

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED
DEC 06 2018
Department of Water Resources
Eastern Region

Notice of Security Interest in a Water Right
and a request to be notified of a change in ownership or any proposed
or final action to amend, transfer, or otherwise modify the water right(s)

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

1.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.
	35-7190 <i>OK</i>			

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

Idaho AgCredit, PCA

PO Box 985

Blackfoot, Idaho 83221

Phone 208-785-1510

Email

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

VanOrden Brothers Land, L.L.C.

5. Expiration Date of Notification Period

January 1, 2020

6. Is this a Renewal of Request for Notification?

☐ YES

☒ NO

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

Kate Wallace

Title, if applicable

For Office Use Only

Received by

JLB

Date

12/10/2018

Receipt No.

E044556

Fee

\$50. -

Processed by AJ

OK

Date

12/13/18

WR

Date

\$25. - for this application

Date: September 20, 2018

Loan: 0006513271 - 2225115101

1. **PROMISE TO PAY.** For value received the undersigned VanOrden Brothers Land, L.L.C., An Idaho Limited Liability Company, By: Gaylen VanOrden, Michael VanOrden, Chad VanOrden, Jeffrey VanOrden, and Shane VanOrden, Members; and individually By: Gaylen VanOrden and Ulene VanOrden, aka Ulene Louise VanOrden, and Michael VanOrden and Sheila VanOrden, and Chad VanOrden, aka Chad Orland VanOrden, and Kristine VanOrden, aka Kristine Marie VanOrden, and Jeffrey VanOrden, aka Jeffrey Michael VanOrden, and Lyndsey VanOrden, aka Lyndsey May VanOrden, and Shane VanOrden, aka Shane Morgan VanOrden, and Jessica VanOrden, aka Jessica Lynn VanOrden, husbands and wives ("Borrower", whether one or more), whose principal residence or chief executive office, if applicable, is 1403 W 600 S Pingree, ID 83262, as principals, jointly and severally, promise to pay to the order of Idaho AgCredit, PCA ("Lender"), a wholly owned subsidiary of Idaho AgCredit, ACA, a corporation organized and existing under the laws of the United States of America, at its principal office at 188 W Judicial, Blackfoot, Idaho 83221 or at such other place as may be designated in writing by Lender, the principal sum of Six Hundred Sixty Nine Thousand Seventy Five and no/100 dollars (\$669,075.00) together with interest as specified in Section 3 below of this Promissory Note, Loan Agreement and Security Agreement ("Note") or so much of that sum as may be advanced under this Note with interest on the unpaid principal balance. "Indebtedness" means principal, interest and all other sums owed hereunder of whatever kind evidenced by this Note and any supplemental note(s) attached hereto. All Indebtedness owed hereunder shall be payable only in lawful money of the United States of America.

Each advance shall be made upon a verbal, written, or electronic (FAX, Email, or other) request from Borrower to Lender. Such request shall specify the date on which to make the requested advance and the amount thereof. Upon fulfillment of the applicable conditions for making an advance, Lender shall disburse the amount of the requested advance to Borrower in such manner as Lender and Borrower may from time to time agree. Lender may rely on any verbal or electronic request for an advance as fully as if such request were in writing.

Any disbursement shall be made in accordance with written budget and cash flow projections prepared by Borrower and approved by Lender or in accordance with other disbursement requirements set forth by Lender. Advances or re-advances by Lender to Borrower shall be conditioned upon there being no event of default under this Note or any loan agreement, deed of trust, mortgage, or security agreement, or an event which upon a lapse of time or giving of notice or both would become an event of default under this Note or any other loan agreement, deed of trust, mortgage, or security agreement. Borrower understands, acknowledges and agrees that capital stock or participation certificates of Lender may only be redeemed upon approval of Lender's board of directors and shall be retired at book value not to exceed par value. With each draw, Borrower shall purchase capital stock or participation certificates of Lender in the amount required by Lender's bylaws.

2. **PAYMENTS.** On January 1, 2020, Borrower shall pay the principal sum of Six Hundred Sixty Nine Thousand Seventy Five and no/100 Dollars (\$669,075.00), or so much of that sum as may be advanced or readvanced by Lender under this Note, with interest on the unpaid principal balance.

The actual payment amount may change in accordance with other terms of this Note. Lender may apply any payment received from or on behalf of Borrower and any proceeds of collateral to principal, interest, or any part of the indebtedness as Lender, in its sole discretion, may choose. Any payment received by Lender after Lender has closed its books for the day will be applied on the subsequent business day.

3. **INTEREST - VARIABLE RATE.**

(a) **Initial Interest Rate.** The rate of interest applicable to this Note is a variable interest rate and shall change in accordance with Paragraphs 3(b) through (d) below. Interest shall accrue at the variable interest rate as established by Lender for the interest rate group to which this Note is assigned. The initial interest rate in effect on this date is 5.25% per annum (Initial Rate). Interest will be charged on that part of outstanding principal which has not been paid and shall be calculated on the basis of a 365-day year. Interest charged hereunder, including any accelerated interest rate described in Section 4 below, shall not be limited by the laws of any state relating to a legal rate or other rate of interest, but shall be governed solely by the then applicable federal laws.

(b) **Change in Interest Rate and Interest Rate Group.** The interest rate applicable to this Note may be adjusted automatically as of the first day of any month to the rate then made applicable to this Note's assigned interest rate group under the provisions of Lender's variable interest rate plan in effect at that time. In adjusting the rate, Lender considers specific factors set forth in the plan, including but not limited to, changes in its costs of funds, operating expenses, earnings requirements to meet certain capital objectives, credit risk factors, and the competitive environment, which factors may change during the term of the loan. Upon any adjustment to the rate of interest, the installments of principal and/or interest due hereunder shall be increased or decreased so that the indebtedness will be repaid within the remaining loan term. Borrower understands and agrees that the interest rate group to which this Note is assigned may be changed at any time to any other interest rate group based on Lender's evaluation of the change in Borrower's credit quality, quality of collateral, costs of servicing the loan, and other factors which are set forth in Lender's interest rate plan in effect at that time.

(c) **Notice.** If Lender changes Borrower's interest rate, Lender will give Borrower notice of the change in rate as required by applicable law.

(d) **Maximum Interest Rate.** The maximum interest rate on this loan is not limited or capped.

4. **DEFAULT.** Borrower is in default of this Note under the following circumstances: (a) Borrower fails to pay principal or interest as set forth in this Note; (b) Borrower breaches any term, condition or representation in this Note or in any document in connection with this Note or in connection with any other loan of this Lender, or any other lender; (c) If any of Borrower's representations to this, or any other lender in connection with any loan prove to be materially false or misleading; (d) Lender determines that Borrower is unable to repay the sums owed Lender under this Note as agreed or Lender in good faith otherwise deems itself insecure; (e) If, in Lender's reasonable determination, there shall occur any material adverse change in the financial condition of Borrower or in the value of the collateral; (f) Borrower's death, dissolution, incapacity or termination of existence; (g) Borrower's insolvency, business failure, application for or consent to appointment of a receiver/custodian or trustee for itself or any of its assets, assignment to an agent authorized to liquidate any substantial amount of assets, assignment for the benefit of creditors by, or commencement of any proceeding under any bankruptcy or insolvency law by or against Borrower, or any guarantor, endorser, or surety for Borrower; (h) Any judgment, writ, levy, lien, attachment, notice of tax lien, tax lien, or similar process shall be entered or filed against Borrower or any guarantor or any of Borrower's or any of guarantor's properties and is not vacated, bonded, or stayed to the satisfaction of Lender; (i) An event of default shall occur under any guaranty given to Lender as security for this Note, or any guarantor shall purport to terminate, repudiate or contest any such guaranty; any guarantor who is a natural person shall die; or any guarantor that is not a natural person shall be dissolved or terminated; (j) Borrower sells, leases, conveys, alienates, or transfers, or enters into any agreement for the sale, lease, conveyance, alienation, transfer or nonuse of any water or water right, or similar term such as Water Asset, as may be defined in any deed of trust, mortgage, security agreement or other agreement relating to the pledge of water or water rights.

Remedies. If an event of default shall occur, Lender shall have all rights, powers and remedies available under this Note or any other loan document, or accorded by law or at equity, including the right to foreclose on any and all collateral and to

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exercise any or all of the rights of a mortgagee, trust deed beneficiary, or secured party pursuant to applicable law. All rights, powers, and remedies of Lender may be exercised at any time by Lender and from time to time after the occurrence of an event of default. All rights, powers, and remedies of Lender in connection with this Note and any loan document are cumulative and not exclusive and shall be in addition to any other rights, powers, or remedies provided by law or equity. Lender may enforce any security interest or lien given or provided for under this Note or any other document in such manner and in such order, as to all or any part of the collateral as Lender, in its sole judgment, deems to be necessary or appropriate, and Borrower, to the extent Borrower can, waives any and all rights, obligations, or defenses now or hereafter established by law relating to the foregoing. The mortgage, deed of trust or security agreement provides that advances made by Lender shall become a part of the principal evidenced by this Note, and also states additional conditions under which the entire Note may be accelerated and become immediately due and payable and will be subject to interest and acceleration interest.

Acceleration and Interest on Acceleration. On Borrower's default, and at Lender's option, all unpaid principal, including amounts advanced for taxes, insurance, and other expenses provided herein, accrued unpaid interest and amounts charged in this section, shall become immediately due and payable without presentment, demand, protest, or notice of non-payment. Interest on said accelerated amount shall be 4.000% per annum above the interest rate in effect at the time as stated in Section 3 above.

