

STATE 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)

RECEIVED  
MAR 03 2021  
DEPT OF WATER RESOURCES  
SOUTHERN REGION

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

1.

| Water Right/Claim No. | Water Right/Claim No. | Water Right/Claim No. | Water Right/Claim No. |
|-----------------------|-----------------------|-----------------------|-----------------------|
| 47-4163B              | 47-12960              |                       |                       |
| 47-12841              | 47-14255              |                       |                       |
| 47-16785              |                       |                       |                       |
| 47-14824              |                       |                       |                       |
| 47-16784              |                       |                       |                       |

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

McFinney Agri-Finance, LLC ISAOA

PO Box 1598

Twin Falls, Idaho 83303-1598

Phone 208-734-6622

Email liversen@clearcreekag.com

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

Schilder Properties, LLC

5. Expiration Date of Notification Period

02/01/2041

6. Is this a Renewal of Request for Notification?



YES



NO

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

Title, if applicable

*Hiram Finney* 17E7B02

McFinney Agri-Finance, LLC by Hiram Finney, Member

**For Office Use Only**

Received by SG

Date 3/3/21

Receipt No. 5038442

Fee \$175.00

Processed by AJ

Date

WR bm

Date 9-27-2021

SUPPORT DATA

IN FILE # 47-4163B

After Recording Return To:  
**McFinney Agri-Finance, LLC**  
**PO Box 1598**  
**Twin Falls, ID 83303**  
**Leslie Iversen**

**TWIN FALLS COUNTY**  
RECORDED FOR:  
TITLEONE - TWIN FALLS  
04:28:07 PM 02-25-2021  
**2021004705**  
NO. PAGES 22 FEE: \$45.00  
**KRISTINA GLASCOCK**  
COUNTY CLERK  
DEPUTY: SB  
Electronically Recorded by Simplifile

[Space Above This Line For Recording Data]

## **MORTGAGE**

### **Security Agreement, Assignment of Rents and Fixture Filing**

#### **DEFINITIONS**

Words used in multiple sections of this document are defined below and other words are defined in certain Sections of this document. Certain rules regarding the usage of words used in this document are also provided in Section 13.

(A) **"Security Instrument"** means this document, which is dated **February 23, 2021**, together with all Riders to this document.

(B) **"Borrower"** is **Schilder Properties, LLC**, an **ID limited liability company**.

(C) **"Lender"** is **McFinney Agri-Finance, LLC**. Lender is a **limited liability corporation** organized and existing under the laws of **ID**. Lender's address is **PO Box 1598 Twin Falls, ID 83303**. Lender is the beneficiary under this Security Instrument.

(D) **"Note"** means the promissory note signed by Borrower and dated **February 23, 2021**. The Note states that Borrower owes Lender plus interest.  
Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **March 1, 2041**.

(E) **"Property"** means the property that is described below under the heading **"Transfer of Rights in the Property."**

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(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" mean all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- |                                                                    |                                                            |
|--------------------------------------------------------------------|------------------------------------------------------------|
| <input checked="" type="checkbox"/> Irrigation Equipment Rider     | <input checked="" type="checkbox"/> Water Rights Rider     |
| <input type="checkbox"/> Financial Information and Covenants Rider | <input type="checkbox"/> Permitted Prior Encumbrance Rider |
| <input type="checkbox"/> Mortgage Insurance Rider                  | <input type="checkbox"/> Other(s):                         |
| <input checked="" type="checkbox"/> Adjustable Rate Rider          |                                                            |

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(I) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(J) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 4) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(K) "Periodic Payment" means the regularly scheduled amount due for principal and interest under the Note.

(L) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

#### TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants, bargains, sells and conveys to Lender the following described property located in the County [Type of Recording Jurisdiction] of **Twin Falls** [Name of Recording Jurisdiction]:

See Exhibit "A" attached hereto and made a part hereof.

which currently has the address of

1142 E 3700 N/3427 N 1000 E/1294 E 3700 N  
Buhl, ID 83316  
("Property Address"):

subject only to those matters set forth in the Permitted Prior Encumbrance Rider, if said rider is attached (hereafter "Permitted Prior Encumbrances");

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**TOGETHER WITH** all buildings, improvements, equipment, fixtures and permanent plantings located therein or thereon or appurtenant thereto, and all additions, replacements, and improvements hereafter made thereto or placed therein or thereon; all rights-of-way, easements, rents, issues, profits, income, proceeds and general intangibles there from, tenements, hereditaments, remainders, reversions, privileges and appurtenances thereunto belonging, however evidenced which are used or enjoyed in connection with the real property now or hereafter owned or belonging to the same or which hereafter may be acquired and so used or enjoyed;

**TOGETHER WITH** all water and water rights now owned or hereafter acquired by Borrower and howsoever evidenced, including but not limited to any water rights specifically described in the Water Rights Rider if said rider is attached hereto, whether such water and water rights are riparian, appropriative or otherwise and whether or not appurtenant to the real property, along with all ditch and ditch rights and any shares of stock, licenses, permits and contracts evidencing such water or ditch rights, and all wells, reservoirs, dams, embankments or fixtures relating thereto;

**TOGETHER WITH** all personal property, including all windmills, pumps, irrigation equipment, motors, engines, and devices of every kind now or hereafter used for or in connection with the irrigation of the real property, or for stock watering or domestic purposes thereon, and all grain bins and storage bins, which are owned by Borrower and which are located on the real property in **Twin Falls County, ID**, described above together with all additional accessions, replacements, improvements, repairs and substitutions to said property and the proceeds thereof and all other fixtures now or hereafter located upon the real property, all of which are declared to be appurtenant to said real property, or incident to the ownership thereof, or used in connection therewith;

**TOGETHER WITH** all judgments, awards of damages, settlements and payments or security (i) hereafter made as a result of or in lieu of any taking of all or any part of the real property under the power of eminent domain or for any damage to the real property and/or the improvements located thereon, or any part thereof, and (ii) hereafter made for any damage to the real property and/or the improvements located thereon, or any part thereof resulting from exercise of or attempted exercise of mining rights or claims, however reserved or asserted, and resulting from the disturbance of any of the surface of the real property. Borrower does hereby covenant and agree that Borrower will not give such consent as may be required of the owner for mining or other surface disturbance by the terms of any patent, deed, statute, law or otherwise, without the prior written consent of Lender;

**TOGETHER WITH** all proceeds of and any unearned premiums on any insurance policies covering the real property and/or the improvements located thereon, including, without limitation, the right to receive and apply the proceeds of any insurance judgments, or settlements made in lieu thereof, for damage to the real property and/or the improvements located thereon or the indebtedness secured thereby;

**TOGETHER WITH** all contract rights, chattel paper, documents, accounts and general intangibles, rights to performance, entitlement to payment in cash or in kind, or any other benefits under any current or future governmental program which pertain to the real property, whether now or hereafter existing or acquired;

**TOGETHER WITH** all cash and noncash proceeds of the conversion, voluntary or involuntary, of any of the foregoing;

**TOGETHER WITH** any and all of Borrower's right, title, and/or interest in any and all system memberships and/or ownership certificates in any non-municipal water sewer systems now or in the future serving said property.

All replacements and additions shall also be covered by this Security Instrument.

