington Mutual Bank doing business as Western Bank, its successors and assigns.

Loan. The word "Loan" means the loan, or any other financial accommodations, Lender has made or is making to Borrower.

Premises. The word "Premises" means the real property located in Klamath County, State of Oregon, commonly known as *Various*, OR, and legally described as:

See Exhibit "A" attached hereto and by this reference incorporated herein.

BORROWER'S ASSIGNMENT OF LEASE. Borrower hereby assigns to Lender all of Borrower's rights in the Lease, as partial security for the Loan. The parties intend that this assignment will be a present transfer to Lender of all of Borrower's rights under the Lease, subject to Borrower's rights to use the Premises and enjoy the benefits of the Lease while not in default on the Loan or Lease. Upon full performance by Borrower under the Loan, this assignment shall be ended, without the necessity of any further action by any of the parties. This assignment includes all renewals of and amendments to the Lease or the Loan, until the Loan is paid in full. No amendments may be made to the Lease without Lender's prior written consent, which shall not be unreasonably withheld or delayed.

CONSENT OF LANDLORD. Landlord consents to the above assignment. If Borrower defaults under the Loan or the Lease, Lender may reassign the Lease, and Landlord agrees that Landlord's consent to any such reassignment will not be unreasonably withheld or delayed. So long as Lender has not entered the Premises for the purpose of operating a business, Lender will have no liability under the Lease, including without limitation liability for rent. Whether or not Lender enters into possession of the Premises for any purpose, Borrower will remain fully liable for all obligations of Borrower as lessee under the Lease. While Lender is in possession of the Premises, Lender will cause all payments due under the Lease and attributable to that period of time to be made to Landlord. If Lender later reassigns the Lease or vacates the Premises, Lender will have no further obligation to Landlord.

LEASE DEFAULTS. Both Borrower and Landlord agree and represent to Lender that, to the best of their knowledge, there is no breach or offset existing under the Lease or under any other agreement between Borrower and Landlord. Landlord agrees not to terminate the Lease, despite any default by Borrower, without giving Lender written notice of the default and an opportunity to cure the default within a period of sixty (60) days from the receipt of the notice. If the default is one that cannot reasonably be cured by Lender (such as insolvency, bankruptcy, or other judicial proceedings against Borrower), then Landlord will not terminate the Lease so long as Landlord receives all sums due under the Lease for the period during which Lender is in possession of the Premises, or so long as Landlord reassigns the Lease to a new lessee reasonably satisfactory to Landlord.

DISCLAIMER OF INTEREST. Landlord hereby consents to Lender's security interest (or other interest) in the Collateral and disclaims all interests, liens and claims which Landlord now has or may hereafter acquire in the Collateral. Landlord agrees that any lien or claim it may now have or may hereafter have in the Collateral will be subject at all times to Lender's security interest (or other present or future interest) in the Collateral and will be subject to the rights granted by Landlord to Lender in this Agreement.

ENTRY ONTO PREMISES. Landlord and Borrower grant to Lender the right to enter upon the Premises for the purpose of removing the Collateral from the Premises or conducting sales of the Collateral on the Premises. The rights granted to Lender in this Agreement will continue until a reasonable time after Lender receives notice in writing from Landlord that Borrower no longer is in lawful possession of the Premises. If Lender enters onto the Premises and removes the Collateral, Lender agrees with Landlord not to remove any Collateral in such a way that the Premises are damaged, without either repairing any such damage or reimbursing Landlord for the cost of repair.

MISCELLANEOUS PROVISIONS. This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement. The covenants of Borrower and Landlord respecting subordination of the claim or claims of Landlord in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any claim or claims to which this Agreement shall apply. Lender need not accept this Agreement in writing or otherwise to make it effective. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. If Landlord is other than an individual, any agent or other person executing this Agreement on behalf of Landlord represents and warrants to Lender that he or she has full power and authority to execute this Agreement on Landlord's behalf. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is in writing and signed by Lender. Without notice to Landlord and without affecting the validity of this Consent, Lender may do or not do anything it deems appropriate or necessary with respect to the Loan, any obligors on the Loan, or any Collateral for the Loan; including without limitation extending, renewing, rearranging, or accelerating any of the Loan indebtedness. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not constitute a waiver of or prejudice Lender's right otherwise to demand strict compliance with that provision or any other provision. Whenever consent by Lender is required in this Agreement, the granting of such consent by Lender in any one instance shall not constitute continuing consent to subsequent instances where such consent is required.

EACH BORROWER AND LANDLORD ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S CONSENT, AND EACH BORROWER AND LANDLORD AGREES TO ITS TERMS. THIS AGREEMENT IS DATED SEPTEMBER 14, 1999.

