

BASIC AMERICAN FOODS

434 South Emerson
Shelley, ID 83274

208.357.3402

April 2, 2004

Ms. Cindy Bird
Idaho Department of Water Resources
15 West Center Street
Soda Springs, ID 83276

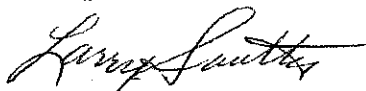
Dear Ms. Bird:

Subject: Snake River Basin Adjudication
Claim 27-4019 & 27-7411

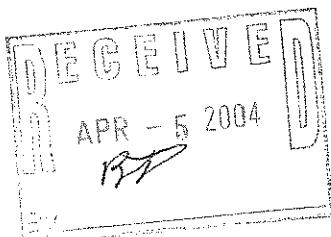
Please find enclosed the legal descriptions as requested on the Notice of Change in Water Right Ownership. The signed form was previously mailed to you.

If there are any further questions, please don't hesitate to contact me at 357-1344.

Respectfully,



Larry Sautter
Environmental Manager Shelley Plant





State of Idaho

DEPARTMENT OF WATER RESOURCES

15 West Center Street, Soda Springs, ID 83276

Phone: (208) 547-3993 Fax: (208) 547-3939 Web Site: www.idwr.state.id.us

4 February 2004

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

COPY

Larry Sautter
Basic American Foods
434 South Emerson
Shelley, ID 83274

Re: Snake River Basin Adjudication (SRBA)
Claim 27-2116, 27-4019, 27-7411

Subject: OWNERSHIP CHANGE REMINDER

Response Date: 27 February 2004

Dear Claimant(s):

On January 16 Howard Jones visited with you concerning your company's water claims. He left with you an Ownership Change form. To date we have not received the signed form. We are unable to complete the recommendation to the Court without a signed Ownership Change in our files.

Please feel free to call me at 547-3993 if you have any questions.

Respectfully,

Cindy E. Bird
Adjudication Bureau

CEB/bjp
Enclosures:

STATE OF IDAHO

DEPARTMENT OF WATER RESOURCES

NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

Please print or type. Attach pages with additional information. Instructions are included at the end of this form.
Incomplete forms will be returned.

Please list the **water right** number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided, if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
_____	<u>A27-02116</u>	<u>N</u>	_____	_____	_____
_____	<u>A27-04019</u>	<u>N</u>	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

2. The following **REQUIRED** information must be submitted with this form:

A. The appropriate **FILING FEE**. See instructions for fee amounts.

B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.

C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
PLAT OF PROPERTY or **SURVEY MAP** clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are usually attached to your deed or on file with the county).

OR

If your water right(s) and/or adjudication claim(s) are for ten or more acres of irrigation, you must submit a **USDA Farm Service Agency AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the **PLAT OF PROPERTY** or **SURVEY MAP**.

3. Name and Address of Former
Owner/Claimant(s)

The Pillsbury Company
434 S. Emerson Shelley, ID 83274

4. New Owner/Claimant(s)

Basic American Foods
Name Connector (Check one): ☐ and, ☐ or, ☐ and/or

New Mailing Address

434 So. Emerson

City, State and ZIP Code

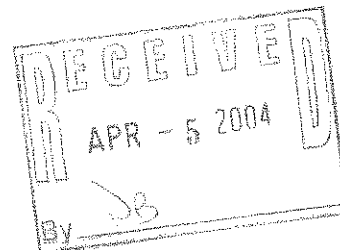
Shelley, Id 83274

New Telephone Number

(208) 357-3402

5. Date you acquired the property

Jan. 1, 1999



If the change in ownership affects the entire water right for each water right or adjudication claim number listed in item 1, THEN SKIP THIS ITEM AND GO TO ITEM 7. If the change in ownership divides the water right(s) among multiple owners, you must describe, in detail, your portion of each water right after the change. Fill in the appropriate spaces in the box(es) below to describe your water right(s) after the change (one water right per box, you may copy this page as necessary). If your quantity of water is greater than a proportionate split, you must attach documentation to show justification for a larger amount. If you are not sure how to identify your portion of the original water right or adjudication claim records, please contact the nearest IDWR office for assistance.

DESCRIPTION OF YOUR PORTION OF WATER RIGHT
(If the right(s) will not be split, skip this area and proceed to item 7)

Water Right and/or Adjudication Claim Number _____

Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

DESCRIPTION OF YOUR PORTION OF WATER RIGHT
(If the right(s) will not be split, skip this area and proceed to item 7)

Water Right and/or Adjudication Claim Number _____

Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

Signature of New Owner(s) or Claimant(s) _____
(include title if applicable)

[Signature]
V.P. OPERATIONS

For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him/her for all matters related to your claims.

For Office Use Only

Received by _____	Date _____	Fee _____
Received by _____	Date _____	Receipt No. _____
Processed by _____ AJ	Date _____	WR _____ Date _____

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT, dated as of December __, 1998, by and between BASIC AMERICAN, INC., a Delaware corporation ("Buyer"), and THE PILLSBURY COMPANY, a Delaware corporation ("Seller").

RECITALS

WHEREAS, Seller carries on the business of processing, warehousing and distributing dehydrated potato products from its facilities at Shelley, Idaho [and Idaho Falls, Idaho], consisting specifically of (i) the industrial dehydrated potato business, pursuant to which Seller purchases raw potato products and processes the same into dehydrated products, which are then stored and distributed to third parties for further processing by the third party into consumer products such as potato chips or soups (the "Industrial Potato Business"); (ii) the food service dehydrated potato business, pursuant to which Seller purchases raw potato products and processes the same into dehydrated products, which are then stored, packaged and distributed to third parties such as restaurants and food suppliers (the "Food Service Potato Business"); and (iii) the retail dehydrated potato business, pursuant to which Seller purchases raw potato products and processes the same into dehydrated products, which are then stored, packaged and distributed for sale to retail customers (the "Retail Potato Business") (the Industrial Potato Business, Food Service Potato Business and Retail Potato Business being collectively referred to herein as the "Business"); and

WHEREAS, Seller desires to sell and Buyer desires to purchase certain of the operating assets of Seller utilized in the Business on the terms and subject to the conditions of this Agreement.

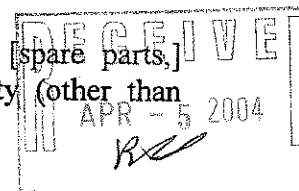
NOW, THEREFORE, in consideration of the premises and of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1. PURCHASE AND SALE OF ASSETS.

1.1 **Generally.** On the terms and subject to the conditions of this Agreement, Seller agrees to sell, transfer, convey and deliver to Buyer, and Buyer agrees to purchase from Seller, on and as of the Closing Date (as defined in Section 4 hereof), the following property and assets of Seller (collectively, the "Assets"):

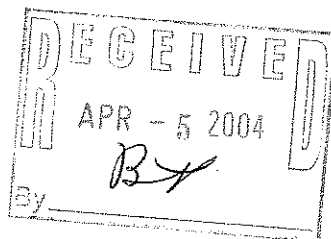
(a) The real property described in **Schedule 1.1(a)** hereto (the "Real Estate") and all easements, rights of way and other rights, interests and appurtenances of Seller therein or thereunder pertaining, including, without limitation, all water and minerals rights owned by the Seller and used in connection with the Business (including all surface and subsurface waters and riparian rights owned by Seller) together with all buildings, structures, installations, fixtures and other improvements situated on such Real Estate (collectively, the "Facilities");

(b) All machinery, equipment, tools, motor vehicles, [spare parts,] tools, accessories, furniture, and other miscellaneous tangible personal property (other than



Schedule 1.1(a) Real Estate

See attached legal descriptions.



