

**2013-013879**

Klamath County, Oregon

12/18/2013 03:38:55 PM

Fee: \$77.00

Noonan

Loan: 10456600/djp

REAL PROPERTY CERTIFICATE AND INDEMNITY AGREEMENT

(Klamath County, Oregon)

This agreement is dated as of December 17, 2013. It is by MICHAEL EDWARD NOONAN aka MICHAEL E. NOONAN aka MICHAEL NOONAN and KARIN MARGARET NOONAN aka KARIN M. NOONAN aka KARIN NOONAN, husband and wife, also doing business as NOONAN FARMS, an Oregon registered assumed business name (collectively, "Indemnitor"), to and in favor of RABO AGRIFINANCE, INC., a Delaware corporation, as agent for itself and the other Secured Parties under the Collateral Agency Agreement; and Rabo Agrifinance, Inc., in that capacity, "Indemnified Agent".

RABO AGRIFINANCE, INC., a Delaware corporation, as Lender ("Lender") has extended credit to Indemnitor others as set forth in the Note and Credit Agreement (individually and collectively, "Borrower") under the terms and conditions of the Credit Agreement between Borrower and Lender dated as of May 16, 2012, as the same has been and may further be amended, restated, or replaced (the "Credit Agreement"). Each capitalized term used in this agreement that is defined in the Credit Agreement and not defined in this agreement will have the meaning specified in the Credit Agreement. This agreement will be interpreted in accordance with the Drafting Conventions.

Borrower has or may also enter into certain derivatives transactions under Hedging Agreements with Swap Counterparties, under which Borrower has or may incur Hedging Obligations to Swap Counterparties.

Subject to this agreement, the Obligations are secured by, among other documents, a Security Agreement of even date with the Credit Agreement, a Line of Credit Oregon Trust Deed, Security Agreement, Fixture Filing, and Financing Statement dated September 26, 2013, and the Line of Credit Deed Of Trust, Assignment of Rents and Security Agreement given by Indemnitor to Indemnified Agent and dated as of the date of this agreement (the "Deed of Trust"), encumbering the real estate described on Exhibit A attached (the "Land").

As a result of the future exercise of Indemnified Agent rights and remedies in connection with the Deed of Trust, Indemnified Agent may hereafter become the owner of the Property pursuant to a foreclosure sale or deed in lieu thereof. In that event, Indemnified Agent may thereafter incur or suffer certain liabilities, costs, and expenses in connection with the Property relating to the status and condition of the Property. In consideration of Indemnified Agent entering into the Credit Agreement and the Deed of Trust, Indemnitor certifies, represents, warrants, covenants and agrees as follows for the benefit of Indemnified Agent and the other Secured Parties:

1. **Due Investigation.** Indemnitor has duly investigated (a) the present and past uses of the Property and has made due inquiry of the appropriate governmental agencies and offices and Indemnitor has examined or been advised of Environmental Laws (defined herein); and (b) the condition of all buildings and other improvements on the Property and been advised of Building Laws (defined herein). Upon Indemnified Agent's or a Secured Party's request, Indemnitor will provide Indemnified Agent and the Secured Parties with a written summary of Indemnitor's investigations and copies of all inquiries and responses.

2. **Representations.**

(a) The Property does not contain any facility that is subject to reporting under Section 312 of the Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. 11022).

(b) The Property is not listed on the Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS) in accordance with Section 116 of CERCLA (42 U.S.C. 9616).

(c) Indemnitor has no knowledge after due investigation (i) of the presence of any Hazardous Substances on the Property; (ii) of any spills, releases, discharges or disposal of Hazardous Substances that have occurred or are presently occurring on or onto the Property or any Other Property (defined herein) other than the presence, use, storage and disposal of Hazardous Substances in minor quantities as necessary for the operation and maintenance of the Property, or in the form of consumer products held for retail sale in sealed containers, all of which Indemnitor covenants have and will be used, stored and disposed of in accordance with commercially reasonable practices and all applicable Environmental Laws; or (iii) of any underground storage tanks or underground Hazardous Substance deposits are located on the Property.