All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record and specifically those permitted prior encumbrances, if any, set forth in the Permitted Prior Encumbrances Rider if said rider is attached to this Security Instrument. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property, fixtures, and certain personal property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

**1. Payment of Principal, Interest, Prepayment Charges, Yield Maintenance Premiums and Late Charges.**

Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any yield maintenance premiums, any prepayment charges and late charges due under the Note. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 12. Lender may return any payment or partial payment if the payment or partial payment is insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payment in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

**2. Application of Payments or Proceeds.** Unless required by Applicable Law, payments will be applied first to accrued unpaid interest, then to accrued unpaid principal, then to any unpaid collection costs and late charges and any remaining amount to principal. Such payments shall be applied to each Periodic Payment in the order in which it became due.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

**3. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to

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Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 3.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

**4. Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, such failure shall constitute a default under the terms of this Security Instrument and the Loan. Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 4 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 25 or otherwise, Borrower hereby assigns to Lender (a) Borrower's

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rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

**5. Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 4 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Borrower will operate the Property in a good and workmanlike manner and in accordance with all Applicable Law and will pay all fees and charges of any kind in connection therewith. Borrower will use good farming and animal husbandry practices.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

**6. Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan.

**7. Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding, (d) perform any farming operations related to the planting, growing, maintenance, and harvesting of crops located on the Property, and (e) perform any ranching operations related to any animals located on the Property. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 7, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 7. Lender may perform these or any other actions it deems necessary in Lender's sole discretion to preserve the value of the Property, and/or assign to others the right to do same on behalf of Lender. Lender may make advances under this security instrument or other instrument providing security for the Note, to protect the Lender's interest in this security instrument or other instrument providing security for the Note from loss of value or damage. Any money so advanced (including reasonable costs of recovery and attorneys' fees) plus interest at the default rate indicated in the Note shall become an obligation due and owing under the terms of the Note immediately upon the date advanced by Lender and is an obligation of the Borrower secured by the security instrument or other instrument providing security for the Note.

Any amounts disbursed by Lender under this Section 7 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable,

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with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

**8. Assignment of Miscellaneous Proceeds; Forfeiture.** All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 16, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

**9. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend

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time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

**10. Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"); (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 15, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 17) and benefit the successors and assigns of Lender.

**11. Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

**12. Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

**13. Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given

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effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

**14. Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

**15. Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 15, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 12 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

**16. Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 15.

**17. Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 12) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 25 and the notice of acceleration given to Borrower pursuant to Section 15 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 17.

**18. Hazardous Substances.** As used in this Section 18: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an

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"Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

19. **Additional Property Subject To The Security Instrument.** This Security Instrument also constitutes a security agreement within the meaning of the Uniform Commercial Code as adopted in the State of ID (the "UCC"). In addition to the Property described in the Security Instrument, the following items now or hereafter attached to the Property to the extent they are fixtures are added to the Property description, and shall also constitute the Property covered by the Security Instrument: building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with the Property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, attached mirrors, cabinets, paneling, attached floor coverings, irrigation pipes and pumps, livestock fencing and pens, windmills and related equipment and pumps, grain bins and storage bins and specifically: All irrigation equipment including pivots, pumps motors, sprinkler systems, mainlines, handlines, wheel lines, gated pipe, and all other irrigation equipment used for the transportation of water on the real property including but not limited to 2-7 Tower Center Pivots, 1-25hp pump and motor.

Any and all water rights, ditches and ditch rights, storage rights and permits, licenses, certificates or shares of stock currently used on, belong to, or in any way appurtenant to the real property including but not limited to: Twin Falls Canal Company Stock Certificate Nos. 43878-68.10 shares, 43454-75.00 shares, 39961-80.00 shares, 33372-6.00 shares, 32754-133.00 shares and IDWR Water Right Nos. 47-4163B, 47-12841, 47-16785, 47-14824, 47-16784, 47-12960 and 47-14255.

Any and all milking equipment including but not limited to: Double 30 parallel parlor, automatic takeoffs/back flush system with Turner parallel stalls, two 10,000 gallon vertical milk tanks, one 10,000 gallon vertical water storage tank, milk transfer pump, hot water heaters, chillers, vacuum pumps, water booster pumps, 180KW generator. Milking equipment shall include without limitation scales, milk silos, motors, hoppers, augers, pipelines, couplers, compressors, feed drops, cow lockups, corral shades, stalls, stands, tubes, pumps, tanks, valves, washers, milk receivers, dispensers, controls, filters, take-offs, pulsators, pulsations controllers, claws, automatic detachers, chillers, mounting material, in ground wash heads, runner parlor mats, power generators and sanitation equipment. all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by the Security Instrument. All of the foregoing together with the Property described in the Security Instrument (or the leasehold estate if the Security Instrument is on a leasehold) are referred to in this Security Instrument as the "Property."

20. **Fixture Filing.** This Security Instrument constitutes a "fixture filing" for the purposes of the UCC against all of the Property which is or is to become fixtures per the UCC.

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**21. Use of Property; Compliance With Law.** Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

**22. Assignment of Leases.** Upon Lender's request after default, Borrower shall assign to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon the assignment, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph, the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

**23. Assignment of Rents; Appointment of Receiver; Lender In Possession.** Borrower absolutely and unconditionally assigns and transfers to Lender all the rents and revenues ("Rents") of the Property, regardless of to whom the Rents of the Property are payable. Borrower authorizes Lender or Lender's agents to collect the Rents, and agrees that each tenant of the Property shall pay the Rents to Lender or Lender's agents. However, Borrower shall receive the Rents until (i) Lender has given Borrower notice of default pursuant to Sections 12 and 25 of the Security Instrument and (ii) Lender has given notice to the tenant(s) that the Rents are to be paid to Lender or Lender's agent. This assignment of Rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notices of default to Borrower: (i) all Rents received by Borrower shall be held by Borrower as trustee for the benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the Rents of the Property; (iii) Borrower agrees that each tenant of the Property shall pay all Rents due and unpaid to Lender or Lender's agents upon Lender's written demand to the tenant; (iv) unless applicable law provides otherwise, all Rents collected by Lender or Lender's agents shall be applied first to the costs of taking control of and managing the Property and collecting the Rents, including, but not limited to, attorneys' fees, receiver's fees, premiums on receiver's bonds, repair and maintenance costs, insurance premiums, taxes, assessments and other charges on the Property, and then to the sums secured by the Security Instrument; (v) Lender, Lender's agents or any judicially appointed receiver shall be liable to account for only those Rents actually received; and (vi) Lender shall be entitled to have a receiver appointed to take possession of and manage the Property and collect the Rents and profits derived from the Property without any showing as to the inadequacy of the Property as security.

If the Rents of the Property are not sufficient to cover the costs of taking control of and managing the Property and of collecting the Rents any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by the Security Instrument pursuant to Section 7 of the Security Instrument.

Borrower represents and warrants that Borrower has not executed any prior assignment of the Rents and has not performed, and will not perform, any act that would prevent Lender from exercising its rights under this paragraph. Lender, or Lender's agents or a judicially appointed receiver, shall not be required to enter upon, take control of or maintain the Property before or after giving notice of default to Borrower. However, Lender, or Lender's agents or a judicially appointed receiver, may do so at any time when a default occurs. Any application of Rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of Rents of the Property shall terminate when all the sums secured by the Security Instrument are paid in full.

**24. Cross-Default Provision.** Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

**NON-UNIFORM COVENANTS.** Borrower and Lender further covenant and agree as follows:

**25. Remedies on Default.** In some instances, federal and state law will require Lender to provide Borrower with notice of the right to cure, mediation notices or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Note and foreclosure this Security Instrument in a manner provided by law if Borrower is in default. At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the Note, other evidences of debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether expressly set forth or not. The acceptance by Lender of any sum in payment or partial payment on the Note after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require full and complete cure of any

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existing default. By not exercising any remedy on Borrower's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

26, **Redemption.** The period of redemption after sale on foreclosure shall be one year if the real property sold consisted of a tract of land of more than twenty (20) acres, and within six (6) months after the sale if the real property sold consisted of a tract of land of twenty (20) acres or less. Any agreement to extend the redemption period must be in writing.

27. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for releasing the Property, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

### NOTICE

**UNDER IDAHO LAW, ANY PROMISE BY THE BANK TO GRANT OR EXTEND EXISTING CREDIT TO YOU MUST BE IN WRITING TO BE LEGALLY BINDING UPON THE BANK IF THE ORIGINAL AMOUNT OF SUCH CREDIT IS \$50,000 OR MORE.**

Schilder Properties, LLC, an ID limited liability company

Signature

John E. Schilder, Manager/Member

Date

Signature

Andrea Schilder, Member

Date

[Sign Originals Only]

STATE OF ID

COUNTY OF Twin Falls

Before me, the undersigned authority, on this day personally appeared **Andrea Schilder, Member and John E. Schilder, Manager/Member of Schilder Properties, LLC, on behalf of said limited liability company**, known or proved to me according to law to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she/they voluntarily executed the same for the purposes of consideration therein expressed, and in the capacity stated.

Given under my hand and seal this 25 day of February, 2021.

Notary, State of Idaho

Printed Name: Annette Roth  
My Commission Expires: 08/04/2023

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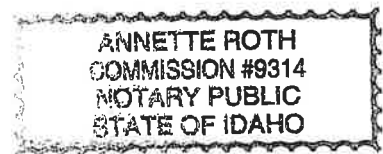




**Exhibit "A"**  
**Legal Description For**

**1142 E 3700 N/3427 N 1000 E/1294 E 3700 N**  
**Buhl, ID 83316**

**TRACT NO. 1:**

**PARCEL NO. 1**

**TOWNSHIP 10 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY, IDAHO**

**Section 22: Being a portion of the E½SE¼, more particularly described as follows:**

Commencing at the Southeast corner of said Section 22, said corner lies North 89°52'42" East, 2688.31 feet from the South quarter corner of said Section 22;  
Thence South 89°52'42" West, 705.00 feet along the South boundary of the SE¼, said Section 22 and being **THE REAL POINT OF BEGINNING**;  
Thence South 89°52'42" West, 639.16 feet along said South boundary to the Southwest corner of said E½SE¼ of Section 22;  
Thence North 00°01'34" West, 2654.90 feet along the West boundary of said E½SE¼ of Section 22 to the Northwest corner thereof; Thence North 89°57'27" East, 1335.08 feet along the North boundary of said E½SE¼ of Section 22 to the Northeast corner thereof; Thence South 00°13'19" East, 2315.32 feet along the East boundary of said E½SE¼ of Section 22;  
Thence leaving said East boundary, South 89°52'42" West, 359.49 feet along a line parallel with said South boundary;  
Thence South 49°41'34" West, 213.33 feet;  
Thence South 58°29'19" West, 213.33 feet;  
Thence South 00°13'19" East, 88.96 feet along a line parallel with said East boundary to said **REAL POINT OF BEGINNING**.

**EASEMENT NO. 1**

**An Easement for Ingress and Egress, more particularly described as follows:**

Commencing at the Southeast corner of said Section 22;  
Thence North 00°13'19" West, 297.73 feet along the East boundary of said Section 22 and being **THE REAL POINT OF BEGINNING**; Thence leaving said East boundary, North 43°42'20" West, 55.22 feet;  
Thence North 89°52'42" East, 38.00 feet to a point on said East boundary;

Thence South 00°13'19" East, 40.00 feet along said East boundary to said REAL POINT OF BEGINNING.

**PARCEL NO. 2**

**TOWNSHIP 10 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN,  
TWIN FALLS COUNTY, IDAHO**

**Section 22: W½SE¼ SAVE AND EXCEPT the following described tract:**

Beginning at the Southeast Corner of said W½SE¼, which shall be known as the Point of Beginning; Thence North 90°00'00" West along the South line of said Section 22 for a distance of 262.24 feet to a P.K. nail; Thence North 00°43'42" East for a distance of 25.00 feet to a ½ inch iron pin; Thence continuing North 00°43'42" East for a distance of 199.91 feet to a ½ inch iron pin; Thence North 11°32'53" East for a distance of 76.01 feet to a ½ inch iron pin; Thence South 87°52'18" East for a distance of 15.67 feet to a ½ inch iron pin; Thence North 00°22'42" East for a distance of 265.23 feet to a ½ inch iron pin; Thence continuing North 00°22'42" East for a distance of 5.00 feet; Thence South 83°37'15" East for a distance of 227.88 feet to the East line of said W½SE¼; Thence South 00°01'36" East along said East line for a distance of 13.00 feet to a ½ inch iron pin; Thence continuing South 00°01'36" East for a distance of 530.68 feet to the Point of Beginning.

**TRACT NO. 2:**

**PARCEL NO. 1:**

**TOWNSHIP 11 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY,  
IDAHO**

**Section 6: E½SE¼**

**PARCEL NO. 2:**

**TOWNSHIP 10 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY,  
IDAHO**

**Section 21: E½SW¼ and part of the SE¼, more particularly described as follows:**

Beginning at the Southeast corner of Section 21, marked by a ½ inch pin and survey cap; Thence North 89°47'20" West for 1317.33 feet along the Southerly boundary of Section 21 to the Southeast corner of the SW¼SE¼; Thence North 0°13'47" East for 688.00 feet along the Easterly boundary of the SW¼SE¼ and the True Point of Beginning; Thence South 87°22'18" East for 277.27 feet along an existing fence to a ½ inch steel pin;

Thence North 1°54'11" West for 482.66 feet along an existing fence to a ½ inch steel pin;  
Thence North 19°21'56" East for 264.31 feet along an existing fence to the center of a certain Twin Falls Canal Company Lateral; Thence along the center of said lateral the following courses;

North 71°48'09" West for 349.36 feet;

North 68°22'06" West for 199.44 feet;

North 41°25'31" West for 428.23 feet;

North 47°03'54" West for 422.66 feet;

North 32°00'43" West for 374.20 feet;

North 65°46'14" West for 190.79 feet;

North 85°48'27" West for 170.97 feet to the Westerly boundary of the SE¼;

Thence South 0°20'49" West for 2601.94 feet along the Westerly boundary of the SE¼ to the South quarter corner of Section 21; Thence South 89°47'20" East for 299.33 feet along the South boundary of Section 21;

Thence North 0°13'47" East for 688.00 feet;

Thence South 89°47'20" East for 1018.00 feet to the True Point of Beginning.

SAVE AND EXCEPT the following described that lies in the SE¼SW¼;

Commencing at the Southwest corner of Section 21;

Thence South 89°47'18" East for 2214.73 feet along the South boundary of Section 21 to the Point of Beginning;

Thence North 00°12'42" East for 364.00 feet;

Thence South 89°47'18" East for 239.35 feet;

Thence South 00°12'42" West for 364.00 feet to the South boundary of Section 21;

Thence North 89°47'18" West for 239.35 feet along the South boundary of Section 21 to the Point of Beginning.