LEGAL DESCRIPTION

TRACT A:

Lot 7 in Block 28 of the City of Shelley, Bingham County, Idaho, according to the recorded Plat thereof; TOGETHER WITH that portion of Vacated Elm Street between Blocks 28 and 29 of said City of Shelley from the Westerly line of the intersection of Elm Street and South Emerson and running thence Westerly to the Railroad right-of-way line.

TRACT B:

All of Block 29 of the City of Shelley, Bingham County, Idaho, according to the recorded Plat thereof, EXCEPT fractional Lot 9; TOGETHER WITH that portion of Vacated Alley lying between Lots 2, 3, 4, 5, 6, 7 and 8 in said Block 29.

TRACT C:

A portion of the SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E. B. M., Bingham County, Idaho, described as: Beginning at a point which is W. 728.5 feet along the East-West centerline from the EX of said Section 32, and running thence S. 393.3 feet; thence E. 408.4 feet; thence S. 926.7 feet; thence W. 1299.9 feet; thence N. 551 feet; thence W. 100 feet to the railroad right-of-way; thence N. 30°00'00" E. along said right-of-way to its intersection with the E. line of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32; thence N. to the NE corner of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32; thence E. along said North line (East-West centerline) 591.5 feet, to the point of beginning, EXCEPTING THEREFROM Railroad right-of-way; ALSO EXCEPTING a strip 1 rod wide along the East side of the railroad; ALSO EXCEPTING: Beginning at the point of intersection of the centerlines of Park Avenue and Fir Street in the City of Shelley, Bingham County, Idaho, and running thence W. along the centerline of said Fir Street 756.93 feet; thence S. 00°01'40" W. 542.12 feet to the TRUE POINT OF BEGINNING; running thence S. 00°01'40" W. 244.00 feet; thence S. 89°56'57" W. 535.22 feet; thence N. 00°03'03" W. 244 feet; thence N. 89°56'57" E. 535.55 feet to the TRUE POINT OF BEGINNING. ALSO EXCEPTING: Beginning at a point 1714.12 feet N. 89°47'36" E. and 1570.78 feet N. 0°22'06" W. from the SW corner of Section 32, Township 1 North, Range 37 E.B.M.; and running thence N. 0°22'06" W. 90.00 feet; thence S. 89°37'54" W. 50.00 feet; thence S. 0°22'06" E. 90.00 feet; thence N. 89°37'54" E. 50.00 feet to the point of beginning.

TRACT D:

The Northerly 9.85 feet of Fir Street, between Emerson Avenue and the Union Pacific Railroad, in Block 29 of the City of Shelley, Bingham County, Idaho, according to the recorded Plat thereof.

TRACT E:

A portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Beginning at a point that is N. 89°58'20" W. along the East-West centerline of said Section 32, 320 feet and S. 00°01'40" W. 132.48 feet from the EX corner of said Section 32, and running thence S. 00°01'40" W. 101.52 feet; thence W. 184 feet; thence N. 00°01'40" E. 240 feet; thence E. 127 feet; thence S. 00°01'40" W. 132.3 feet; thence S. 89°58'20" E. 57 feet, more or less, to the point of beginning.

RECEIVED
APR - 5 2004

TRACT F:

A portion of the NE¼SE¼ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Beginning at a point which is W. 643.5 feet from the E¼ corner of said Section 32, and running thence S. 241 feet; thence E. 323.4 feet; thence S. 152.3 feet; thence W. 408.4 feet; thence N. 393.3 feet; thence E. 85 feet to the point of beginning.

TRACT G:

A portion of the NE¼SE¼ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Commencing at a point 504 feet W. of the NE corner of NE¼SE¼ of said Section 32, and running thence S. 240 feet; thence W. 70 feet; thence N. 240 feet; thence E. 70 feet to the point of beginning.

TRACT H:

A portion of the NE¼SE¼ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Commencing at a point 574 feet W. of the NE corner of NE¼SE¼ of said Section 32, and running thence S. 240 feet; thence W. 69.5 feet; thence N. 240 feet; thence E. 69.50 feet to the point of beginning.

TRACT I:

A portion of the NE¼SE¼ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Beginning at a point that is N. 89°58'20" W. along the East-West centerline of said Section 32, 320 feet and S. 00°01'40" W. 132.48 feet from the E¼ corner of said Section 32, running thence N. 89°58'20" W. 57 feet, thence N. 00°01'40" E. 132.3 feet, thence E. 57 feet, thence S. 00°01'40" W. 132.32 feet to the point of beginning.

PARCEL J:

A portion of the NE¼SW¼ of Section 26, Township 1 South, Range 35 E.B.M., Bingham County, Idaho, described as: Commencing at a point 25 feet W. and 795 feet S. of the NE corner of the SW¼ of said Section 26; thence southwesterly 249°08', 45.7 feet; thence W. 317.58 feet; thence southeasterly 149°30', 489.67 feet, more or less, to a point which is 120 feet W. of the W. right-of-way line of the N-S County Road bordering said Tract on the E. side thereof; thence due E. 120 feet to said west right-of-way line; thence due N. along said west right-of-way line a distance of 430 feet, more or less, to the point of beginning.

PARCEL K:

That portion of the S¼SW¼ lying easterly of the East Branch of the Snake River Valley Irrigation Canal and westerly of Sand Creek, all in Section 2, Township 1 South, Range 37 E.B.M., Bingham County, Idaho; EXCEPTING THEREFROM the S. 25 feet for road right-of-way. ALSO,

Township 1 South, Range 37 E.B.M., Bingham County, Idaho

Section 2:

Lot 3; NE¼SW¼, SE¼NW¼; EXCEPTING THEREFROM:

Beginning at a point that is E. 1546.48 feet along the section line, from the NW corner of said Section line; thence S. 0°18'57" W. 356.24 feet; thence S. 88°35'45" W. 97.59 feet; thence N. 12°33'10" W. 164.16 feet; thence N. 0°17'31" W. 197.95 feet to the point of beginning.

PARCEL L:

Township 1 South, Range 37 E.B.M., Bingham County, Idaho

Section 3: ~~N $\frac{1}{2}$ NW $\frac{1}{4}$~~ , ~~S $\frac{1}{2}$ NW $\frac{1}{4}$~~ , Lots 3 and 4; **EXCEPTING** from said Lots 3 and 4: Beginning at a point that is E. 1,249.8 feet along the Section line from the NW corner of said Section 3; and running thence E. along the Section line 395 feet to the center line of the Union Pacific Railroad spur track; thence following said center line of spur track southwesterly along a 10° curve to the right 456.3 feet; thence N. 0°42' W. 209.2 feet to the point of beginning, less the strip of land 10 feet wide lying northerly and parallel to said spur track measured at right angles from the center line of said spur track, also less 33 feet across the north side of the above-described property contained in present road right-of-way; **ALSO EXCEPTING THEREFROM:** Beginning at the NW corner of said Section 3; thence E. along the Section line 1249.80 feet; thence S. 0°42' E. 387.42 feet; thence S. 89°08'23" W. 1054.64 feet; thence N. 0°30'42" W. 46.91 feet; thence S. 89°44' W. 200.10 feet; thence N. 0°00'52" E. 357.24 feet to the point of beginning.

PARCEL M:

Township 1 South, Range 37 E.B.M., Bingham County, Idaho

Section 11: ~~N $\frac{1}{2}$ NW $\frac{1}{4}$~~ ; ~~SW $\frac{1}{4}$ NW $\frac{1}{4}$~~ ; ~~NW $\frac{1}{4}$ SW $\frac{1}{4}$~~ ; and that portion of the ~~SE $\frac{1}{4}$ NW $\frac{1}{4}$~~ and ~~NE $\frac{1}{4}$ SW $\frac{1}{4}$~~ lying West of Sand Creek, **EXCEPTING THEREFROM:** County road right-of-way along the N. 25 feet of the ~~N $\frac{1}{2}$ NW $\frac{1}{4}$~~ , and County Road along the West Section line of said Section 11.

