

2007-006276

Klamath County, Oregon

AFTER RECORDING, RETURN TO:

William M. Ganong
Attorney at Law
514 Walnut Avenue
Klamath Falls OR 97601



00019470200700062760050051

04/04/2007 10:26:17 AM

Fee: \$41.00

RIGHT OF FIRST REFUSAL AGREEMENT

December 1, 2006

Right Holder: Sierra Cascade Nursery Inc., a California Corporation, its Shareholders, or Related Parties, 472-725 Johnson Rd., Susanville, CA 96130 (All referred to as SCN)

Owner: Wong Potatoes, Inc. an Oregon Corporation (referred to as Owner)

Wong Potatoes Inc
17600 Hwy 39
Klamath Falls, OR. 97603

Property: Tax Account # 4111-01000-01400-000; 4111-01500-00200-000; 4111-01000-00500-000; 4111-01000-01100-000 all in Klamath County, Oregon. (Refer to Exhibit A for the Legal Description)

Together with all irrigation apparatus used in connection with the irrigation of the subject premises including but not limited any well(s) (and rights thereof), wheel lines, mainline, pumps, filters, and electrical panels and pump shed.

Enclosed find payment of \$ 10,000 (Right of First Refusal Fee-- "Fee"). By signing this Agreement, the Owner agrees not to sell, transfer, exchange, grant an option to purchase, lease, or otherwise dispose of the Property or any part of, or interest in, the Property without first providing written Notice offering the property to Right Holder (SCN) on the terms and conditions set forth in this Agreement.

If SCN either purchases or leases this property under the provisions in Paragraphs A through D below or independently does purchase or lease this property, the Fee above shall be applied to and shall reduce the first payments due under any purchase or leased agreement. If SCN does not purchase or lease this property, it shall forfeit 100% of the Fee to Owner.

A) If Owner receives a bonafide offer from a third party to purchase or lease the Land then the Owner shall promptly provide a true copy of such offer and Notice to SCN. When SCN receives the Notice and a copy of the Offer, SCN shall have the prior and preferential right to purchase or lease the property (or the part of or interest in the Property covered by the Offer , as the case may be) at the same price and the same terms and conditions as are contained in the Offer, except that if SCN exercises the right of first refusal by electing to purchase or lease the Property then the closing of the transaction contemplated by the Offer shall take place no earlier than 90 days after the date that SCN elects to exercise the right of first refusal.

B) SCN shall have 15 days from the date SCN receives the Notice and a copy of the Offer to notify Owner whether SCN elects to purchase or lease the Property pursuant to the terms of the Offer. If SCN elects to exercise its right to purchase or lease the Property, then, in addition to giving Owner written notice of its election within the 15-day period, SCN also shall tender an amount equal to the earnest money deposit, if any, specified in the Offer, which will be held and used in accordance with the terms of the Offer

C) If SCN fails to timely exercise its right to purchase or lease the Property pursuant to the terms of this Agreement, then Owner shall be entitled to sell or lease the Property according to the terms of the Offer to the Third-Party Offeror, subject to the terms of Section D, below.

D) If SCN fails to timely exercise its right to purchase or lease the Property pursuant to the terms of this Agreement, and for any reason Owner shall not sell or lease the Property to the Third-Party Offeror on the terms contained in the Offer within six months of SCN's election not to purchase or lease, then Owner must resubmit the Offer as well as any other offer to SCN before selling or leasing the Property, and such offers shall be subject to SCN's right of first refusal under this Agreement.

Any notice under this Agreement shall be in writing and shall be effective when actually delivered or, if mailed, when deposited as registered or certified mail, postage prepaid and directed to the address stated in this Agreement or to such other address as either party may specify by notice to the other party.

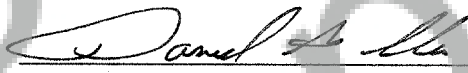
Sierra Cascade Nursery:



Randy Jertberg, Chief Executive Officer Date

4-2-07

Owner:



Daniel G. Chin for Wong Potatoes Inc Date

3/16/07



Deloris D. Chin for Wong Potatoes Inc Date

3-16-07

WITNESS WHEREOF, the Owner has caused this Agreement to be executed as of the day and year first above written.

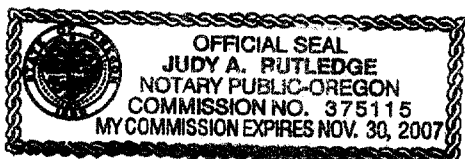
Daniel G Chin

Daniel G Chin

STATE OF OREGON, County of Klamath) ss.

On March 16, 2007, before me, Judy A. Rutledge, Notary Public, personally appeared Daniel G Chin, personally known to me or proved to me on the satisfactory evidence to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that they executed the same and that by their signatures on the instrument the persons executed the instrument.

