

RECEIVED

JUL 18 2022

DEPT OF WATER RESOURCES
SOUTHERN REGIONSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**Notice of Security Interest in a Water Right**and a request to be notified of a change in ownership or any proposed
or final action to amend, transfer, or otherwise modify the water right(s)

Attach pages with additional information. Incomplete forms will be returned.

Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.
36-2190B	36-2668	36-15167B	
36-2453A	36-10904	36-15170B	
36-2453B	36-13065A		
36-2467	36-13065B		
36-2565B	36-13402		

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

- A) Evidence of the security interest. This may be a copy of a **DEED of TRUST, MORTGAGE, CONTRACT OF SALE** or other legal document indicating your interest in the property and water rights or claims in question, **WITH ATTACHED LEGAL DESCRIPTION.**

- B) A **FEE of \$25.00** per water right or adjudication claim.

3. Name and Mailing Address of Person or Company Holding Security Interest

Federal Agricultural Mortgage Corporation

1999 K. Street, NW, 4th Floor

Washington D.C. 2006

Attn: Farmer Mac Loan Operations

Phone 1-800-999-1814

Email loanoperations@farmermac.com

4. Name of Water Right Owner/Claimant(s)

Brown Willow, LLC

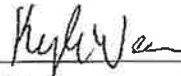
5. Expiration Date of Notification Period

April 9, 2026

6. Is this a Renewal of Request for Notification?

☐ YES☒ NO

7. Signature(s) of Security Interest Holder(s)



Title, if applicable

Kyle Weaver, Managing Director

SUPPORT DATA**IN FILE #** 36-2190B**For Office Use Only**Received by SG

Date

7/18/22Receipt No. 5039340

Fee

\$300.00

Processed by AJ

Date

WR DM

Date

8-8-2022

Instrument # 694828

HAILEY, BLAINE, IDAHO
07-07-2022 12:24:45 PM No. of Pages: 24
Recorded for: FIRST AMERICAN TITLE - KETCHUM
STEPHEN MCDUGALL GRAHAM Fee: \$45.00
Ex-Officio Recorder Deputy: JB
Electronically Recorded by Simplifile

Prepared By and Return To:
Stinson LLP
Attn: Jeffrey Harrison, Esq.
1144 Fifteenth Street, Suite 2400
Denver, Colorado 80202

Instrument # 568378

MINIDOKA COUNTY, RUPERT, IDAHO
07-07-2022 12:07:32 PM No. of Pages: 24
Recorded for: FIRST AMERICAN TITLE - BURLEY
TONYA PAGE Fee: \$45.00
Ex-Officio Recorder Deputy Laurie McCall
Electronically Recorded by Simplifile

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS,
SECURITY AGREEMENT, TIMBER FILING AND FIXTURE FILING

STATE OF IDAHO

COUNTIES OF BLAINE AND MINIDOKA

THIS SECURITY INSTRUMENT COVERS GOODS WHICH ARE OR ARE TO BECOME FIXTURES AND TIMBER TO BE CUT, IS EFFECTIVE AS A FINANCING STATEMENT FILED AS A FIXTURE FILING AND AS A FINANCING STATEMENT COVERING TIMBER TO BE CUT AND IS TO BE FILED IN THE REAL ESTATE RECORDS.

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, TIMBER FILING AND FIXTURE FILING (this "Security Instrument") is made and entered into as of July 6, 2022, by and between BROWN WILLOW, LLC, an Idaho limited liability company, with an address of One Embarcadero Center, Suite 3860, San Francisco, California 94111 (the "Mortgagor"), in favor of FEDERAL AGRICULTURAL MORTGAGE CORPORATION, a federally-chartered instrumentality of the United States, in its capacity as collateral agent (together with its successors and assigns in such capacity, the "Collateral Agent") for the lenders from time to time party to the Credit Agreement described herein (the "Lenders"), with an address of 1999 K. Street, NW, 4th Floor, Washington D.C., 20006.

RECITALS

WHEREAS, the Lenders have agreed to make available certain loans (the "Loans") pursuant to the terms of that certain Credit Agreement of even date herewith by and among Homestead Capital USA Farmland Fund I, L.P., a Delaware limited partnership, Scarlet Elm, LLC, an Arkansas limited liability company, Red Willow USA, LLC, a Utah limited liability company, Brown Willow, LLC, an Idaho limited liability company, Maroon Magnolia, LLC, a Mississippi limited liability company, Brown Maple, LLC, an Idaho limited liability company, Blue Palm, L.L.C., an Illinois limited liability company, and Silver Maple LLC, a Colorado limited liability company, jointly and severally as borrowers (together with each other Person that from time to time becomes a borrower thereunder, each a "Borrower" and, collectively, the "Borrowers"), Zions Bancorporation, N.A., d/b/a Zions First National Bank, in its capacity as administrative agent (acting in such capacity, "Administrative Agent" and together with the Collateral Agent, collectively, the "Agents," and each individually, an "Agent"), the Collateral Agent, in its capacity as collateral agent, and the Lenders party thereto from time to time (as

amended, modified, supplemented, extended, renewed or replaced from time to time, the "Credit Agreement"). All terms used but not otherwise defined herein shall have the meanings provided in the Credit Agreement.

WHEREAS, the Mortgagor is a Borrower under the Credit Agreement and, as such, is required by the Credit Agreement to execute and deliver this Security Instrument as security for the Secured Obligations (as defined herein), which the Mortgagor is willing to do in consideration of the agreement of the Lenders to make the Loans available to the Borrowers pursuant to the terms of the Credit Agreement.

WITNESSETH:

In consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Mortgagor irrevocably grants, mortgages, warrants, bargains, sells, pledges, remises, aliens, assigns, conveys, transfers and sets over to the Collateral Agent, WITH MORTGAGE COVENANTS, and with all other statutory rights and covenants and subject to the further terms of this Security Instrument, all of the Mortgagor's right, title and interest in and to the following:

(a) All that tract or parcel of land and other real property interests in Blaine and Minidoka Counties, Idaho more particularly described in Exhibit A attached hereto and made a part hereof, together with all of the Mortgagor's right, title and interest in, to and under all rights of way or use, strips and gores, easements, privileges and appurtenances relating or appertaining to such real estate and all sewer, water and water rights (whether riparian, appropriative, or otherwise, and whether or not appurtenant to the Land), permits, licenses, ponds and pond rights, ditches and ditch rights, storage rights, membership interests, certificates and shares of stock (including without limitation as described in Exhibit B attached hereto and made a part hereof), air rights and development rights, minerals, oil and gas rights, royalties, lease or leasehold interests owned by the Mortgagor, now or hereafter used in connection with or appurtenant to or related to such real estate, and all interests of the Mortgagor now owned or hereafter acquired in and to streets, roads, alleys and public places, now or hereafter used in connection with such real estate, and all existing or future licenses, contracts, permits and agreements required or used in connection with the ownership, operation or maintenance of such real estate, and any and all insurance proceeds, and any and all awards, including interest, previously or hereafter made to the Mortgagor for taking by eminent domain or in lieu thereof (collectively, the "Land").

(b) All buildings and improvements of every kind and description now or hereafter erected or placed on the Land (the "Improvements") and all materials intended for construction, reconstruction, alteration and repair of such Improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the Premises (as hereinafter defined) immediately upon the delivery thereof to the Land.