PARCEL N:

Part of the ~~S $\frac{1}{2}$ SE $\frac{1}{4}$~~ of Section 14, Township 1 South, Range 36 E.B.M., Bingham County, Idaho, described as: Beginning at a point that is N. 89°41'10" W. 486.93 feet along the section line to the E. bank of the Great Western Canal from the SE corner of said Section 14; and running thence N. 89°41'10" W. 2157.37 feet along the section line to the ~~S $\frac{1}{2}$~~ corner of said Section 14; thence N. 00°01'51" W. 1330.74 feet along the North-South center section line to the NW corner of said ~~S $\frac{1}{2}$ SE $\frac{1}{4}$~~ ; thence S. 89°53'51" E. 2462.18 feet along the N. line of said ~~S $\frac{1}{2}$ SE $\frac{1}{4}$~~ to the westerly right-of-way of a County road; thence along said Westerly County right-of-way the following three (3) courses (1) S. 13°07'04" W. 539.86 feet; (2) thence S. 01°33'33" W. 87.74 feet; (3) thence S. 16°35'53" E. 43.97 feet to the N. corner of Deed Instrument No. Book 43, Page 435; thence along said deed and easterly bank of said Great Western Canal following three (3) courses (1) S. 27°43'35" W. 106.44 feet; (2) thence S. 13°33'20" W. 506.99 feet; (3) thence S. 13°46'57" W. 98.28 feet to the point of beginning.

FIRST AMERICAN TITLE COMPANY

BINGHAM COUNTY RECORDER
BLACKFOOT, IDAHO

FEE 1800 SEP 29

472876

DEED

98 DEC 31 AM 11:52

RECORDED AT THE REQUEST OF

FOR VALUE RECEIVED, The Pillsbury Company, a corporation duly organized and existing under the laws of the State of Delaware, Grantor, does hereby bargain, sell, convey and quitclaim unto Grantee, the following described real estate, situated in Bingham County, Idaho, to-wit: Basic American, Inc.,

See Attachment A.

together with all tenements, hereditaments and appurtenances belonging thereto including, without limitation, all water, water rights, ditch and ditch rights, if any. Grantor covenants and represents that:

- (1) This Deed conveys after-acquired title; and
- (2) Grantor has not made, done, executed or suffered any act or thing whereby the above-described property or any part thereof, now or at any time hereafter, shall or may be imperiled, charged or incumbered in any manner, and Grantor will warrant the title to the above-described property against all persons claiming the same from or through Grantor as a result of any such act or thing.

Dated: December 31, 1998

THE PILLSBURY COMPANY

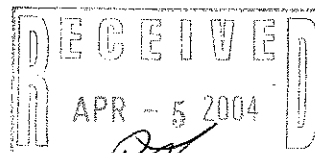
By David E. Schmitt
Its Vice President

STATE OF MINNESOTA)
)ss.
COUNTY OF HENNEPIN)

On this 29th day of December, 1998, before me, a Notary Public in and for said State, personally appeared David E. Schmitt of the corporation that executed this instrument or the persons who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.



Richard G. Erstad
Notary Public for the State of Minnesota
Residing at St. Paul



Attachment A

TRACT A:

Lot 7 in Block 28 of the City of Shelley, Bingham County, Idaho, according to the recorded Plat thereof; **TOGETHER WITH** that portion of Vacated Elm Street between Blocks 28 and 29 of said City of Shelley from the Westerly line of the intersection of Elm Street and South Emerson and running thence Westerly to the Railroad right-of-way line.

TRACT B:

All of Block 29 of the City of Shelley, Bingham County, Idaho, according to the recorded Plat thereof, **EXCEPT** fractional Lot 9; **TOGETHER WITH** that portion of Vacated Alley lying between Lots 2, 3, 4, 5, 6, 7 and 8 in said Block 29.

TRACT C:

A portion of the SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E. B. M., Bingham County, Idaho, described as: Beginning at a point which is W. 728.5 feet along the East-West centerline from the E $\frac{1}{4}$ of said Section 32, and running thence S. 393.3 feet; thence E. 408.4 feet; thence S. 926.7 feet; thence W. 1299.9 feet; thence N. 551 feet; thence W. 100 feet to the railroad right-of-way; thence N. 30°00'00" E. along said right-of-way to its intersection with the E. line of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32; thence N. to the NE corner of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32; thence E. along said North line (East-West centerline) 591.5 feet, to the point of beginning, **EXCEPTING THEREFROM** Railroad right-of-way; **ALSO EXCEPTING** a strip 1 rod wide along the East side of the railroad; **ALSO EXCEPTING:** Beginning at the point of intersection of the centerlines of Park Avenue and Fir Street in the City of Shelley, Bingham County, Idaho, and running thence W. along the centerline of said Fir Street 756.98 feet; thence S. 00°01'40" W. 642.12 feet to the **TRUE POINT OF BEGINNING**; running thence S. 00°01'40" W. 244.00 feet; thence S. 89°56'57" W. 535.22 feet; thence N. 00°03'03" W. 244 feet; thence N. 89°56'57" E. 535.55 feet to the **TRUE POINT OF BEGINNING**. **ALSO EXCEPTING:** Beginning at a point 1714.12 feet N. 89°47'36" E. and 1570.78 feet N. 0°22'06" W. from the SW $\frac{1}{4}$ corner of Section 32, Township 1 North, Range 37 E.B.M.; and running thence N. 0°22'06" W. 90.00 feet; thence S. 89°37'54" W. 50.00 feet; thence S. 0°22'06" E. 90.00 feet; thence N. 89°37'54" E. 50.00 feet to the point of beginning.

TRACT D:

The Northerly 9.85 feet of Fir Street, between Emerson Avenue and the Union Pacific Railroad, in Block 29 of the City of Shelley, Bingham County, Idaho, according to the recorded Plat thereof.

(Continued)

The land description continues:

TRACT E:

A portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Beginning at a point that is N. 89°58'20" W. along the East-West centerline of said Section 32, 320 feet and S. 00°01'40" W. 132.48 feet from the E $\frac{1}{4}$ corner of said Section 32, and running thence S. 00°01'40" W. 101.52 feet; thence W. 184 feet; thence N. 00°01'40" E. 240 feet; thence E. 127 feet; thence S. 00°01'40" W. 132.3 feet; thence S. 89°58'20" E. 57 feet, more or less, to the point of beginning.

TRACT F:

A portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Beginning at a point which is W. 643.5 feet from the E $\frac{1}{4}$ corner of said Section 32, and running thence S. 241 feet; thence E. 323.4 feet; thence S. 152.3 feet; thence W. 408.4 feet; thence N. 393.3 feet; thence E. 85 feet to the point of beginning.

TRACT G:

A portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Commencing at a point 504 feet W. of the NE corner of NE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32, and running thence S. 240 feet; thence W. 70 feet; thence N. 240 feet; thence E. 70 feet to the point of beginning.

TRACT H:

A portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Commencing at a point 574 feet W. of the NE corner of NE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32, and running thence S. 240 feet; thence W. 69.5 feet; thence N. 240 feet; thence E. 69.50 feet to the point of beginning.

TRACT I:

A portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Beginning at a point that is N. 89°58'20" W. along the East-West centerline of said Section 32, 320 feet and S. 00°01'40" W. 132.48 feet from the E $\frac{1}{4}$ corner of said Section 32, running thence N. 89°58'20" W. 57 feet, thence N. 00°01'40" E. 132.3 feet, thence E. 57 feet, thence S. 00°01'40" W. 132.32 feet to the point of beginning.