Waiver. Any delay, failure or discontinuance of Lender in exercising any right or remedy and/or any election by Lender in exercising a specific right or remedy, shall not waive that right or remedy or any other right or remedy. Any explicit waiver of default by Lender must be in writing and signed by Lender. No waiver of default by Lender shall operate as a waiver of any other default or of the same default on a future occasion.

5. **PREPAYMENTS, REFINANCES, CONVERSIONS AND REAMORTIZATIONS.** A payment, in any amount, made in advance of the scheduled payment date is a "prepayment". A prepayment made by paying part or all of this Note with another Note from Lender is a "refinance". A change in the interest rate program for this Note (including a conversion to a different interest rate in the same interest rate program) is a "conversion". A change in the repayment schedule for this Note is a "reamortization". The period of time in which a prepayment, refinance, conversion, or reamortization is subject to a Prepayment Penalty is a "prepayment restricted period". Lender will only accept/approve a prepayment and/or refinance and/or conversion and/or reamortization with concurrent payment of any Prepayment Penalty and/or any other fees required by Lender.

Provided that no prepayment restricted period is in effect and provided Borrower is not in default under this Note, Borrower has the right to make payments in advance of the scheduled payment dates without the Prepayment Penalty. If Borrower, in making a prepayment, intends the prepayment to be applied to reduce the principal balance of the loan, Borrower must so inform Lender in writing accompanying the prepayment. Absent such a writing, or unless agreed to in writing otherwise, Lender may apply all payments, including regular installments, received from or on behalf of Borrower and all proceeds of real or personal property collateral to principal, interest or any part of the indebtedness as Lender, in its sole discretion, may choose. If Borrower makes a partial prepayment, there will be no delays in the due dates of Borrower's installment payments unless Lender agrees in writing to those delays. Unless Borrower and Lender agree otherwise, Lender at its sole discretion may reamortize this Note on the basis of the new principal balance; otherwise, the making of a prepayment will operate only to discharge this Note at an earlier date.

Prepayment Restricted Period. The prepayment restricted period begins at the time the loan or conversion is first disbursed and ends upon the passage of the prepayment restricted period. During the prepayment restricted period, the Prepayment Penalty applies. The prepayment restricted period is separate from the Refinance, Conversion, and Reamortization restrictions, which may continue for the life of this Note regardless of the prepayment restricted period. The prepayment restriction that applies to this Note is marked below:

- (X) Prepayment is not restricted (loan may be prepaid at any time).
() Prepayment is restricted until N/A

Prepayment Penalty. Borrower agrees to pay Lender a prepayment penalty in the event of a voluntary or involuntary unscheduled prepayment, in whole or in part during the prepayment restricted period. The prepayment penalty will include any amount charged to Lender by Lender's provider of financing or funding for any loss of earnings incurred over the then remaining term of the prepayment restricted period, any other cost or loss suffered by Lender, plus any fee or fees required by Lender. Prepayment penalties are charged to at least partially compensate Lender for interest rate risk, additional costs and other operating expenses associated with the accounting and funding adjustments necessitated by prepayment on a fixed rate loan. For example, Lender may have borrowed specific funds for this Note which Lender must repay at a fixed future date and at a specific bond interest rate.

Refinance, Conversion, or Reamortization. Lender may from time to time offer other interest rate products for which Borrower qualifies and/or Borrower may request a refinance and/or reamortization of this Note. If Lender approves Borrower's request for one or more of these actions, Borrower must pay to Lender any amount charged to Lender by Lender's provider of financing or funding for a refinance, conversion, or reamortization of this Note. This amount is in addition to any fees charged by Lender and in addition to any Prepayment Penalty which may also apply.

Acceleration. On any default by Borrower and following the acceleration of the maturity of this Note, a tender of payment of the amount necessary to satisfy the entire indebtedness made at any time by Borrower, its successors or assigns, or by anyone on behalf of Borrower, or its successors or assigns, shall activate the prepayment terms of this Note and any such payment, to the extent permitted by law, will, therefore, include the additional payment(s) required under the Prepayments, Refinances, Conversions and Reamortizations Section set forth above.

6. **SECURITY AGREEMENT.** To secure the indebtedness, Borrower hereby assigns and grants to Lender a security interest in all of the property enumerated or referenced below, hereinafter called "Collateral", whether now owned or hereafter acquired, together with the replacements or additions thereto, the proceeds or products thereof and all accounts receivable from such sales and further together with any interest, stock rights, rights to subscribe, dividends, stock dividends, dividends paid in stock, liquidating dividends, new securities and other property to which Borrower may become entitled by reason of the ownership of the Collateral during the existence of this Note. The following is not intended to limit or restrict the terms and conditions of any other security instrument or agreement between Borrower and Lender, and if separate security instruments and/or agreements exist, all of the following Collateral is subject to all of the terms and conditions of those security instruments and/or agreements.

Collateral:

Approximately 39 acres of real estate with all appurtenant water rights, irrigation equipment, and fixtures, and approximately 45.69 acres of real estate with all appurtenant water rights, irrigation equipment, and fixtures will be held as security for this loan.

If Borrower is a registered entity, Borrower warrants that: its state of registration/organization is Idaho, and its exact legal name,

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chief executive office and mailing address is as set forth in the first paragraph of this Note. If Borrower is an unregistered organization or an individual, Borrower warrants that its chief executive office or place of residence (as the case may be) and mailing address is as set forth in the first paragraph of this Note. Borrower will not change any of the above items including its entity existence and will not, in one transaction or a series of related transactions, merge into or consolidate with any other entity or sell or substantially sell all of its assets, will not change where it is located and will not change its entity name without providing Lender with thirty (30) days prior written notice of such change. If the Collateral includes a Deposit Account(s), Borrower warrants that this is not a consumer transaction.

Borrower or any of them hereby authorizes and, as required, will take such actions and will execute such documents or agreements as may be required from time to time by Lender to establish, perfect or maintain the security interest granted herein or to otherwise effectuate the purposes of this Note, including but not limited to: Uniform Commercial Code ("UCC") financing statements, amendments, addenda thereto and terminations thereof, any notice required by law or deemed necessary by the Lender, motor vehicle lien certificates, securities powers and control agreements. Borrower authorizes Lender to act for Borrower or any of them: (a) in filing UCC financing statements describing the Collateral, (b) in filing UCC financing statement amendments except when additional collateral not described herein is taken, (c) in filing UCC financing statement terminations with respect to the Collateral, including terminations related to the filings of other secured parties of Borrower, and (d) in filing UCC financing statements describing any agricultural liens or other statutory liens held by Lender. Borrower further authorizes and grants to Lender during the term of this Note an irrevocable power of attorney to: (e) demand termination of UCC financing statements of other secured parties of Borrower related to the Collateral and to accept delivery of and file such termination statements, and (f) authorize or execute any document of title, securities or other power or other authorization to maintain, assign, sell or otherwise control or dispose of the Collateral.

7. ADDITIONAL TERMS AND CONDITIONS.

Amount. This Note amount includes a renewal or carryover balance of \$0.00 and a present disbursement commitment of \$669,075.00 for a total of \$669,075.00.

() **Renewal.** If this paragraph is marked, this Note is a renewal and is **executed, delivered, and accepted**, not in payment of, but for the purpose of renewing the unpaid balances from the following described promissory note(s):

<u>Original Note Date</u>	<u>Original Maturity Date</u>	<u>Original Note Amount</u>
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Special Note Clauses. None

Repayment. Lender shall have the right to apply any sums of money received by Borrower or Lender on account of any collateral pledged by Borrower to Lender to this Note or any other outstanding note or account between Borrower and Lender whether or not an installment is due.

Guaranty. This Note is guaranteed by the following named person(s)/entity(ies):

Continuing Guaranty - Recourse from VanOrden Brothers Trucking, Inc., An Idaho Corporation; and V.O. Enterprises, A Partnership; and Gaylen VanOrden, L.L.C., An Idaho Limited Liability Company; and Ulene VanOrden, L.L.C., An Idaho Limited Liability Company; and Michael VanOrden, L.L.C., An Idaho Limited Liability Company; and Sheila VanOrden, L.L.C., An Idaho Limited Liability Company; and VanOrden Properties, L.L.C., An Idaho Limited Liability Company; and Chad VanOrden, L.L.C., An Idaho Limited Liability Company; and Jeffrey VanOrden, L.L.C., An Idaho Limited Liability Company; and Shane VanOrden, L.L.C., An Idaho Limited Liability Company

Maximum Outstanding Balance. The principal balance of this Note outstanding at any one time shall not exceed the lesser of the Note amount or N/A. Any requested advance which would cause the principal balance to exceed this maximum outstanding balance will not be accepted until the principal balance is reduced sufficiently to allow the advance under this balance limit, except that Lender may advance funds to pay fees and expenses as provided elsewhere in this Note.

Additional Advances or Increased Commitments. Additional advances or increased commitments for any purpose are not contemplated at this time. However, if such advances or commitments are made within the duration of this Note, each such advance or commitment shall be subject to the terms and conditions of this Note as may be amended and, together with any indebtedness existing at that time, shall be evidenced by a single note or multiple notes as the Lender may require.

Use or Disposition of Collateral. Unless otherwise expressly provided below, Borrower shall not sell, exchange or otherwise dispose of any collateral pledged by Borrower to Lender without the prior written consent of Lender.