(c) All "goods" that are or become "fixtures" (the "Fixtures") as such terms are defined in the Uniform Commercial Code as adopted and in effect in the state in which the Premises is located, as amended from time to time (the "Uniform Commercial Code") and all crops and all trees, of any size, any age and any species, whether now located in or on or

hereafter planted or growing in or on the Land, and all timber of any size, any age and any species (whether or not merchantable), whether severed or unsevered, including standing and downed timber, and stumps and cut timber remaining on the Land and any and all logs, timber, lumber, finished or milled lumber, bark, sawdust, logging and milling waste, hog fuel, wood chips, all timber and lumber subject to any manufacturing process, all raw material and work in progress, and all goods, inventory and other timber products, now or hereafter owned or acquired by the Mortgagor or in which the Mortgagor has an interest, in each case as arising out of or generated by or derived from the Land, and any and all products or proceeds of any of the foregoing and wherever located (collectively the "Timber").

(d) All articles of personal property now or hereafter owned by the Mortgagor and attached to or contained in and used in connection with the Land and Improvements including, but not limited to, all furniture, furnishings, apparatus, machinery, equipment, grain bins, grain storage, motors, elevators, supplies, fittings, radiators, ranges, refrigerators, awnings, shades, screens, blinds, carpeting, office equipment and other furnishings and all plumbing, heating, lighting, cooking, laundry, ventilating, refrigerating, incinerating, air conditioning and sprinkler equipment, all irrigation equipment of every kind and nature, including, but not limited to, center irrigation pivots, pumps, pvc pipe, sprinklers, motors, and any impoundment-related pumps/motors or other related equipment, all wind machines and equipment, together with all appurtenances thereto and all renewals or replacements thereof or articles in substitution thereof, whether or not the same are or shall be attached to the Land and Improvements in any manner (the "Tangible Personalty").

(e) All security deposits, rents, issues, profits and revenues of the Premises from time to time accruing (the "Rents and Profits") and all existing and future leases, subleases, licenses and other agreements for the use and occupancy of all or part of the Premises, whether oral or written, for a definite term or month-to-month, including without limitation, Timber Contracts (as hereinafter defined), together with all guarantees of the lessee's obligations thereunder (collectively, the "Leases").

(f) All insurance policies and proceeds thereof, condemnation awards, any and all leases of personal property (including equipment leases), rental agreements, sales contracts, management contracts, franchise agreements, construction contracts, architects' contracts, technical services agreements, Timber Contracts and other contracts, licenses and permits now or hereafter affecting the Premises, all "accounts" relating to the Premises (including rights to payment for goods sold or leased or to be sold or leased or for services rendered or to be rendered), escrows, "documents", "instruments", "chattel paper", "commercial tort claims", "deposit accounts" and "general intangibles", as the foregoing terms are defined in the Uniform Commercial Code, and all franchises, trade names, trademarks, symbols, service marks, books, records, plans, specifications, designs, drawings, permits, licenses, contract rights (including, without limitation, any contract with any architect or engineer or with any other provider of goods or services for or in connection with any construction, repair or other work upon the Premises, and any contract for management or any other provision of service in connection with the Premises), approvals, actions, refunds of real estate taxes and assessments and any other governmental impositions related to the Premises, approvals, actions and causes of action that now or hereafter relate to, are derived from or are used in connection with the Premises, or the use, operation, maintenance, occupancy or enjoyment thereof or the conduct of any business or

activities thereon or any part thereof (all of the foregoing being the “Intangible Personalty”), and the Mortgagor agrees to execute and deliver to the Collateral Agent such additional instruments, in form and substance reasonably satisfactory to the Collateral Agent, as may hereafter be reasonably requested by the Collateral Agent to evidence and confirm said assignment; provided, however, that acceptance of any such assignment shall not be construed as a consent by any Agent to any lease, rental agreement, management contract, franchise agreement, construction contract, technical services agreement or other contract, license or permit, or to impose upon the Agents any obligation with respect thereto.

(g) Any and all other rights of the Mortgagor in and to any of the items described above.

(h) All proceeds (including, without limitation, all “proceeds” as defined in the Uniform Commercial Code), products, offspring, rents and profits from any of the foregoing, including, without limitation, those from sale, exchange, transfer, collection, loss, damage, disposition, substitution or replacement of any of the foregoing.

All of the property, rights and interests described above, including without limitation, the Land, the Improvements, the Fixtures, the Timber, the Tangible Personalty the Rents and Profits, the Leases and the Intangible Personalty, together with all proceeds thereof, are collectively referred to herein as the “Premises”.

TO HAVE AND HOLD the Premises, together with all privileges, hereditaments, easements and appurtenances thereunto belonging, to the Collateral Agent as security for the Secured Obligations.

As additional security for the Secured Obligations, the Mortgagor hereby grants to the Collateral Agent a security interest under the Uniform Commercial Code in all right, title and interest of the Mortgagor in and to the Premises, including without limitation, the Fixtures, the Timber, the Tangible Personalty, the Rents and Profits and Leases, the Intangible Personalty and all proceeds thereof, to the extent a security interest in such property can be granted under the Uniform Commercial Code. In that regard, the Mortgagor grants to the Collateral Agent all of the rights and remedies of a secured party under the Uniform Commercial Code. All the Tangible Personalty which comprises a part of the Premises shall, as far as permitted by law, be deemed to be “fixtures” affixed to the aforesaid Land and conveyed therewith.

The Mortgagor and the Collateral Agent covenant, represent and agree as follows:

ARTICLE I

Secured Obligations

1.1 **Secured Obligations.** The Mortgagor makes the foregoing grant and assignment and those set forth herein for the purpose of securing the following obligations of the Borrowers, in each case whether now existing or hereafter arising or incurred, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired, and whether related or unrelated to the purpose of the Credit Agreement (the “Secured Obligations”):

(a) the payment of all amounts due, including principal, interest, fees and expenses, from time to time (whether at stated maturity, by acceleration or otherwise), including future advances, under the following documents, all of which are incorporated herein by reference, including the same which arise after any of the following documents are extended, renewed, modified or amended, and all obligations of the Borrowers under any successor agreement or instrument which restates and supersedes any of the following documents in its entirety:

(i) the Credit Agreement;

(ii) the Promissory Note in the amount of \$ _____ and the Promissory Note in the amount of \$ _____, and the Promissory Note in the amount of \$ _____, in each case dated as of July 6, 2022, made by the Borrowers in favor of one or more of the Lenders, each with a maturity date of, if extended under the terms of the Credit Agreement, April 9, 2026, in each case as the same may be amended, modified, supplemented, extended, renewed, refinanced or replaced from time to time; and

(ii) any other Note and the other Loan Documents;

(b) the payment and performance of the obligations of the Borrowers under the Credit Agreement, the Notes (one or more of which may include revolving features permitting the Borrowers to borrow, repay and then reborrow, subject to the terms of such Note and the other Loan Documents), the other Security Instruments, and the other Loan Documents, including the payment of all costs, expenses, fees and interest relating to the foregoing;

(c) the payment and performance of all other obligations of the Mortgagor contained herein, including all fees and charges payable by the Mortgagor;

(d) all Future Advances (as hereinafter defined) to the Borrowers and all other future obligations of the Borrowers to the Lenders to the fullest extent permitted by Law; and

(e) the payment and performance of each obligation of the Borrowers contained in any renewal, extension, amendment, modification, consolidation, change of, or substitution or replacement for, all or any part of any of the Notes, the Credit Agreement, or any other Loan Document.

1.2 Future Advances. The Lenders may advance or loan additional sums (herein "Future Advances") to the Borrowers. This Security Instrument shall secure not only existing indebtedness, but also such Future Advances, with interest thereon as provided in the Credit Agreement or such other agreement pursuant to which such Future Advances have been made, whether such advances are obligatory or to be made at the option of the Lenders or otherwise, to the same extent as if such Future Advances were made on the date of execution of this Security Instrument.

