

Real Estate & Water Rights Agreement

THIS AGREEMENT, made and entered into this 24th day of August, 1998, by and between Clifford K. Terrell, Jr., of 1268 North Old Hwy 91, Inkom, Idaho 83245, hereinafter referred to as "Seller", and Rashid Bisharat and Naila Bisharat, husband and wife, of 230 Park, Inkom, Idaho 83245, hereinafter referred to as "Buyers".

WITNESSETH:

PROPERTY: SELLER, in consideration of the covenants and agreements to be performed by the BUYER, hereinafter contained, agrees to sell and convey unto BUYER, and BUYER agrees to buy, all that certain piece or parcel of land situated and lying and being in or near Inkom, County of Bannock, State of Idaho, and bounded and more particularly described as follows, to wit:

SEE ATTACHED EXHIBIT "A"

together with the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining; subject, however, to all zoning laws, city ordinances, easements, restrictive agreements and rights of way of public roads as of the date of this agreement.

PURCHASE PRICE AND TERMS OF PAYMENT: BUYER shall pay SELLER an overall sales price for said property in the amount of SIXTY-THREE THOUSAND DOLLARS AND NO CENTS (\$63,000.00) which will be reduced by credits to BUYER for payments made as follows:

Purchase Price.....	\$ 63,000.00
<u>Subtotal</u>	<u>\$ 63,000.00</u>

*Approved by
Committee
10/30/00
bac*

Ernest Money Paid.....

9-2
\$ 3,000.00

Subtotal

\$60,000.00

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Net due at closing...

\$ 60,000.00

At the time of closing, BUYER shall pay to SELLER the amount of SIXTY THOUSAND DOLLARS (\$60,000.00) in full and final payment of all amounts due and payable in respect to this real estate purchase. SELLER shall execute a Warranty Deed to BUYER at the time of closing and all documents mentioned above shall be recorded with the Bannock County Recorder at the request of the First American Title Company of Pocatello, Idaho subject to the full performance of the conditions, terms and covenants contained therein.

It is expressly understood and agreed that the acceptance by SELLER of any payments when the same shall be paid due, or any forbearance of any kind that may be granted or allowed by the SELLER to BUYER under this agreement, shall not be deemed or construed or considered as waiving or surrendering any condition or covenant of this agreement by SELLER.

POSSESSION: BUYER is granted possession of the premises on the 1st day of July, 1998, and shall be entitled to continue in possession thereof so long as they shall not be in default in the performance of any of the terms of this Agreement.

Based upon the Warranty Deed executed by SELLER to BUYER, any and all improvements on the property shall become a part thereof and shall become the possession of the BUYER.

TAXES: BUYER agrees to pay all state, city, school and county taxes, and all assessments of whatsoever nature, which were levied against the premises beginning the 1st day of July, 1998, and continuing thereafter. SELLER agrees to pay and bring current all state, city, school and county

taxes, and assessments of whatsoever nature, which were levied against the premises through the 1st day of July, 1998.

RIGHT OF FIRST REFUSAL: SELLER hereby grants BUYER a right of first refusal to buy a parcel of property owned by SELLER adjacent to the south boundary of the property involved in the current sale. The property subject to this first right of refusal is more specifically described as follows:

SEE ATTACHED EXHIBIT "B"

SELLER hereby agrees to allow BUYER the first right to buy the property described in this paragraph at a price equal to or better than the price SELLER would offer this property to any third party. If SELLER contemplates the sale of this property, SELLER shall notify BUYER of SELLER'S intent to so sell this property, in writing, and BUYER shall have the right to purchase this property from SELLER at any time within thirty days of BUYERS receipt of said notice, in writing. If BUYER does not notify SELLER of his intent to buy said property and consummate said sell within thirty days after notice, SELLER shall be entitled to sell the above described property to a third party at a price equal to or greater than that offer to BUYER.

WATER RIGHTS: As partial consideration for the total purchase price stated in the foregoing, SELLER shall transfer to BUYER all interest SELLER currently has in a water right to water from the Green Canyon Creek as documented by Water Right No. 2104 as set forth in Civil Case No. 39576 in re the general adjudication of rights to the use of water from the Snake River Basin Water System currently pending in the Fifth Judicial District of the State of Idaho in and for the County of Twin Falls.