(Continued)

The land description continues:

PARCEL J:

A portion of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26, Township 1 South, Range 35 E.B.M., Bingham County, Idaho, described as:

Beginning at a point that is S. 89°54'15" E. 2640.26 feet along the section line to the S $\frac{1}{4}$ corner of said Section 26 and N. 00°00' E. 1844.24 feet along the North-South center section line and N. 90°00' 25.00 feet to the True Point of Beginning from the SW corner of said Section 26, said True Point of Beginning being 25 feet W. and 795 feet S. of the NE corner of said SW $\frac{1}{4}$ and running thence S. 69°08'00" W. 45.70 feet; thence S. 90°00' W. 317.58 feet; thence S. 30°30' E. 509.12 feet; thence S. 90°00' E. 120.00 feet to the westerly right-of-way of a county road; thence N. 04°25'47" W. 192.73 feet along said westerly right-of-way; thence N. 00°42'14" W. 262.82 feet along said westerly right-of-way to the point of beginning.

PARCEL K:

That portion of the S $\frac{1}{4}$ SW $\frac{1}{4}$ lying easterly of the East Branch of the Snake River Valley Irrigation Canal and westerly of Sand Creek, all in Section 2, Township 1 South, Range 37 E.B.M., Bingham County, Idaho; EXCEPTING THEREFROM the S. 25 feet for road right-of-way. ALSO,

Township 1 South, Range 37 E.B.M., Bingham County, Idaho

Section 2: Lot 3, NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$; EXCEPTING THEREFROM: Beginning at a point that is E. 1546.48 feet along the section line, from the NW corner of said Section 2, thence E. 136.31 feet along said Section line; thence S. 0°18'57" W. 356.24 feet; thence S. 88°35'45" W. 97.59 feet; thence N. 12°33'10" W. 164.16 feet; thence N. 0°17'31" W. 197.95 feet to the point of beginning.

(Continued)

The land description continues:

PARCEL L:

Township 1 South, Range 37 E.B.M., Bingham County, Idaho

Section 3: ~~N~~~~W~~~~1~~/~~4~~, ~~S~~~~W~~~~1~~/~~4~~, Lots 3 and 4; EXCEPTING from said Lots 3 and 4: Beginning at a point that is E. 1,249.8 feet along the Section line from the NW corner of said Section 3; and running thence E. along the Section line 395 feet to the center line of the Union Pacific Railroad spur track; thence following said center line of spur track southwesterly along a 10° curve to the right 456.3 feet; thence N. 0°42' W. 209.2 feet to the point of beginning, less the strip of land 10 feet wide lying northerly and parallel to said spur track measured at right angles from the center line of said spur track, also less 33 feet across the north side of the above-described property contained in present road right-of-way; ALSO EXCEPTING THEREFROM: Beginning at the NW corner of said Section 3; thence E. along the Section line 1249.80 feet; thence S. 0°42' E. 387.42 feet; thence S. 89°08'23" W. 1054.64 feet; thence N. 0°00'42" W. 46.91 feet; thence S. 89°44' W. 200.10 feet; thence N. 0°00'52" E. 357.24 feet to the point of beginning.

PARCEL M:

Township 1 South, Range 37 E.B.M., Bingham County, Idaho

Section 11: ~~N~~~~W~~~~1~~/~~4~~; ~~S~~~~W~~~~1~~/~~4~~; ~~N~~~~W~~~~1~~/~~4~~; and that portion of the ~~SE~~~~N~~~~W~~~~1~~/~~4~~ and ~~NE~~~~S~~~~W~~~~1~~/~~4~~ lying West of Sand Creek, EXCEPTING THEREFROM: County road right-of-way along the N. 25 feet of the ~~N~~~~W~~~~1~~/~~4~~, and County Road along the West Section line of said Section 11.

(Continued)

The land description continues:

PARCEL N:

Part of the S $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 14, Township 1 South, Range 36 E.B.M., Bingham County, Idaho, described as: Beginning at a point that is N. 89°41'10" W. 486.93 feet along the section line to the E. bank of the Great Western Canal from the SE corner of said Section 14; and running thence N. 89°41'10" W. 2157.37 feet along the section line to the S $\frac{1}{4}$ corner of said Section 14; thence N. 00°01'51" W. 1330.74 feet along the North-South center section line to the NW corner of said S $\frac{1}{4}$ SE $\frac{1}{4}$; thence S. 89°53'51" E. 2462.18 feet along the N. line of said S $\frac{1}{4}$ SE $\frac{1}{4}$ to the westerly right-of-way of a County road; thence along said Westerly County right-of-way the following three (3) courses (1) S. 13°07'04" W. 539.86 feet; (2) thence S. 01°33'33" W. 87.74 feet; (3) thence S. 16°35'53" E. 43.97 feet to the N. corner of Deed Instrument No. Book 43, Page 435; thence along said deed and easterly bank of said Great Western Canal following three (3) courses (1) S. 27°43'36" W. 106.44 feet; (2) thence S. 13°33'20" W. 506.99 feet; (3) thence S. 13°46'57" W. 98.28 feet to the point of beginning.

172876

No. 1402.92
(792)
Owner's Policy



POLICY OF TITLE INSURANCE



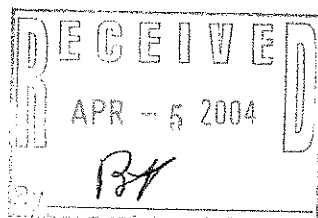
ISSUED BY

First American Title Insurance Company

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.



First American Title Insurance Company

BY *Parker S. Kennedy*

PRESIDENT

ATTEST

Mark R. Amey

SECRETARY

COUNTERSIGNED:
FIRST AMERICAN TITLE COMPANY
Jim Wood
Title Officer

1055325

EXCLUSIONS FROM COVERAGE

Others are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which

ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date _____.

Governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

dominant domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

Liens, encumbrances, adverse claims or other matters:

...suffered, assumed or agreed to by the insured claimant;

known to the Company; not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company

insured claimant prior to the date the insured claimant
incurred no loss or damage to the insured claimant;

thing or created subsequent to Date of Policy; or

...or created subsequent to Date of Policy, or
...in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy law, or similar creditors' rights laws, that is based on:

...the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or

transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the

to timely record the instrument of transfer; or

of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS AND STIPULATIONS

DEFINITION OF TERMS.

Following terms when used in this policy mean:

insured; the insured named in Schedule A, and, if no rights or defenses the Company would have against the named insured, those who succeed to the rights of the named insured by operation of law as to the interest from purchase including, but not limited to, heirs, devisees, survivors, personal representatives, or for corporate or fiduciary successors.

insured claimantTM: an insured claiming loss or

"knowledge" or "known": actual knowledge, not knowledge or notice which may be imputed to a person on the basis of the public records as defined in this act or other records which impart constructive notice affecting the land.

and the land described or referred to in said improvements affixed thereto which by law constitute property. The term "land" does not include any of the lines of the area described or referred to in (A), nor any right, title, interest, estate or claim in or to any streets, roads, avenues, alleys, lanes, highways, but nothing herein shall modify or limit the right of access to and from the land in which a right of access to and from the land is shown on this policy.

"mortgage": mortgage, deed of trust, trust deed, security instrument.

public records": records established under state Date of Policy for the purpose of imparting notice of matters relating to real property to the value and without knowledge. With respect to (IV) of the Exclusions From Coverage, "public records" also include environmental protection liens filed in the records of the clerk of the United States district court in which the land is located.

Unmarketability of the title": an alleged defect affecting the title to the land, not excluded on the coverage, which would entitle a purchaser of an interest described in Schedule A to be released from obligation to purchase by virtue of a contractual provision requiring the delivery of marketable title.

CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

coverage of this policy shall continue in force as

by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS
TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. LIABILITY NONCUMULATIVE.

It is expressly understood that the Amount of Insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT
OR SETTLEMENT.

(a) The Company's Right of Subrogation.
Whenever the Company shall have settled and paid

This policy shall not continue in force in the event of the death of the insured or the death of the insured from the insured of either (i) an estate interest in the insured, as insured, and which might be subject to a mortgage given to the insured.

CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing of any litigation as set forth in Section 4(a) of these Conditions. Knowledge shall come to an insured claimant of title or interest which is adverse to the insured estate or interest, as insured, and which might be subject to a mortgage given to the insured, as insured, or (iii) if title to the estate or interest, as insured, is unmarketable. If prompt notice shall be given to the Company, then as to the insured all liability shall terminate with regard to the matter or matters in which prompt notice is required; provided, the insured shall not be prejudiced by the failure and then only to the prejudice.

DEFENSE AND PROSECUTION OF ACTIONS: INSURED CLAIMANT TO COOPERATE.

Upon written request by the insured and subject to the provisions contained in Section 6 of these Conditions and the Company, at its own cost and without delay, shall provide for the defense of an action in which any third party asserts a claim against the insured estate or interest as insured, but only as to those causes of action alleging a defect, lien or encumbrance on other matter insured against by this policy. The insured shall have the right to select counsel of its choice to represent the insured as to those stated causes of action. The Company shall not be liable for and will not pay the fees of counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

The Company shall have the right, at its own cost, to defend and prosecute any action or proceeding or to do so in which in its opinion may be necessary or proper to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under this policy, whether or not it shall be liable therefor, and shall not thereby concede liability or waive any part of this policy. If the Company shall exercise its right under this paragraph, it shall do so diligently.

Whenever the Company shall have brought an action or proceeding as required or permitted by this policy, the Company may pursue any action or proceeding, and shall not be liable therefor, and shall not thereby concede liability or waive any part of this policy. If the Company shall exercise its right under this paragraph, it shall do so diligently.

In all cases where this policy permits or requires the insured to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company, at its option, the name of the insured for this action or proceeding. Whenever requested by the Company, the insured, at the expense of the insured, shall give the Company all necessary assistance in obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any action or proceeding in which in the opinion of the Company may be desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company shall not be liable under the policy shall not be liable for any liability or obligation to defend, prosecute or continue any litigation, with regard to the matter requiring such cooperation.

PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under these Conditions and Stipulations have been given to the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall

(b) To Pay or Otherwise Settle With Parties Other than Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is less, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this Policy is subject to the following:

(i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the Amount of Insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or (ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT.

If the land described in Schedule (A)(C) consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the Amount of Insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the Company

shall not be liable for any loss or damage sustained or incurred by the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION.

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company

FIRST AMERICAN



First American Title Insurance Company

POLICY
OF
TITLE
INSURANCE



SCHEDULE A

Order No. 39523

Policy No. J - 1055325

Amount of Insurance: \$13,300,000.00

Premium \$34,785.00

Date of Policy: December 31, 1998, at 11:52 a.m.

1. Name of Insured:

BASIC AMERICAN, INC.

2. The estate or interest in the land which is covered by this policy is:

A FEE SIMPLE IN TRACTS A, B, C, D, E, F, G, H, I, J, K, L, M, N AND AN
EASEMENT OVER, UPON AND ACROSS TRACT O

3. Title to the estate or interest in the land is vested in:

BASIC AMERICAN, INC.

4. The land referred to in this policy is described as follows:

TRACT A:

Lot 7 in Block 28 of the City of Shelley, Bingham County, Idaho, according to the recorded Plat thereof; **TOGETHER WITH** that portion of Vacated Elm Street between Blocks 28 and 29 of said City of Shelley from the Westerly line of the intersection of Elm Street and South Emerson and running thence Westerly to the Railroad right-of-way line.

(Continued)

SCHEDULE A

Order No. 39523

Policy No. J - 1055325

The land description continues:

TRACT B:

All of Block 29 of the City of Shelley, Bingham County, Idaho, according to the recorded Plat thereof, **EXCEPT** fractional Lot 9; **TOGETHER WITH** that portion of Vacated Alley lying between Lots 2, 3, 4, 5, 6, 7 and 8 in said Block 29.

TRACT C:

A portion of the SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E. B. M., Bingham County, Idaho, described as: Beginning at a point which is W. 728.5 feet along the East-West centerline from the E $\frac{1}{4}$ of said Section 32, and running thence S. 393.3 feet; thence E. 408.4 feet; thence S. 926.7 feet; thence W. 1299.9 feet; thence N. 551 feet; thence W. 100 feet to the railroad right-of-way; thence N. 30°00'00" E. along said right-of-way to its intersection with the E. line of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32; thence N. to the NE corner of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32; thence E. along said North line (East-West centerline) 591.5 feet, to the point of beginning, **EXCEPTING THEREFROM** Railroad right-of-way; **ALSO EXCEPTING** a strip 1 rod wide along the East side of the railroad; **ALSO EXCEPTING:** Beginning at the point of intersection of the centerlines of Park Avenue and Fir Street in the City of Shelley, Bingham County, Idaho, and running thence W. along the centerline of said Fir Street 756.98 feet; thence S. 00°01'40" W. 642.12 feet to the **TRUE POINT OF BEGINNING**; running thence S. 00°01'40" W. 244.00 feet; thence S. 89°56'57" W. 535.22 feet; thence N. 00°03'03" W. 244 feet; thence N. 89°56'57" E. 535.55 feet to the **TRUE POINT OF BEGINNING**. **ALSO EXCEPTING:** Beginning at a point 1714.12 feet N. 89°47'36" E. and 1570.78 feet N. 0°22'06" W. from the S $\frac{1}{4}$ corner of Section 32, Township 1 North, Range 37 E.B.M.; and running thence N. 0°22'06" W. 90.00 feet; thence S. 89°37'54" W. 50.00 feet; thence S. 0°22'06" E. 90.00 feet; thence N. 89°37'54" E. 50.00 feet to the point of beginning.

TRACT D:

The Northerly 9.85 feet of Fir Street, between Emerson Avenue and the Union Pacific Railroad, in Block 29 of the City of Shelley, Bingham County, Idaho, according to the recorded Plat thereof.

(Continued)

SCHEDULE A

Order No. 39523

Policy No. J - 1055325

The land description continues:

TRACT E:

A portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Beginning at a point that is N. 89°58'20" W. along the East-West centerline of said Section 32, 320 feet and S. 00°01'40" W. 132.48 feet from the E $\frac{1}{4}$ corner of said Section 32, and running thence S. 00°01'40" W. 101.52 feet; thence W. 184 feet; thence N. 00°01'40" E. 240 feet; thence E. 127 feet; thence S. 00°01'40" W. 132.3 feet; thence S. 89°58'20" E. 57 feet, more or less, to the point of beginning.

TRACT F:

A portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Beginning at a point which is W. 643.5 feet from the E $\frac{1}{4}$ corner of said Section 32, and running thence S. 241 feet; thence E. 323.4 feet; thence S. 152.3 feet; thence W. 408.4 feet; thence N. 393.3 feet; thence E. 85 feet to the point of beginning.

TRACT G:

A portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Commencing at a point 504 feet W. of the NE corner of NE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32, and running thence S. 240 feet; thence W. 70 feet; thence N. 240 feet; thence E. 70 feet to the point of beginning.

TRACT H:

A portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Commencing at a point 574 feet W. of the NE corner of NE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32, and running thence S. 240 feet; thence W. 69.5 feet; thence N. 240 feet; thence E. 69.50 feet to the point of beginning.

TRACT I:

A portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, Township 1 North, Range 37 E.B.M., Bingham County, Idaho, described as: Beginning at a point that is N. 89°58'20" W. along the East-West centerline of said Section 32, 320 feet and S. 00°01'40" W. 132.48 feet from the E $\frac{1}{4}$ corner of said Section 32, running thence N. 89°58'20" W. 57 feet, thence N. 00°01'40" E. 132.3 feet, thence E. 57 feet, thence S. 00°01'40" W. 132.32 feet to the point of beginning.