BORROWER:

x Art Ochoa
Art Ochoa

x Deborah M. Kness-Ochoa
Deborah M. Kness-Ochoa

LANDLORD:

Circle 5 Ranch, By Louis Randall, President

x Circle Five Ranch Inc
Landlord's Signature Louis Randall Pres

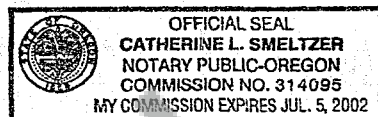
LENDER:

Washington Mutual Bank doing business as Western Bank

By: Bridgette Griffin
Authorized Officer

LENDER ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Klamath) SS

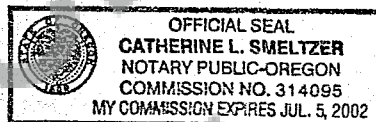


On this 13th day of September, 19 99, before me, the undersigned Notary Public, personally appeared Bridgette Griffin and known to me to be the Business Banking Officer, authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By Catherine L. Smeltzer Residing at Klamath Falls
Notary Public in and for the State of Oregon My commission expires July 5, 2002

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Klamath) SS

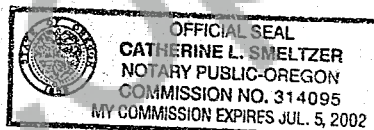


On this day before me, the undersigned Notary Public, personally appeared Art Ochoa and Deborah M. Kness-Ochoa, to me known to be the individuals described in and who executed the Landlord's Consent, and acknowledged that they signed the Agreement as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 13th day of September, 19 99.
By Catherine L. Smeltzer Residing at Klamath Falls
Notary Public in and for the State of Oregon My commission expires July 5, 2002

LANDLORD ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Klamath) SS



On this day before me, the undersigned Notary Public, personally appeared Louis Randall, to me known to be the individual described in and who executed the Landlord's Consent, and acknowledged that he or she signed the Agreement as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 26th day of October, 19 99.
By Catherine L. Smeltzer Residing at Klamath Falls
Notary Public in and for the State of Oregon My commission expires July 5, 2002

EXHIBIT "A"

OCHOA, ARTHUR & DEBORAH/HAINSVILLE CATTLE COMPANY/CIRCLE 5 RANCH

LOCATION OF PROPERTY COVERED

01	000220	ACRES	SECTION 31	TOWNSHIP 39S	RANGE 13E	KLAMA COUNTY	STATE OR
02	000260	ACRES	SECTION 30	TOWNSHIP 39S	RANGE 13E	KLAMA COUNTY	STATE OR
03	000320	ACRES	SECTION 19	TOWNSHIP 39S	RANGE 13E	KLAMA COUNTY	STATE OR
04	000480	ACRES	SECTION 36	TOWNSHIP 39S	RANGE 12E	KLAMA COUNTY	STATE OR
05	000420	ACRES	SECTION 25	TOWNSHIP 39S	RANGE 12E	KLAMA COUNTY	STATE OR
06	000360	ACRES	SECTION 32	TOWNSHIP 39S	RANGE 14E	KLAMA COUNTY	STATE OR
07	000800	ACRES	SECTION 31	TOWNSHIP 39S	RANGE 14E	KLAMA COUNTY	STATE OR
08	000480	ACRES	SECTION 30	TOWNSHIP 39S	RANGE 14E	KLAMA COUNTY	STATE OR
09	000340	ACRES	SECTION 16	TOWNSHIP 39S	RANGE 14E	KLAMA COUNTY	STATE OR
10	000120	ACRES	SECTION 12	TOWNSHIP 39S	RANGE 14E	KLAMA COUNTY	STATE OR
11	000200	ACRES	SECTION 35	TOWNSHIP 39S	RANGE 12E	KLAMA COUNTY	STATE OR
12	000200	ACRES	SECTION 14	TOWNSHIP 39S	RANGE 12E	KLAMA COUNTY	STATE OR
13	000200	ACRES	SECTION 11	TOWNSHIP 39S	RANGE 12E	KLAMA COUNTY	STATE OR
16	000380	ACRES	SECTION 19	TOWNSHIP 40S	RANGE 14E	KLAMA COUNTY	STATE OR
17	000080	ACRES	SECTION 1	TOWNSHIP 39S	RANGE 13E	KLAMA COUNTY	STATE OR
18	000320	ACRES	SECTION 25	TOWNSHIP 39S	RANGE 13E	KLAMA COUNTY	STATE OR
19	000400	ACRES	SECTION 1	TOWNSHIP 41S	RANGE 13E	KLAMA COUNTY	STATE OR
20	000320	ACRES	SECTION 1	TOWNSHIP 40S	RANGE 13E	KLAMA COUNTY	STATE OR
21	000280	ACRES	SECTION 12	TOWNSHIP 40S	RANGE 13E	KLAMA COUNTY	STATE OR
22	000160	ACRES	SECTION 24	TOWNSHIP 39S	RANGE 12E	KLAMA COUNTY	STATE OR
23	000480	ACRES	SECTION 13	TOWNSHIP 39S	RANGE 12E	KLAMA COUNTY	STATE OR
24	000220	ACRES	SECTION 15	TOWNSHIP 39S	RANGE 12E	KLAMA COUNTY	STATE OR
25	000056	ACRES	SECTION 16	TOWNSHIP 39S	RANGE 15E	KLAMA COUNTY	STATE OR

Arthur Ochoa
Arthur Ochoa

Deborah M. Kness-Ochoa
Deborah M. Kness-Ochoa

State of Oregon, County of Klamath
Recorded 11/02/99, at 10:06 a.m.
In Vol. M99 Page 43710
Linda Smith,
County Clerk Fee \$ 20.00