Further, SELLER hereby agrees to transfer to BUYER forty percent of all water originating in a spring on SELLER'S property described in Exhibit "B" attached hereto, said property being

9-4

subject to the right of refusal set forth in the previous provision. Provided however, should BUYER fail to exercise the right of first refusal set forth in the previous provision upon proper notice of said right from SELLER, upon the sale of said property to a third party by SELLER, BUYER shall be entitled to fifty percent of the water from the spring source on SELLER'S property described in Exhibit "B" attached hereto.

If the BUYER should elect to exercise his right of first refusal to buy the property described in Exhibit "B" hereto, naturally said BUYER will receive all rights to the water from said spring.

If BUYER should ever default on this agreement requiring foreclosure action by SELLER, all shares of this stock will be returned to SELLER.

DEED: Concurrent with the execution of this Agreement, the SELLER shall execute a good and sufficient warranty deed to the above described property, naming the SELLER as grantor and BUYER as grantee, free from all encumbrances except any assumed by or placed thereon by the BUYER, and cause said warranty deed to be recorded with the Bannock County Recorder.

TITLE INSURANCE & RESPONSIBILITY OF SELLER: SELLER shall, upon execution of this Agreement, order and within a reasonable time thereafter, cause to be delivered to BUYER, a policy of title insurance in the amount SIXTY-THREE THOUSAND DOLLARS AND NO CENTS (\$63,000.00) insuring such title subject to the payment of this Agreement and the standard printed exceptions.

ENFORCEMENT AND NECESSARY DOCUMENTS: In the event either party hereto shall be required to employ an attorney for the enforcement of this Agreement, with or without suit, the defaulting party agrees to pay the prevailing party's reasonable attorney's

9-5

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fees. In the event of default by BUYER, BUYER agrees to pay attorneys fees of SELLER in issuing notice of default, or otherwise enforcing this Agreement without suit.

It is understood and agreed that Warren C. Webber, of the law firm of Olley & Webber, Chartered, is the attorney who prepared this document at the request of all parties. All parties hereto understand that they have the right to have this Agreement and all documents relating thereto reviewed by another attorney of their choice and have waived the same.

BINDING EFFECT AND CONSTRUCTION OF TERMS: This Agreement shall extend to and bind the heirs, administrators, executors, representatives, successors and assigns of the parties hereto.

GIVING OF NOTICE: Service of any notice permitted or required under the terms of this Agreement shall be deemed complete upon the depositing of the same in the United States mail by the SELLER, by certified or registered mail, addressed to BUYER at 230 Park, Inkom, Idaho 83245; or by the BUYER addressed to the SELLER at 1268 North Old Hwy 91, Inkom, Idaho 83245; as the case may be, or such other address as either shall hereafter in writing to the other designate, or by causing said notice to be served personally upon the BUYER, or on the SELLER, as the case may be. In the event there be more than one person constituting the SELLER or BUYER herein, service by mail or personal service as provided above, upon any one person in such party shall be good and sufficient service upon all persons constituting such party, the same as though such service had been made upon each and every member of such party.

9-6

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IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

Clifford K. Terrell, Jr.
CLIFFORD K. TERRELL, JR., Seller

Rashid Bisharat
RASHID BISHARAT, Buyer

Naila Bisharat
NAILA BISHARAT, Buyer

State of Idaho)
:SS
County of Bannock)

On this 27 day of August, 1998, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared CLIFFORD K. TERRELL JR., known to me (or proved to me on basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he executed it. I declare under penalty of perjury that the person whose name is subscribed to this instrument appears to be of sound mind and under no duress, fraud or undue influence.

Dianna Sterner
Notary Public for Ireland Bank
Residing at Idaho
My Commission Expires: 10-27-03

State of Idaho)
:SS
County of Bannock)

NOTARY SEAL

On this 27 day of August, 1998, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared RASHID BISHARAT, known to me (or proved to me on basis of satisfactory evidence) to be the person whose names are subscribed to this instrument, and acknowledged that they executed it. I declare under penalty of perjury that the persons whose names are subscribed to this instrument appears to be of sound mind and under no duress, fraud or undue influence.