(Continued)

SCHEDULE A

Order No. 39523

Policy No. J - 1055325

The land description continues:

TRACT J:

A portion of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26, Township 1 South, Range 35 E.B.M., Bingham County, Idaho, described as:

Beginning at a point that is S. 89°54'15" E. 2640.26 feet along the section line to the S $\frac{1}{4}$ corner of said Section 26 and N. 00°00' E. 1844.24 feet along the North-South center section line and N. 90°00' 25.00 feet to the True Point of Beginning from the SW corner of said Section 26, said True Point of Beginning being 25 feet W. and 795 feet S. of the NE corner of said SW $\frac{1}{4}$ and running thence S. 69°08'00" W. 45.70 feet; thence S. 90°00' W. 317.58 feet; thence S. 30°30' E. 509.12 feet; thence S. 90°00' E. 120.00 feet to the westerly right-of-way of a county road; thence N. 04°25'47" W. 192.73 feet along said westerly right-of-way; thence N. 00°42'14" W. 262.82 feet along said westerly right-of-way to the point of beginning.

TRACT K:

That portion of the S $\frac{1}{4}$ SW $\frac{1}{4}$ lying easterly of the East Branch of the Snake River Valley Irrigation Canal and westerly of Sand Creek, all in Section 2, Township 1 South, Range 37 E.B.M., Bingham County, Idaho; **EXCEPTING THEREFROM** the S. 25 feet for road right-of-way. **ALSO,**

Township 1 South, Range 37 E.B.M., Bingham County, Idaho

Section 2: Lot 3, NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$; **EXCEPTING THEREFROM:** Beginning at a point that is E. 1546.48 feet along the section line, from the NW corner of said Section 2, thence E. 136.31 feet along said Section line; thence S. 0°18'57" W. 356.24 feet; thence S. 88°35'45" W. 97.59 feet; thence N. 12°33'10" W. 164.16 feet; thence N. 0°17'31" W. 197.95 feet to the point of beginning.

(Continued)

SCHEDULE A

Order No. 39523

Policy No. J - 1055325

The land description continues:

TRACT L:

Township 1 South, Range 37 E.B.M., Bingham County, Idaho

Section 3: ~~N $\frac{1}{4}$ NW $\frac{1}{4}$~~ , ~~S $\frac{1}{4}$ NW $\frac{1}{4}$~~ , Lots 3 and 4; **EXCEPTING** from said Lots 3 and 4: Beginning at a point that is E. 1,249.8 feet along the Section line from the NW corner of said Section 3; and running thence E. along the Section line 395 feet to the center line of the Union Pacific Railroad spur track; thence following said center line of spur track southwesterly along a 10° curve to the right 456.3 feet; thence N. 0°42' W. 209.2 feet to the point of beginning, less the strip of land 10 feet wide lying northerly and parallel to said spur track measured at right angles from the center line of said spur track, also less 33 feet across the north side of the above-described property contained in present road right-of-way; **ALSO EXCEPTING THEREFROM:** Beginning at the NW corner of said Section 3; thence E. along the Section line 1249.80 feet; thence S. 0°42' E. 387.42 feet; thence S. 89°08'23" W. 1054.64 feet; thence N. 0°00'42" W. 46.91 feet; thence S. 89°44' W. 200.10 feet; thence N. 0°00'52" E. 357.24 feet to the point of beginning.

TRACT M:

Township 1 South, Range 37 E.B.M., Bingham County, Idaho

Section 11: ~~N $\frac{1}{4}$ NW $\frac{1}{4}$~~ ; ~~SW $\frac{1}{4}$ NW $\frac{1}{4}$~~ ; ~~NW $\frac{1}{4}$ SW $\frac{1}{4}$~~ ; and that portion of the ~~SE $\frac{1}{4}$ NW $\frac{1}{4}$~~ and ~~NE $\frac{1}{4}$ SW $\frac{1}{4}$~~ lying West of Sand Creek, **EXCEPTING THEREFROM:** County road right-of-way along the N. 25 feet of the ~~N $\frac{1}{4}$ NW $\frac{1}{4}$~~ , and County Road along the West Section line of said Section 11.

(Continued)

SCHEDULE A

Order No. 39523

Policy No. J - 1055325

The land description continues:

TRACT N:

Part of the S $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 14, Township 1 South, Range 36 E.B.M., Bingham County, Idaho, described as: Beginning at a point that is N. 89°41'10" W. 486.93 feet along the section line to the E. bank of the Great Western Canal from the SE corner of said Section 14; and running thence N. 89°41'10" W. 2157.37 feet along the section line to the S $\frac{1}{4}$ corner of said Section 14; thence N. 00°01'51" W. 1330.74 feet along the North-South center section line to the NW corner of said S $\frac{1}{4}$ SE $\frac{1}{4}$; thence S. 89°53'51" E. 2462.18 feet along the N. line of said S $\frac{1}{4}$ SE $\frac{1}{4}$ to the westerly right-of-way of a County road; thence along said Westerly County right-of-way the following three (3) courses (1) S. 13°07'04" W. 539.86 feet; (2) thence S. 01°33'33" W. 87.74 feet; (3) thence S. 16°35'53" E. 43.97 feet to the N. corner of Deed Instrument No. Book 43, Page 435; thence along said deed and easterly bank of said Great Western Canal following three (3) courses (1) S. 27°43'36" W. 106.44 feet; (2) thence S. 13°33'20" W. 506.99 feet; (3) thence S. 13°46'57" W. 98.28 feet to the point of beginning.

TRACT O:

An easement for all purposes over, upon and accross the following described land:

Beginning at a point of intersection of the centerline of Park Avenue and Fir Street in the City of Shelley, Bingham County, Idaho, and running thence W. along the centerline of said Fir Street 756.98; thence S. 0°01'40" W. 886.12 feet to the True Point of Beginning; running thence S. 0°01'40" W. 60.00 feet; thence S. 89°56'57" W. 535.14 feet; thence N. 0°03'03" W. 60 feet; thence N. 89°56'57" E. 535.22 feet to the True Point of Beginning.

SCHEDULE B

Order No. 39523

Policy No. J - 1055325

EXCEPTIONS FROM COVERAGE

Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

General taxes for 1998, in the following original amounts and Parcel Nos. of which the first half is paid, the balance are a lien now due and payable, not yet delinquent:

\$ 13,553.46	Parcel No. 20378.03	(covers Tracts A & B)
\$ 454.26	Parcel No. 20861.00	(covers Tracts C, D & F)
\$ 185.04	Parcel No. 20862.00	(covers Tracts G & H)
\$ 270.98	Parcel No. 20863.02	(covers Tract E)
\$ 114.12	Parcel No. 20863.03	(covers Tract I)
\$ 38.12	Parcel No. 02763.00,	(Covers Tract J)
\$ 448.66	Parcel No. 04903.00,	(Covers Tract K)
\$ 730.38	Parcel No. 04904.02,	(Covers Tract K)
\$ 1379.90	Parcel No. 04928.00,	(Covers Tract L)
\$ 274.42	Parcel No. 05042.00,	(Covers Tract M)
\$ 1670.08	Parcel No. 05048.00,	(Covers Tract M)
\$ 409.72	Parcel No. 03855.00,	(Covers Tract N)

Levies and assessments of Snake River Valley Irrigation District.
(Covers Tracts J, K, and L)

Right-of-way granted to American Telephone and Telegraph Co. of Wyoming for its lines and the lines of other companies over the SE $\frac{1}{4}$ of said Section 14, recorded in Book I of Miscellaneous, Page 564.
(Tract N)

Right-of-way as granted to East Line Canal Company for a strip of land three (3) rods wide running in a Southerly direction through NW $\frac{1}{4}$ of said Section 11 and other land, by Instrument recorded September 10, 1900, in Book W of Deeds, Page 357.
(Tract M)

(Continued)

SCHEDULE B

Order No. 39523

Policy No. J - 1055325

EXCEPTIONS FROM COVERAGE

Exception in Deed dated February 9, 1903, as to a right-of-way for a four-foot ditch at base of butte in NW corner of said tract, recorded February 10, 1903, in Book Z of Deeds, Page 107.