ARTICLE II

Mortgagor's Covenants, Representations and Agreements

2.1 Title to Premises. The Mortgagor represents and warrants to the Agents and Lenders that (i) it is the fee simple owner of the Land and is the owner of the balance of the Premises and has the right to convey the same, (ii) that as of the date hereof title to the Premises is free and clear of all liens, encumbrances and other matters except for the matters set forth in Schedule B-I to the pro-forma title insurance policy issued by First American Title Insurance Company, identified as file number 1040954K, issued to the Collateral Agent in connection with this Security Instrument, and such other matters, if any, as are expressly permitted by the Credit Agreement (the "Permitted Encumbrances"). The Mortgagor shall, at its sole cost and expense, warrant and defend the Premises and title to and right of possession of the Premises, and the security and priority of this Security Instrument and the rights and powers of the Collateral Agent created hereunder, against all adverse claims except for the Permitted Encumbrances. The Mortgagor shall give the Collateral Agent prompt notice in writing if any claim is asserted which does or could affect any of these matters, or if any action or proceeding is commenced which alleges or relates to any such claim.

2.2 Taxes and Other Charges. The Mortgagor will pay prior to delinquency all taxes, general and special assessments, insurance premiums, permit fees, inspection fees, license fees, utility charges, water and sewer charges, franchise fees and equipment rents and any other charges or fees against it or the Premises (and the Mortgagor, upon request by any Agent, will submit to such Agent receipts evidencing said payments). The Mortgagor shall immediately discharge any lien on the Premises which the Collateral Agent has not consented to in writing, and shall also pay when due each obligation secured by or reducible to a lien, charge, or encumbrance which now or hereafter encumbers or appears to encumber all or part of the Premises, whether the lien, charge, or encumbrance is or would be senior or subordinate to this Security Instrument, excluding liens or obligations reducible to a lien the validity or amount of which is being contested in good faith by appropriate proceedings, and as to which Mortgagor shall, if appropriate under generally accepted accounting principles, have set aside adequate reserves on Borrower's books and records.

2.3 Reimbursement. The Mortgagor agrees that if it shall fail to pay on or before the date that the same become delinquent any tax, assessment or charge levied or assessed against the Premises or any utility charge, whether public or private, or any insurance premium or if it shall fail to procure the insurance coverage and the delivery of the insurance certificates required hereunder or under the Credit Agreement, or if it shall fail to pay any other charge or fee described herein, then any Agent, at its option, may pay or procure the same and will give the Mortgagor prompt notice of any such expenditures. The Mortgagor will reimburse the Agents promptly upon demand for any sums of money paid by the Agents pursuant to this Section, together with interest on each such payment at the applicable default rate of interest set forth in the Credit Agreement, and all such sums and interest thereon shall be secured hereby.

2.4 Additional Documents; Further Assurances; After-Acquired Property; Compliance with Covenants.

(a) At any time, and from time to time, upon request by the Collateral Agent, the Mortgagor will make, execute and deliver or cause to be made, executed and delivered, to the Collateral Agent and, where appropriate, to cause to be recorded and/or filed and from time to time thereafter to be rerecorded and/or refiled at such time and in such offices and places as shall reasonably be deemed desirable by the Collateral Agent any and all such other and further trust deeds, mortgages, instruments of further assurance, certificates and other documents as may, in the reasonable opinion of the Collateral Agent, be necessary or desirable in order to effectuate, complete, maintain, enlarge, or perfect, or to continue and preserve the obligations of the Mortgagor under the Loan Documents and this Security Instrument, and the liens and security interests of this Security Instrument as a first and prior lien upon all of the Premises, whether now owned or hereafter acquired by the Mortgagor.

(b) The lien hereof will automatically attach, without further act, to all after acquired property attached to and/or used in the operation of the Premises or any part thereof. The Mortgagor hereby authorizes the Collateral Agent to prepare and file such financing statements, fixture filings, renewals or continuations thereof, amendments and supplements thereto and other instruments as the Collateral Agent may from time to time deem necessary or appropriate in order to perfect and maintain the security interests granted in the Credit Agreement and the documents executed in connection therewith in accordance with the Uniform Commercial Code. The Mortgagor hereby irrevocably makes, constitutes and appoints the Collateral Agent as the true and lawful attorney of the Mortgagor to take any or all of the foregoing actions in the name of the Mortgagor.

(c) Mortgagor will cause tenants, lessees and other third parties with rights to the Premises to comply with, and to cause the Premises to comply with, the covenants set forth in this Security Instrument applicable to the Premises and the operation and maintenance of the Premises.

2.5 Sale, Transfer or Encumbrance; Due on Sale. Except as expressly permitted by the Credit Agreement, the Mortgagor will not sell, transfer, convey, mortgage, encumber or otherwise dispose of the Premises (including, without limitation, the Rents and Profits or the Intangible Personalty) or any part thereof or any interest therein or engage in subordinate financing with respect thereto during the term of this Security Instrument without the prior written consent of the Collateral Agent; *provided*, the Mortgagor may incorporate the Tangible Personalty into the Improvements or replace the Tangible Personalty with goods of quality and value at least equal to that replaced. In the event the Mortgagor sells or otherwise disposes of any of the Tangible Personalty in contravention of the foregoing sentence, the Collateral Agent's security interest in the proceeds of the Tangible Personalty shall continue pursuant to this Security Instrument. Upon the creation of any lien, encumbrance, transfer, or sale, or contract for any of these, on or with respect to the Premises, in each case not explicitly permitted under this Security Instrument or the Credit Agreement, the Collateral Agent may, at its option, declare the entire balance of the Secured Obligations to be immediately due and payable; provided, however, if the Premises includes Mortgagor's residence, this section shall be subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Land and shall remain in effect until the Secured Obligations are paid in full and this Security Instrument is released. The Collateral Agent shall not be required to demonstrate any actual

impairment of its security or any increased risk of default hereunder in order to declare the Secured Obligations immediately due and payable following a sale, transfer, conveyance, mortgage, encumbrance or other disposition without the Collateral Agent's consent. This provision shall apply to every such sale, transfer, conveyance, mortgage, encumbrance or other disposition, other than as permitted under this Security Instrument or the Credit Agreement, regardless of whether voluntary or not, or whether or not the Collateral Agent has consented to any previous sale, transfer, conveyance, mortgage, encumbrance or other disposition.

2.6 Fees and Expenses. The Mortgagor will promptly pay upon demand any and all reasonable costs and expenses of the Agents, (a) as required under the Credit Agreement and (b) as necessary to protect the Premises (or any part thereof) or to exercise any rights or remedies under this Security Instrument or with respect to the Premises (or any part thereof). All of the foregoing costs and expenses shall be Secured Obligations.

2.7 Leases and Other Agreements. Except as expressly permitted by the Credit Agreement, the Mortgagor shall not enter into any Lease without the prior written consent of the Collateral Agent. The Mortgagor shall faithfully keep and perform, or cause to be kept and performed, in all material respects, all of the covenants, conditions, and agreements contained in each of the Leases and other agreements or contracts affecting all or any portion of the Premises, now or hereafter existing, on the part of the Mortgagor to be kept and performed (including performance of all covenants to be performed under any and all Leases of the Premises or any part thereof) and shall at all times use commercially reasonable efforts to enforce, with respect to each other party thereto, all obligations, covenants and agreements by such other party to be performed thereunder.