(d) Indemnitor has no knowledge of (a) any failure by any Person to comply with all currently applicable Environmental Laws with respect to the generation, recycling, reuse, sale, storage, handling, transport and disposal of Hazardous Substances on or from the Property; or (b) any failure of the Property to comply with all currently applicable Building Laws. Indemnitor shall cause the Property to be continuously in compliance with all Building Laws and Environmental Laws and agrees to provide Lender, within thirty (30) days after a written demand by Lender, satisfactory evidence of such compliance. Indemnitor warrants the Property is the only real property or interest in real property required to operate the Property (and all improvements thereon) in compliance with all Building Laws, except as otherwise disclosed to Lender in writing. All certificates of occupancy and other governmental permits and approvals necessary for the occupancy of the Property have been obtained. All buildings and other improvements currently located on the Property are located outside a 100-year flood plain, or are covered by adequate flood insurance.

(e) With respect to all buildings or improvements to the Property, if any, to be constructed and paid for with Loan proceeds, no changes to the plans and specifications for such buildings or improvements, submitted to and approved by Lender, have been required by governmental authorities, and all permits necessary to construct such buildings and improvements have been issued on the basis of the plans and specifications submitted to and approved by Lender.

3. Construction of New Improvements. All buildings, structures and other improvements to be built or constructed on the Property shall be constructed in accordance with and shall fully comply with all applicable Building Laws and shall be located outside of any 100-year flood plain or will be continuously covered by adequate flood insurance.

4. No Release or Waiver. Indemnitor has not and will not release or waive the liability of any previous owner, lessee or operator of the Property, or any other person or entity potentially responsible under applicable Environmental Laws for the presence or removal of Hazardous Substances on or from the Property, and Indemnitor has made no promises of indemnification regarding Hazardous Substances to any Person other than Indemnified Agent.

5. Notice to Lender. Indemnitor will immediately notify Indemnified Agent if Indemnitor receives notice or otherwise becomes aware of (a) any Hazardous Substances or other environmental problem or liability with respect to the Property or Other Property, (b) any lien, action or notice resulting from the violation of any Environmental Laws or any Building Laws, or (c) the Property being in violation of any applicable Building Laws or Environmental Laws. Pursuant to the terms of this agreement, at no cost to Indemnified Agent, Indemnitor will take all actions which are necessary or desirable to remediate any Hazardous Substances affecting the Property, including removal, containment or other remedial action required by Applicable Law, or cause the Property to be in compliance with any applicable Environmental Laws or Building Laws. Any notice sent to Indemnified Agent pursuant to this paragraph will describe with particularity any actual, potential or alleged violation of Building Laws or Environmental Laws, and shall contain Indemnitor's plan or recommendations for correcting the violations.

6. **INDEMNIFICATION.** INDEMNITOR SHALL INDEMNIFY, DEFEND AND HOLD INDEMNIFIED AGENT AND SECURED PARTIES HARMLESS FROM AND AGAINST ANY AND ALL LOSSES WHICH ACCRUE TO OR ARE MADE AGAINST OR INCURRED BY INDEMNIFIED AGENT AND THE OTHER SECURED PARTIES AT ANY TIME FOLLOWING A POST-FORECLOSURE TRANSFER WHICH DIRECTLY OR INDIRECTLY ARISE OUT OF OR RESULT FROM (A) THE INACCURACY OF ANY OF THE CERTIFICATIONS, REPRESENTATIONS OR WARRANTIES OF INDEMNITOR CONTAINED IN THIS AGREEMENT, (B) THE OCCURRENCE, AT ANY TIME PRIOR TO FORECLOSURE TRANSFER, OF ANY ACTIVITIES ON THE PROPERTY DURING BORROWER'S OR BORROWER'S OWNERSHIP, POSSESSION OR CONTROL OF THE PROPERTY WHICH DIRECTLY OR INDIRECTLY RESULT IN THE PROPERTY OR ANY OTHER PROPERTY BEING CONTAMINATED WITH HAZARDOUS SUBSTANCES, OR THE PROPERTY BEING IN VIOLATION OF ANY APPLICABLE BUILDING LAWS OR ENVIRONMENTAL LAWS (A "HAZARDOUS SUBSTANCE ACTIVITY"), (C) ANY INVESTIGATION, INQUIRY, ORDER HEARING, ACTION, OR OTHER PROCEEDING BY OR BEFORE ANY GOVERNMENTAL AGENCY IN CONNECTION WITH ANY HAZARDOUS SUBSTANCE ACTIVITY OCCURRING OR ALLEGEDLY OCCURRING AT ANY TIME PRIOR TO A FORECLOSURE TRANSFER, (D) THE DISCOVERY AND/OR CLEANUP OF HAZARDOUS SUBSTANCES DEPOSITED OR EXISTING OR ALLEGEDLY EXISTING ON THE PROPERTY OR ANY OTHER PROPERTY AT ANY TIME PRIOR TO A FORECLOSURE TRANSFER, (E) ANY BREACH BY INDEMNITOR OF ANY OF ITS COVENANTS OR AGREEMENTS SET FORTH IN THIS AGREEMENT; AND (F) ANY CLAIM, DEMAND OR CAUSE OF ACTION, OR ANY ACTION OR OTHER PROCEEDING, WHETHER MERITORIOUS OR NOT, BROUGHT OR ASSERTED AGAINST INDEMNIFIED AGENT OR THE OTHER SECURED PARTIES WHICH RELATES TO, ARISES FROM OR IS BASED ON ANY OF THE MATTERS DESCRIBED IN CLAUSES (A), THROUGH (F) HEREOF, OR ANY ALLEGATION OF ANY SUCH MATTERS. THIS INDEMNIFICATION WILL APPLY TO AND INCLUDE CLAIMS OR ACTIONS BROUGHT BY OR ON BEHALF OF EMPLOYEES OF INDEMNITOR. INDEMNITOR AGREES THAT A SEPARATE ACTION MAY BE BROUGHT TO ENFORCE THE PROVISIONS IN THIS AGREEMENT. As used in agreement, the phrase "at any time prior to a Foreclosure Transfer" includes the period between the time of Indemnitor's disposition of the Property and the time of a Foreclosure Transfer (in the event that Indemnitor disposes of the Property prior to a Foreclosure Transfer), as well as the period during which Indemnitor holds title to the Property.