Special Loan Terms and Conditions.

BORROWER AGREES:

- That title insurance will be obtained in the amount of this Note.

Affirmative Covenants. Borrower agrees that until the full payment of all Indebtedness, it will, unless Lender waives compliance in advance in writing:

- Promptly remit to Lender in the form received, appropriately endorsed, all monies and proceeds from sale of Collateral;
- Maintain its existence and all rights, privileges, leases, permits, licenses and franchises necessary to conduct its business as currently conducted;
- Conduct its business and maintain the Collateral in an orderly and efficient manner, care for all crops and livestock in accordance with standards of good husbandry, and maintain all property in working order and good repair;
- Maintain accurate books and accounts and prepare all financial statements submitted to Lender in accordance with generally accepted accounting principles and practices consistently applied;
- Furnish Lender with such information concerning the business and properties of Borrower as Lender may require, and permit Lender to examine and inspect the books and property of Borrower as and when Lender may reasonably request;
- Maintain policies of insurance in types, amounts, and with companies satisfactory to Lender and, if requested by Lender, obtain under such insurance, in form satisfactory to Lender, lender's loss payable endorsements or loss payable clauses in favor of Lender;
- Pay all obligations, including tax claims, at maturity, unless the obligation to make the payment is being disputed in good faith and is being diligently contested in all appropriate proceedings, in which event Borrower shall notify Lender of such dispute; and

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h. If Borrower is a corporation or other entity, maintain its entity existence and good standing.

Negative Covenants. Borrower agrees that so long as Borrower owes any Indebtedness to Lender, Borrower will not, without prior written consent of Lender:

- a. Incur any liability for borrowed money, other than the Indebtedness and other than liabilities set forth in Borrower's loan application or another document delivered by Borrower to Lender and approved by Lender;
- b. Make any loans or bonuses to any person or guarantee or otherwise become liable for, or pledge any assets to secure payment of, the liabilities of any other person;
- c. If Borrower is a corporation, declare or pay any dividends on its shares; if Borrower is a partnership, make any distributions or disbursements to any partners of Borrower; if Borrower is an individual, take any money for living expenses or otherwise withdraw funds from Borrower's business operations; provided, however, that Borrower may make such dividends, disbursements, and withdrawals to the extent set forth in budget and cash flow projections submitted to and approved by Lender;
- d. Dissolve or liquidate, sell, assign, lease, or transfer all or any material part of its assets or business, or enter into any merger, consolidation, pool, joint venture, or other combination;
- e. Encumber, pledge, mortgage, or grant a security interest in any asset of Borrower except for liens arising by operation of law and purchase money security interests in equipment; and
- f. Change the physical location of any Collateral except in the ordinary course of business, or change Borrower's place of business or chief executive office, without giving Lender at least thirty (30) days prior written notice of such change.

STANDARD CONDITIONS

While this Note is in effect Borrower will: (a) at Lender's request, furnish information to Lender relating to Borrower's business and financial affairs and permit Lender to examine Borrower's books and records; (b) maintain all other loans with Lender in a current status; (c) allow Lender to inspect and appraise Lender's collateral; (d) promptly notify Lender of any potential material adverse change in financial condition or notify Lender in writing of any possible default under this Note or any other loan agreement with Lender or with any other lender or of any event which would become an event of default upon the lapse of time or the giving of notice or both; (e) execute all other documents as Lender may lawfully require in connection with this Note; and (f) comply with all terms and conditions of all other documents executed in connection with this Note.

STOCK, VOTING RIGHTS AND ALLOCATION. Pursuant to the Farm Credit Act of 1971, as it may from time to time be amended, Borrower shall acquire and maintain capital stock or participation certificates of Lender, subject to change from time to time at the discretion of Lender. Any increased capital stock or participation certificate requirements of Lender shall be added to Borrower's principal indebtedness in such amounts as Lender may from time to time require. At the option of Lender, any amounts borrowed to purchase capital stock or participation certificates, and any amounts repaid from retirement of such stock or certificates, may be recorded as part of the loan accounting in the Transaction Summary referred to herein, or in a separate stock or loan account.

Borrower hereby grants to Lender a security interest in and lien upon all capital stock and participation certificates as Collateral for the Indebtedness. Upon an Event of Default, Lender may, but is not required to, apply all or part of the proceeds from such capital stock or participation certificates against the sums owed Lender. As required by Lender's bylaws and the federal and any state income tax law(s), Borrower agrees that the amount of any distribution of patronage made by written notice of allocation to Borrower after the date of this Note will be included in Borrower's gross income for the purpose of federal income tax for the year in which the notice is received.

TRANSFER BY LENDER. Lender may sell, transfer or assign this Note or any portion thereof, and deliver to the transferee(s) ("Noteholder") all or any portion of the property then held by it as security hereunder, and the Noteholder shall thereupon become vested with all the power and rights herein given to Lender with respect thereto and at such time the term "Lender" as herein used shall be deemed to mean and include the "Noteholder"; and Lender shall thereafter be forever relieved and fully discharged from any and all liability or responsibility to Borrower, but Lender shall retain all rights and powers hereby given with respect to property not so transferred, sold or assigned.

FINANCIAL REPORTS. Borrower shall furnish Lender as soon as possible, but in no event later than 120 days after each fiscal year, financial reports for each of the undersigned, including a balance sheet and a profit and loss statement.

SPECIAL FEES AND ADVANCES. In addition to loan disbursements requested by Borrower, Lender is authorized, but not obligated, to pay the following items, to add the amount thereof to any portion of the Indebtedness, and to thereafter charge interest on such amount at the interest rate applicable to such portion of the Indebtedness:

- (a) Any amounts required to satisfy any liens on any Collateral, to maintain insurance, or to perform any other agreement of Borrower under this Note or any other agreements with Lender;
- (b) The cost of any services provided by or through Lender and requested by Borrower, such as credit life insurance, disability insurance, or crop or property insurance;
- (c) Any bill of sale, sight, or expense drafts drawn by Borrower and presented to Lender for payment of purchases or expenses authorized by Lender; and
- (d) Charges by suppliers of goods or services included in any budget for which Borrower borrows funds hereunder.

FEES AND CHARGES OF ATTORNEYS AND OTHERS. In the event that Lender employs attorneys, accountants, appraisers, consultants, or other professional assistance, including the services of any such person who is a direct employee of Lender, in connection with any of the following, then, the reasonable amount of costs, expenses and fees incurred by Lender shall be payable on demand. Lender may, at its option, add the amount of such costs, expenses and reasonable fees to the principal amount of the loan and an appropriate amount of capital stock or participation certificates as required by Lender's bylaws and Farm Credit Administration ("FCA") regulations. Lender thereafter may charge interest on such amount at the interest rate then applicable to the principal. Costs, expenses and reasonable fees of professionals covered by this provision include charges for the following:

- (a) The preparation, modification, or renewal of this Note, security agreement, deed of trust, mortgage, or any other documentation incident to the loan transaction;
- (b) Advising Lender subsequent to the initial disbursement of loan proceeds concerning its legal rights and obligations with regard to this Note or security given for this Note, including advising Lender with regard to Borrower's exercise of any rights under the provisions of the Farm Credit Act, as amended, FCA regulations, any policy or program of Lender, or any state or federal law or

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regulation and bankruptcy laws and rules;

- (c) Any litigation, dispute, proceeding or action, whether instituted by Lender, Borrower, or any other person, relating to this Note, security given for this Note, or Borrower's affairs, including representation of Lender in any bankruptcy, insolvency, or reorganization case or proceeding instituted by or against Borrower, and any attempt by Lender to enforce any rights against Borrower;
- (d) Fees and Costs associated with any controversy, claim or dispute relating to this Note, security given for this Note, any security instrument or other agreements between Borrower and Lender, including but not limited to any action to construe or enforce the terms of the loan obligations and security agreements. The prevailing party shall be entitled to recover its reasonable costs, expenses, and reasonable attorney fees;
- (e) Fees and Costs associated with bankruptcy or insolvency proceedings (whether state or federal) instituted by or against Borrower or third parties with whom Borrower has entered contractual relationships. The Lender may recover all costs, expenses and reasonable attorney fees incurred to protect or defend Lender's right under this Note, any security instrument and other documents underlying the loan transactions whether such costs, expenses, and attorney fees be contractual or bankruptcy related, including costs, expenses, and attorney fees for meetings, sessions, matters, proceedings and litigation involving issues solely distinct to federal bankruptcy law, rules and proceedings as well as other federal and state litigation and proceedings;
- (f) The inspection, verification, protection, collection, processing, sale, liquidation, or disposition of security given for this Note;
- (g) The cost of any appraisal or collateral evaluation of all or any part of the real property security, which Lender may from time to time obtain as part of Lender's reasonable administration of this Note;
- (h) Any of the type of expenses referred to in (a) through (g) above incurred by Lender in connection with any guaranty of this Note.

TRANSACTION SUMMARY. All disbursements and repayments of Indebtedness shall be posted on Lender's accounting records. Periodically, Lender shall send Borrower a transaction summary or a similar loan accounting. If Borrower fails to object to the accounting in writing within 30 days of the date sent by Lender, Borrower shall have waived any right to object to the accuracy of the accounting and the accounting may be admitted into evidence by Lender for the purpose of establishing the balance due Lender in any legal proceeding arising between the parties.

