

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

RECEIVED  
JAN 29 2018  
DEPT OF WATER RESOURCES  
SOUTHERN 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. |
|--------------------------|-----------------------|-----------------------|-----------------------|
| 43-13672                 |                       |                       |                       |
| 43-13674                 |                       |                       |                       |
| 43-13676                 |                       |                       |                       |
|                          |                       |                       |                       |
|                          |                       |                       |                       |

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

Metropolitan Life Insurance Company

10801 Mastin Blvd.

Suite 930

Overland Park, KS 66210

Phone 913-217-2986

Email jware@metlife.com

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

MIDWAY DAIRY, L.L.C., an Idaho limited liability company

5. Expiration Date of Notification Period

December 25, 2032

6. Is this a Renewal of Request for Notification?

☐ YES

☒ NO

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

John C. Spenniller  
DIRECTOR

Title, if applicable

**For Office Use Only**

Received by DM

Date 1-29-2018

Receipt No. 5036548

Fee \$825- total

Processed by AJ

Date

WR DM

Date 2-16-2018

SUPPORT DATA  
IN FILE # 43-13672

CASSIA COUNTY  
RECORDED FOR:  
TITLEONE - BURLEY  
11:40:32 AM 01-25-2018  
**2018-000393**  
NO. PAGES: 42 FEE: \$81.00  
JOSEPH W. LARSEN  
COUNTY CLERK  
DEPUTY: JB  
Electronically Recorded by Simplifile

THIS INSTRUMENT PREPARED BY:  
Anthony C. Corporon  
Metropolitan Life Insurance Company  
10801 Mastin Blvd., Suite 930  
Overland Park, KS 66210  
(913) 661-2226

ELECTRONICALLY RECORDED  
STAMPED FIRST PAGE NOW  
INCORPORATED AS PART OF  
THE ORIGINAL DOCUMENT.

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:  
MetLife Agricultural Finance  
10801 Mastin Blvd., Ste 930  
Overland Park, KS 66210-2101  
Attn: Loan Manager, Central Region

Space above this line for Recorder's Use

Midway Dairy  
Loan No: 199255

**MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT,  
AND FIXTURE FILING**

THIS MORTGAGE ALSO CONSTITUTES A FINANCING STATEMENT FILED AS A FIXTURE FILING  
UNDER THE UCC

SEE ARTICLE 8 FOR ADDRESS OF GRANTOR AND MORTGAGEE

This mortgage is dated as of January 24<sup>th</sup>, 2018, and is by ALAN REX GERRATT ("A. Gerratt") and KAYLA SCHOLER GERRATT ("K. Gerratt"), a married couple, husband and wife; TODD LARRY GERRATT ("T. Gerratt") and BRENDA LEE GERRATT ("B. Gerratt"), a married couple, husband and wife; DAVID CHARLES GERRATT ("D. Gerratt") and BONNIE SUE GERRATT ("B. S. Gerratt"), a married couple, husband and wife; STEVEN MERLE GERRATT ("S. Gerratt") and MICHELLE GROOMS GERRATT ("M. Gerratt"), a married couple, husband and wife; MIDWAY DAIRY, L.L.C., an Idaho limited liability company ("Midway Dairy"); ADTD FARMS, LLC, an Idaho limited liability company ("ADTD Farms"); JACOB TODD GERRATT ("J. Gerratt") and KRISTI LYN GERRATT ("K. Gerratt"), a married couple, husband and wife; and ADT FARMS, LLC, an Idaho limited liability company ("ADT Farms") (A. Gerratt, K. Gerratt, T. Gerratt, B. Gerratt, D. Gerratt, B. S. Gerratt, S. Gerratt, M. Gerratt, Midway Dairy, ADTD Farms, J. Gerratt, K. Gerratt, and ADT Farms are herein individually and collectively, "Grantor"), to and in favor of METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation ("Mortgagee").

Mortgagee has agreed to make a loan in the original principal sum of \$27,000,000.00 (the "Loan") to A. Gerratt, T. Gerratt, D. Gerratt, S. Gerratt, Midway Dairy, ADTD Farms, K. Gerratt, B. Gerratt, B. S. Gerratt, M. Gerratt, J. Gerratt, K. Gerratt and ADT Farms (individually and collectively, "Borrower") under the terms and conditions of the Promissory Note by Borrower in favor of Mortgagee dated as of the date of this mortgage (the "Note").