Dianna Sterner
Notary Public for Ireland Bank
Residing at Idaho
My Commission Expires: 10-27-03

State of Idaho)
)
) :SS
County of Bannock)

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On this 27 day of August, 1998, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared NAILA BISHARAT, known to me (or proved to me on basis of satisfactory evidence) to be the person whose names are subscribed to this instrument, and acknowledged that they executed it. I declare under penalty of perjury that the persons whose names are subscribed to this instrument appears to be of sound mind and under no duress, fraud or undue influence.

Dianna Sterner
Notary Public for Inland Bank
Residing at Idaho
My Commission Expires: 10-27-03

NOTARY SEAL

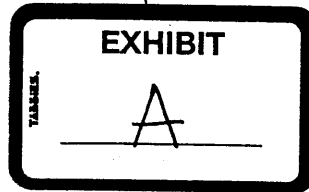
NO 98016968
RECORDED AT REQUEST OF
FIRST AMERICAN TITLE
'98 AUG 28 AM 11 45
OFFICIAL RECORD BOOK NO 719
BANNOCK COUNTY IDAHO
LARRY W. HAN RECORDER
FEE 27.00 DEPUTY JK



LEGAL DESCRIPTION
ORDER NO. 26207

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The land referred to in this Commitment is described as follows:

A parcel of land located in the W $\frac{1}{4}$ SW $\frac{1}{4}$ Section 26 and the E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 27, Township 7 South, Range 36 East, Boise Meridian, BANNOCK COUNTY, IDAHO. It is more particularly described as follows:

Commencing at the $\frac{1}{4}$ corner common to Sections 26 and 27, the TRUE POINT OF BEGINNING; thence N $89^{\circ}17'38''$ E, along the latitudinal centerline of Section 26, 603.37 feet to an intersection with the centerline of an existing irrigation ditch; thence following said centerline in the following courses:

S $3^{\circ}48'34''$ W, 34.68 feet; S $27^{\circ}17'50''$ W, 46.80 feet; S $39^{\circ}03'23''$ W, 74.09 feet; S $24^{\circ}53'14''$ W, 84.32 feet; S $13^{\circ}28'09''$ W, 104.36 feet; S $4^{\circ}31'28''$ E, 39.94 feet; S $18^{\circ}21'51''$ W, 89.37 feet; S $48^{\circ}56'15''$ W, 69.42 feet; S $20^{\circ}15'25''$ W, 68.23 feet; S $8^{\circ}51'20''$ E, 28.64 feet; S $53^{\circ}48'09''$ W, 27.93 feet; S $11^{\circ}11'27''$ W, 77.26 feet; S $3^{\circ}08'46''$ W, 69.04 feet to an intersection with an existing fence line as noted in Instrument # 577507; thence following said fence line in the following courses:

S $89^{\circ}16'54''$ W, 59.78 feet; S $1^{\circ}47'55''$ E, 212.26 feet; S $77^{\circ}22'24''$ E, 214.00 feet; S $6^{\circ}14'31''$ W, 335.04 feet to the South $\frac{1}{16}$ line of Section 26; thence S $89^{\circ}15'44''$ W, along the South $\frac{1}{16}$ line 75.56 feet; thence N $6^{\circ}14'31''$ E, 146.08 feet; thence S $89^{\circ}15'44''$ W, 609.06 feet to the Easterly right of way line of U.S. Highway 90-91; thence N $1^{\circ}10'46''$ W, along said right of way line 395.53 feet to the point of curvature of a 1802.84 foot radius curve to the left having a central angle of $24^{\circ}22'25''$, the radius point of which bears S $88^{\circ}49'14''$ W; thence along said curve 766.93 feet to an intersection with the Southerly right of way line of Inkorn Road; thence N $79^{\circ}06'32''$ E, along the Southerly right of way line 254.84 feet to an intersection with the latitudinal centerline of Section 27; thence N $89^{\circ}54'25''$ E, 148.05 feet to the TRUE POINT OF BEGINNING.

EXHIBIT

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The Northwest Quarter of the Southwest Quarter of Section 26, Township 7 South, Range 36 East of the Boise Meridian except a portion of land consisting of about two acres lying in the Northeast corner and Northeast of the County road.