2.8 Maintenance of Premises. The Mortgagor will abstain from and will not permit the commission of waste in or about the Premises and will maintain, or cause to be maintained (subject to reconstruction periods after the occurrence of an act of God), the Premises in good condition and repair, reasonable wear and tear excepted. The Mortgagor shall not remove or demolish the Premises or any part of it, or alter, restore, or add to the Premises, or initiate or allow any change in any zoning or other land use classification which affects the Premises or any part of it, except with the Collateral Agent's express prior written consent in each instance. If all or part of the Premises becomes damaged or destroyed, the Mortgagor shall promptly and completely repair and/or restore the Premises in a good and workmanlike manner in accordance with sound building practices, regardless of whether or not the Collateral Agent disburses insurance proceeds or other sums to pay costs of the work of repair or reconstruction. If the Premises is agricultural, the Mortgagor shall farm the Premises in a good and husbandlike manner, keep all trees, vines, and crops on the Premises properly cultivated, irrigated, fertilized, sprayed, and fumigated, replace all dead or unproductive trees or vines with new ones, prepare for harvest, harvest, remove, and sell any crops growing on the Premises, and keep all buildings, fences, ditches, canals, wells, and other farming improvements on the Premises in first class condition, order, and repair. The Mortgagor shall perform all other acts which from the character or use of the Premises may be reasonably necessary to maintain and preserve its value.

2.9 Insurance; Casualty. The Mortgagor shall procure and maintain in force at all times all risk property damage insurance (including, without limitation, windstorm coverage and hurricane coverage as applicable) on the Premises and such other insurance coverage and

policies for the Premises required in the Credit Agreement or as may be otherwise required by any Agent in its reasonable judgment, and, if any part of the Improvements is located in an area having "special flood hazards" as defined in the Federal Flood Disaster Protection Act of 1973, the Mortgagor shall maintain a flood insurance policy naming the Collateral Agent as mortgagee in such amount, covering such risks and liabilities and with such deductibles or self-insurance retentions as are in accordance with normal industry practice. At the Collateral Agent's request, the Mortgagor shall provide the Collateral Agent with a counterpart original of any policy, together with a certificate of insurance setting forth the coverage, the limits of liability, the carrier, the policy number, and the expiration date. Each such policy of insurance shall be in an amount, for a term, and in form and content satisfactory to the Collateral Agent, and shall be written only by companies approved by the Collateral Agent. In addition, each policy of hazard insurance shall include a Form 438BFU or equivalent lender's loss payable endorsement in favor of the Collateral Agent. The Mortgagor assigns to the Collateral Agent all proceeds to which the Mortgagor may be entitled under such insurance policies and such proceeds shall be applied to the Secured Obligations or disbursed in accordance with the terms of the Credit Agreement. The Mortgagor will give prompt written notice to the Collateral Agent if the Premises or any part thereof is damaged by fire or any other cause. The Collateral Agent may, at its option, join the Mortgagor in adjusting any loss covered by insurance or appear in its own name in or prosecute any action or proceeding to enforce any cause of action damage or injury to, defect in, or decrease in value of all or part of the Premises, and it may make any compromise or settlement of any such action or proceeding. The Mortgagor shall not bring or keep any article on the Premises or cause or allow any condition to exist on it, if that could invalidate or would be prohibited by any insurance coverage required to be maintained by the Mortgagor on the Premises or any part of it under this Security Instrument.

2.10 Eminent Domain. The Mortgagor assigns to the Collateral Agent any proceeds or awards which may become due by reason of any condemnation or other taking for public use of the whole or any part of the Premises or any rights appurtenant thereto to which the Mortgagor is entitled and such proceeds or awards shall be applied to the Secured Obligations or disbursed in accordance with the terms of the Credit Agreement. The Mortgagor agrees to execute such further assignments and agreements as may be reasonably required by the Collateral Agent to assure the effectiveness of this Section. In the event any Governmental Authority shall require or commence any proceedings for the demolition of any buildings or structures comprising a part of the Premises, or shall commence any proceedings to condemn or otherwise take pursuant to the power of eminent domain a material portion of the Premises, the Mortgagor shall promptly notify the Collateral Agent of such requirement or commencement of proceedings (for demolition, condemnation or other taking). The Collateral Agent, if it so chooses, may participate in any action or proceeding relating to condemnation or taking of all or part of the Premises. The Mortgagor represents and warrants that there is no proceeding pending or, to the Mortgagor's knowledge, threatened, for the total or partial condemnation of the Premises.

2.11 Releases and Waivers. The Mortgagor agrees that no release by the Collateral Agent of any portion of the Premises, no subordination of any lien, no forbearance on the part of the Lenders or the Agents to collect on the Secured Obligations, or any part thereof, no waiver of any right granted or remedy available to the Agents and no action taken or not taken by any Agent shall in any way have the effect of releasing the Mortgagor from full responsibility to the

Lenders and the Agents for the complete discharge of each and every of the Mortgagor's obligations hereunder.

2.12 Authorizations; Restrictions. All certifications, permits, licenses, authorizations, orders, exemptions, franchises and/or approvals, including, without limitation, certificates of completion and occupancy, licenses, permits required in order to use, occupy or operate all or any portion of the Premises for its current purpose (the "Authorizations") have been obtained and are in full force and effect. The Mortgagor will not amend, supplement, cancel, surrender, allow to expire (other than expiration of the term thereof), terminate, release or waive any Authorization or any material provision thereof without the prior written consent of the Collateral Agent. The Mortgagor will not initiate, join in, or consent to any change in the current use of the Premises or in any zoning ordinance, private restrictive covenant, assessment proceedings or other public or private restriction limiting or restricting the uses that may be made of the Premises or any part thereof or any operations thereon without the prior written consent of the Collateral Agent.

2.13 Assignment of Leases and Mortgagor Collection of Rents and Profits.

(a) As additional security for the Secured Obligations, the Mortgagor hereby transfers and assigns to the Collateral Agent and grants to the Collateral Agent all right, title and interest of the Mortgagor in and to the Rents and Profits and the Leases. This assignment shall extend to and cover any and all extensions and renewals and future Leases and to any and all present and future rights against guarantor(s) of any such obligations and to any and all Rents and Profits collected under the Leases or derived from the Premises. In pursuance of this assignment, and not in lieu hereof, the Mortgagor shall, upon request from the Collateral Agent, execute and deliver to the Collateral Agent separate specific assignments of rents and leases covering some or all of the Leases, the terms of such assignments being incorporated herein by reference. This assignment is absolute and effective immediately and without possession; however, the Mortgagor shall have a revocable license to receive, collect and enjoy the Rents and Profits accruing from the Premises until an Event of Default has occurred. Upon the occurrence of any Event of Default, the license shall be revoked automatically, without need of notice, possession, foreclosure or any other act or procedure, and all Rents and Profits assigned hereby shall thereafter be payable to the Collateral Agent.

(b) The Mortgagor hereby authorizes and directs any lessees or tenants of the Premises that, upon written notice from the Collateral Agent, all Rents and Profits and all payments required under the Leases, or in any way respecting same, shall be made directly to the Collateral Agent as they become due. The Mortgagor hereby relieves said lessees and tenants from any liability to the Mortgagor by reason of said payments being made to the Collateral Agent. Nevertheless, until the Collateral Agent notifies in writing said lessees and tenants to make such payments to the Collateral Agent, the Mortgagor shall be entitled to collect all such Rents and Profits and/or payments. The Collateral Agent is hereby authorized to give such notification upon the occurrence of any Event of Default.

(c) Any and all Rents and Profits collected by the Collateral Agent may be applied in the manner set forth in the Credit Agreement. Receipt by the Collateral Agent of such Rents and Profits shall not constitute a waiver of any right that the Collateral Agent may enjoy under this Security Instrument, the Credit Agreement or under the laws of the state in which the Premises is located, nor shall the receipt and application thereof cure any default hereunder or affect any foreclosure proceeding or any sale authorized by this Security Instrument, the Credit Agreement and the laws of the state in which the Premises is located.

(d) The Agents do not consent to, do not assume and shall not be liable for any obligation of the lessor under any of the Leases and all such obligations shall continue to rest upon the Mortgagor as though this assignment had not been made. The Agents shall not be liable for the failure or inability to collect any Rents and Profits.