**ARTICLE 1- GRANT**

To secure repayment of the indebtedness evidenced by the Note and payment and performance of all other Secured Obligations (defined herein), Grantor irrevocably and unconditionally mortgages, warrants, grants, bargains, sells, and conveys to Mortgagee, with right of entry and possession, all of Grantor's estate, right, title and interest which Grantor now has or may later acquire in the following, wherever located, and whether constituting real estate or personal property (individually and collectively, the "Property"): (1) the real estate and any interest in the real estate located in Cassia County, Idaho, and described in EXHIBIT A (the "Land"); (2) buildings, structures, improvements, and fixtures now or hereafter erected on, affixed or attached to the Land, including all farm products storage and handling

THIS INSTRUMENT PREPARED BY:  
Anthony C. Corporon  
Metropolitan Life Insurance Company  
10801 Mastin Blvd., Suite 930  
Overland Park, KS 66210  
(913) 661-2226

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:  
MetLife Agricultural Finance  
10801 Mastin Blvd., Ste 930  
Overland Park, KS 66210-2101  
Attn: Loan Manager, Central Region

Space above this line for Recorder's Use

Midway Dairy  
Loan No: 199255

**MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT,  
AND FIXTURE FILING**

THIS MORTGAGE ALSO CONSTITUTES A FINANCING STATEMENT FILED AS A FIXTURE FILING  
UNDER THE UCC

SEE ARTICLE 8 FOR ADDRESS OF GRANTOR AND MORTGAGEE

This mortgage is dated as of January 24<sup>th</sup>, 2018, and is by ALAN REX GERRATT ("A. Gerratt") and KAYLA SCHOLER GERRATT ("K. Gerratt"), a married couple, husband and wife; TODD LARRY GERRATT ("T. Gerratt") and BRENDA LEE GERRATT ("B. Gerratt"), a married couple, husband and wife; DAVID CHARLES GERRATT ("D. Gerratt") and BONNIE SUE GERRATT ("B. S. Gerratt"), a married couple, husband and wife; STEVEN MERLE GERRATT ("S. Gerratt") and MICHELLE GROOMS GERRATT ("M. Gerratt"), a married couple, husband and wife; MIDWAY DAIRY, L.L.C., an Idaho limited liability company ("Midway Dairy"); ADTD FARMS, LLC, an Idaho limited liability company ("ADTD Farms"); JACOB TODD GERRATT ("J. Gerratt") and KRISTI LYN GERRATT ("K. Gerratt"), a married couple, husband and wife; and ADT FARMS, LLC, an Idaho limited liability company ("ADT Farms") (A. Gerratt, K. Gerratt, T. Gerratt, B. Gerratt, D. Gerratt, B. S. Gerratt, S. Gerratt, M. Gerratt, Midway Dairy, ADTD Farms, J. Gerratt, K. Gerratt, and ADT Farms are herein individually and collectively, "Grantor"), to and in favor of METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation ("Mortgagee").

Mortgagee has agreed to make a loan in the original principal sum of \$27,000,000.00 (the "Loan") to A. Gerratt, T. Gerratt, D. Gerratt, S. Gerratt, Midway Dairy, ADTD Farms, K. Gerratt, B. Gerratt, B. S. Gerratt, M. Gerratt, J. Gerratt, K. Gerratt and ADT Farms (individually and collectively, "Borrower") under the terms and conditions of the Promissory Note by Borrower in favor of Mortgagee dated as of the date of this mortgage (the "Note").