NOTICES. Borrower shall promptly give written notice to Lender of: (a) any enforcement action brought against Borrower by any governmental regulatory body or law enforcement authority or any dispute between Borrower and any such authority or body; (b) any pending or threatened litigation or court proceeding brought against Borrower; (c) the death or disability of any Borrower or guarantor; (d) any material adverse change in Borrower's financial condition; (e) the occurrence of any event of default or any event that with a lapse of time or the giving of notice or both would become an event of default; (f) any change in management or ownership of Borrower's business or operations; (g) any default on loans or credit arrangements with any other creditors; (h) any location change or new location of Borrower's office, site of operation or electronic contact information; (i) any change to an out of state location for any Collateral; and (j) restriction, suspension, revocation or other change in any permit(s), license(s) or authority(ies) required to conduct Borrower's business.

LOAN CHARGES. If a law, which applies to this Note and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this Note 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 which exceeded permitted limits will be refunded to Borrower, without interest thereon. Lender may choose to make this refund by reducing the principal Borrower owes under this Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment.

DISCLOSURE AND INQUIRIES. By signing this Note, Borrower agrees that Lender may disclose financial information to other Farm Credit System institutions. Borrower further authorizes Lender from time to time, to make such inquiries and gather such information as Lender deems necessary and reasonable to administer this Note. Lender is also authorized from time to time to make credit inquiries, verify credit, verify employment, and obtain credit agency reports regarding Borrower, Borrower's spouse and/or Borrower's business.

BORROWER'S AUTHORITY. By signing this Note, Borrower warrants that Borrower has legal authority to enter into this transaction, that the terms and conditions of this contract do not contravene the terms and conditions of any other contract(s) of Borrower, that Borrower's representations in connection with this loan are true and accurate, and that Borrower is not involved in, or has any expectations of involvement in, any legal action that might impair Borrower's financial condition or ability to continue business.

SUCCESSORS AND ASSIGNS. This Note is binding on Borrower's and Lender's successors and assignees. Borrower shall not assign this Note without Lender's prior written consent. Lender may sell participations in or assign this Note, and may exchange financial information about Borrower with actual or potential participants or assignees. If a participation is sold or this Note is assigned, the purchaser will have the right of set-off against Borrower.

SEVERABILITY. In the event that one or more of the provisions of this Note or any other loan documents should be deemed or held to be invalid, illegal, unenforceable or against public policy in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired.

CAPTIONS. Captions used in this Note are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any term or provision.

APPLICABLE LAW. Enforcement of this Note, any security instrument, and any other loan document executed in connection herewith shall be governed by and construed in accordance with federal laws to the extent applicable, and shall otherwise be governed by the laws of the state of Idaho. In the event a security instrument specifies that it shall be governed by the laws of a different state, the law of the state specified in the security instrument shall govern regarding that security instrument.

INTEGRATION CLAUSE; AMENDMENTS MUST BE IN WRITING. This Note, any other security instruments and modifications thereof, executed by Lender and Borrower in connection herewith, or as required by this Note constitute the entire agreement between Borrower and Lender and supersede all prior negotiations, communications, discussions, oral agreements, and promises concerning this loan. This Note shall not include any loan application or any written correspondence submitted by Borrower to Lender that has not been agreed to by Lender in writing. To the extent that any of the terms or provisions contained in this Note are inconsistent with those contained in any previous loan agreement or security agreement or any other agreements executed prior to this Note, the terms and provisions contained herein shall control. Otherwise, such provisions shall be considered cumulative. This Note may be amended or modified only by a written instrument executed by each party hereto.

HAZARDOUS SUBSTANCE INDEMNITY. Borrower indemnifies and agrees to hold Lender harmless from any losses or damages suffered by Lender that arise from the release, threatened release, discharge, manufacture, use, storage, transportation or presence

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of any hazardous substance in connection with the business of Borrower or on any real property owned or occupied by Borrower, whether pledged as security for this Note or not. The indemnity covers the officers, directors, agents, and attorneys of Lender and extends to attorneys' fees and other costs and expenses incurred by Lender in connection with the foregoing. The term "hazardous substance" shall mean any material or substance which is now or hereafter considered "hazardous" or "toxic" or subject to any other deleterious classification under any federal, state, or local law. NOTWITHSTANDING ANY OTHER PROVISION OF THIS NOTE OR THE LOAN DOCUMENTS, THIS INDEMNITY SHALL SURVIVE REPAYMENT OF THE INDEBTEDNESS.

REIMBURSEMENT OF CHARGES. If any farm credit bank or any other provider of financing or funding to Lender shall assess against Lender any fee, cost, charge, or other amount with respect to the indebtedness, Borrower shall reimburse Lender on demand for the amount thereof, regardless of whether such assessment arose from actions taken by Borrower.

OBLIGATIONS OF PERSONS UNDER THIS NOTE. The liability of each Borrower executing this Note shall be that of co-maker and not that of an endorser, guarantor or accommodation party and shall be joint and several. The separate property of any married person executing this Note shall be liable for the indebtedness evidenced hereby.

SPECIFIC WAIVERS OF EACH BORROWER. The indebtedness of each Borrower is independent of the indebtedness of all other Borrowers. Each Borrower expressly waives any right to require Lender to proceed against any other Borrower, to proceed against or exhaust any collateral and to pursue any remedy Lender may have at any time. Each Borrower waives any and all defenses by reason of (a) any disability or other defense of any other Borrower with respect to the indebtedness owed to Lender, (b) the termination for any reason whatsoever of the liability of any other Borrower, (c) any act or omission of Lender that directly or indirectly results in or aids the discharge or release of any other Borrower, any guarantor, or any security provided by any Borrower or guarantor, (d) the failure by Lender to perfect any security interest or lien on any collateral, (e) an election of remedies by the Lender, even though that election of remedies has destroyed the Borrower's rights of subrogation, contribution, reimbursement, indemnity, set off, or other recourse against another Borrower and (f) any statute of limitations affecting Borrower's liability under this Note or any other loan document.

Each Borrower agrees that Lender may at any time, without notice, release all or any part of the security for this Note (including all or any part of the premises covered by the referenced mortgage or deed of trust), grant extensions, change terms of payment, deferments, renewals or reamortizations of any part of the debt evidenced by this Note, and release from personal liability any one or more of the parties who are or may become liable for this debt; all without affecting the personal liability of any other party. The Borrower and endorser of this Note also severally waive any and all other defense or right of offset against the holder hereof. No Borrower shall have any right of subrogation, contribution, reimbursement, indemnity, set off, or other recourse and waives the benefit of, or any right to participate in, any collateral until such time as all of the obligations owed by Borrower to Lender under this Note shall have been paid in full. Each Borrower, to the extent it may lawfully do so, waives any defense to the recovery of a deficiency after a foreclosure sale of such property.

Each Borrower represents and warrants to Lender that it has established adequate means of obtaining from each other Borrower, on a continuing basis, information pertaining to the businesses, operations and conditions (financial and otherwise) of each other Borrower and its properties, and each Borrower now is and will be familiar with the businesses, operations and conditions (financial or otherwise) of each other Borrower and its properties. Each Borrower waives and relinquishes any duty on the part of Lender (if such duty exists) to disclose to any Borrower any matter, fact or thing related to the businesses, operations, or conditions (financial or otherwise) of any other Borrower or its properties. Without limiting the generality of the foregoing, each Borrower waives any defenses or rights arising under Idaho law that in any way impairs or limits the liability of any endorser, guarantor, surety or accommodation party.

UNIFORM SECURED NOTE. This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to Lender under this Note, the security agreement in this Note and any other security instruments securing this Note protect Lender from possible losses which might result if Borrower does not keep the promises made in this Note. These security instruments describe how and under what conditions Borrower may be required to make immediate payment in full of all amounts owed under this Note. One of those conditions relates to any transfer of the property covered by the Mortgage or Deed of Trust, if any, which provides in part as follows:

- (a) In the event the herein-described Property, or any part thereof, or any interest therein, is sold, agreed to be sold, conveyed, alienated or further encumbered or transferred, including any water transfer as defined in subsection (b) below, by Mortgagor or Trustor, or by operation of law or otherwise, without Mortgagee's or Beneficiary's prior written consent, all indebtedness, irrespective of maturity dates, at the option of the holder hereof, and without demand or notice, shall immediately become due and payable. Failure to exercise such option shall not constitute a waiver of the right to exercise this option in the event of subsequent sale, agreement to sell, conveyance or alienation.
- (b) A water transfer is any transfer, assignment, sale, agreement to sell, conveyance, exchange, gift, encumbrance, pledge, hypothecation, alienation, grant of option to purchase, or other disposition of, directly, indirectly, or in trust, voluntarily or involuntarily, by operation of law or otherwise, or the entry into a binding agreement to do any of the foregoing with respect to all or any part of any existing or hereafter created or acquired Water Assets.

DISCLOSURE ACKNOWLEDGEMENT. I certify that the following documents have been provided to me with this Note, or I have received them previously and now waive any requirement for Lender to furnish another copy to me. These documents include Lender's Capitalization Bylaws, most recent Quarterly Report, most recent Annual Report, "Notice to Borrowers/Prospective Borrowers Concerning Investment in Lender", Disclosure of Loan Information brochure, and Interest Rate Disclosure Statement (or Truth in Lending Disclosure, if applicable).