Also beginning at the Northwestern corner of the Northwest Quarter of the Southwest quarter of said Section 26, running thence westerly along the latitudinal center line of Section 27, Township 7 South, Range 36 East of the Boise Meridian to a point where said line intersects the Westerly right of way of the Old Oregon Trail Highway as it existed July 2, 1934, said point of intersection being South 89 degrees and 40 minutes West, 494 and no/100 feet more or less, distant from the East quarter corner of said Section 27; thence Southeasterly along the said right of way 575 and no/100 feet, more or less, to its intersection with the North bank of irrigation ditch, commonly called the Gathe irrigation ditch; thence following the North bank of said ditch North 78 degrees and 32 minutes West, 163 and no/100 feet; thence North 63 degrees and 42 minutes West 206 feet more or less to the Easterly line of the right of way of the Oregon Short Line Railroad; thence in the Southerly direction on the Easterly right of way boundary line of the said railroad to a point of intersection with the Southerly boundary line of the Northeast quarter of the Northeast quarter, Section 34, Township 7 South, Range 36 East of the Boise Meridian, thence in an Easterly direction along said line to the point of intersection of said line and the Westerly boundary line of the State Highway; thence in a Northerly direction along the said Western boundary line to the point of intersection of said line with the South boundary line of the Northeast quarter of the Southeast quarter of Section 27, Township 7 South, Range 36 East of the Boise Meridian; thence East along said last named line to the Southwest corner of the Northwest Quarter of the Southwest Quarter of Section 26, Township 7 South Range 36 East of the Boise Meridian; thence North 80 rods more or less to the point of beginning.

Also the following described tract of land. Beginning at the Northeast corner of the Southeast quarter of the Southeast Quarter of Section 27, Township 7 South, Range 36 East of the Boise Meridian, running thence South 8 rods more or less to a point on the Easterly section line of said Section 27; thence West 12 rods more or less to an intersection with the highway, Idaho No. 30; thence in a Northerly direction following the East boundary line of said Highway a distance of 8 rods more or less to the Northerly line of the said Southeast quarter of the Southeast Quarter; thence East along the said line a distance of 12 rods more or less to the point of beginning.

Together with all and singular, the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the rents, issues and profits thereof.

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NO. _____
RECORDED BY _____
MC DOUGALL & MURRAY
89 OCT 18 P4:54

RECEIVED BY NO. 511
LARRY A. MURRAY
9.00 PER YR...
CHECK

1800

WHEREAS, on the 30th day of June, A.D. 1905, Permit No. 3104 was issued to said applicant for the diversion of said waters, and providing for the completion of the works of diversion therein described on or before the 30th day of June, A.D. 1907, and for the application to beneficial use of said waters on or before the 30th day of June, A.D. 1908, and

WHEREAS, on the 30th day of June, A.D. 1907, the holder of said permit duly made proof of the completion of said works, and the diversion of one cubic foot per second of said waters, as evidenced by my certificate of the 30th day of June, A.D. 1907, confirming the completion of works of sufficient capacity to divert said waters to the place of intended use at the rate of one cubic foot per second of water, the day of the month of June, A.D. 1907, and

WHEREAS, on the 30th day of June, A.D. 1907, proof was duly made of the application to beneficial use of said waters at the place of intended use.

NOW, THEREFORE, by authority of the authority vested in me by the laws of the State of Idaho, I hereby grant to said W. F. HOLMES of Idaho, the holder and owner of said Permit No. 3104, a perpetual right, dating from May 6, 1905, to the use of .5 of one cubic foot per second of the waters of South Fork Mill Jackson Creek, in the County of Bannock and State of Idaho, or so much thereof as may be necessary for the purposes hereinbelow mentioned, to be taken from the waters of said creek, in the Northwest quarter of the Southwest quarter

of Section 26, and in the Northeast quarter of the Southeast quarter (NE 1/4 SE 1/4) Section 27, Township 7 S., Range 34 E., for the purpose of diverting said waters to the place of intended use, subject, however, to the laws of the State of Idaho applicable to a license for the use of the waters of the State, and subject also to the local or community customs, rules and regulations which have been or may be adopted from time to time by a majority of the users from a common source of supply, canal or lateral from which such water may be taken, when such rules and regulations have for their object the economical use of such water.

WITNESS, my hand and the seal of my office at Boise, Idaho,
this 6th day of August, A.D. Nineteen hundred and seven.