7. **Independent Obligation.** Indemnitor shall not have any liability hereunder prior to a Foreclosure Transfer (defined herein), and no claim may be made hereunder by Indemnified Agent prior to a Foreclosure Transfer. This agreement is given solely to protect Indemnified Agent against Post-Foreclosure Transfer Environmental Losses, and not as additional security for, or as a means of repayment of, the Secured Obligations. The obligations of Indemnitor under this agreement are independent of, and shall not be measured or affected by (a) the Secured Obligations or any other amount secured by the Deed of Trust, (b) the sufficiency or insufficiency of any collateral (including, without limitation, the Property) given to Indemnified Agent or Secured Parties to secure repayment of the Secured Obligations, (c) the consideration given by the Secured Parties or Indemnified Agent or any other party in order to acquire the Property, or any portion thereof, (d) the modification, expiration or termination of the Transaction Documents or any other document or instrument relating thereto, or (e) the discharge or repayment in full of the Secured Obligations by amounts paid or credit bid at a foreclosure sale or by discharge in connection with a deed in lieu of foreclosure. Notwithstanding the provisions of any document or instrument, none of the obligations of the Indemnitor hereunder shall be in any way secured by the lien of the Deed of Trust or any other Transaction Document.

8. **Survival of Obligations.** Indemnitor's obligations under this agreement will survive the sale or other transfer of the Property prior to a Foreclosure Transfer. The rights of Indemnified Agent and Secured Parties under this agreement shall be in addition to any other rights and remedies of Indemnified Agent or Secured Parties against Indemnitor under any other document or instrument now or hereafter executed by Indemnitor, or at law or in equity (including, without limitation, any right of reimbursement or contribution pursuant to CERCLA), and shall not in any way be deemed a waiver of any such rights.

Indemnitor agrees that it shall have no right of contribution (including, without limitation, any right of contribution under CERCLA) or subrogation against any other Indemnitor under this agreement unless and until all obligations of such Indemnitor have been satisfied. Indemnitor further agrees that, to the extent that the waiver of its rights of subrogation and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation or contribution such Indemnitor may have shall be junior and subordinate to the rights of Indemnified Agent and the other Secured Parties against each Indemnitor hereunder.

9. Unconditional and Unsecured Obligations. Indemnitor's obligations under this agreement are unconditional and shall not be limited by any limitations on liability provided for in any Transaction Document. The certifications, representations, warranties, covenants and agreements of Indemnitor set forth in this agreement (including without limitation the indemnity provided for in Section 6), (a) are separate and distinct obligations from Borrower's or Borrower's obligations with respect to the Loan and under the Transaction Documents; (b) are not secured by the Deed of Trust or any other Transaction Document; (c) shall not be discharged or satisfied by foreclosure of the lien of the Deed of Trust or any lien or security interest created by any other Transaction Document; and (d) shall continue in effect after any transfer of the Property, including without limitation transfers pursuant to foreclosure proceedings (whether judicial or nonjudicial), or by any conveyance in lieu of foreclosure.