COUNTERPARTS. This document may be executed in counterparts, each of which shall be deemed an original, but which shall constitute one and the same instrument. This document may be signed and delivered by facsimile or electronic transmission, either of which shall be effective as an original.

WAIVER OF RIGHT TO TRIAL BY JURY. TO THE EXTENT PERMITTED BY LAW, THE BORROWER AND THE LENDER HEREBY JOINTLY AND SEVERALLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO ANY OF THE LOAN DOCUMENTS, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATION OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. BORROWER AND THE LENDER EACH REPRESENT TO THE OTHER THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

The representatives of Lender are not authorized to make any oral agreements or assurances. Do not sign this Note if you believe that there are any agreements or understandings between you and Lender that are not set forth in writing in this Note or the other loan documents.

Idaho AgCredit PROMISSORY NOTE, LOAN AGREEMENT AND
SECURITY AGREEMENT

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ASN 1090 (R12/31/2014)

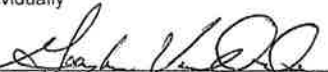
Date: September 20, 2018

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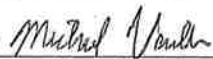
BY SIGNING, BORROWER ACKNOWLEDGES THAT BORROWER HAS READ AND AGREES TO THE TERMS OF THIS NOTE, INCLUDING THE STANDARD CONDITIONS, AND HAS RECEIVED A COMPLETED COPY OF THIS NOTE AND THE RELATED MORTGAGE, DEED OF TRUST OR OTHER SECURITY DOCUMENTS WITH ALL APPLICABLE BLANKS FILLED IN PRIOR TO OR AS A PART OF THE CONSUMMATION OF THIS TRANSACTION.

VanOrden Brothers Land, L.L.C., An Idaho Limited Liability Company, and Gaylen VanOrden, individually, and Michael VanOrden, individually, and Chad VanOrden, individually, and Jeffrey VanOrden, individually, and Shane VanOrden, individually

Individually By:


By: Gaylen VanOrden, individually and as Member


Ulene VanOrden

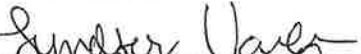

By: Michael VanOrden, individually and as Member

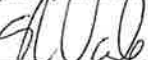

Sheila VanOrden


By: Chad VanOrden, individually and as Member


Kristine VanOrden

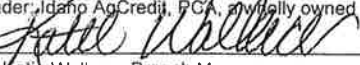

By: Jeffrey VanOrden, individually and as Member


Lyndsey VanOrden


By: Shane VanOrden, individually and as Member


Jessica VanOrden

Lender: Idaho AgCredit, PCA, a wholly owned subsidiary of Idaho AgCredit, ACA


By: Katie Wallace, Branch Manager

Date: September 20, 2018

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WHEN RECORDED MAIL TO:

Idaho AgCredit, PCA
PO Box 985
Blackfoot, ID 83221

Instrument # 701099

BINGHAM COUNTY, IDAHO
2018-10-04 12:43:27 PM No. of Pages: 8
Recorded for: FIRST AMERICAN TITLE-NCS-SLC1
PAMELA W. ECKHARDT Fee: \$45.00
Ex-Officio Recorder Deputy DWootton
Index To: MORTGAGE
Electronically Recorded by Simplifile

FATCO NCS-700341, 700345

1. **THIS MORTGAGE** is made this September 20, 2018 between VanOrden Brothers Land, L.L.C., An Idaho Limited Liability Company, By: Gaylen VanOrden, Michael VanOrden, Chad VanOrden, Jeffrey VanOrden, and Shane VanOrden, Members; and Individually By: Gaylen VanOrden and Ulene VanOrden, aka Ulene Louise VanOrden, and Michael VanOrden and Sheila VanOrden, and Chad VanOrden, aka Chad Orland VanOrden, and Kristine VanOrden, aka Kristine Marie VanOrden, and Jeffrey VanOrden, aka Jeffrey Michael VanOrden, and Lyndsey VanOrden, aka Lyndsey May VanOrden, and Shane VanOrden, aka Shane Morgan VanOrden, and Jessica VanOrden, aka Jessica Lynn VanOrden, husbands and wives, whose address is 1403 W 600 S Pingree, ID 83262 hereinafter called "Mortgagor", and Idaho AgCredit, PCA ("Mortgagee"), a wholly owned subsidiary of Idaho AgCredit, ACA, a corporation, existing and operating under the Farm Credit Act of 1971, as amended, having its principal place of business at 188 W Judicial PO Box 985, Blackfoot, Idaho 83221.

2. **WITNESSETH:** That Mortgagor IRREVOCABLY GRANTS, BARGAINS, SELLS, CONVEYS AND ASSIGNS unto Mortgagee together with right of entry and possession the following described real property situated in the County(ies) of Bingham, State of Idaho:

SEE ATTACHED SCHEDULE A FOR REAL ESTATE DESCRIPTION, TOGETHER WITH FIXTURES AND APPURTENANT SPRINKLER EQUIPMENT IF ANY.

TOGETHER WITH: All fixtures, including but not limited to the following: All pumps, motors, columns, tubes, shafts, bowls, panels and all electrical appurtenances, mainline, laterals, wheel lines, pivot/circle irrigation systems, risers, heads, couplers, end plugs, valves, valve openers, reducers, joints, tees and wyes, as well as all additions and replacements thereof, hereby declared appurtenant thereto and which are more particularly described above.

WATER RIGHTS:

TOGETHER WITH: Idaho Department of Water Resources License Number 35-7190, Priority Date October 24, 1971, for 0.63 cfs, 156 AFA.

TOGETHER WITH: 54 shares of stock, Certificate #530 or as may be re-issued in United Canal Company.

TOGETHER WITH: 67 shares of stock, Certificate #532 or as may be re-issued in United Canal Company.

This real estate mortgage is also intended to be a fixture filing and to be indexed not only as a mortgage but also as a fixture filing.

3. **TOGETHER WITH:** all buildings, structures, equipment, fixtures (including trees, vines and shrubs) and improvements of every kind and description now or hereafter constructed or placed thereon; all standing timber and timber to be cut located thereon; all existing and future water rights, however evidenced, to the use of water for irrigation, livestock and domestic purposes, including irrigation and watering equipment and systems, ditches, laterals, conduits, and rights-of-way used to convey such water or to drain the above-described property, all of which rights are hereby made appurtenant to the property, and all pumping plants, electrical generators, wind machines, and fencing and storage tanks, now or hereafter used in connection with the property, all of which are hereby declared to be fixtures; all grazing rights, leases, permits and licenses; all oil, gas, and mineral leases, permits and rights used with the property; and all tenements, hereditaments, easements, rights-of-way and appurtenances to the property (hereafter collectively referred to as the "Property").

4. **MORTGAGOR ABSOLUTELY AND UNCONDITIONALLY ASSIGNS**, transfers, conveys and sets over to Mortgagee all the rents, royalties, issues, profits, revenue, income and other benefits of the property arising from the use or enjoyment of all or any portion thereof or from any lease, mineral lease, or agreement pertaining thereto (collectively the "Rents"); SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Mortgagor by Paragraph 7.c hereof.

5. FOR THE PURPOSE OF SECURING:

a) payment of the indebtedness or obligations evidenced by the following promissory note(s) and/or guaranties executed by Mortgagor and/or others to the Mortgagee at the times, in the manner and with interest as therein set forth (notes may contain variable or adjustable rate provisions):

<u>Date of Note</u>	<u>Maturity Date</u>	<u>Amount of Note</u>
September 20, 2018	January 1, 2020	\$669,075.00

b) the payment of such additional loans or advances, including advances under a revolving line of credit, with interest thereon, as hereafter may be made to Mortgagor, or Mortgagor's successors or assigns, and/or to parties whose obligation Mortgagor is guaranteeing, evidenced by a promissory note or otherwise and any obligations evidenced by any guaranties executed by Mortgagor in favor of Mortgagee; PROVIDED HOWEVER, THAT, such additional loans, advances, guaranty obligations shall be secured by this Mortgage only if the promissory note, guaranty, or other document evidencing such loans or advances shall recite that it is to be secured by this Mortgage; c) the payment of any substitute notes, renewals, reamortizations, and extensions of all indebtedness secured by this Mortgage; d) the performance of every obligation and agreement of Mortgagor whether contained or incorporated by reference in this Mortgage, or contained in any loan document or guaranty executed by Mortgagor in favor of Mortgagee, with respect to any loan, advance, or guaranty secured by this Mortgage; and e) the payment of all sums expended or advanced by Mortgagee under or pursuant to the terms of this Mortgage, together with interest thereon as herein provided. The continuing validity and priority of this Mortgage as security for future loans, advances or guaranties shall not be impaired by the fact that at certain times hereafter there may exist no outstanding indebtedness from Mortgagor to Mortgagee or no commitment to make loans or advances.