**TOWNSHIP 10 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY, IDAHO**

**Section 21: Part of the SW¼SE¼, more particularly described as follows:**

**Beginning at the Southeast corner of the SW¼SE¼, which point shall be the Point of Beginning;**

**Thence North 00°13'47" East along the East boundary of the W¼SE¼ for a distance of 688.00 feet;**

**Thence North 89°47'20" West for a distance of 1018.00 feet;**

**Thence South 00°13'47" West for a distance of 688.00 feet to the South line of the W¼SE¼ of Section 21;**

**Thence South 89°47'20" East along the South boundary of Section 21 for a distance of 1018.00 feet to the Point of Beginning.**

## IRRIGATION EQUIPMENT RIDER

THIS IRRIGATION EQUIPMENT RIDER is made this **Twenty-third** day of **February, 2021**, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to **McFinney Agri-Finance, LLC** (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

**1142 E 3700 N/3427 N 1000 E/1294 E 3700 N**  
**Buhl, ID 83316**  
[Property Address]

The Property also includes Borrower's interest in the irrigation equipment specifically described below and the uses, benefits and proceeds of Borrower's interest in and to same:

All fixtures (including trade fixtures), supplies, equipment and inventory used for the production of water on the Property or for the irrigation or drainage thereof located on the Property, whether now owned or hereafter acquired, and whether now existing or hereafter arising, and all accessions, parts, additions, replacements and substitutions for any of such items and all proceeds (including insurance proceeds) from the sale or other disposition of any such items. Said fixtures, supplies, equipment and inventory include, but are not limited to, the following:

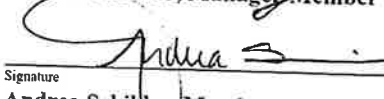
**All irrigation equipment including pivots, pumps motors, sprinkler systems, mainlines, handlines, wheel lines, gated pipe, and all other irrigation equipment used for the transportation of water on the real property including but not limited to 2-7 Tower Center Pivots, 1-25hp pump and motor.**

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Irrigation Equipment Rider.

Schilder Properties, LLC, an ID limited liability company

 02/25/2021  
Signature Date

John E. Schilder, Manager/Member

 02/25/2021  
Signature Date

Andrea Schilder, Member

[Sign Originals Only]

## VARIABLE RATE RIDER

THIS VARIABLE RATE RIDER is made this **Twenty-third** day of **February, 2021**, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's variable rate Note (the "Note") to **McFinney Agri-Finance, LLC** (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

**1142 E 3700 N/3427 N 1000 E/1294 E 3700 N**  
**Buhl, ID 83316**  
[Property Address]

### THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE PERIODIC PAYMENT

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

The Note has the following terms which provide for changes in the interest rate and periodic payments, as follows:

**2. INTEREST**

Prior to default, interest will be charged on unpaid principal until the full amount of Principal has been paid. Borrower will pay interest at a yearly rate of **3.600%**. The interest rate Borrower will pay will change in accordance with this Section 2.

**INITIAL ADJUSTMENT DATE.**                      **February 1, 2036.**

**ORIGINAL AMORTIZATION TERM.**    **20 years.**

**ADJUSTMENT FREQUENCY PERIOD.**    **every fifteen years**

**VARIABLE RATE PROVISION.** The interest rate stated in this Note is subject to adjustment by the Lender or any subsequent holder of this Note on the Initial Adjustment Date and every **15 years** thereafter (each an "Adjustment Date"). Any such change in the interest rate shall be made automatically but in no event shall the adjusted interest rate exceed the maximum interest rate then permitted by law.

**MULTISTATE VARIABLE RATE RIDER**

Lender reserves the right to not adjust the loan in the event of default. When the rate is adjusted the remaining current principal balance of the Note will be reamortized over the remaining amortization term to determine subsequent payment amounts. Notice of the adjusted rate and the new amortized payment will be sent to the Borrower after each interest rate adjustment.

The variable interest rate shall change to a rate that shall be determined by the 25<sup>th</sup> day of the month prior to the Initial Adjustment Date and any subsequent Adjustment Dates and be based upon the 15 years Admin net yield for 60 day delivery then being required by Agri-Access (the "Index"), adjusted for credit quality and payment frequency, plus .25% field servicing fee. If the Index is not reported by the 25<sup>th</sup> day of the month, the Index reported on the first business day preceding the 25<sup>th</sup> day of the month will be used. If the Index is no longer available, Lender will select a new index, which is based upon comparable information.

After default, interest will be charged on unpaid principal at the interest rate stated in Section 7 of this Note.

3. **SCHEDULED PAYMENTS**

(A) **Time and Amount of Payments**

1 interest payment on March 1, 2021, with interest calculated from the date of closing on the unpaid principal balance at 3.600% per annum; 239 consecutive monthly principal and interest payments of \$30,326.33 each, beginning April 1, 2021, and the final payment of \$30,325.39 on March 1, 2041, which is called the "Maturity Date."

(B) **Place of Payments**

Borrower will make payments at **PO Box 740411, Cincinnati, OH 45274-0411** or at a different place if required by Lender.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Variable Rate Rider.

Schilder Properties, LLC, an ID limited liability company

Signature John E. Schilder Date 02/25/2021  
John E. Schilder, Manager/Member

Signature Andrea Schilder Date 02/25/2021  
Andrea Schilder, Member

[Sign Originals Only]

MULTISTATE VARIABLE RATE RIDER

## WATER RIGHTS RIDER

THIS WATER RIGHTS RIDER is made this **Twenty-third** day of **February, 2021**, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to **McFinney Agri-Finance, LLC** (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

**1142 E 3700 N/3427 N 1000 E/1294 E 3700 N**

**Buhl, ID 83316**

[Property Address]

The Property also includes Borrower's interest in the water rights specifically described below and the uses, benefits and proceeds of Borrower's interest in and to same:

All water, water rights, ditches and ditch rights, any permits, licenses, certificates or shares of stock evidencing any such water or ditch rights, and any such rights acquired in the future, which entitle Borrower to use water for any purpose upon the Property. The above includes, but is not limited to the following:

**Any and all water rights, ditches and ditch rights, storage rights and permits, licenses, certificates or shares of stock currently used on, belong to, or in any way appurtenant to the real property including but not limited to: Twin Falls Canal Company Stock Certificate Nos. 43878-68.10 shares, 43454-75.00 shares, 39961-80.00 shares, 33372-6.00 shares, 32754-133.00 shares and IDWR Water Right Nos. 47-4163B, 47-12841, 47-16785, 47-14824, 47-16784, 47-12960 and 47-14255**

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Water Rights Rider.

**MORTGAGE**

THIS MORTGAGE, made this 25 day of February, 2021, by and between -

Schilder Properties, LLC, an Idaho Limited Liability Company, of 3749 North 1200 East, Buhl, Idaho 83316, hereinafter referred to as MORTGAGOR; and

Agnes Schilder, of 1142 East 3700 North, Buhl, Idaho 83316, and Agnes Schilder as Trustee of the Schilder Trust, collectively hereinafter referred to as MORTGAGEE;

Relative to that certain real property situated in County of Twin Falls, State of Idaho, more particularly described on the attached **Exhibit A**, hereinafter referred to as "the Property".

**WITNESSETH:** That MORTGAGOR hereby mortgages, grants, and conveys to MORTGAGEE, and to its successors and assigns, all of MORTGAGOR's right, title and interest in and to the following -

- (i) the Property;
- (ii) all mineral rights associated with the Property;
- (iii) all surface and subsurface water rights associated with the Property, including all means of conveyance such as canals, ditches, pipes and the like;
- (iv) all improvements and buildings located on the Property, and all fixtures and trade fixtures associated therewith;
- (v) all portable metal/steel fence panels;
- (vi) all planted and/or currently growing crops located on the Property, including but not limited to pasture grass and alfalfa;
- (vii) all oil and gas rights associated with the Property;
- (viii) all fences, gates, corrals, chutes, pens, coups, sheds, barns, and other outbuildings, whether agricultural in nature or not;
- (ix) all easements, rights-of-way, licenses and other interests for the benefit of the Property;
- (x) all irrigation hand lines, wheel lines, pumps, mainlines, and related equipment and fixtures associated with the Property;
- (xi) all water shares and interests in and to the Twin Falls Canal Company for the use and benefit of the Property;

TOGETHER with all tenements, hereditaments and appurtenances thereunto belonging.