10. Definitions. Each capitalized term used in this agreement that is defined in the Credit Agreement or the Deed of Trust and not defined in this agreement will have the meaning specified in the Credit Agreement or the Deed of Trust, respectively.

"Building Laws" means all Applicable Laws, applicable to the ownership, development or operation of the Property, including all building, zoning, planning, subdivision, fire, traffic, safety, health, labor, air quality, wetlands, shoreline and flood plain laws, statutes, regulations, ordinances and requirements, and specifically includes all applicable requirements of the Fair Housing Act of 1968, and the Americans With Disabilities Act of 1990, and all government and private covenants, conditions and restrictions applicable to the Property, all as now or hereafter amended.

"Environmental Laws" means all federal, state and local statutes, regulations, ordinances, and requirements, now or hereafter in effect, pertaining to environmental protection, contamination or cleanup, including without limitation: the Federal Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901 et seq., as amended by the Solid and Hazardous Waste Amendment of 1984, the Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. Section 9601 et seq., the Federal Clean Air Act, 42 U.S.C. Sections 7401-7626, Federal Water Pollution Control Act, Federal Clean Water Act of 1977, 33 U.S.C. Section 1251 et seq., the Federal Insecticide, Fungicide, and Rodenticide Act, Federal Pesticide Act of 1978, 7 U.S.C. Section 136 et seq., the Federal Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., the Federal Safe Drinking Water Act, 42 U.S.C. Section 300(f) et seq., the Federal Rivers and Harbors Act of 1988, 33 U.S.C. Section 3401 et seq., the Federal Endangered Species Act of 1973, as amended 16 U.S.C. Section 1531 et seq., the Federal Atomic Energy Act, 42 U.S.C. Section 3011 et seq., the Federal Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq., the Federal Environmental Policy Act, 42 U.S.C. Section 4321 et seq., the Federal Hazardous Materials Transportation Act, 49 U.S.C. Section 1471 et seq., the Federal Hazardous Materials Transportation Table, 49 C.F.R. Section 172.101 et seq., the Federal Refuse Act, 33 U.S.C. Section 407 et seq. and the Federal Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Section 1101 et seq.

"Event of Default" means the breach of any term, provision, warranty or representation under this agreement which is not cured within any cure or grace period, if any.

"Foreclosure Transfer" means the transfer of title to all or any part of the Property at a foreclosure sale under the Deed of Trust, either pursuant to judicial decree or the power of sale contained in the Deed of Trust, or by deed in lieu of such foreclosure.

"Hazardous Substances" means any chemical, substance or material classified or designated as hazardous, toxic or radioactive, or other similar term, and now or hereafter regulated under any Environmental Law, including without limitation, asbestos, petroleum and hydrocarbon products.

"Losses" means any and all claims, suits, liabilities (including, without limitation, strict liabilities), actions, proceedings, obligations, debts, damages, losses, costs, expenses, fines, penalties, charges, fees, judgments, awards, amounts paid in settlement of whatever kind or nature (including Legal Fees), and all foreseeable and unforeseeable consequential damages (including, without limitation, costs of any and all investigation, cleanup, removal, remediation, closure, site restoration of any Hazardous Material, or any other remedial acts that are required to be performed on the Property by any Environmental Laws and all Legal Fees therefore).

"Other Property" means any property which becomes contaminated with Hazardous Substances as a result of the construction, development, operation or other activities on, or the contamination of, the Property.

"Secured Parties" means Secured Parties, any person or entity designated or appointed by Indemnified Agent or Secured Parties to acquire the Property through foreclosure or by transfer in lieu of foreclosure, and any and all other financial institutions participating in the Secured Obligations.

11. Indemnified Agent's Right to Join Legal Actions. Indemnified Agent shall have the right, at its option, but at Indemnitor's sole cost and expense, to join and participate in, as a party if it so elects, any legal proceedings or actions initiated by Indemnitor or against Indemnitor or the Property, in connection with any Environmental Laws.

12. Interest. All obligations of the Indemnitor under this agreement shall be payable on demand, and any amount due and payable under this agreement to Indemnified Agent by any Indemnitor that is not paid within five days after written demand for it from Indemnified Agent with an explanation of the amounts demanded shall bear interest from the highest rate permitted under Applicable Law.