6. TO PROTECT THE SECURITY OF THIS MORTGAGE, MORTGAGOR AGREES:

a) To use loan proceeds solely for the purposes set forth in the loan application(s) or agreements; to comply with the Farm Credit

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Act of 1971, as amended, and/or the regulations of the Farm Credit Administration, now existing or as hereafter amended.

b) To keep the Property in good condition, working order and repair; care for the Property in accordance with standards of good husbandry and to keep all trees, vines and crops on said land properly cultivated, irrigated, fertilized, sprayed, and fumigated; not to remove, destroy or suffer the removal or destruction of any building, fence, canal, well or other improvements or fixtures thereon; not to remove, replace or alter any horticultural or viticultural tree, vine or shrub planted thereon without the prior written consent of Mortgagee, except in the ordinary course of business; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon; to comply with all laws, covenants and restrictions affecting the Property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon the Property in violation of law; to do all other acts which from the character or use of the Property may be reasonably necessary, the specific enumerations herein not excluding the general; to observe and perform all obligations of Mortgagor under any lease of the Property.

c) To provide, maintain and deliver to Mortgagee fire and all other types of insurance of the type and in amounts as Mortgagee may require, with loss payable clauses solely in favor of Mortgagee. In the event of loss, the insurance proceeds, or any part thereof, may be applied by Mortgagee, at its option, to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In the event that the Mortgagor shall fail to provide satisfactory hazard insurance, Mortgagee may procure, on Mortgagor's behalf, insurance in favor of Mortgagee alone. If insurance cannot be secured by Mortgagor to provide the required coverage, such inability shall constitute an event of default hereunder.

d) To appear in and litigate any action or proceeding purporting to affect the security hereof, the title to the Property, or the rights or powers of Mortgagee; Mortgagee may appear in and litigate any such action or proceedings, including any bankruptcy, partition or condemnation proceeding, affecting the Property, or Mortgagee's interest therein, in which event Mortgagor agrees to pay all costs and expenses thereof, including attorney's fees and costs of securing evidence of title.

e) To pay on or before the due date all taxes and assessments affecting the Property, including all assessments upon water company stock and all rents, assessments and charges for water, appurtenant to or used in connection with the Property; to pay, when due, all encumbrances, charges, and liens, on the Property or any part thereof, which at any time appear to be prior or superior hereto.

f) In case of any suit to foreclose this Mortgage or to collect any charge arising out of the debt hereby secured, or of any suit which the Mortgagee may deem necessary to prosecute or defend to effect or protect the lien herein, including any proceeding in bankruptcy, or if Mortgagee retains an attorney to advise Mortgagee in connection with this Mortgage or any other agreement related to the indebtedness secured by this Mortgage, Mortgagor agrees to pay a reasonable sum as attorney's fees and all costs and legal expenses in connection with said suit, and further agrees to pay the reasonable costs of searching the records and abstracting or insuring the title, and such sums, costs and expenses shall be secured hereby and shall be included in any decree of foreclosure. The fees and costs described herein and elsewhere in this Mortgage shall be in addition to those set forth in the loan agreement or any other written agreement between Mortgagor and Mortgagee.

g) Should Mortgagor fail to make any payment or to do any act as provided for in this Mortgage, then Mortgagee, but without obligation to do so and without notice to or demand upon Mortgagor and without releasing Mortgagor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the Property, Mortgagee being authorized to enter upon the Property for such purposes; commence, appear in and litigate any action or proceeding purporting to affect the security hereof or the rights or powers of Mortgagee, including any bankruptcy proceeding affecting the Property; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefore, including attorney's, accountant's, appraisal, and environmental fees, and costs of securing evidence of title, and all amounts so expended shall be obligations of Mortgagor secured by this Mortgage. Nothing contained herein shall prohibit Mortgagee from entering the Property, at a reasonable time and upon reasonable notice to Mortgagor, without incurring or assuming any obligations or liabilities whatsoever, for the sole purpose of inspecting the Property.

h) To pay immediately and without demand all sums expended by Mortgagee pursuant to the provisions hereof, with interest from date of expenditure at the same rate as is provided for in the note or notes secured by this Mortgage. In the event that such sums are not immediately paid, they shall be added, along with the appropriate amount of capital stock or participation certificates, to the principal balance of the indebtedness secured hereby and shall accrue interest as herein set forth. All such sums shall be secured hereby.

i) Environmental Representations, Warranties and Covenants.

1) Except as disclosed in writing to Mortgagee, or except as otherwise provided in any loan agreement between Mortgagee and Mortgagor which specifically refers to the Property, to the best knowledge of Mortgagor after due inquiry, Mortgagor hereby further represents, warrants and covenants as follows:

(a) No pollutants, contaminants (including oil or other petroleum products), toxic or hazardous substances, or solid or hazardous wastes, as such terms are defined under any federal, state or local Environmental Law, regulation or ordinance (hereinafter "Contaminants") have been, are being or will be generated, manufactured, produced, stored, disposed of, discharged, released, threatened to be released, or otherwise allowed to migrate or escape on, under or from the Property in such quantities or concentrations as would violate any federal, state or local Environmental Law, regulation or ordinance or as would require Mortgagor to report such condition to any governmental authority or to undertake removal or remedial action to clean up such contaminants;

(b) No Contaminants are located on, in or under any property located adjacent to the Property in such quantities or concentrations as would constitute a violation of any Environmental Law or as would require the owner of the adjacent property to report such condition to any governmental authority or to undertake removal or remedial action to clean up such Contaminants;

(c) Neither the Property, nor any portion thereof, nor any adjacent property or portion thereof, has been or is proposed to be listed under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601, et seq.), or any analogous state law. Mortgagor shall immediately notify Mortgagee if Mortgagor acquires any information concerning the listing or proposed listing of the Property or any adjacent property and shall provide Mortgagee with any documents in Mortgagor's possession relative thereto;

(d) No hazardous wastes, as defined under the Federal Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et seq.), or any analogous state law ("Hazardous Wastes"), have been, are being or will be stored or treated in surface impoundments or other structures or facilities located on the property that are partially or entirely below the ground surface;

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(e) No litigation, investigation, administrative order, consent order, agreements, or other action, proceeding or settlement (hereinafter "Action") has previously been brought, is now pending, or to the best knowledge of Mortgagor threatened against or anticipated by Mortgagor, with respect to Mortgagor's use or management of Hazardous Materials or Hazardous Wastes or the environmental condition of the Property, including any underlying groundwater. Upon learning thereof, Mortgagor shall immediately notify Mortgagee of any such Action or threatened Action and provide Mortgagee with copies of all documentation relative thereto; and

(f) Except as disclosed in writing to Mortgagee, no underground tanks, wells (except domestic water wells), septic tanks, ponds, pits or any other storage tanks ("Tanks") (whether currently in use or abandoned) are or were located on or under the Property and no Tanks are or were serving the Property described herein. With respect to any Tanks disclosed in writing to Mortgagee, Mortgagor shall comply with all federal, state and local laws, regulations and ordinances and any requirements of city or county fire departments, applicable to the maintenance and use of such Tanks, including, without limitation, Title 40 of the Code of Federal Regulations Part 112.

2) Nothing herein shall be deemed to prohibit Mortgagor from (a) using, handling or storing hazardous materials or substances, as defined under any federal, state or local law, regulation or ordinance ("Hazardous Materials") or (b) storing or treating non-hazardous wastes, so long as such activities are carried out in a good and husbandlike manner in the ordinary course of business, and in compliance with all applicable environmental laws, regulations, permits, orders or other requirements.

3) In the event that Mortgagor is in breach of any of its representations, warranties or covenants as set forth above, Mortgagor, at its sole expense, shall take all action required, including environmental cleanup of the Property, to comply with the representations, warranties and covenants herein or applicable legal requirements and, in any event, shall take all action deemed necessary by appropriate governmental authorities. Mortgagee shall have the right, but not the obligation, to advise appropriate governmental authorities of any environmental condition on or affecting the Property that constitutes or may constitute a breach of Mortgagor's obligations hereunder.

4) Mortgagor and its successors and assigns shall indemnify, defend, protect, and hold harmless Mortgagee, its directors, officers, employees, agents, shareholders, successors and assigns and their officers, employees or agents, from and against any and all claims, suits, damages, liens, losses, liabilities, interest, judgments, response and cleanup costs, demands, actions, causes of action, injuries, administrative proceedings and orders, consent agreements and orders, penalties, costs and expenses (including any fees and expenses incurred in enforcing this indemnity, any out-of-pocket litigation costs and the reasonable fees and expenses of counsel) of any kind whatsoever ("Claims") paid, incurred or suffered by, or asserted against Mortgagee, including but not limited to Claims arising out of loss of life, injury to persons, trespass or damage to or contamination of property or natural resources, or injury to business, in connection with or arising out of the activities of Mortgagor on the Property, Mortgagor's predecessors in interest, third parties who have been invited, permitted or trespassed on the Property, or parties in a contractual relationship with Mortgagor, or any of them, or which directly or indirectly arise out of or result from or in any way connected with the Property, whether or not caused by Mortgagor or within the control of Mortgagor, including without limitation: (a) the presence, use, generation, treatment, storage, disposal, release, threatened release, or discharge of any Hazardous Material or Contaminant at or from the Property and/or the cleanup of Hazardous Materials or Contaminants within, on or under the Property; (b) Mortgagor's breach of any of the representations, warranties and covenants contained herein; and (c) Mortgagor's violation or alleged violation of any applicable Environmental Law, regulation or ordinance.

5) Mortgagor's representations, warranties, covenants and indemnities contained herein shall survive the occurrence of any event whatsoever, including without limitation the payoff of any promissory note(s) secured hereby, the release or foreclosure of this Mortgage, the acceptance by Mortgagee of a deed in lieu of foreclosure, or any transfer or abandonment of the Property.

6) The term "Environmental Law" shall mean any federal, state or local law, statute, ordinance, or regulation, now in effect or hereinafter enacted, pertaining to health, industrial hygiene, or the environmental conditions on, under or about the Property, including but not limited to enactments requiring the removal or containment of asbestos-containing materials in private buildings.