2.14 Compliance with Law. The Mortgagor will comply with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all governmental authorities in respect of the ownership, operation, or maintenance of all or any portion of the Premises (including applicable statutes, regulations, orders and restrictions relating to environmental standards and controls).

2.15 Inspection. The Mortgagor will permit the Agents, or their respective agents, at all reasonable times and with reasonable prior notice to enter and pass through or over the Premises for the purpose of inspecting same.

2.16 Security Agreement. This Security Instrument shall be construed as a security agreement under the Uniform Commercial Code with respect to the security interests granted herein. The Mortgagor warrants that the name and address of the "Debtor" (which is the Mortgagor), are as set forth in the introductory paragraph of this Security Instrument; and a statement indicating the types, or describing the items, of collateral is set forth hereinabove. The Mortgagor warrants that the Mortgagor's exact legal name is correctly set forth in the preamble of this Security Instrument. The Mortgagor will not, without providing at least thirty (30) days prior written notice to the Collateral Agent and filing amendments to any previously filed financing statements as the Collateral Agent may require, and, if otherwise prohibited by the Credit Agreement, without obtaining Collateral Agent's prior written consent, change its registered legal name, be party to a merger, consolidation or other change in structure or use any trade name other than the trade names set forth for the Mortgagor in this Security Instrument, or take any other action which would cause any such financing statement to become misleading or lose its perfected status or which would necessitate the amendment, correction or re-filing of any such financing statement.

2.17 Hazardous Substances. The Mortgagor represents and warrants that to the best of its knowledge, no hazardous substance has been disposed of or released or otherwise exists in, on, under, or onto the Premises, except as (i) the Mortgagor has disclosed to the Collateral Agent in writing or (ii) hazardous substances used at or located on the Premises in compliance with all Environmental Laws. The Mortgagor further represents and warrants that the Mortgagor has complied, and will comply and cause all occupants of the Premises to comply, with all current and future laws, regulations, and ordinances or other requirements of any governmental authority

relating to or imposing liability or standards of conduct concerning protection of health or the environment or hazardous substances (the "Environmental Laws"). The Mortgagor shall promptly, at the Mortgagor's sole cost and expense, take all reasonable actions with respect to any hazardous substances or other environmental condition at, on, or under the Premises necessary to (i) comply with all applicable Environmental Laws; (ii) allow continued use, occupation, or operation of the Premises; or (iii) maintain the fair market value of the Premises. The Mortgagor acknowledges that hazardous substances may permanently and materially impair the value and use of the Premises. "Hazardous substance" means any substance, material, or waste that is or becomes designated or regulated as "toxic," "hazardous," "pollutant," or "contaminant" or a similar designation or regulation under any current or future federal, state, or local law (whether under common law, statute, regulation, or otherwise) or judicial or administrative interpretation of such, including, without limitation, petroleum or natural gas. The Agents and their respective agents and representatives shall have the right at any reasonable time, after giving reasonable notice to the Mortgagor, to enter and visit the Premises for the purposes of performing appraisals, observing the Premises, taking and removing environmental samples, and conducting tests on any part of the Premises. The Mortgagor shall reimburse the Agents on demand for the costs of any such environmental investigation and testing. The Agents will make reasonable efforts during any site visit, observation, or testing conducted pursuant to this paragraph to avoid interfering with the Mortgagor's use of the Premises. The Agents are under no duty, however, to visit or observe the Premises or to conduct tests, and any such acts by the Agents, or their respective agents and representatives, will be solely for the purposes of protecting the Agents' security and preserving the Agents' rights under this Security Instrument. No site visit, observation or testing or any report or findings made as a result thereof ("Environmental Report") (i) will result in a waiver of any default of the Mortgagor, (ii) impose any liability on the Agents or the Lenders, or (iii) be a representation or warranty of any kind regarding the Premises (including its condition or value or compliance with any laws) or the Environmental Report (including its accuracy or completeness). In the event an Agent has a duty or obligation under applicable laws, regulations, or other requirements to disclose an Environmental Report to the Mortgagor or any other party, the Mortgagor authorizes such Agent to make such a disclosure. The Agents may also disclose an Environmental Report to any regulatory authority, and to any other parties as necessary or appropriate in such Agents' judgment. The Mortgagor further understands and agrees that any Environmental Report or other information regarding a site visit, observation, or testing that is disclosed to the Mortgagor by the Agents or their respective agents and representatives is to be evaluated (including any reporting or other disclosure obligations of the Mortgagor) by the Mortgagor without advice or assistance from the Agents.

2.18 Timber.

(a) Provided no Event of Default exists, the Mortgagor may harvest Timber in the ordinary course of the Mortgagor's business consistent with sound forestry practices. The Mortgagor and all Persons other than the Mortgagor with rights in the Timber will manage all Timber and conduct all harvesting operations on the Land in accordance with generally accepted sound forestry practices and procedures and shall use reasonable care to avoid unnecessary damage to remaining Timber on the Land.

(b) The Mortgagor will comply with and observe its obligations, if any, under all agreements, contracts, arrangements or other contractual obligations now or hereafter (i) granting to another Person the right to cut, harvest or otherwise remove Timber from all or any portion of the Premises for the use and benefit of Persons other than the Mortgagor, including but not limited to stumpage agreements and severance agreements, (ii) obligating the Mortgagor to cut, harvest or otherwise remove Timber harvested from all or any portion of the Premises and to sell, exchange or deliver such Timber to Persons other than the Mortgagor, and (iii) otherwise relating to all or any portion of the Timber or the timber operations conducted on the Land (collectively, the "Timber Contracts"). If requested by the Collateral Agent, the Mortgagor will furnish the Collateral Agent with executed copies of all Timber Contracts now or hereafter created with respect to all or any part of the Premises. If requested by the Collateral Agent, the Mortgagor will separately assign to the Collateral Agent as additional security any and all Timber Contracts whether now existing or hereafter created and all Rents and Profits from time to time accruing therefrom. The Mortgagor may enter into Timber Contracts without obtaining the consent of the Collateral Agent provided: (i) such agreements (A) do not materially affect the value, use or operation of all or any material portion of the Premises or constitute a Material Adverse Effect individually or in the aggregate and (B) are in the ordinary course of the Mortgagor's business for fair market consideration with unaffiliated third parties, and (ii) the Mortgagor provides the Collateral Agent with a copy of such agreements.

2.19 Subsidy and Payment in Kind Compensation.

(a) Mortgagor shall not register the Premises, or any portion thereof, with any federal, state or local government office for the purpose of obtaining subsidy or payment-in-kind compensation without first obtaining Collateral Agent's prior written consent. Mortgagor hereby grants to Collateral Agent a security interest in any such subsidy or payment-in-kind compensation whether or not Collateral Agent gives its written consent to Mortgagor to register the Premises, or any portion thereof, for such compensation. Mortgagor, upon the written request of Collateral Agent, shall execute any documents necessary to further perfect Collateral Agent's security interest in such compensation. Any such document is to be in form and substance acceptable to Collateral Agent. Mortgagor hereby appoints Collateral Agent its attorney-in-fact to execute such documents in Mortgagor's name and behalf. Upon Collateral Agent's request, Mortgagor shall deliver to Collateral Agent any document of title Collateral Agent desires to hold to secure Collateral Agent's interest in any such government compensation.

(b) Upon any event of default under any of the Loan Documents, Collateral Agent may, at any time without notice, take possession of any such subsidy or payment-in-kind compensation, or at any part thereof, in its own name sue for or otherwise collect such subsidy or payment-in-kind compensation, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorney fees, upon any indebtedness secured hereby, and in such order as Collateral Agent may determine. The collection of such government compensation or the entering upon and taking possession of any subsidy or payment-in-kind compensation, or the application

thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default.