TOGETHER WITH, all rents, issues, profits, royalties, income and other benefits derived from the real property, all leases or subleases covering the real property or any portion thereof, now or hereafter existing or entered into, and all right, title and interest of MORTGAGOR thereunder; all interests, estates or other claims, both in law and in equity, which MORTGAGOR now has or may hereafter acquire in the real property, all easements, rights-of-way, tenements, hereditaments and appurtenances thereof and thereto; all other rights and profits, pertaining to such property, owned in any manner by MORTGAGOR, all right, title and interest of MORTGAGOR, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street or

highway adjoining the real property; and any and all buildings, fixtures, improvements, and appurtenances now or hereafter erected thereon or belonging thereto, (herein referred to as "Improvement" or "Improvements"). All of the foregoing property and interests are herein collectively referred to as the "Property".

This MORTGAGE is given to secure payment of the indebtedness evidenced by a certain Promissory Note and Security Agreement dated on even date as this instrument, in the principal sum of -

whereunder MORTGAGOR is the debtor and MORTGAGEE is the secured party (hereinafter referred to as the "Promissory Note") and interest thereon according to the terms of the Note with any and all extensions, renewals, modifications or substitutions thereof and each and every debt, liability and obligation of every type and description, including guarantees or accommodations, which MORTGAGOR may now or at any time hereafter owe or be obligated to MORTGAGEE whether such debt, liability or obligation now exists, is direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several, hereinafter referred to as "the Obligations."

MORTGAGOR warrants, covenants and agrees as follows:

1. **PAYMENT AND PERFORMANCE:** MORTGAGOR shall pay and perform the Obligations when due. Unless applicable law provides otherwise, all payments received by MORTGAGOR shall be applied: first, to late charges and penalties due under the Note; second, to accrued interest due under the Note; and last, to principal due.

2. **WARRANTY OF TITLE:** MORTGAGOR is lawfully seized and possessed of good and indefeasible title to the Property, and MORTGAGOR will defend the title against any claims by any party at any time during the term of this Mortgage.

3. **FULL FORCE AND EFFECT:** The provisions of this Mortgage shall remain in full force and effect through any extension of time for payment of the Obligations, and until the Property is reconveyed or released of record.

4. To protect the security, MORTGAGOR shall:

(a) **TAXES AND OTHER CHARGES:** Pay before the same become delinquent all taxes and assessments, and other charges against the Property, and in default thereof, MORTGAGEE may pay the same at the cost of MORTGAGOR.

(b) **PRESERVATION, REPAIR AND USE OF PROPERTY:** Not commit waste, or authorize the repair or removal of any of the structures, fixtures, or Improvements on the Property, or do or permit any act that would result in the creation of a lien upon the land or the structures, fixtures or Improvements thereon without first obtaining prior written consent of MORTGAGEE, and otherwise to maintain the Property in as good condition as at present. Upon any failure to maintain, MORTGAGEE, at its option, may cause reasonable repair and maintenance work to be performed at the cost of MORTGAGOR.

5. **PROTECTION OF SECURITY:** MORTGAGEE may appear in and defend any action or proceeding purporting to affect the security hereof, and MORTGAGOR shall pay all costs and expenses, including costs of evidence of title and attorney's fees in a reasonable sum as may be allowed by the Court, in such action or proceeding in which MORTGAGEE may appear.

6. **CONDEMNATION.** Any award of damages, settlement, or compensation in connection with any eminent domain action for public use of or an injury to the Property, or any part thereof, is hereby assigned by MORTGAGOR to MORTGAGEE, and all money received by MORTGAGOR may be applied to the indebtedness secured by this Mortgage, or released by it in the same manner and with the same effect as herein provided for the disposition of proceeds of insurance. Neither the application nor the release of any such sums shall cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice, nor shall anything in the section affect the liability of MORTGAGOR for payment of the entire balance of the Obligations secured hereby.

7. **INSURANCE, CASUALTY, GENERAL LIABILITY AND RESTORATION:**

(a) MORTGAGOR shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which MORTGAGEE requires insurance. This insurance shall be maintained in the amounts and for the periods that MORTGAGEE requires. The insurance carrier providing the insurance shall be chosen by MORTGAGOR subject to MORTGAGEE'S approval which shall not be unreasonably withheld.

(b) All insurance policies and renewals shall be acceptable to MORTGAGEE and shall include a standard mortgage clause. MORTGAGEE shall have the right to hold the policies and renewals. If MORTGAGEE requires, MORTGAGOR shall promptly give to MORTGAGEE all receipts of paid premiums and renewal notices. In the event of loss, MORTGAGOR shall give prompt notice to the insurance carrier and MORTGAGEE. MORTGAGEE may make proof of loss if not made promptly by MORTGAGOR.

(c) Unless MORTGAGEE and MORTGAGOR otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and MORTGAGEE'S security is not lessened. If the restoration or repair is not economically feasible or MORTGAGEE'S security would be lessened, the insurance proceeds shall be applied to the sums secured by this instrument, whether or not then due, with any excess paid to MORTGAGOR. If MORTGAGOR abandons the Property or does not answer within thirty (30) days a notice from MORTGAGEE that the insurance carrier has offered to settle a claim, then MORTGAGEE may collect the insurance proceeds. MORTGAGEE may use the proceeds to repair or restore the Property or to pay sums secured by this instrument, whether or not then due. The 30-day period will begin when the notice is given.

(d) Unless MORTGAGEE and MORTGAGOR otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments or change the amount of the payments if the Property is acquired by MORTGAGEE; MORTGAGOR'S right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to MORTGAGEE to the extent of the sums secured by this instrument immediately prior to the acquisition.

8. **PARTIAL PAYMENT:** Acceptance by MORTGAGEE of any sum in payment or part payment of any portion of the Obligations after the same is due shall not constitute a waiver of MORTGAGEE'S right to require prompt payment when due of the remainder of the Obligations, nor shall such acceptance cure or waive any remaining default or waive any subsequent default or prejudice any of the rights of MORTGAGEE under this Mortgage.

9. **ACTIONS BY MORTGAGEE:** Without affecting the personal liability of any person, including MORTGAGOR (other than any person released pursuant hereto), for the payment of the Obligations, and without affecting the lien of this Mortgage for the full amount of the Obligations remaining unpaid upon any property conveyed pursuant hereto, MORTGAGEE is authorized and empowered at any time and from time to time, either before or after the maturity of the Note, and without notice, to: (a) release any person liable for the payment of any of the Obligations (b) make any agreement extending the time or otherwise modifying the terms of payment of any of the Obligations, (c) accept additional security therefor of any kind or (d) release any property, real or personal, securing the Obligations.

10. **TRANSFER OF PROPERTY;** For the purpose of protecting MORTGAGEE'S security, MORTGAGOR agrees that any sale, conveyance, or other transfer of title to the Property, or any interest therein (whether voluntarily or by operation of law), without MORTGAGEE'S prior written consent, shall be an Event of Default hereunder. In the event MORTGAGOR, without the prior written consent of MORTGAGEE, shall sell, convey, alienate, transfer, mortgage or encumber the Property described herein or any part thereof, or any interest therein, whether legal, equitable or beneficial, or shall be divested of its title or any interest therein, in any manner or way, whether voluntary or involuntary, the entire balance of the Obligation shall become immediately due and payable at the option of MORTGAGEE.