**ARTICLE 1- GRANT**

To secure repayment of the indebtedness evidenced by the Note and payment and performance of all other Secured Obligations (defined herein), Grantor irrevocably and unconditionally mortgages, warrants, grants, bargains, sells, and conveys to Mortgagee, with right of entry and possession, all of Grantor's estate, right, title and interest which Grantor now has or may later acquire in the following, wherever located, and whether constituting real estate or personal property (individually and collectively, the "Property"): (1) the real estate and any interest in the real estate located in Cassia County, Idaho, and described in EXHIBIT A (the "Land"); (2) buildings, structures, improvements, and fixtures now or hereafter erected on, affixed or attached to the Land, including all farm products storage and handling

units and equipment, and fences, gates and loading chutes, including the fixtures described in EXHIBIT B (the "**Improvements**"); (3) all equipment now or hereafter affixed or installed in any manner on the Land or the Improvements or used in connection with the operation of the Property (other than rolling stock and implements customarily towed), including the equipment described in EXHIBIT B (the "**Equipment**"); (4) easements, rights-of-way, and other rights and entitlements appurtenant to the Land or used in connection with the Land or as a means of access thereto; (5) other tenements, hereditaments and appurtenances to the Land; (6) coal, oil, gas, and other hydrocarbon substances, geothermal resources, minerals, mineral interests, royalties, overriding royalties, production payments, net profit interests and other interests and estates in, under or produced from the Land and other coal, oil, gas, geothermal, and mineral interests with which any of the foregoing interests or estates are pooled or unitized and other "as-extracted collateral"; (7) timber now or hereafter standing on or cut from the Land; (8) leases, subleases, licenses and other agreements, granting a possessory interest in and to, or the right to extract, mine, reside in, sell, or use the Property, (individually and collectively, the "**Leases**"); (9) permits and licenses relating or pertaining to the use or enjoyment of the Property; (10) proceeds of and any unearned premiums on any insurance policies covering the Property, including the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property ("**Insurance Claims**"); (11) all awards made for the taking by condemnation or the power of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Land or Improvements ("**Condemnation Awards**"); (12) accessions, attachments and other additions to, substitutes or replacements for, all proceeds and products of, the Property; (13) books, records and files relating to the Property, including computer readable memory and data and any computer software or hardware reasonably necessary to access and process such memory and data; (14) water, water rights, ditches, ditch rights, storage rights, permits licenses, certificates and shares of stock currently used on, belonging to, or in any way appurtenant to the Land, whether now owned or hereafter acquired, whether now existing or hereafter arising (collectively, "**Water Assets**"), including without limitation the Water Assets described in EXHIBIT C, and all proceeds from the sale or other disposition of the Water Assets; (15) all milk, cream, and other dairy products (the "**Dairy Products**") and all receivables thereof (the "**Receivables**") produced by Borrower at the Land described in EXHIBIT D.

TOGETHER WITH all irrigation works, lines, pivots, drip lines, hand lines, wheel lines, pumps, motors, equipment and electric panels of every kind and nature, ditches, canals, wells, franchises upon, leading to or connected with said property, in addition to any replacements, substitutions and additions thereto, and all other rights and privileges now or hereafter owned by Grantor, or belonging to, with, leading to, connected with, or usually had or enjoyed in connection with the Property or appurtenant thereto, whether represented by shares of capital stock in any ditch company, irrigation company, irrigation district or water association, by voting or other rights or interests with respect thereto or by actual individual ownership, or which may hereafter be acquired by Grantor, during the existence of this Mortgage; and

TOGETHER WITH all accounts arising out of, or in connection with, the Property (including all leases, bonuses, royalties, subleases, franchises, rents, issues, profits and income in connection with the Property, and all the estate, right, title and interest of every nature whatsoever of the Grantor in and to the same), whether now owned or hereafter acquired (collectively, "**Income**"). Grantor will execute such assignments as Mortgagee may from time to time reasonably request, which shall include, but not be limited to, assignments of rents, issues and profits in reasonable form acceptable to Mortgagee. Grantor shall pay the cost of recording any such assignments. Mortgagee is authorized to notify any or all lessees, tenants or occupants of all or part of said Property of the assignment of rents, issues or profits made hereunder or under any such special assignments. Mortgagee shall have no personal liability and shall not be responsible for the performance of Grantor's covenants under any of said leases or rentals. Mortgagee shall not be liable to Mortgagor for any action taken or omitted in connection with any such leases or rentals or the operation of said Property. Until the occurrence of a default as hereinafter provided, Grantor may use and occupy the Property and receive all rents, issues and profits thereof.

## ARTICLE 2 - ASSIGNMENT OF RENTS

Grantor irrevocably and unconditionally assigns Mortgagee all rents and other benefits derived from the Leases, and all other issues, profits, royalties, bonuses, income and other proceeds of the Property, whether now due, past due or to become due, including all prepaid rents, security deposits and other supporting obligations (collectively, the "Rents").