ARTICLE III

Event of Default

An event of default ("Event of Default") shall exist under the terms of this Security Instrument upon the occurrence of an Event of Default under the terms of the Credit Agreement or the failure of the Mortgagor to perform any covenant, agreement or obligation under this Security Instrument which has not been cured within any applicable notice and cure period set forth herein.

ARTICLE IV

Acceleration; Foreclosure

4.1 Acceleration of Secured Obligations. Upon the occurrence of an Event of Default, the entire balance of all or any portion of the Secured Obligations, including all accrued interest, shall, at the option of the Collateral Agent and, if required by the Credit Agreement, the Required Lenders, become immediately due and payable.

4.2 Foreclosure. Upon the occurrence of an Event of Default, the Collateral Agent may foreclose the lien of this Security Instrument in a manner permitted by applicable law.

4.3 Proceeds of Sale. Following a foreclosure sale, the proceeds of such sale shall, subject to applicable law, be applied in accordance with the Credit Agreement.

4.4 Delivery of Possession After Foreclosure. In the event there is a foreclosure sale hereunder and at the time of such sale, the Mortgagor or the Mortgagor's heirs, devisees, representatives, successors or assigns are occupying or using the Premises, or any part thereof, each and all immediately shall become the tenant of the purchaser at such sale, which tenancy shall be a tenancy from day to day, terminable at the will of either landlord or tenant, at a reasonable rental per day based upon the value of the property occupied, such rental to be due daily to the purchaser; and to the extent permitted by applicable law, the purchaser at such sale, notwithstanding any language herein apparently to the contrary, shall have the sole option to demand possession immediately following the sale or to permit the occupants to remain as tenants at will. In the event the tenant fails to surrender possession of said property upon demand, the purchaser shall be entitled to institute and maintain a summary action for possession of the property (such as an action for forcible detainer) in any court having jurisdiction.

ARTICLE V

Additional Rights and Remedies of Collateral Agent

5.1 Rights Upon Maturity or an Event of Default. Upon the occurrence of an Event of Default, the Collateral Agent, immediately and without additional notice and without

liability therefor to the Mortgagor and to the extent permitted by law, except for its own gross negligence or willful misconduct, may do or cause to be done any or all of the following: (a) take physical possession of the Premises; (b) exercise its right to collect the Rents and Profits, as well as payments under any governmental subsidy or program referenced in Section 2.19 of this Security Agreement; (c) enter into contracts for the completion, repair and maintenance of the Improvements thereon; (d) expend loan funds and any income or Rents and Profits derived from the Premises for payment of any taxes, insurance premiums, assessments and charges for completion, repair and maintenance of the Improvements, preservation of the lien of this Security Instrument and satisfaction and fulfillment of any liabilities or obligations of the Mortgagor arising out of or in any way connected with the construction of Improvements on the Premises whether or not such liabilities and obligations in any way affect, or may affect, the lien of this Security Instrument; (e) enter into leases demising the Premises or any part thereof; (f) take such steps to protect and enforce the specific performance of any covenant, condition or agreement in the Notes, this Security Instrument, the Credit Agreement, or the other Loan Documents, or to aid the execution of any power herein granted; (g) generally, supervise, manage, and contract with reference to the Premises as if the Collateral Agent were equitable owner of the Premises; (h) seek the appointment of a receiver as provided in Section 5.2 below; (i) exercise any or all of the remedies available to a secured party under the Uniform Commercial Code, including, but not limited to, selling, leasing or otherwise disposing of any fixtures, timber to be cut and personal property which is encumbered hereby at public sale, with or without having such fixtures, timber to be cut or personal property at the place of sale, and upon such terms and in such manner as the Collateral Agent may determine; (j) exercise any or all of the remedies of a secured party under the Uniform Commercial Code with respect to the Tangible Personalty and Intangible Personalty and all other applicable portions of the Premises; and (k) enforce any or all of the assignments or collateral assignments made in this Security Instrument as additional security for the Secured Obligations. The Mortgagor also agrees that any of the foregoing rights and remedies of the Collateral Agent may be exercised at any time independently of the exercise of any other such rights and remedies, and the Collateral Agent may continue to exercise any or all such rights and remedies until the Event(s) of Default are cured or waived with the consent of the Required Lenders or the Lenders (as required by the Credit Agreement) or until foreclosure and the conveyance of the Premises or until Payment In Full. If any Agent or Lender accepts any payment from the Mortgagor or any other Person after a default or Event of Default, such acceptance will not constitute a waiver or satisfaction of any such default or Event of Default. Any waiver or satisfaction of a default or Event of Default must be evidenced by an express writing of the Required Lenders or the Lenders (as required by the Credit Agreement). The Lenders may accept a cure of an Event of Default from time to time in their discretion but without any obligation whatsoever to do so. The Mortgagor will only be entitled to rely on such an acceptance if the Required Lenders or the Lenders (as required by the Credit Agreement) expressly state, in writing, that they have accepted such a cure. If the Required Lenders or the Lenders (as required by the Credit Agreement) accept a cure of an Event of Default, and no other uncured Event of Default is then continuing, then the Collateral Agent may agree in its discretion, but without any obligation to do so, to treat any provision in this Security Instrument or in any other Loan Document as if no Event of Default had ever occurred.

5.2 Appointment of Receiver. If any of the Secured Obligations are not paid upon maturity or upon the occurrence and continuance of an Event of Default, the Collateral Agent as a matter of right shall be entitled to the appointment of a receiver or receivers for all or any part

of the Premises, to take possession of and to operate the Premises, and to collect the rents, issues, profits, and income thereof, all expenses of which shall become Secured Obligations, whether such receivership be incident to a proposed sale (or sales) of such property or otherwise, and without regard to the value of the Premises or the solvency of any Person or Persons liable for the payment of any Secured Obligations, and the Mortgagor does hereby irrevocably consent to the appointment of such receiver or receivers, waives any and all defenses to such appointment, and agrees not to oppose any application therefor by the Collateral Agent. Nothing herein is to be construed to deprive the Collateral Agent of any other right, remedy or privilege it may have under the law to have a receiver appointed. Any money advanced by any Agent in connection with any such receivership shall be a demand obligation (which obligation the Mortgagor hereby promises to pay) owing by the Mortgagor to such Agent pursuant to this Security Instrument and the other Loan Documents.

5.3 Waivers. No waiver of any Event of Default shall at any time thereafter be held to be a waiver of any rights of any Agent or any Lender stated anywhere in the Notes, this Security Instrument, the Credit Agreement or any of the other Loan Documents, nor shall any waiver of a prior Event of Default operate to waive any subsequent Event(s) of Default. All remedies provided in this Security Instrument, in the Notes, in the Credit Agreement and in the other Loan Documents are cumulative and may, at the election of the Agents, be exercised alternatively, successively, or in any manner and are in addition to any other rights provided by law.

5.4 Waiver of Defenses, Marshalling.

(a) To the extent permitted by applicable law, the Mortgagor hereby waives the right to assert a counterclaim, other than a compulsory counterclaim, in any action or proceeding brought against it by any Agent to offset any obligations to make the payments required by the Loan Documents. No failure by any Agent to perform any of its obligations hereunder will be a valid defense to, or result in any offset against, any payments which the Mortgagor is obligated to make under any of the Loan Documents.