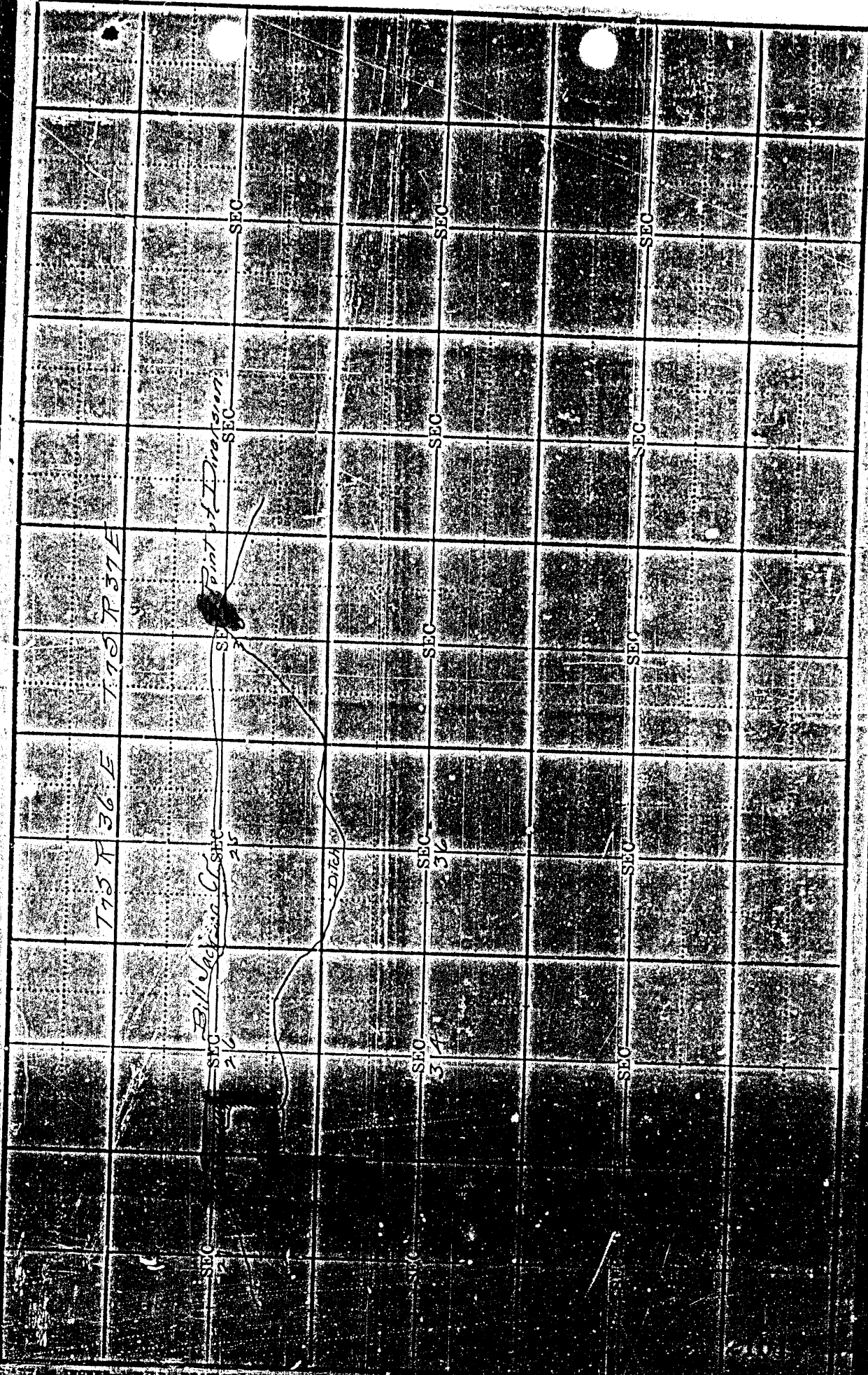
(SEAL)

Recorded August 6, 1907.

Jas. Stephenson, Jr.

State Engineer

2040



T15 R 37 E

T15 R 36 E

Pint of Dragoon

Bill Jackson Co SEC

26

SEC

25

SEC

SEC

Drach

SEC

SEC

36

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SEC

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