Notwithstanding the provisions of this Article 2, Mortgagee confers upon Grantor a revocable license to collect and retain the Rents as they become due and payable, so long as there is no Event of Default (the "License"). If an Event of Default has occurred, Mortgagee may terminate the License without notice to or demand upon Grantor.

Subject to the License, Mortgagee has the right, power and authority to collect any and all Rents. Mortgagee, by its acceptance of this mortgage does not assume any duty or obligation under the Leases.

All lessees under the Leases are hereby irrevocably authorized and notified by Grantor to rely upon and to comply with (and are fully protected in so doing) any notice or demand by Mortgagee for the payment to Mortgagee of Rents, or for the performance of any of lessees' undertakings under the Leases, and lessees shall have no right or duty to inquire as to whether any Event of Default has actually occurred or is then existing hereunder. Subject to the License, Mortgagee may notify any person that the Leases have been assigned to Mortgagee and that all Rents are to be paid directly to Mortgagee, whether or not Mortgagee has commenced or completed foreclosure of or taken possession of the Property.

Mortgagee may apply all amounts received by it pursuant to this assignment to pay any of the following in such order and amounts as Mortgagee deems appropriate: (1) Secured Obligations; (2) expenses of leasing, operating, maintaining and managing the Property, including without limitation, salaries, fees, commissions and wages of a managing agent and such other employees, agents or independent contractors as Mortgagee deems necessary or desirable; (3) taxes, charges, claims, assessments, any other liens, and premiums for insurance relating to the Property that Mortgagee deems necessary or desirable; and (4) the cost of alterations, renovations, repairs or replacements, and expenses incident to taking and retaining possession of the Property.

## ARTICLE 3 – SECURITY AGREEMENT/FIXTURE FILING

Grantor grants Mortgagee a security interest in and pledges and assigns to Mortgagee all of Grantor's right, title and interest in all Property that may be characterized as personal property (the "Personalty") the fixtures, Income, Water Assets, Dairy Products, Receivables, Equipment, and Improvements. Grantor authorizes Mortgagee to file any UCC financing statements required by Mortgagee, from time to time, to perfect Mortgagee's security interest in the Property.

The address adjacent to Grantor's signature below, (a) if Grantor is an individual, is Grantor's principal residence; (b) if Grantor is other than an individual and has only one place of business, is Grantor's principal place of business; and (c) if Grantor is anything other than an individual and has more than one place of business, is Grantor's chief executive office. The address for Mortgagee in Article 8 is its address as secured party under the Uniform Commercial Code as adopted in the Governing Law State (the "UCC").

This mortgage constitutes a financing statement filed as a fixture filing under the UCC, covering any Property which now is or later may become a fixture attached to the Land or any Improvement. For this purpose, the "debtor" is Grantor, the "secured party" is Mortgagee and the collateral is the Property.

## ARTICLE 4 – SECURED OBLIGATIONS

Grantor makes the mortgage, grant, conveyance, transfer and assignment in Article 1, makes the irrevocable and absolute assignment in Article 2, and grants the security interest under Article 3 to secure payment and performance of the following obligations (individually and collectively, the "Secured

**Obligations**": (1) all Obligations (as defined in the Note); (2) all obligations of Grantor under this mortgage; (3) all modifications, amendments, extensions, and renewals, however evidenced, of any of the Secured Obligations; and (4) any of the foregoing that arises after the filing of a petition by or against Grantor under an insolvency or bankruptcy proceeding.

**Future Secured Obligations.** The Secured Obligations include future advances made by Mortgagee for any purpose, and all other future Secured Obligations. Those future advances and other future Secured Obligations, together with interest thereon, are secured by this mortgage to the same extent as if made or incurred on the date of the execution of this mortgage, and have priority as to third persons with or without actual notice from the time this mortgage is filed for record as provided by law. The total amount of indebtedness secured by this mortgage may decrease or increase from time to time. Nothing in this Section will constitute a commitment to make additional or future advances in any amount.