(b) To the extent permitted by applicable law, the Mortgagor will not be entitled to any notices of any nature whatsoever from the Agents or the Lenders except with respect to matters for which this Security Instrument or any of the other Loan Documents specifically and expressly provides for the giving of notice by any Agent or any Lender to the Mortgagor and except with respect to matters for which an Agent or a Lender is required by applicable law to give notice, and the Mortgagor hereby expressly waives the right to receive any notice from the Agents or the Lenders with respect to any matter for which this Security Instrument does not specifically and expressly provide for the giving of notice by the Agents or the Lenders to the Mortgagor. All sums payable by the Mortgagor pursuant to this Security Instrument must be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of the Mortgagor hereunder will in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Premises or any part thereof; (ii) any restriction or prevention of or interference by any third party with any use of the Premises or any part thereof; (iii)

any title defect or encumbrance or any eviction from the Premises or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to the Agents or the Lenders, or any action taken with respect to this Security Instrument by any trustee or receiver of the Collateral Agent, or by any court, in any such proceeding; (v) any claim which the Mortgagor has or might have against any Agent or any Lender; (vi) any default or failure on the part of any Agent or any Lender to perform or comply with any of the terms hereof or of any other agreement with the Mortgagor; or (vii) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not the Mortgagor has notice or knowledge of any of the foregoing.

(c) To the extent permitted by applicable law, the Mortgagor hereby expressly waives and releases to the fullest extent permitted by law, the pleading of any statute of limitations as a defense to payment or performance of the Secured Obligations.

(d) The Mortgagor hereby waives, in the event of foreclosure of this Security Instrument or the enforcement by the Collateral Agent of any other rights and remedies hereunder, any right otherwise available in respect to marshalling of assets which secure any Secured Obligations and any other indebtedness secured hereby or to require the Collateral Agent to pursue its remedies against any other such assets.

5.5 Protection of Premises. If the Mortgagor fails to perform the covenants and agreements contained in this Security Instrument, the Credit Agreement or any of the other Loan Documents, and such failure continues beyond any applicable grace, notice and cure periods, except in the case of an emergency in which event the Collateral Agent may act immediately, then the Collateral Agent may take such actions, including, but not limited to, disbursements of such sums, as the Collateral Agent in its sole reasonable discretion deems necessary to protect the Collateral Agent's interest in the Premises.

ARTICLE VI

General Conditions

6.1 Terms. The singular used herein shall be deemed to include the plural; the masculine deemed to include the feminine and neuter; and the named parties deemed to include their heirs, successors and assigns. The term "Lender" shall include any of the Persons identified as a "Lender" on the signature pages to the Credit Agreement, and any Person which may become a Lender by way of assignment in accordance with the terms of the Credit Agreement, together with their successors and assigns, and this Security Instrument will inure to the benefit of all such parties. Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed to such terms in the Credit Agreement.

6.2 Notices. All notices and other communications required or permitted to be given hereunder shall have been duly given in accordance with the requirement of the Credit Agreement.

6.3 Severability. If any provision of this Security Instrument is determined to be illegal, invalid or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

6.4 Headings. The captions and headings herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Security Instrument nor the intent of any provision hereof.

6.5 Conflicting Terms. In the event the terms and conditions of this Security Instrument conflict with the terms and conditions of the Credit Agreement, the terms and conditions of the Credit Agreement shall control and supersede the provisions of this Security Instrument with respect to such conflicts.

6.6 Governing Law. This Security Instrument shall be governed by and construed in accordance with the internal law of the state where the Premises is located.

6.7 Intentionally Omitted.

6.8 WRITTEN AGREEMENT.

(a) THE RIGHTS AND OBLIGATIONS OF THE MORTGAGOR AND THE COLLATERAL AGENT SHALL BE DETERMINED SOLELY FROM THIS WRITTEN SECURITY INSTRUMENT AND THE OTHER LOAN DOCUMENTS, AND ANY PRIOR ORAL OR WRITTEN AGREEMENTS BETWEEN THE COLLATERAL AGENT AND THE MORTGAGOR CONCERNING THE SUBJECT MATTER HEREOF AND OF THE OTHER LOAN DOCUMENTS ARE SUPERSEDED BY AND MERGED INTO THIS SECURITY INSTRUMENT AND THE OTHER LOAN DOCUMENTS.

(b) THIS WRITTEN SECURITY INSTRUMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL, ENTIRE AGREEMENTS BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

(c) THIS SECURITY INSTRUMENT, AND ANY PROVISIONS HEREOF, MAY NOT BE MODIFIED, AMENDED, WAIVED, EXTENDED, CHANGED, DISCHARGED OR TERMINATED ORALLY OR BY ANY ACT OR FAILURE TO ACT ON THE PART OF THE MORTGAGOR OR THE COLLATERAL AGENT BUT ONLY BY AN AGREEMENT IN WRITING SIGNED BY THE PARTY AGAINST WHOM ENFORCEMENT OF ANY MODIFICATION, AMENDMENT, WAIVER, EXTENSION, CHANGE, DISCHARGE OR TERMINATION IS SOUGHT.

6.9 WAIVER OF JURY TRIAL. THE MORTGAGOR HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE

SUBJECT MATTER OF THIS SECURITY INSTRUMENT. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY THE MORTGAGOR, AND THE MORTGAGOR ACKNOWLEDGES THAT NO PERSON ACTING ON BEHALF OF ANOTHER PARTY TO THIS AGREEMENT HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. THE MORTGAGOR FURTHER ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED (OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS SECURITY INSTRUMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

6.10 Interest Rate Adjustments. This Security Instrument secures one or more Secured Obligations that provide for interest rate adjustments as set forth therein. The interest rate, payment terms, or balance due on the Secured Obligations may be indexed, adjusted, renewed or renegotiated.

6.11 Financing Statement. This Security Instrument constitutes a financing statement filed as a fixture filing and a financing statement filed as a Timber to be Cut filing, with the Mortgagor as the debtor and the Collateral Agent as the secured party.

PROVIDED ALWAYS, and it is the true intent and meaning of the Mortgagor and the Collateral Agent, that upon Payment In Full, this Security Instrument shall cease and be void, otherwise it shall remain in full force and virtue.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the Mortgagor has executed and delivered this Security Instrument under seal as of the above written date.

MORTGAGOR:

BROWN WILLOW, LLC, an Idaho limited liability company

By: Happy Valley USA, L.L.C., a Delaware limited liability company, its Sole Member

By: Homestead Capital USA Farmland Fund I, L.P., a Delaware limited partnership, its Managing Member

By: Homestead Capital USA Farmland Fund I GP, L.L.C., a Delaware limited liability company, its General Partner

By: Homestead Capital USA, LLC, a Delaware limited liability company, its Managing Member

By: Patrick Trainor
Name: Patrick Trainor
Title: Authorized Representative

ACKNOWLEDGMENT

STATE OF Illinois)
COUNTY OF Champaign) ss.