7) Mortgagor shall permit, or cause any tenant of Mortgagor to permit, Mortgagee or its agents, or independent contractors to enter and inspect the Property at any reasonable time for purposes of determining, as Mortgagee deems necessary or desirable: (a) the existence, location and nature of any Hazardous Materials or Hazardous Wastes on, under or about the Property, (b) the existence, location, nature, magnitude and spread of any Hazardous Materials or Hazardous Waste that has been spilled, disposed of, discharged or released on, under or about the Property, or (c) whether or not Mortgagor and any tenant of Mortgagor is in compliance with applicable Environmental Law. If Mortgagor or its tenants fail to comply fully with the terms of this subdivision 7), Mortgagee may obtain affirmative injunctive relief to compel such compliance.

j) Grazing Rights. If any portion of the Property described in this Mortgage is used by Mortgagor as the basis for obtaining grazing permits or other grazing rights issued by any governmental agency, including without limitations the Forest Service, U.S. Department of Agriculture or the Bureau of Land Management, U.S. Department of Interior, Mortgagor covenants and agrees as follows:

1) Said grazing permits or other rights are in good standing and have not been modified, reduced or limited in any other respect, except as fully disclosed in writing to Mortgagee;

2) Mortgagor will perform all obligations imposed as a requirement of exercise of said grazing permits or other rights and will comply with all laws, rules and regulations applicable thereto;

3) Mortgagor will take such timely action as may be required to cause the renewal or reissuance of said grazing permits or other rights from time to time as they expire during the term thereof. Mortgagor agrees and acknowledges that the failure to renew or cause the reissuance of any said permits for any reason, whether the result of an act or omission of Mortgagor or for reasons beyond Mortgagor's control, is an event of default hereunder and Mortgagee shall have the right to exercise the rights hereinafter set forth in this Mortgage; and

4) Mortgagor agrees to pay all fees, charges, rents or other payments accruing under said permits or any renewals thereof prior to delinquency. In the event Mortgagor fails to pay any such payment, the amount unpaid shall become a part of the indebtedness secured by this Mortgage and shall be immediately due and payable.

7. IT IS MUTUALLY AGREED THAT:

a) Any award of damages in connection with any taking or condemnation or injury to the Property by reason of public use, or for damages resulting from private trespass or injury to the Property, is absolutely and unconditionally assigned and shall be paid to Mortgagee, under the terms and conditions of this Mortgage pertaining to Rents. Upon receipt of such money Mortgagee may

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apply the same on the indebtedness secured hereby. Mortgagor agrees to execute such further documents as may be required to effect the assignments herein made as Mortgagee may require.

b) At any time, without affecting the liability of any person for the payment of the indebtedness secured hereby, and without otherwise affecting the security hereof, Mortgagee may 1) consent to or join in the making of any map or plat of the Property; 2) grant any easement or create any restriction thereof; 3) subordinate this Mortgage; 4) extend or modify the term of the loan or loans secured hereby; and 5) release without warranty, all or any part of the Property.

c) Prior to any default by Mortgagor in the payment, observance, performance and discharge of any condition, obligation, covenant, or agreement of Mortgagor contained herein, Mortgagee may, for collection and distribution purposes only, collect and receive the Rents as they come due and payable; the Rents are to be applied by Mortgagee to the payment of the principal and interest and all other sums due or payable on any promissory note or guaranty secured by this Mortgage and to the payment of all other sums payable under this Mortgage and, thereafter, so long as the aforesaid has occurred, the balance shall be distributed to the account of Mortgagor. Upon any such default, Mortgagee may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Property or any part thereof, in his own name, sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Mortgagee may determine; also perform such acts of repair, cultivation, irrigation or protection, as may be necessary or proper to conserve the value of the Property; also lease the same or any part thereof for such rental, term, and upon such conditions as its judgment may dictate; also prepare for harvest, remove, and sell any crops that may be growing upon the Property, and apply the proceeds thereof upon the indebtedness secured hereby.

d) The entering upon and taking possession of the Property, the collection of such rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking of or damage to the Property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

e) Upon default by Mortgagor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Mortgagee and in accordance with applicable state law. In the event of default, Mortgagee may employ counsel to enforce payment of the obligations secured hereby, may foreclose and, if applicable, sell the Property by advertisement and sale, and in accordance with other applicable state law, and may exercise such other rights and remedies granted by law and equity, which rights and remedies shall be cumulative and not exclusive. Mortgagee may resort to and realize upon the security hereunder and any other real or personal property security now or hereafter held by Mortgagee for the obligations secured hereby in such order and manner as Mortgagee may, in its sole discretion, determine. Resort to any or all such security may be taken concurrently or successively and in one or several consolidated or independent judicial actions or lawful nonjudicial proceedings, or both. If the obligation secured by this Mortgage is also secured by personal property, fixtures or crops, Mortgagee may enforce its security interest in the personal property, fixtures and crops and its lien under this Mortgage in any manner and in any order or sequence permitted by applicable law. All remedies are cumulative and none are exclusive; no election by Mortgagee to pursue one remedy or item of collateral shall be deemed to be a release or waiver of any other item of collateral or a release or modification of the liability of Mortgagor or any guarantor to pay and perform in full all obligations to Mortgagee. The procedures governing the enforcement by Mortgagee of its foreclosure and provisional remedies against Mortgagor shall be governed by the laws of the state in which the Property is located. Nothing contained herein shall be construed to provide that the substantive law of the state in which the Property is located shall apply to Mortgagee's rights and Mortgagor's obligations hereunder or under the promissory note(s) or guaranties described herein, which are and shall continue to be governed by the substantive law of the state in which the promissory note(s) or guaranties were executed.

f) The failure on the part of the Mortgagee to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Mortgagee of any default shall not constitute a waiver of any other subsequent defaults. Subsequent acceptance of any payment by the holder hereof shall not be deemed a waiver of any default by Mortgagor, or of Mortgagee's rights hereunder as the result of any sale, agreement to sell, conveyance, or alienation, regardless of holder's knowledge of such default, sale, agreement to sell, conveyance, or alienation at the time of acceptance of such payment.

g) This Mortgage applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Mortgagee shall mean the holder and owner of any note secured hereby; or, if the note has been pledged, the pledgee thereof. In this Mortgage, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. All obligations of Mortgagor hereunder are joint and several.

h) In the event the herein-described Property, or any part thereof, or any interest therein, is sold, agreed to be sold, conveyed, alienated or transferred, including any water transfer as defined below, by Mortgagor, or by operation of law or otherwise, except by inheritance, without Mortgagee's prior written consent, all obligations secured hereby, irrespective of the maturity dates, at the option of the holder hereof, and without demand or notice, shall immediately become due and payable. Failure to exercise such option shall not constitute a waiver of the right to exercise this option in the event of subsequent sale, agreement to sell, conveyance or alienation.

A water transfer is any transfer, assignment, sale, exchange, gift, encumbrance, pledge, hypothecation, alienation, grant of option to purchase, or other disposition of, directly, indirectly or in trust, voluntarily or involuntarily, by operation of law or otherwise, or the entry into a binding agreement to do any of the foregoing with respect to all or any part of 1) the groundwater on, under, pumped from or otherwise available to the Property, 2) Mortgagor's right to remove and extract any such groundwater including any permits, rights or licenses granted by any governmental authority or agency and any rights granted or created by any easement, covenant, agreement or contract with any person or entity, 3) any rights to which the Property is entitled with respect to surface water, whether such right is appropriate, riparian, prescriptive or otherwise and whether or not pursuant to permit or other governmental authorization, or the right to store any such water, 4) any water, water right, water allocation, distribution right, delivery right, water storage right, water allocation, or other water-related entitlement appurtenant or otherwise applicable to the Property by virtue of the Property's being situated within the boundaries of any district, agency, or other governmental entity or within the boundaries of any private water company, mutual water company, or other non-governmental entity, or 5) any shares (or any rights under such shares) of any private water company, mutual water company, or other non-governmental entity pursuant to which Mortgagor or the Property may receive any rights.

i) In the event any one or more of the provisions contained in this Mortgage or in any promissory note(s) hereby secured shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Mortgage or said promissory note(s), but this Mortgage and said promissory note(s) shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

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j) This document and any attachments may be executed in counterparts, each of which shall be deemed an original, but which shall constitute one and the same instrument. This document may be signed and delivered by facsimile or electronic transmission, either of which shall be effective as an original.

k) Mortgagor acknowledges receipt of a completed copy of this document and its attachments.

WAIVER OF RIGHT TO TRIAL BY JURY. TO THE EXTENT PERMITTED BY LAW, THE BORROWER AND THE LENDER HEREBY JOINTLY AND SEVERALLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO ANY OF THE LOAN DOCUMENTS, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATION OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. BORROWER AND THE LENDER EACH REPRESENT TO THE OTHER THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

VanOrden Brothers Land, L.L.C., An Idaho Limited Liability Company

By: Gaylen VanOrden, Member

Gaylen VanOrden

By: Michael VanOrden, Member

Ulene VanOrden

By: Chad VanOrden, Member

Michael VanOrden

By: Jeffrey VanOrden, Member

Sheila VanOrden

By: Shane VanOrden, Member

Chad VanOrden

Kristine VanOrden

Jeffrey VanOrden

Lyndsey VanOrden

Shane VanOrden

Jessica VanOrden

NOTARIAL PUBLIC
STATE OF IDAHO
COMMISSION EXPIRES 09/30/2021
ALVIN C. BROWN

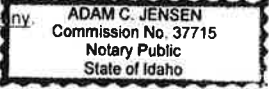
Date: September 20, 2018

Loan: 0006513271 - 2225115101

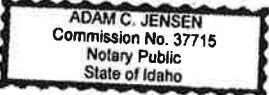
ACKNOWLEDGMENT

State of Idaho, County of Bingham, ss.This record was acknowledged before me on October 2, 2018by Gaylen VanOrden as Member, and Michael VanOrden as Member, and Chad VanOrden as Member,and Jeffrey VanOrden as Member, and Shane VanOrden as Memberof VanOrden Brothers Land, L.L.C., An Idaho Limited Liability Company.