13. Payment of Costs and Expenses. The Indemnitor shall pay to Secured Parties and Indemnified Agent all court costs, Legal Fees and other expenses of Secured Parties or Indemnified Agent, respectively, in connection with, or the enforcement of, this agreement.

14. Notices. All notices, approvals, consents, and other communications, under this agreement ("**Notices**") must be given in accordance with and will be subject to the terms and provisions of the Credit Agreement.

15. Binding Effect; Successors and Assigns. The Transaction Documents shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns. Any individual signing this agreement does so on his or her own behalf and on behalf of his or her marital community, and agrees that recourse may be had against community assets and against his or her separate property for the satisfaction of all indebtedness, liabilities and obligations of Indemnitor under this agreement.

16. Joint and Several Obligations. If Indemnitor consists of more than one Person, each Indemnitor (a) expressly acknowledges and undertakes, together with the other Indemnitors, joint and several liability for the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all indebtedness, liabilities and obligations under this agreement; (b) acknowledges that this agreement is the independent and several obligation of each Indemnitor and may be enforced against each Indemnitor separately, whether or not enforcement of any right or remedy hereunder has been sought against any other Indemnitor; and (c) agrees that its liability hereunder and under any other Transaction Document shall be absolute, unconditional, continuing and irrevocable. INDEMNITOR EXPRESSLY WAIVES ANY REQUIREMENT THAT INDEMNIFIED AGENT EXHAUST ANY RIGHT, POWER OR REMEDY AND PROCEED AGAINST THE OTHER INDEMNITORS UNDER THIS AGREEMENT, OR ANY OTHER TRANSACTION DOCUMENTS, OR AGAINST ANY OTHER PERSON

UNDER ANY GUARANTY OF, OR SECURITY FOR, ANY OF THE INDEBTEDNESS, LIABILITIES AND OBLIGATIONS UNDER THIS AGREEMENT.

17. **Severability.** Any provision of any Transaction Document which is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of that Transaction Document or affecting the validity or enforceability of that provision in any other jurisdiction; except that if such provision relates to the payment of any monetary sum, then all or any Secured Parties may, at their option, declare all Obligations in their favor immediately due and payable.

18. **Governing Law.** This agreement shall be governed exclusively by the applicable laws of the State of Oregon (the "Governing Law State") without regard or reference to its conflict of laws principles.

19. **Miscellaneous.** This agreement may be executed in counterparts, each of which will be an original and all of which together are deemed one and the same instrument. If Indemnitor is comprised of multiple Persons, any Person comprising Indemnitor is hereby authorized to bind all parties comprising Indemnitor. Indemnified Agent or Secured Parties may, at any time and without notice, waive any prior requirement that requests, authorizations, or other actions be taken only by a Designated Person. This agreement shall be interpreted in light of the Drafting Conventions specified in the Credit Agreement. Each Party has participated in negotiating and drafting this agreement, so if an ambiguity or a question of intent or interpretation arises, this agreement is to be construed as if the parties had drafted it jointly, as opposed to being construed against a Party because it was responsible for drafting one or more provisions of this agreement. Indemnified Agent is authorized to execute any other documents or take any other actions necessary to effectuate this agreement and the consummation of the transactions contemplated herein. This agreement may not be amended, changed, modified, altered or terminated without the prior written consent of Indemnified Agent and Secured Parties. All rights and remedies under this agreement and the Secured Obligation Documents are cumulative, and the exercise of any one or more of them does not constitute an election of remedies.

20. **WAIVER OF JURY TRIAL.** THE PARTIES WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF OR IN ANY WAY CONNECTED TO THIS AGREEMENT.

21. **Statutory Notice.** Under Oregon law, most agreements, promises and commitments made by Lender concerning loans and other credit extensions which are not for personal, family or household purposes or secured solely by any Borrower's residence must be in writing, express consideration and be signed by us to be enforceable.

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Indemnitor is signing this agreement effective as of the day and year first written above.

INDEMNITOR

Michael Edward Noonan
MICHAEL EDWARD NOONAN aka MICHAEL E.
NOONAN aka MICHAEL NOONAN

Karin Margaret Noonan
KARIN MARGARET NOONAN aka KARIN M. NOONAN
aka KARIN NOONAN

STATE OF OREGON)
) SS
COUNTY OF Klamath)

This instrument was acknowledged before me on December 17, 2013 by MICHAEL EDWARD NOONAN and KARIN MARGARET NOONAN.