11. **EVENTS OF DEFAULT:** Any of the following events shall be deemed an Event of Default hereunder:

(a) MORTGAGOR shall fail to pay the principal or interest of the Obligations when due;

(b) MORTGAGOR seeks relief pursuant to bankruptcy laws, Title 11 U.S. Code, or is made a defendant in a bankruptcy or receivership proceeding;

(c) A writ of execution or attachment or any similar process shall be entered against MORTGAGOR which shall become a lien on the Property, or any portion thereof or interest therein and such execution, attachment or similar process of judgment is not released, bonded, satisfied, vacated or stayed within ninety (90) days after its entry or levy;

(d) There has occurred a breach of or default under any term, covenant, agreement, condition, provision, representation or warranty contained herein or in the Note or any of the other Loan Documents; or,

- (e) MORTGAGOR fails to perform any terms, conditions, covenants or agreements which are part of this Mortgage or any other document or agreement which secures all or any part of the Obligations.

12. **ACCELERATION, REMEDIES:** Upon the occurrence of an Event of Default as defined herein, MORTGAGEE may require immediate payment in full of all sums secured by this Mortgage without further demand, and/or immediately foreclose this Mortgage or pursue any other available legal remedy. In the event of any action by MORTGAGEE to enforce collection of any of the Obligations, MORTGAGOR agrees that any expense incurred in connection therewith or incurred to procure or extend an abstract of title or a policy of title insurance shall, when incurred or paid by MORTGAGEE, become a part of the Obligations and shall be paid by MORTGAGOR together with all of the costs of such action. In the event any action is brought to foreclose this Mortgage, MORTGAGEE shall be entitled to immediate possession of the Property, and the court may appoint and MORTGAGOR hereby consents to the appointment of a receiver to take possession of the Property to collect and receive the rents, income, issues and profits arising therefrom; and from any moneys so collected, to pay taxes, provide insurance, make needed repairs to Improvements upon the Property, and make any other expenditures authorized by the court, and apply any sum remaining after the payment of such authorized expenditures to the Obligations. Prior to foreclosure, MORTGAGEE may at its option and at MORTGAGOR'S sole expense, contract for a "Phase 1" environmental inspection report prepared and certified by an environmental consultant satisfactory to MORTGAGEE to determine whether the Mortgaged Premises complies with federal, state and local laws, rules, regulations or orders respecting environmental matters. MORTGAGEE may, at its option and at the sole expense of MORTGAGOR, at intervals of not less than one year, or more frequently if MORTGAGEE reasonably believes that a hazardous material or substance or other environmental condition violates or threatens to violate any federal, state and local laws, rules, regulations or orders respecting environmental matters (collectively "Environmental Requirements"), cause an environmental audit of the Mortgaged Premises or portions thereof to be conducted to confirm MORTGAGOR'S compliance with such Environmental Requirements, and MORTGAGOR shall cooperate in all reasonable ways with MORTGAGEE in connection with any such audit. If, based on the Phase 1 environmental audit, MORTGAGEE determines that additional testing or investigation should be performed on the Mortgaged Premises, such testing shall be performed at MORTGAGOR'S sole expense. If this Mortgage is foreclosed, or if MORTGAGOR tenders a deed or assignment in lieu of foreclosure that is accepted by MORTGAGEE, MORTGAGOR shall deliver the Mortgaged Premises to the purchaser at foreclosure or to MORTGAGEE, its nominee or designee, as the case may be, or such other person as is entitled to possession by law, in a condition that complies in all respects with all Environmental Requirements.

13. **PREPAYMENT:** Upon any default by MORTGAGOR hereunder and the acceleration of maturity in the manner allowed herein, any tender of payment of the amount necessary to satisfy the debt evidenced by the Note made by MORTGAGOR, MORTGAGOR'S successors or assigns, or by anyone on behalf of MORTGAGOR, or on behalf of MORTGAGOR'S successors or assigns, or by any holder of a subordinate or superior interest in the Property, shall constitute a "prepayment", as that term is used in the Note, and shall be deemed a voluntary prepayment hereunder. In the event of any prepayment as defined in the Note, the amount due

shall include the premium which is thereupon due under the prepayment privilege provisions of the Note, if any.

14. **REMEDIES NOT EXCLUSIVE.** MORTGAGEE shall be entitled to enforce payment and performance of any indebtedness or Obligations and to exercise all rights and powers under this Mortgage or under the Note and other Loan Documents or any other agreement executed in connection herewith or any laws now or hereafter in force, notwithstanding some or all of such indebtedness and Obligations may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or other powers herein contained, shall prejudice or in any manner affect MORTGAGEE'S right to realize upon or enforce any other security now or hereafter held by MORTGAGEE, it being agreed that MORTGAGEE shall be entitled to enforce this Mortgage and any other security now or hereafter held by MORTGAGEE in such order and manner as MORTGAGEE may in its sole and absolute discretion determine. No remedy herein conferred upon or reserved to MORTGAGEE is intended to be exclusive of any other remedy herein or by law provided or permitted, but shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy provided under this Mortgage to MORTGAGEE or to which it may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by MORTGAGEE and MORTGAGEE may pursue inconsistent remedies. Nothing herein shall be construed as prohibiting MORTGAGEE from seeking a deficiency judgment against MORTGAGOR to the extent such action is permitted by law.

15. **NO IMPLIED WAIVER:** The failure of MORTGAGEE promptly to exercise any right, power or remedy provided herein or at law or in equity shall not constitute a waiver of the same, nor shall MORTGAGEE be estopped from later exercising such right, power or remedy.

16. **PRESERVATION, REPAIR AND USE OF PROPERTY:** MORTGAGOR shall constantly maintain and shall not diminish the value of any of the Property during the existence of the Mortgage. MORTGAGOR shall not destroy, remove or sell any buildings or improvements, or irrigation equipment, or other items associated or related to the Property. MORTGAGOR shall constantly maintain or cause to be maintained the Property and related and associated items in accordance with standards customary in the area and standards of similar farm and ranch operations.

17. **ATTORNEY'S FEES:** Except where prohibited by law, if MORTGAGEE refers this Mortgage to an attorney or seeks legal advice following default alleged in good faith, or MORTGAGEE is the prevailing party in any action instituted on this Mortgage, the Note or the other Loan Documents, or if any judicial or nonjudicial action, suit, declaratory action, or proceeding is instituted by MORTGAGEE in order to appear in any such action or proceeding, or to reclaim, seek relief from a judicial or statutory stay, sequester, protect, preserve or enforce interest in this Mortgage (including but not limited to proceedings under federal bankruptcy law, in eminent domain, under probate proceedings, or in connection with any state or federal tax lien), then in such event, MORTGAGOR promises to pay reasonable attorney's fees and reasonable costs and expenses incurred by MORTGAGEE or its attorney in connection with the above mentioned events.

18. **ACTIONS BY MORTGAGEE TO PRESERVE THE PROPERTY:** If MORTGAGOR fails to make any payment required under this Mortgage, the Note or other Loan Documents, whether for real estate taxes, insurance premiums, attorney's fees, or otherwise, or fails to do any act as may be required hereunder, MORTGAGEE may, at the discretion of MORTGAGEE, without obligation to do so and without releasing MORTGAGOR from any obligation, make or do the same in such manner and such event as MORTGAGEE shall deem necessary to protect the Mortgaged Premise. Without notice to MORTGAGOR, MORTGAGEE may either add such payments and expenses ("advancements") to the principal to accrue interest at the default rate provided in the Note until maturity of the loan or bill MORTGAGOR for such advancements plus interest at the default rate provided in the Note from the date of advancement until repaid.