(Tract M)

Levies and assessments of Idaho Irrigation District.

(Tract M)

Levies and assessments of New Sweden Irrigation District.

(Tract N)

Ditch rights-of-way over SW $\frac{1}{4}$ of Section 2, Township 1 South, Range 37 E.B.M., and other land, as granted by Ralph Edmunds and Kathryne Edmunds, his wife, to Herman J. Hasbrouck, by Instrument dated June 3, 1914, recorded June 8, 1914, in Book 25 of Deeds, Page 251. (Tract K)

Deed-Easement dated May 21, 1917, executed by Utah-Idaho Sugar Co., a corporation to Utah Power & Light Co., recorded September 26, 1917, in Book 23 of Deeds, Page 403, along a line described as follows: Commencing on North boundary of grantors' land 1815 feet E. of the NW corner of Section 3, Township 1 South, Range 37 E.B.M., thence S. 0°15' E. 838 feet to angle point, thence N. 86°45' W. 1380 feet, all being within the NW $\frac{1}{4}$ of said Section 3.

(Tract L)

Easement granted by Utah-Idaho Sugar Co. to Oregon Short Line Railroad Company, a Utah Corporation, over a strip of land 17 feet wide, being 8.5 feet on each side of center line of each of the present spur tracks of said Oregon Short Line Railroad as same are now located upon grantors property in Lots 3 and 4 in Section 3, Township 1 South, Range 37 E.B.M., together with a right-of-way of similar width for any trackage that may be hereafter constructed upon the above described property by said Oregon Short Line Railroad Company, its successors or assigns, by Instrument recorded March 22, 1918 in Book D of Miscellaneous Records, Page 155.

(Continued)

SCHEDULE B

Order No. 39523

Policy No. J - 1055325

EXCEPTIONS FROM COVERAGE

A perpetual easement and right of way for the erection and continued maintenance, repair, alteration and replacement of an electrical substation for use in the transmission and distribution of electrical energy and for all purposes incidental thereto, over and upon Beginning on South side of the County Road 10 feet W. of power transmission line which point is approximately 33 feet S. and 1805 feet E. of the NW corner of Section 3, Township 1 South, Range 37 E.B.M., thence running E. 40 feet, thence S. 32 feet, thence W. 40 feet, thence N. 32 feet to the point of beginning, as granted by Utah Idaho Sugar Company, A Corporation, to Utah Power Company, A Corporation, by Instrument recorded September 6, 1922, in Book 42 of Deeds, Page 41.

The interest of Utah Power Company, A Corporation conveyed to Utah Power & Light Company, A Maine Corporation, by Instrument recorded September 6, 1922, in book 42 of Deeds, Page 32.

(Tract Parcel L)

9. A perpetual easement and right-of-way for transmission line and 4-2 pole towers with guys and other attachments affixed thereto across a tract of land 50 feet in width, being 25 feet on each side of the following described tract: Beginning at a point 190 feet N. and 1320 feet E., more or less, from the W $\frac{1}{4}$ corner of said Section 11, thence N. 25°11' E. 1219 feet to a fence line on the North boundary of said land, by Instrument dated June 13, 1952, executed by James C. Hamilton and Ruth H. Hamilton, his wife, to Utah Power & Light Company, a corporation, recorded October 30, 1952, as Instrument No. 27958.

(Tract M)

(Continued)

SCHEDULE B

Order No. 39523

Policy No. J - 1055325

EXCEPTIONS FROM COVERAGE

A perpetual easement and right-of-way for transmission line and 4-2 pole towers with guys and other attachments affixed thereto across a tract of land 50 feet in width, being 25 feet on each side of the following described tract: Beginning at fence on South boundary line of grantor's land at a point 1320 feet N. and 625 feet E., more or less, from the SW corner of said Section 11, thence N. 25°11' E. 1658 feet to fence on East boundary line of said land; also beginning at fence on South boundary line of grantor's land at a point 1320 feet S. and 770 feet W., more or less, from the N $\frac{1}{4}$ corner of said Section 11, thence N. 25°11' E. 1463 feet to the North boundary line of said land at South fence of County Road and being in the NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, and NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 11, by Instrument dated June 12, 1952, executed by L.C. Christensen and Lottie Christensen, his wife, to Utah Power & Light Company, a corporation, recorded October 30, 1952, as Instrument No. 27959.

(Tract M)

Pole Line Easement as granted to Utah Power & Light Company, A Corporation over Beginning at an existing pole on the grantors' land at a point 1,320 feet S. and 320 feet W., more or less from the E $\frac{1}{4}$ corner of Section 32, Township 1 North, Range 37 E.B.M., thence Westerly 475 feet on said land and being in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32, by Instrument recorded January 8, 1969, as Instrument No. 144152, records of said County. (Covers part of Tract F)

Pole Line Easement as granted to Utah Power & Light Company, A Corporation over Beginning at the W. boundary fence of the grantors' land at a point 740 feet S. and 1,700 feet W., more or less, from the E $\frac{1}{4}$ corner of Section 32, Township 1 North, Range 37 E.B.M., thence S. 62°07'00" E. 1 foot on said land and being in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32, by Instrument recorded August 15, 1966, as Instrument No. 125517, records of said County. (Covers part of Tract F)

(Continued)

SCHEDULE B

Order No. 39523

Policy No. J - 1055325

EXCEPTIONS FROM COVERAGE

Right-of-way for ingress and egress over and across Beginning at the point of intersection of the centerlines of Park Avenue and Fir Street in the City of Shelley, Bingham County, Idaho, running thence W. along the centerline of said Fir Street 711.98 feet, thence S. 00°01'40" W. 49.50 feet to the TRUE POINT OF BEGINNING, thence S. 00°01'40" W. 392.96 feet, thence S. 89°58'20" E. 5 feet, thence S. 0°01'40" W. 926.68 feet, thence N. 89°58'20" W. 50 feet, thence N. 00°01'40" E. 1,319.62 feet, thence E. 50 feet to the TRUE POINT OF BEGINNING; also an easement over Beginning at the point of intersection of the centerline of Park Avenue and Fir street in the said City of Shelley, running thence W. along the centerline of said Fir street 756.98 feet, thence S. 00°01'40" W. 582.12 feet to the TRUE POINT OF BEGINNING, running thence S. 00°01'40" W. 60 feet, thence S. 89°56'57" W. 535.55 feet, thence S. 00°03'03" E. 244 feet, thence N. 89°56'57" E. 535.22 feet, thence S. 00°01'40" W. 60 feet, thence S. 89°56'57" W. 595.14 feet, thence N. 00°03'03" W. 364 feet, thence N. 89°56'57" E. 595.64 feet to the TRUE POINT OF BEGINNING; as granted by The R. T. French Company, A Corporation, to Shelley Investment, A Partnership, by Instrument recorded May 18, 1984, as Instrument No. 321145, records of said County.

Right-of-way as granted to Mountain States Telephone and Telegraph Company, for its lines and the lines of other companies over: Beginning at a point that is S. 213.5 feet from the NW corner of said Section 11, thence E. 30 feet, more or less, to the East boundary fence line of the County Road (Butte Road) right-of-way, said point being the real point of beginning; thence E. 20 feet, end of easement, by Instrument recorded May 21, 1984, as Instrument 321247.
(Tract M)

Easement upon the terms, conditions and provisions contained therein:

Dated: September 28, 1988

Parties: Shelley Investments, a Utah limited partnership, and The Pillsbury Company, Inc., a Delaware corporation

Recorded: October 7, 1988, as Instrument No. 375135

(Tract C)

(continued)

SCHEDULE B

Order No. 39523

Policy No. J - 1055325

EXCEPTIONS FROM COVERAGE

Easement for electric transmission lines granted to PacifiCorp, an Oregon corporation, dba Utah Power & Light Company, its successors in interest and assigns, recorded as Instrument No. 387631. (Tract L)

Access Easement granted to Pacificorp recorded as Instrument No. 387711. (Tract C)

Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or overlapping of improvements shown on surveys recorded as Instrument Nos. 323343 and 345456, and ALTA/ACSM Land Title Survey by Harper-Leavitt Engineering, Inc., dated December 18, 1998 as Job Nos. 98222, 98266 and 98265.