**General.** The scheduled maturity date of the Note is December 25, 2032. All persons who have or acquire an interest in the Property will be deemed to have received notice of, and will be bound by, the terms of the Note, this mortgage and all other agreements and instruments evidencing and or securing the Loan (individually and collectively, the "**Loan Documents**"; provided, however, the Loan Documents specifically do not include the Unsecured Environmental Indemnity Agreement, dated as of the date hereof between, without limitation, Grantor and Mortgagee; that agreement, the "**Environmental Indemnity**"). The Loan Documents may include terms which permit or provide that the rate of interest on one or more of the Secured Obligations may vary from time to time. The obligations secured hereby may provide for the interest rate, payment terms, or balance due to be indexed, adjusted, renewed or renegotiated. This mortgage does not secure any indebtedness, liability or obligation that is expressly stated to be unsecured.

## ARTICLE 5 – WARRANTY AND COVENANTS

**Warranty of Title.** Grantor represents and warrants that, other than the exceptions to title expressly listed on a schedule of exceptions to coverage in the final commitment for title insurance or pro forma policy of title insurance accepted by Mortgagee prior to the Closing (defined in the Note), Grantor lawfully possesses and holds fee simple title to all of the Land and Improvements; and that Grantor has the right, power and authority to mortgage, grant, convey and assign the Property. Grantor especially agrees and declares that the separate estate of each of them, whether vested, contingent or in expectancy, is hereby conveyed and shall be bound for the payment and performance of the Secured Obligations.

**Performance of Secured Obligations.** Grantor shall promptly pay and perform each Secured Obligation in accordance with its terms.

**Maintenance of Property.** Grantor shall: maintain and preserve all rights and privileges Grantor now has in the Property; make any repairs, renewals or replacements to keep the Property in good working condition and repair; operate the Property, whether improved pastures, orchards, groves, grazing, timber, or crop lands, in a good and husband-like manner in accordance with accepted principles of sound agricultural and forestry practices in the area in which the Land is located; take all reasonable precautions to control wind and water erosion; fertilize improved pastures, if any, where necessary to maintain a good stand of desirable grasses; protect orchards and timber, if any, by reasonable precautions against loss or damage by fire including the maintenance of appropriate fire breaks; and neither remove nor permit the removal of any oil, gas, mineral, stone, rock, clay, or gravel owned by Grantor, or any timber, buildings, top soil, or fertilizer, without the prior written consent of Mortgagee.

**Compliance with Applicable Law.** Grantor shall not commit or allow any act upon or use of the Property which would violate any applicable law, whether now existing or later to be enacted and whether foreseen or unforeseen, or any public or private covenant, condition, restriction or equitable servitude affecting the Property.

**Taxes and Assessments.** Grantor shall pay prior to delinquency all taxes, levies, charges and assessments imposed by applicable law or any public or quasi-public authority or utility company which

are (or if not paid, may become) a lien on all or part of the Property or any interest in it, and any and all intangible taxes and documentary stamp taxes determined at any time to be due on or as a result of the Secured Obligations, this mortgage or any other Loan Documents, together with any and all interest and penalties thereon (individually and collectively, "**Imposition**"). If after the date of this mortgage, the State of Idaho passes any law deducting from the value of Land for the purpose of taxation any lien thereon, or changing in any way the laws for the taxation of mortgages or debts secured by a mortgage for state or local purposes, or the manner of the collection of any such taxes, so as to affect this mortgage, then within 180 days after notice by Mortgagee to Grantor, Grantor shall pay all Secured Obligations. Notwithstanding the foregoing provisions of this Section, Grantor may, at its expense, contest the validity or application of any Imposition by appropriate legal proceedings promptly initiated and conducted in good faith and with due diligence, provided that: (1) Mortgagee is satisfied that neither the Property nor any part thereof or interest therein will be in danger of being sold, forfeited, or lost as a result of such contest; and (2) Grantor shall have posted a bond or furnished such other security required from time to time by Mortgagee.