On this 28 day of June, 2022, before me, Jeffrey M Davis, a Notary Public, personally appeared Patrick Trainor, known or identified to me to be the person listed above and an Authorized Representative of Homestead Capital USA LLC, a Delaware limited liability company, the Managing Member of Homestead Capital USA Farmland Fund I GP, L.L.C., a Delaware limited liability company, the General Partner of Homestead Capital USA Farmland Fund I, L.P., a Delaware limited partnership, the Managing Member of Happy Valley, USA, L.L.C., a Delaware limited liability company, the Sole Member of Brown Willow, LLC, an Idaho limited liability company, and acknowledged to me this day under oath, that, being informed of the contents of this instrument, he executed the same for and on behalf of such entity as his free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Print Name: Jeffrey M Davis

Notary Public for the State of Illinois

Residing at: 219 South CF Champaign IL 61821

My Commission Expires:



[SIGNATURE PAGE TO MORTGAGE, ASSIGNMENT OF LEASES AND RENTS,
SECURITY AGREEMENT, TIMBER FILING AND FIXTURE FILING]

EXHIBIT A
Legal Description

BLAINE COUNTY

PARCEL 1

TOWNSHIP 7 SOUTH, RANGE 26 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO

SECTION 30: NE¼; E½NW¼; N½SE¼; LOTS 1 & 2

AND

A PARCEL OF LAND WITHIN A PART OF THE SW¼, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTER ¼ CORNER OF SECTION 30, TOWNSHIP 7 SOUTH, RANGE 26 EAST, BOISE MERIDIAN, WHICH SHALL BE THE POINT OF BEGINNING;

THENCE SOUTH 00°04'23" WEST, ALONG THE EAST LINE OF THE SW¼ FOR A DISTANCE OF 908.22 FEET TO A ½ REBAR;

THENCE ALONG A NON-TANGENT CURVE TO THE LEFT FOR A DISTANCE OF 1,674.95 FEET TO A ½ REBAR ON THE NORTH LINE OF THE SW¼ SAID CURVE HAVING A RADIUS OF 1,358.49 FEET AND A CENTRAL ANGLE OF 70°38'34" AND A LONG CHORD BEARING OF NORTH 54°53'44" WEST, FOR A DISTANCE OF 1,570.85 FEET;

THENCE NORTH 89°46'59" EAST ALONG SAID LINE FOR A DISTANCE OF 1,286.29 FEET TO THE POINT OF BEGINNING.

(ALSO KNOWN AS TAX LOT 7537)

PARCEL 2

TOWNSHIP 7 SOUTH, RANGE 26 EAST, BOISE MERIDIAN, BLAINE COUNTY, IDAHO

SECTION 19: S½NE¼; SE¼; SE¼SW¼; LOT 4.

MINIDOKA COUNTY

PARCEL NO. 1:

TOWNSHIP 7 SOUTH, RANGE 24 EAST, BOISE MERIDIAN, MINIDOKA COUNTY, IDAHO

SECTION 2: SW¼NW¼

SECTION 3: Lots 1 and 2, S½NE¼, SE¼

PARCEL NO. 2:

TOWNSHIP 7 SOUTH, RANGE 25 EAST, BOISE MERIDIAN, MINIDOKA COUNTY, IDAHO

SECTIONS 29 & 32: Farm Unit A, Tract A of the North Side Pumping Division, Minidoka Project, Idaho (as shown by plat, dated March 21, 1957, on file in the office of the County Recorder, Minidoka County, Idaho).

SECTIONS 30 & 31: Farm Unit B, Tract B of the North Side Pumping Division, Minidoka Project, Idaho (as shown by plat, dated March 21, 1957, on file in the office of the County Recorder, Minidoka County, Idaho).

SECTIONS 30 & 31: Farm Unit A, Tract A of the North Side Pumping Division, Minidoka Project, Idaho (as shown by plat, dated March 21, 1957, on file in the office of the County Recorder, Minidoka County, Idaho),

SAVE AND EXCEPTING the following described tract:

That part of said Farm Unit A, Tract A which lies in said Section 30, more particularly described as follows:

Beginning at the Northeast corner of the SE¼ of said Section 30;

Thence North 88°58'30" West along the North boundaries of said SE¼ and of said Tract A for 376.50 feet;

Thence South 2°01'30" East for 458.60 feet;

Thence South 88°58'30" East for 362.55 feet to a point on the East boundary of said SE¼;

Thence North 0°16'30" West along the East boundary for 458.00 feet to the Point of Beginning.

EXHIBIT B

Water Rights

Any and all water, water rights, permits, licenses, ditches and ditch rights, delivery rights, storage rights, and membership interests, certificates or shares of stock belonging or in any way appurtenant to the real property described in Exhibit A (collectively, the "Water Rights"), whether now owned or hereafter acquired, whether now existing or hereafter arising, and all proceeds from the sale or other disposition of any such property. Such Water Rights shall include, without limitation, the following:

Idaho Department of Water Resources

Water Right / Claim No.	Priority Date	Source
36-2190B	2/25/1953	GROUND WATER
36-2453A	11/17/1960	GROUND WATER
36-2453B	11/17/1960	GROUND WATER
36-2467	1/24/1961	GROUND WATER
36-2565B	2/11/1963	GROUND WATER
36-2668	11/18/1966	GROUND WATER
36-10904	1/24/1961	GROUND WATER
36-13065A	3/15/1981	GROUND WATER
36-13065B	3/15/1981	GROUND WATER
36-13402	4/15/1940	GROUND WATER
36-15167B	6/7/1951	GROUND WATER
36-15170B	6/29/1971	GROUND WATER

A&B Irrigation District

Acct.7-2 (Co-op No. 872)	Acres
Tract A (Sections 29 & 32)	160.0 total (138.0 original + 20.0 water spread)
Tract A (Sections 30 & 31)	154.8 total (134.8 original + 20.0 water spread)
Tract B (Sections 30 & 31)	141.4 total (136.2 original + 5.2 water spread)
	Total: 456.2 acres



0004390905

**STATE OF IDAHO***Office of the secretary of state, Lawrence Denney***ANNUAL REPORT**

Idaho Secretary of State

PO Box 83720

Boise, ID 83720-0080

(208) 334-2301

Filing Fee: \$0.00

*For Office Use Only***-FILED-**

File #: 0004390905

Date Filed: 8/23/2021 3:43:07 PM

B0637-7134 08/23/2021 3:43 PM Received by ID Secretary of State Lawrence Denney

Entity Name and Mailing Address:		
Entity Name:	BROWN WILLOW, LLC	
The file number of this entity on the records of the Idaho Secretary of State is:	0000521296	
Address	HOMESTEAD CAPITAL 1 EMBARCADERO CTR STE 3860 SAN FRANCISCO, CA 94111-3727	
Entity Details:		
Entity Status	Active-Existing	
This entity is organized under the laws of:	IDAHO	
If applicable, the old file number of this entity on the records of the Idaho Secretary of State was:	W172075	
The registered agent on record is:		
Registered Agent	CT CORPORATION SYSTEM Commercial Registered Agent Physical Address 921 S ORCHARD ST STE G BOISE, ID 83705 Mailing Address 921 S ORCHARD ST STE G BOISE, ID 83705	
Agent or Address Change		
☐ Select if you are appointing a new agent.		
Limited Liability Company Managers and Members		
Name	Title	Business Address
DAN LITTLE	Manager	1 EMBARCADERO CENTER,SUITE3860 SAN FRANCISCO, CA 94111
The annual report must be signed by an authorized signer of the entity.		
Job Title: Finance Manager		
Annie Luong		08/23/2021
Sign Here		Date



IDAHO DEPARTMENT OF
WATER RESOURCES

Southern Region • 650 Addison Ave W, Suite 500 • Twin Falls, ID 83301-5858

Phone: 208-736-3033 • Fax: 208-736-3037 • Email: southerninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

August 8, 2022

FEDERAL AGRICULTURAL MORTGAGE CORPORATION
ATTN FARMER MAC LOAN OPERATIONS
1999 K ST NW FL 4
WASHINGTON DC 20006-1118

RE: Notice of Security Interest for Water Right No(s): 36-2190B, 36-2453A, 36-2453B, 36-2467, 36-2565B, 36-2668, 36-10904, 36-13065A, 36-13065B, 36-13402, 36-15167B and 36-15170B

Dear Security Interest Holder:

The Department of Water Resources (Department) acknowledges receipt of correspondence adding security interest of the above referenced water right(s) to you. The Department has modified its records to reflect the change in security interest and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Security Interest, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

If you have any questions concerning the enclosed information, please contact me at (208) 293-9908.

Sincerely,

Denise Maline

Denise Maline
Administrative Assistant 1

Enclosure(s)

c: Brown Willow LLC
Wright Brothers Law Office PLLC