(SEAL)

My commission expires: 2/5/2015

Notary Public

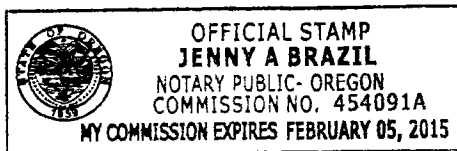


EXHIBIT "A"
LEGAL DESCRIPTION

Parcel 1: (Sayles)

The W1/2 of the NW1/4 of Section 2, Township 40 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

Parcel 2; (Negrevski)

A tract of land situated in Section 1, Township 40 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at the Southeast corner of the SE1/4 SW1/4 of Section 1; thence North along the North-South centerline of said section to the Southerly right of way line of the Southern Pacific Railroad Company right of way; thence Northwest along said right of way line to the West line of the SE1/4 NW1/4 of said section; thence South to the Northeasterly right of way line of the South Branch of the "C" Canal as now located; thence Southeasterly along said right of way to the South line of said section; thence East to the point of beginning. EXCEPTING THEREFROM, that portion lying within the boundaries of the Lower Lake Road.

Parcel 3: (Negrevski)

The South 10 acres of the NW1/4 SW1/4 (or S1/2 S1/2 NW1/4 SW1/4), and Lot 4, Section 6, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING thereof that portion conveyed to the State of Oregon, by and through its Department of Transportation, Highway Division in Warranty Deed, recorded April 5, 1988 in Volume M88, page 4912, Microfilm Records of Klamath County, Oregon.

Parcel 4: (Manning)

Parcel A: The E 1/2 SE 1/4 of Section 2, Township 40 South, Range 9 East of the Willamette Meridian Saving and excepting therefrom 5 acres forming a square in the Southwest corner of the SE 1/4 SE 1/4 conveyed for cemetery

Parcel B: All that portion of the NE 1/4 of the NE 1/4 of Section 2, Township 40 South, Range 9 East of the Willamette Meridian, lying Southwesterly right of way line on the C4 (formerly E) Canal;

ALSO the SE 1/4 of the NE 1/4 of Section 2, Township 40 South, Range 9 East of the Willamette Meridian lying Southwesterly right of way line of the C4 (formerly E) Canal.

Parcel 5: (Manning)

Parcel A: The SW1/4 of the NW1/4 and the W1/2 of the SW1/4, in Section 1, Township 40 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; EXCEPT 2.34 acres in the SW1/4 of the NW1/4 conveyed to Modoc Northern Railway Company in Volume 30, page 479, Deed Records of Klamath County, Oregon; AND EXCEPT those portions lying within Homedale Road.

AND EXCEPT that portion thereof lying in the Southern Pacific Railroad right of way.

AND EXCEPTING that portion thereof conveyed to The California Oregon Power Company by deed recorded September 21, 1946 in Volume 196, page 72, Deed Records of Klamath County, Oregon being a strip of land of undisclosed width for a power line right of way, the centerline of which is described as follows:

Beginning at a point on the Northeasterly right of way boundary of the U.S.R.S. South Branch Canal and 1-B Drain, said point being South 63° 42' East 1463.0 feet from the Westerly quarter corner of Section 1, Township 40 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence from said point of beginning North 0° 32' West 989.0 feet; thence North 71° 32' West 125.0 feet to the end of said power line.

Parcel B: That portion of the Southeast Quarter of the Northwest quarter lying Northwest of the "C" Canal in Section 1, Township 40 south, Range 9 east of the Willamette Meridian, Klamath County, Oregon

Parcel 6: (Zupan)

Real property located in Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Section 29: The SW 1/4 of the SW 1/4

Section 30: The SE 1/4 of the SE 1/4; EXCEPT that portion conveyed to Klamath County on January 31, 1958 in Volume 297, Page 256, deed Records of Klamath County, Oregon.

Section 31: The E 1/2 of the NE 1/4, EXCEPTING the following described property:
Beginning at the Southwest corner of the SE 1/4 NE 1/4 of Section 31, thence East 150 feet; thence North 150 feet; thence West 150 feet; thence South 150 feet to the place of beginning

Section 32: The NW 1/4 NW 1/4

Parcel 7: (potato Warehouse)

Midland Potato Warehouse Facility being described as 410' X 70' Potato Warehouse located on Southern Pacific Railroad Company leased property Parcel #4-B, Midland, Oregon 97634