19. **ENTIRE AGREEMENT:** This instrument, together with the Note and other Loan Documents, constitutes and sets forth the entire understanding and agreement between the parties, and no party hereto has relied upon any representations, agreements or understandings, verbal or written, not set forth herein or in the Note and such other Loan Documents, whether made by any party hereto or by any agent, employee or representative of any party hereto. Specifically, without limiting the generality of the foregoing, the parties agree that MORTGAGEE has made no agreement to extend or renew any of the Obligations, and no such agreement will be binding upon MORTGAGEE unless made in writing, subsequent to the date hereof, and executed by a duly authorized representative of MORTGAGEE.

20. **BINDING AGREEMENT:** This Mortgage inures to the benefit of, and binds all parties hereto, their heirs, legal representatives, successors and assigns. The term MORTGAGEE shall mean the owner and holder of the Note described above, whether or not named as MORTGAGEE herein.

21. **MORTGAGOR NOT RELEASED:** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by MORTGAGEE to any successor in interest of MORTGAGOR shall not operate to release, in any manner, the liability of the original MORTGAGOR or MORTGAGOR'S successor in interest. MORTGAGEE shall not be required to commence proceedings against such successor or to refuse to extend time for payment or otherwise to modify amortization of the sums secured by this Mortgage by reason of any demand made by the original MORTGAGOR and MORTGAGOR'S successors in interest.

22. **PARTIAL RELEASE:** The right is hereby reserved by the Mortgagee to make partial release or releases of the mortgaged premises hereunder without notice to, or the consent, approval or agreement of other parties in interest, including junior lienors, which partial release or releases shall not impair in any manner the validity of or priority of this Mortgage on the mortgaged premises remaining, nor release of the MORTGAGOR from personal liability for the indebtedness hereby secured.

23. **GOVERNING LAW:** This Mortgage and each instrument securing it shall be governed by and construed according to the laws of the State of Idaho.

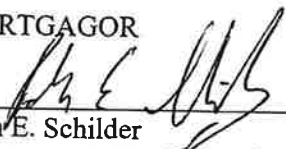
24. **SEVERABILITY:** In the event any one or more of the provisions contained in this Mortgage, or the Note or any other Loan Documents shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of MORTGAGEE, not affect any other provision of this Mortgage or such other Loan Documents, but same shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein or therein. If the lien of this Mortgage is invalid or unenforceable as to any part of the Obligations, or if the lien is invalid or unenforceable as to any part of the Property, the unsecured or partially secured portion of the Obligations shall be completely paid prior to the payment of the remaining and secured or partially secured portion of the Obligations, and all payments made on the Obligations, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the Obligations which is not secured or not fully secured by the lien of this Mortgage.

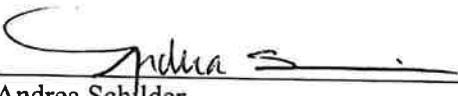
25. **CONSENT NOT REQUIRED OF MORTGAGEE:** Any consent by MORTGAGEE in any single instance shall not be deemed or construed to be MORTGAGEE'S consent in any like matter arising at a subsequent date and the failure of MORTGAGEE to promptly exercise any right, power, remedy, consent or approval provided herein or at law or in equity shall not constitute or be construed as a waiver of the same nor shall MORTGAGEE be estopped from exercising such right, power, remedy, consent or approval at a later date. Any consent or approval requested of and granted by MORTGAGEE pursuant hereto shall be narrowly construed to be applicable only to MORTGAGOR and the matter identified in such consent or approval and no third party shall claim any benefit by reason thereof, and any such consent or approval shall not be deemed to constitute MORTGAGEE a venturer or partner with MORTGAGOR nor shall privity of contract be presumed to have been established with any such third party. If MORTGAGEE deems it to be in its best interest to retain the assistance of persons, firms or corporations (including, but not limited to, attorneys, appraisers, engineers, consultants and surveyors) with respect to a request for consent or approval, MORTGAGOR shall reimburse MORTGAGEE for all costs incurred in connection with the employment of such persons, firms or corporation.

26. **HEADINGS:** Headings are for convenience only and are not intended as a limitation on the content of the paragraph following nor as an aid to the construction thereof.

**EXECUTED** by the parties or their duly authorized representatives, to be effective as provided above.

MORTGAGOR

  
\_\_\_\_\_  
John E. Schilder  
Member, Schilder Properties, LLC

  
\_\_\_\_\_  
Andrea Schilder  
Member, Schilder Properties, LLC

MORTGAGEE

  
\_\_\_\_\_  
Agnes Schilder

  
\_\_\_\_\_  
Agnes Schilder  
Trustee, Schilder Trust

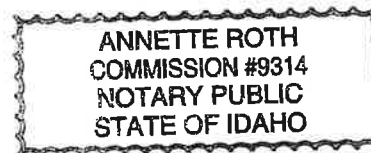
WITNESSETH

STATE OF IDAHO )  
 : ss.  
County of Twin Falls )

On this 25 day of February, 2021, before me, a Notary Public in and for said state, personally appeared John E. Schilder, as a member of SCHILDER PROPERTIES, LLC, an Idaho limited liability company, known to me to be such member and the person whose name is subscribed to the within and foregoing instrument, and who acknowledged to me that he executed the same in such capacity.

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

Annette Roth  
Notary Public for Idaho  
Residing at: Rupert, ID  
My commission expires: 08/04/2023

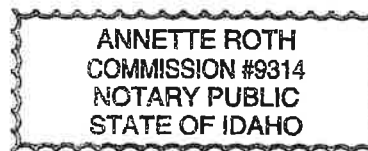


STATE OF IDAHO )  
 : ss.  
County of Twin Falls )

On this 25 day of February, 2021, before me, a Notary Public in and for said state, personally appeared Andrea Schilder, as a member of SCHILDER PROPERTIES, LLC, an Idaho limited liability company, known to me to be such member and the person whose name is subscribed to the within and foregoing instrument, and who acknowledged to me that he executed the same in such capacity.

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

Annette Roth  
Notary Public for Idaho  
Residing at: Rupert, ID  
My commission expires: 08/04/2023



## EXHIBIT A

### LEGAL DESCRIPTION OF REAL PROPERTY

PARCEL NO. 1

TOWNSHIP 10 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY, IDAHO

Section 22: Being a portion of the E $\frac{1}{2}$ SE $\frac{1}{4}$ , more particularly described as follows:

Commencing at the Southeast corner of said Section 22, said corner lies North 89°52'42" East, 2688.31 feet from the South quarter corner of said Section 22;

Thence South 89°52'42" West, 705.00 feet along the South boundary of the SE $\frac{1}{4}$ , said Section 22 and being THE REAL POINT OF BEGINNING;

Thence South 89°52'42" West, 639.16 feet along said South boundary to the Southwest corner of said E $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 22;

Thence North 00°01'34" West, 2654.90 feet along the West boundary of said E $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 22 to the Northwest corner thereof;

Thence North 89°57'27" East, 1335.08 feet along the North boundary of said E $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 22 to the Northeast corner thereof;

Thence South 00°13'19" East, 2315.32 feet along the East boundary of said E $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 22;

Thence leaving said East boundary, South 89°52'42" West, 359.49 feet along a line parallel with said South boundary;

Thence South 49°41'34" West, 213.33 feet;

Thence South 58°29'19" West, 213.33 feet;

Thence South 00°13'19" East, 88.96 feet along a line parallel with said East boundary to said REAL POINT OF BEGINNING.