An inspection of said land discloses leasehold or other interest of Dave Kingston Produce.

ENDORSEMENT

Attached to Policy No. J 1055325

Issued By

First American Title Insurance Company

The Company hereby insures against loss which the Insured shall sustain by reason of any of the following matters:

1. Any incorrectness in the assurance which the Company hereby gives:
 - (a) That there are no present violations on the land of any enforceable covenants, conditions or restrictions;
 - (b) That, except as shown in Schedule B, there are no encroachments of buildings, structures, or improvements located on the land onto adjoining lands, nor any encroachments onto the land of buildings, structures or improvements located on adjoining lands.
2. Unmarketability of the title to the estate or interest by reason of any violations on the land, occurring prior to acquisition of title to the estate or interest by the Insured, of any covenants, conditions or restrictions.
3. Damage to existing building improvements,
 - (a) which are located or encroach upon the portion of the land subject to any easement shown in Schedule B, which damage results from the exercise of the right to use or maintain the easement for the purposes for which the same was granted or reserved;
 - (b) resulting from the exercise of any right to use the surface of the land for the extraction or development of the minerals excepted from the description of the land or shown as a reservation in Schedule B.
4. Any final court order or judgment requiring removal from any land adjoining the land of any encroachment shown in Schedule B.

Wherever in this endorsement any or all the words "covenants, conditions or restrictions" appear, they shall not be deemed to refer to or include the terms, covenants, conditions or restrictions contained in any lease.

No coverage is provided under this endorsement as to any covenant, condition, restriction or other provision relating to environmental protection.

ENDORSEMENT

Attached to Policy No. J 1055325
Order No. 39523

Issued By

First American Title Insurance Company

The Company insures the Insured against loss or damage sustained by reason of any incorrectness in the assurance that, at Date of Policy:

(a) According to applicable zoning ordinances and amendments thereto, Tracts A, B, C, D, E, F, G, H, I, and O are zoned M (Manufacturing), and Tracts J, K, L, M, and N are zoned A (Agricultural).

(b) The following use or uses are allowed under these classifications subject to compliance with any conditions, restrictions, or requirements contained in the zoning ordinances and amendments thereto, including but not limited to the securing of necessary consents or authorizations as a prerequisite to the use or uses:

M: General Agriculture, Warehousing, Animal Clinic, Auto Sales/Service, Auto Service Station, Broadcast Tower, Contractor Shop/Yard, Heavy Equipment Sales/Service, Livestock Auction, Sheet Metal Shop, Sign Painting Shop, Storage Units, Trucking Terminal Yard, Asphalt Plant, Bottling Plant, Cement Products Mfg., Chemical Storage/Dist., Concrete Batch Plant, Excavation, Factory Outlet, Fertilizer Stor./Dist., Grain Storage, Gravel Extraction, Machine Shop, Manufacturing Plant, Meat Pack/No Slaughter, Meat Pack/Slaughter, Monument Works, Planing/Saw Mill, Potato Packing Shed, Potato Processing, Public Utility Yard, Rock Crushing, Salvage Yard, Warehousing, Waste Treatment Plant, Utility Facility.

A: Mineral exploration, Recreation (other), General Agriculture, Feedlot, Poultry Operation, Dairies, Plant Nursery, Roadside Stand, Warehousing, Additional Dwelling, Home Occupation, Shelter Home (8 or fewer residents), Single family dwelling, Two family dwelling, Contractor Shop & Yard, Greenhouse, Kennel, Nursing Home (8 or fewer residents), Church, Public School.

2. The Company further insures against loss or damage arising from a final decree of a court of competent jurisdiction

(a) prohibiting the use of the land, with any structure presently located thereon, as specified in paragraph 1(b); or

ENDORSEMENT

Attached to Policy No. J 1055325

Issued By

First American Title Insurance Company

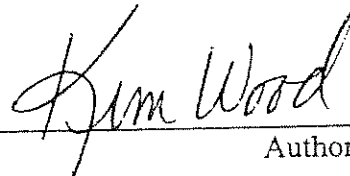
The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure Tracts A, B and D described in Schedule A to be contiguous, and Tracts C, E, F, G, H, and I to be contiguous.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: December 31, 1998, at 11:52 a.m.

First American Title Insurance Company

By:



Authorized Signatory

CLTA Form 116.4 (Rev. 6-14-96)

ENDORSEMENT

Attached to Policy No. J 1055325

Issued By

First American Title Insurance Company

The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure of the land to be the same as that delineated on the plats of surveys shown on Instrument Nos. 323343 and 345456, and ALTA/ACSM Land Title Surveys made by Harper Leavitt Engineering, Inc. on December 18, 1998, designated Job Nos. 98222, 98265, 98266.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: December 31, 1998, at 11:52 a.m.

First American Title Insurance Company

By: Kim Wood
Authorized Signatory

CLTA Form 116.1 (Rev. 6-14-96)

ENDORSEMENT

Attached to Policy No. J 1055325
Order No. 39523

Issued By

First American Title Insurance Company

(b) requiring the removal or alteration of the structure on the basis that, at Date of Policy, the ordinances and amendments thereto have been violated with respect to any of the following matters:

- (i) Area, width or depth of the land as a building site for the structure;
- (ii) Floor space area of the structure;
- (iii) Setback of the structure from the property lines of the land; or
- (iv) Height of the structure.

There shall be no liability under this endorsement based on the invalidity of the ordinances and amendments thereto until after a final decree of a court of competent jurisdiction adjudicating the invalidity, the effect of which is to prohibit the use or uses.

Loss or damage as to the matters insured against by this endorsement shall not include loss or damage sustained or incurred by reason of the refusal of any person to purchase, lease or lend money on the estate or interest covered by this policy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: December 31, 1998, at 11:52 a.m.

By: Kim Wood
First American Title Insurance Company
Authorized Signatory

CLTA Form 123.2 (Rev. 3-13-87)
ALTA Form 3.1 (6-1-87)

ENDORSEMENT

Attached to Policy No. J 1055325

Issued By

First American Title Insurance Company

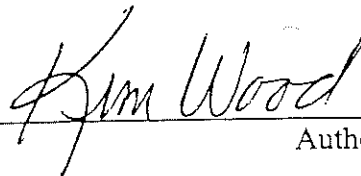
The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure of the land to abut upon a physically open street.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: December 31, 1998, at 11:52 a.m.

First American Title Insurance Company

By:



Authorized Signatory

CLTA Form 103.7 (Rev. 6-14-96)

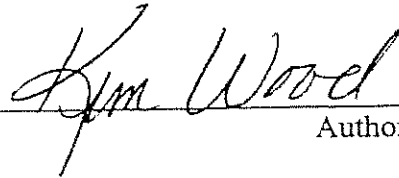
total liability of the Company under the policy and any endorsements therein shall not exceed, in the aggregate, the face amount of the policy and costs which the Company is obligated under the conditions and stipulations thereof to pay.

This endorsement is made a part of the policy and is subject to the schedules, conditions and stipulations therein, except as modified by the provisions hereof.

Dated: December 31, 1998, at 11:52 a.m.

First American Title Insurance Company

By:



Authorized Signatory

F.A. Form 31.1 (Revised 11-15-95)