**Damages and Insurance and Condemnation Awards.** Mortgagee may, at its option: (1) in its own name appear in or prosecute any action or proceeding to enforce any cause of action based on warranty, or for damage, injury or loss to all or part of the Property, and Mortgagee may make any compromise or settlement of the action or proceeding; (2) participate in any action or proceeding relating to any Condemnation Award; and (3) join Grantor in adjusting any Insurance Claim. All insurance proceeds, Condemnation Awards, and proceeds of any other claim based on warranty, or for damage, injury or loss to the Property which Grantor may receive or be entitled to must be paid to Mortgagee. Mortgagee may apply those proceeds first toward reimbursement of all of Mortgagee's costs and expenses, including Legal Fees (defined in the Note), incurred in connection with such recovery. The balance shall, at Mortgagee's option, be applied to pay or prepay some or all of the Secured Obligations in such order and proportions as it may choose. GRANTOR HEREBY SPECIFICALLY, UNCONDITIONALLY AND IRREVOCABLY WAIVES ALL RIGHTS OF A PROPERTY OWNER WITH RESPECT TO ALLOCATION OF CONDEMNATION AWARDS BETWEEN A PROPERTY OWNER AND A LIENHOLDER.

**Site Visits, Observation and Testing.** Upon twenty four hour notice (24), except in the Event of Default (as defined in the Loan Documents) in which case this twenty-four (24) hour notice requirement is not required, Mortgagee and its agents and representatives may enter and visit the Property at any reasonable time for the purposes of observing it, performing appraisals, taking and removing soil or groundwater samples, and conducting tests on any part of it, as provided in the Environmental Indemnity, and otherwise to determine Grantor's compliance with this mortgage.

**Prohibited Transfers.** Grantor agrees that a material factor in Mortgagee's decision to enter into the Loan Documents is the expertise, financial status and other characteristics of Grantor. Grantor shall not make or permit any Prohibited Transfer. Upon any Prohibited Transfer Mortgagee may declare all Secured Obligations to be due and payable immediately. "**Prohibited Transfer**" means: (1) any sale, contract to sell, conveyance, encumbrance, pledge, mortgage, or other transfer of all or any material part or interest of the Property, whether voluntary, involuntary, by operation of law or otherwise; provided, however, Grantor may sell or dispose of fixtures and Equipment in the ordinary course of their business so long as such items are replaced with items of equal or greater value and utility; (2) if Grantor is a corporation, any transfer or transfers of shares of more than ten percent (or such other portion, if any, permitted under the Note) of the voting power or the direct or indirect beneficial ownership of Grantor, on a cumulative basis, or any dissolution of the corporation; (3) if Grantor is a partnership, withdrawal or removal of any general partner, dissolution of the partnership under applicable law, or any transfer or transfers of more than ten percent (or such other portion, if any, permitted under the Note) of the partnership interests, on a cumulative basis; (4) if Grantor is a limited liability company, withdrawal or removal of any manager or managing member, termination of the limited liability company or any transfer or transfers of more than ten percent (or such other portion, if any, permitted under the Note) of the voting power or the ownership of the economic interest in the Grantor, on a cumulative basis with the exception of a transfer between family upon death of a Grantor or as a result of a transfer between family members under a Buy-Sell Agreement upon Grantor providing thirty (30) days' notice to Mortgagee; or (5) if Grantor is a trust, withdrawal or removal of any trustee or revocation of the trust.

**Prohibited Transfer Rate.** If there is a Prohibited Transfer, Mortgagee may deem the principal balance of the Loan and, to the extent permitted by applicable law, all other Obligations, increase at the Contract Rate (as defined in the Note) by 2.000% per annum, retroactive to the date of the Prohibited Transfer. Mortgagee's rights under this Section are an option available to Mortgagee, and unless elected by Mortgagee, a Prohibited Transfer will constitute an Event of Default and all Obligations will bear interest at the Default Rate (as defined in the Note).

**Compensation and Reimbursement of Costs and Expenses.** Grantor shall pay (1) for any services rendered in connection with this mortgage; (2) all of Mortgagee's costs and expenses incurred in rendering any such services; and (3) all costs, expenses and other advances incurred or made by Mortgagee in an effort to enforce the terms of this mortgage or protect the Property, whether any lawsuit is filed or not, including any bankruptcy or other voluntary or involuntary proceeding, in or out of court, or in defending any action or proceeding arising under or relating to this mortgage, including Legal Fees, and costs of any Foreclosure Sale. If Mortgagee chooses to dispose of Property through more than one Foreclosure Sale, Grantor must pay all costs, expenses or other advances incurred by Mortgagee in each of those Foreclosure Sales.