EASEMENT NO. 1

An Easement for Ingress and Egress, more particularly described as follows:

Commencing at the Southeast corner of said Section 22;

Thence North 00°13'19" West, 297.73 feet along the East boundary of said Section 22 and being THE REAL POINT OF BEGINNING;

Thence leaving said East boundary, North 43°42'20" West, 55.22 feet;

Thence North 89°52'42" East, 38.00 feet to a point on said East boundary;

Thence South 00°13'19" East, 40.00 feet along said East boundary to said REAL POINT OF BEGINNING.

PARCEL NO. 2

TOWNSHIP 10 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN,  
TWIN FALLS COUNTY, IDAHO

Section 22: W $\frac{1}{2}$ SE $\frac{1}{4}$  SAVE AND EXCEPT the following described tract:

Beginning at the Southeast Corner of said W $\frac{1}{2}$ SE $\frac{1}{4}$ , which shall be known as the Point of Beginning;

Thence North 90°00'00" West along the South line of said Section 22 for a distance of 262.24 feet to a P.K. nail;

Thence North 00°43'42" East for a distance of 25.00 feet to a  $\frac{1}{2}$  inch iron pin;

Thence continuing North 00°43'42" East for a distance of 199.91 feet to a  $\frac{1}{2}$  inch iron pin;

Thence North 11°32'53" East for a distance of 76.01 feet to a  $\frac{1}{2}$  inch iron pin;

Thence South 87°52'18" East for a distance of 15.67 feet to a  $\frac{1}{2}$  inch iron pin;

Thence North 00°22'42" East for a distance of 265.23 feet to a ½ inch iron pin;  
Thence continuing North 00°22'42" East for a distance of 5.00 feet;  
Thence South 83°37'15" East for a distance of 227.88 feet to the East line of said W½SE¼;  
Thence South 00°01'36" East along said East line for a distance of 13.00 feet to a ½ inch iron pin;  
Thence continuing South 00°01'36" East for a distance of 530.68 feet to the Point of Beginning.

TRACT NO. 2:

PARCEL NO. 1:

TOWNSHIP 11 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN,  
TWIN FALLS COUNTY, IDAHO

Section 6:        E $\frac{1}{2}$ SE $\frac{1}{4}$

PARCEL NO. 2:

TOWNSHIP 10 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN,  
TWIN FALLS COUNTY, IDAHO

Section 21:        E $\frac{1}{2}$ SW $\frac{1}{4}$  and part of the SE $\frac{1}{4}$ , more particularly described as follows:

Beginning at the Southeast corner of Section 21, marked by a  $\frac{1}{2}$  inch pin and survey cap;  
Thence North 89°47'20" West for 1317.33 feet along the Southerly boundary of Section 21 to the Southeast corner of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ ; Thence North 0°13'47" East for 688.00 feet along the Easterly boundary of the SW $\frac{1}{4}$ SE $\frac{1}{4}$  and the True Point of Beginning;

Thence South 87°22'18" East for 277.27 feet along an existing fence to a  $\frac{1}{2}$  inch steel pin;

Thence North 1°54'11" West for 482.66 feet along an existing fence to a  $\frac{1}{2}$  inch steel pin;

Thence North 19°21'56" East for 264.31 feet along an existing fence to the center of a certain Twin Falls Canal Company Lateral;

Thence along the center of said lateral the following courses;

North 71°48'09" West for 349.36 feet;

North 68°22'06" West for 199.44 feet;

North 41°25'31" West for 428.23 feet;

North 47°03'54" West for 422.66 feet;

North 32°00'43" West for 374.20 feet;

North 65°46'14" West for 190.79 feet;

North 85°48'27" West for 170.97 feet to the Westerly boundary of the SE $\frac{1}{4}$ ;

Thence South 0°20'49" West for 2601.94 feet along the Westerly boundary of the SE $\frac{1}{4}$  to the South quarter corner of Section 21;

Thence South 89°47'20" East for 299.33 feet along the South boundary of Section 21;

Thence North 0°13'47" East for 688.00 feet;

Thence South 89°47'20" East for 1018.00 feet to the True Point of Beginning.

SAVE AND EXCEPT the following described that lies in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ ;

Commencing at the Southwest corner of Section 21;

Thence South 89°47'18" East for 2214.73 feet along the South boundary of Section 21 to the Point of Beginning;

Thence North 00°12'42" East for 364.00 feet;

Thence South 89°47'18" East for 239.35 feet;

Thence South 00°12'42" West for 364.00 feet to the South boundary of Section 21;

Thence North 89°47'18" West for 239.35 feet along the South boundary of Section 21 to the Point of Beginning.

TOWNSHIP 10 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY, IDAHO

Section 21: Part of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ , more particularly described as follows:

Beginning at the Southeast corner of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ , which point shall be the Point of Beginning;  
Thence North 00°13'47" East along the East boundary of the W $\frac{1}{2}$ SE $\frac{1}{4}$  for a distance of 688.00 feet;  
Thence North 89°47'20" West for a distance of 1018.00 feet;  
Thence South 00°13'47" West for a distance of 688.00 feet to the South line of the W $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 21;  
Thence South 89°47'20" East along the South boundary of Section 21 for a distance of 1018.00 feet to the Point of Beginning.



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](mailto:southerninfo@idwr.idaho.gov) • Web: [idwr.idaho.gov](http://idwr.idaho.gov)

**Governor Brad Little**

**Director Gary Spackman**

September 27, 2021

SCHILDER PROPERTIES LLC  
3749 N 1200 E  
BUHL ID 83316-6010

Re: Change in Ownership & Notice of Security Interest for Water Right No(s): 47-4163B, 47-12841, 47-12960, 47-14255, 47-14824, 47-16784 & 47-16785

Dear Water Right Holder(s):

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department also acknowledges receipt of correspondence adding security interest of the above referenced water right(s) to McFinney Agri-Finance LLC. The Department has modified its records 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 Change in Water Right Ownership, 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.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

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: Mc Finney Agri-Finance LLC  
TitleOne, Burley (File #21397463)



**TitleOne**

a title & escrow co.

Date: March 2, 2021

211 West 13th Street  
Burley, ID 83318  
Ph. (208) 881-0087  
Fx. (866) 582-7546  
www.titleonecorp.com

Idaho Department of Water Resources  
650 Addison Avenue West  
Suite 500  
Twin Falls, ID 83301

RECEIVED  
MAR 03 2021  
DEPT OF WATER RESOURCES  
SOUTHERN REGION

Escrow No. 21397463

Greetings,

Please find the following enclosed:

- TitleOne Check No. 33407 in the amount of \$175.00 for Notice of Security Interest
- Original executed Notice of Security Interest in a Water Right
- TitleOne Check No. 33411 in the amount of \$175.00 for Notice of Change Ownership
- Original executed Notice of Change in Water Right Ownership
- Copy of Warranty Deed recorded 02/25/21 as Instrument No. 2021004703, records of Twin Falls Co., ID
- Copy of Warranty Deed recorded 02/25/21 as Instrument No. 2021004704, records of Twin Falls Co., ID

Please make the necessary changes to your records to reflect new owner. Please send a receipted copy to TitleOne, Attn: Ashley Martinkus, PO Box 177, Burley, ID 83318.

Please feel free to contact us at the number above should you have any questions.

Best regards,  
TITLEONE

Ashley Martinkus  
Ag Escrow Assistant

AR/am  
Enc.