WITNESS my hand and official seal,



Judy A. Rutledge
Signature of Notary

WITNESS WHEREOF, the Owner has caused this Agreement to be executed as of the day and year first above written.

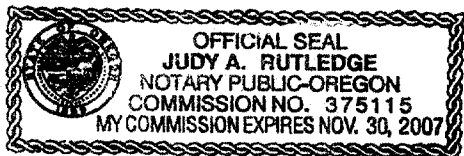
Deloris D Chin

Deloris D. Chin

STATE OF OREGON, County of Klamath) ss.

On March 16, 2007, before me, Judy A. Rutledge, Notary Public, personally appeared Deloris D Chin, personally known to me or proved to me on the satisfactory evidence to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that they executed the same and that by their signatures on the instrument the persons executed the instrument.

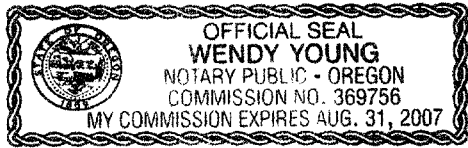
WITNESS my hand and official seal,



Judy A. Rutledge
Signature of Notary

STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on the 2 day of April, 2007 by Randy Jertberg, Chief Executive Officer of Sierra-Cascade Nursery, Inc.



Wendy Young
Notary Public for Oregon

My Commission Expires: 8.31.2007

Unofficial
Copy

EXHIBIT "A"
LEGAL DESCRIPTION

All of the following-described real property is in Klamath County, Oregon.

PARCEL 1

The SW1/4 SE1/4 and that portion of Lot 7 (NW1/4 SE1/4), Section 10, Township 41 South, Range 11 East of the Willamette Meridian lying Southerly of the Great Northern Railway Right of Way.

All that portion of Government Lot 1 in Section 15, Township 41 South, Range 11 East of the Willamette Meridian, lying West of the East line of the SW1/4 of the SE1/4 of Section 10, Township 41 South, Range 11 East of the Willamette Meridian, extended South to the South line of said Lot 1.

Tax Account No: 4111-01000-01400-000

Key No: 106398

Tax Account No: 4111-01500-00200-000

Key No: 106904

PARCEL 2

A portion of Section 10, Township 41 South, Range 11 East of the Willamette Meridian, described as follows: Beginning at the one-quarter corner common to Section 9 and 10 of said Township and Range, thence South 89° 58' East 3.51 chains, more or less, to the projection of the center line of the 9-E-2 drain; thence South 34° 26' East along said center line 14.11 chains to its intersection with the North line of the S1/2 N1/2 SW1/4 of said Section 10; thence Easterly along said North line of S1/2 N1/2 SW1/4, 30.80 chains, more or less, to the East line of the SW1/4 of said Section 10; thence Northerly along the East line of the SW1/4 of said Section 10, 10 chains, more or less, to the Northeast corner of the NE1/4 SW1/4 of said Section 10; thence Westerly along the Northerly line of said NE1/4 SW1/4 to the intersection of the said Northerly line with the Southwesterly right of way line of the Great Northern Railway Company Railroad right of way; thence Northwest along said Southerly railroad right of way line to its intersection with the West line of said Section 10; thence Southerly along said West line of said Section 10 to the place of beginning. EXCEPTING THEREFROM that portion described as follows: A triangular parcel of land located in the Northeast corner of the Northeast corner of the SW1/4 of Section 10, Township 41 South, Range 11 East of the Willamette Meridian, described as follows: Commencing at the Northeast corner of the SW1/4 of Section 10, Township 41 South, Range 11 East of the Willamette Meridian, extending thence West along the Northerly line of said SW1/4 366 feet, more or less, to the intersection of said line with the Northeasterly right of way line of the Great Northern Railway; thence Southeasterly along the Northeasterly right of way line of said Railway a distance of 399 feet, more or less, to the North-South center line of said Section 10; thence North along said center line a distance of 162 feet, more or less, to the point of beginning.

Tax Account No: 4111-01000-00500-000

Key No: 106325

PARCEL 3

A portion of Lot 5, Section 10, Township 41 South, Range 11 East of the Willamette Meridian, described as follows: Beginning at the one-quarter corner common to Section 9 and 10 of said Township and Range; thence South 89° 58' East 3.51 chains, more or less, to the projection of the center line of the 9-E-2-Drain; thence South 34° 26' East along the said center line 14.11 chains to its intersection with the North line of S1/2 N1/2 SW1/4 of said Section 10; thence West along said North line to the West line of said Section 10; thence North along said West line to the point of beginning.

Tax Account No: 4111-01000-01100-000

Key No: 106307

0076119