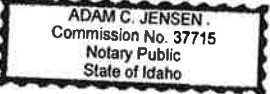
Notary Public for the State of Idaho

My commission expires: 6-20-19

 ADAM C. JENSEN
Commission No. 37715
Notary Public
State of Idaho
State of Idaho, County of Bingham, ss.This record was acknowledged before me on October 2, 2018 by Gaylen VanOrden and Ulene VanOrden, husband and wife.

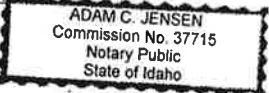
Notary Public for the State of Idaho

My commission expires: 6-20-19

 ADAM C. JENSEN
Commission No. 37715
Notary Public
State of Idaho
State of Idaho, County of Bingham, ss.This record was acknowledged before me on October 2, 2018 by Michael VanOrden and Sheila VanOrden, husband and wife.

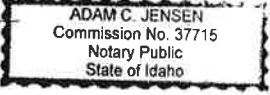
Notary Public for the State of Idaho

My commission expires: 6-20-19

 ADAM C. JENSEN
Commission No. 37715
Notary Public
State of Idaho
State of Idaho, County of Bingham, ss.This record was acknowledged before me on October 2, 2018 by Chad VanOrden and Kristine VanOrden, husband and wife.

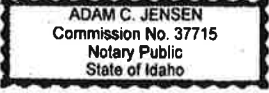
Notary Public for the State of Idaho

My commission expires: 6-20-19

 ADAM C. JENSEN
Commission No. 37715
Notary Public
State of Idaho
State of Idaho, County of Bingham, ss.This record was acknowledged before me on October 2, 2018 by Jeffrey VanOrden and Lyndsey VanOrden, husband and wife.

Notary Public for the State of Idaho

My commission expires: 6-20-19

 ADAM C. JENSEN
Commission No. 37715
Notary Public
State of Idaho
State of Idaho, County of Bingham, ss.This record was acknowledged before me on October 2, 2018 by Shane VanOrden and Jessica VanOrden, husband and wife.

Notary Public for the State of Idaho

My commission expires: 6-20-19

 ADAM C. JENSEN
Commission No. 37715
Notary Public
State of Idaho

REAL ESTATE DESCRIPTION TOGETHER WITH FIXTURES AND APPURTENANT SPRINKLER EQUIPMENT IF ANY FOR MORTGAGE DATED SEPTEMBER 20, 2018

VanOrden Brothers Land, L.L.C., An Idaho Limited Liability Company
Loan: 0006513271 - 2225115101

REAL ESTATE DESCRIPTION:

PARCEL 1

TOWNSHIP 3 SOUTH, RANGE 34 E.B.M., BINGHAM COUNTY, IDAHO
SECTION 5: THE SOUTH EAST QUARTER OF THE NORTH EAST QUARTER
EXCEPTING THEREFROM:

A PORTION OF THE SOUTH EAST QUARTER OF THE NORTH EAST QUARTER OF SECTION 5, TOWNSHIP 3 SOUTH, RANGE 34 EAST, BOISE MERIDIAN, BINGHAM COUNTY, IDAHO, DESCRIBED AS:
COMMENCING AT A POINT 25 FEET WEST OF THE NORTH EAST CORNER OF SAID SOUTH EAST QUARTER OF THE NORTH EAST QUARTER, THENCE WEST 190 FEET, THENCE SOUTH 230 FEET, THENCE EAST 190 FEET, TO THE WEST SIDE OF THE COUNTY ROAD, THENCE NORTH 230 FEET TO THE POINT OF BEGINNING.

PARCEL 2

TOWNSHIP 2 SOUTH, RANGE 34 E.B.M., BINGHAM COUNTY, IDAHO
SECTION 36: NORTHWEST 1/4 SOUTHWEST 1/4, ALSO COMMENCING AT THE NORTHWEST CORNER OF SAID NW1/4SW1/4 AND RUNNING THENCE DUE NORTH 20 RODS; THENCE DUE EAST 80 RODS; THENCE DUE SOUTH 20 RODS; THENCE DUE WEST 80 RODS TO THE PLACE OF BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING:

BEGINNING AT A POINT ON THE WEST LINE OF SECTION 36 IN TOWNSHIP 2 SOUTH, RANGE 34 E.B.M., 1320 FEET NORTH OF THE SOUTHWEST CORNER OF SAID SECTION 36; THENCE NORTH 80 FEET; THENCE EAST 170 FEET; THENCE SOUTH 80 FEET; TO THE NORTH LINE OF THE RIVERSIDE TOWNSITE, THENCE WEST 170 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

COMMENCING AT A POINT 2464 FEET SOUTH OF THE NORTHWEST CORNER OF SECTION 36, TOWNSHIP 2 SOUTH, RANGE 34 E.B.M., TO AN ESTABLISHED FENCE LINE; THENCE EAST ALONG SAID FENCE LINE 1320 FEET; THENCE NORTH 135.50 FEET; THENCE WEST 1320 FEET; THENCE SOUTH 135.50 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 36; THENCE SOUTH 00°49'55" WEST 2464.00 FEET ALONG THE WEST LINE OF SAID SECTION; THENCE SOUTH 89°10'05" EAST 300.97 FEET TO THE EAST LINE OF DEED INSTRUMENT NO. 666781 AND THE POINT OF BEGINNING.

THENCE SOUTH 89°10'05" EAST 1022.77 FEET ALONG THE NORTH LINE OF DEED INSTRUMENT NO. 674542;
THENCE NORTH 89°50'33" WEST 1022.85 FEET;
THENCE NORTH 00°49'55" EAST 12.04 FEET TO THE SOUTHEAST CORNER OF DEED INSTRUMENT NO. 666781 AND THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 36; THENCE SOUTH 00°49'55" WEST 2464.00 FEET ALONG THE SECTION LINE TO THE POINT OF BEGINNING.
THENCE SOUTH 89°10'05" EAST 300.97 FEET;
THENCE SOUTH 00°49'55" WEST 12.04 FEET;
THENCE SOUTH 89°41'51" WEST 301.03 FEET TO A POINT ON THE WEST LINE OF SECTION 36;
THENCE NORTH 00°49'55" EAST 18.00 FEET ALONG THE SECTION LINE TO THE POINT OF BEGINNING.

FIXTURE AND/OR SPRINKLER EQUIPMENT DESCRIPTION:

IRRIGATION EQUIPMENT:

Parcel 1

1 - 8 Tower Valley Pivot
1 - 40 hp US Motor motor
1 - Layne & Bowler Centrifugal pump Serial #1133870
Approx. 1,200' of Handlines (hook & latch)
Approx. 2,550' of buried mainline

Parcel 2

1 - 10 hp motor, unknown make
1 - 30 hp Berkely centrifugal pump Serial #8055717
3 - 1/4 mile Center Move wheel lines
Approx. 1,520' of buried mainline

VanOrden Brothers Land, L.L.C., An Idaho Limited Liability Company

Individually By:


 By: Gaylen VanOrden, Member

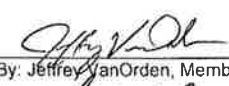

 Gaylen VanOrden

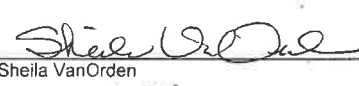

 By: Michael VanOrden, Member


 Ulene VanOrden


 By: Chad VanOrden, Member


 Michael VanOrden


 By: Jeffrey VanOrden, Member


 Sheila VanOrden

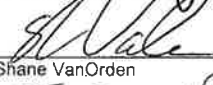

 By: Shane VanOrden, Member

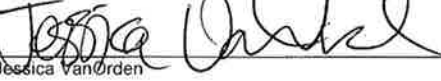

 Chad VanOrden


 Kristine VanOrden


 Jeffrey VanOrden


 Lyndsey VanOrden


 Shane VanOrden


 Jessica VanOrden



State of Idaho

DEPARTMENT OF WATER RESOURCES

Eastern Region • 900 N SKYLINE DR STE A • IDAHO FALLS, ID 83402-1718

Phone: (208)525-7161 • Fax: (208)525-7177 • Website: www.idwr.idaho.gov

C.L. "Butch" Otter
Governor

Gary Spackman
Director

December 11, 2018

IDAHO AGCREDIT PCA
PO BOX 985
BLACKFOOT ID 83221-0985

RE: Notice of Security Interest for Water Right/Permit No(s): 35-7190

Dear Security Interest Holder:

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

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

If you have any questions concerning the enclosed information, please contact me at (208) 525-7161.

Sincerely,

Cher Ramos
Technical Records Specialist I

Enclosure(s)

cc: VAN ORDEN BROTHERS LAND