

2007-004226

Klamath County, Oregon



00017150200700042260040043

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]
Loan Assistant (541) 883-4989

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

PremierWest Bank
Klamath Falls Branch
421 South 7th Street
Klamath Falls, OR 97601

03/14/2007 09:36:13 AM

Fee: \$36.00

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME

OR 1b. INDIVIDUAL'S LAST NAME
Matthews

FIRST NAME
Owen

MIDDLE NAME
Nathan

SUFFIX

1c. MAILING ADDRESS
29595 DeMerritt Road

CITY
Malin

STATE
OR

POSTAL CODE
97632

COUNTRY
USA

1d. SEE INSTRUCTIONS

ADD'L INFO RE ORGANIZATION DEBTOR

1e. TYPE OF ORGANIZATION
Individual

1f. JURISDICTION OF ORGANIZATION

1g. ORGANIZATIONAL ID #, if any

☒ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR 2b. INDIVIDUAL'S LAST NAME
Matthews

FIRST NAME
Debra

MIDDLE NAME
G.

SUFFIX

2c. MAILING ADDRESS
29595 DeMerritt Road

CITY
Malin

STATE
OR

POSTAL CODE
97632

COUNTRY
USA

2d. SEE INSTRUCTIONS

ADD'L INFO RE ORGANIZATION DEBTOR

2e. TYPE OF ORGANIZATION
Individual

2f. JURISDICTION OF ORGANIZATION

2g. ORGANIZATIONAL ID #, if any

☒ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME
PremierWest Bank

OR 3b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

3c. MAILING ADDRESS
421 South 7th Street, P. O. Box 5016

CITY
Klamath Falls

STATE
OR

POSTAL CODE
97601

COUNTRY
USA

4. This FINANCING STATEMENT covers the following collateral:

All 2007 Crops including Potatoes, Onions and Barley; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and accounts proceeds).

[Handwritten signature]

5. ALTERNATIVE DESIGNATION (if applicable):

LESSEE/LESSOR

CONSIGNEE/CONSIGNOR

BAILEE/BAILOR

SELLER/BUYER

AG. LIEN

NON-UCC FILING

6. ☒ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (ADDITIONAL FEE) (optional)

All Debtors

Debtor 1

Debtor 2

8. OPTIONAL FILER REFERENCE DATA
593059128

FSA-460-2
(12-19-05)

U.S. DEPARTMENT OF AGRICULTURE
Farm Service Agency

Form Approved - OMB No. 0560-0158
Position 1 (Chattel Security)
Position 5 (Real Estate Security)

SUBORDINATION BY THE GOVERNMENT

1. The United States of America acting through the United States Department of Agriculture (called the "Government") is the owner and holder of the following-described instruments executed by (a) Owen N. Matthews and Debra G. Matthews
of (b) Siskiyou County,
State of (c) California :

Title of Instrument (d)	Date of Instrument (e)	Date Filed (f)	Office Filed (g)	Document File or Book No. (h)	Page No. (i)
Financing Statement	06/14/1999 con.1/2/04	06/14/1999	Secretary of State California	99-17360411	
Financing Statement	06/17/1999 con.1/2/04	06/17/1999	Secretary of State Oregon	472376	
Financing Statement	06/17/1999 con.1/2/04	06/17/1999	Secretary of State Oregon	472377	

AND, (j) PremierWest Bank (called the "Lender")
has agreed to loan (k) \$ 150,000.00 to (l) Owen N. Matthews and Debra G. Matthews
(called the "Borrower") for the following purposes: (m)
Annual Operating Expenses

2. THEREFORE, in consideration of the Lender's agreement to make such loan to Borrower and meet other conditions of this subordination, the Government (1) consents to the Borrower obtaining the loan from the Lender for such purposes, and (2) agrees to and does subordinate in favor of the Lender and its successors and assigns its liens of security interests created or evidenced by the above described instruments insofar as they cover the following described property and provided the Lender perfects a lien on this property:

(2007 Crops)

3. This subordination is limited to (1) the amount actually loaned by the Lender to the Borrower (principal and accrued interest) for the foregoing purposes, (2) future advances for taxes, insurance, and payments on liens prior to the Lender's lien, and (3) the amount actually advanced for foreclosure costs made by the Lender. Any amount in excess of such amount will not be covered by this subordination unless prior written consent was obtained from the Government for incurring the expenditure in question.

4. The Lender must:

- a. Incorporate into the Borrower's promissory note a statement that the loan will be in default should any proceeds of the loan funds obtained as a result of this subordination be used (1) for a purpose that will contribute to the excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as provided by 7 C.F.R. part 1940, subpart G or any successor regulation, or (2) for any purpose not provided for above.
- b. Obtain a perfected security interest on the above property.
- c. Give notice of foreclosure as required by the Government.

5. FSA offsets under the Debt Collection Act (31 U.S.C. 3711 et seq.) or 7 C.F.R. part 3 have priority over this subordination.

6. When the indebtedness has been satisfied, lender must mark this form "PAID IN FULL" and return it to the Department of Agriculture at the following address:

FARM SERVICE AGENCY/FLP

215 Executive Ct.

Yreka, CA 96097

7. IN WITNESS WHEREOF, the Government has executed this subordination by signing on the (a) 5th day of (b) January, (c) 20 07.

UNITED STATES OF AMERICA,

BY

Robert J. Wheeler
ROBERTA J. WHEELER, FLM

TITLE (e) _____

8. ACKNOWLEDGMENT

State of California

County of Tehama

On Feb. 5, 2007

before me, Trish Jantzen

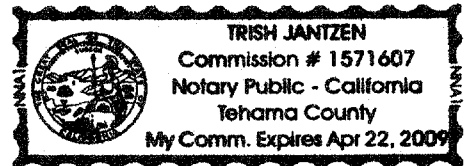
(insert name and title of the officer), personally appeared

Notary Public

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Trish Jantzen (Seal)



NOTE: The following statements are made in accordance with the Privacy Act of 1974 (5 USC 552a): the Farm Service Agency (FSA) is authorized by the Consolidated Farm and Rural Development Act, as amended (7 USC 1921 et seq.) or other Acts, and the regulations promulgated thereunder, to solicit the information requested on its application forms. The information requested is necessary for FSA to determine eligibility for credit or other financial assistance, service your loan, and conduct statistical analyses. Supplied information may be furnished to other Department of Agriculture agencies, the Internal Revenue Service, the Department of Justice or other law enforcement agencies, the Department of Defense, the Department of Housing and Urban Development, the Department of Labor, the United States Postal Service, or other Federal, State, or local agencies as required or permitted by law. In addition, information may be referred to interested parties under the Freedom of Information Act (FOIA), to financial consultants, advisors, lending institutions, packagers, agents, and private or commercial credit sources, to collection or servicing contractors, to credit reporting agencies, to private attorneys under contract with FSA or the Department of Justice, to business firms in the trade area that buy chattel or crops or sell them for commission, to Members of Congress or Congressional staff members, or to courts or adjudicative bodies. Disclosure of the information requested is voluntary. However, failure to disclose certain items of information requested, including your Social Security Number or Federal Tax Identification Number, may result in a delay in the processing of an application or its rejection.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0158. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. **RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.**

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