**Indemnification.** GRANTOR SHALL INDEMNIFY MORTGAGEE AGAINST AND SHALL HOLD MORTGAGEE HARMLESS FROM ALL LOSSES, DAMAGES, LIABILITIES, CLAIMS, CAUSES OF ACTION, JUDGMENTS, COURT COSTS, LEGAL FEES, COST OF EVIDENCE OF TITLE, COST OF EVIDENCE OF VALUE, AND OTHER COSTS AND EXPENSES WHICH MORTGAGEE MAY SUFFER OR INCUR: (1) IN PERFORMING ANY ACT REQUIRED OR PERMITTED BY THIS MORTGAGE OR ANY OF THE OTHER LOAN DOCUMENTS OR BY LAW; (2) BECAUSE OF ANY FAILURE OF GRANTOR TO PAY OR PERFORM ANY OF THE SECURED OBLIGATIONS; OR (3) BECAUSE OF ANY ALLEGED OBLIGATION OF OR UNDERTAKING BY MORTGAGEE TO PERFORM OR DISCHARGE ANY OF THE REPRESENTATIONS, WARRANTIES, CONDITIONS, COVENANTS OR OTHER OBLIGATIONS IN ANY DOCUMENT RELATING TO THE PROPERTY (OTHER THAN SUCH WARRANTIES, CONDITIONS, COVENANTS OR OTHER OBLIGATIONS IN THE LOAN DOCUMENTS). THIS AGREEMENT BY GRANTOR TO INDEMNIFY MORTGAGEE SURVIVES THE RELEASE AND CANCELLATION OF ANY OR ALL OF THE SECURED OBLIGATIONS AND THE FULL OR PARTIAL RELEASE OF THIS MORTGAGE.

**Payments Due Under This Mortgage.** Grantor must pay all obligations to pay money arising under this mortgage and Note. In the event of default defined below, Grantor shall immediately upon demand by Mortgagee pay money arising under this mortgage. In the Event of default, each such obligation shall bear interest from the date the obligation arises at the Default Rate (as defined in the Note).

## **ARTICLE 6 – EVENTS OF DEFAULT AND REMEDIES**

**Events of Default.** The following each shall be an event of default under this mortgage (an "Event of Default"): (1) an Event of Default (as defined in the Note); (2) a Prohibited Transfer; (3) if Grantor is in default beyond applicable notice and grace periods under any other mortgage, deed of trust, deed to secure debt or other security agreement covering any part of the Property, whether it be superior or junior in lien to this mortgage; (4) for more than ten days after notice from Mortgagee, Grantor is in default under any term, covenant or condition of this mortgage not separately described as an Event of Default, which can be cured by the payment of a sum of money; or (5) for 30 days after notice from Mortgagee, Grantor is in default under any term, covenant or condition of this mortgage not separately described as an Event of Default; provided that if: (A) it is reasonably certain that the default cannot be cured by Grantor within that 30 day period; and (B) Grantor has commenced curing that default within that 30 day period and thereafter diligently and expeditiously proceeds to cure that default, then that 30 day period shall be extended for so long as reasonably required by Grantor in the exercise of due diligence to cure that default, up to a maximum of 90 days after the notice to Grantor of the Event of Default.

**Remedies.** At any time after an Event of Default, Mortgagee may invoke any and all of the rights and remedies described below. All of such rights and remedies are cumulative, and the exercise of any one or more of them does not constitute an election of remedies.

**Acceleration.** Mortgagee may declare any or all of the Secured Obligations to be due and payable immediately.

**Receiver.** Mortgagee may, to the extent permitted by applicable law, make an ex parte application to any court of competent jurisdiction, and obtain appointment of, a receiver, trustee, liquidator or conservator of the Property, without notice, without giving bond, and without regard for the adequacy of the security for the Secured Obligations and without regard for the solvency of Borrower, any guarantor of all or any portion of the Secured Obligations, or of any person liable for the payment of the Secured Obligations. GRANTOR HEREBY WAIVES NOTICE OF THE APPLICATION FOR, AND CONSENTS TO THE APPOINTMENT OF A RECEIVER, TRUSTEE, LIQUIDATOR OR CONSERVATOR OF THE PROPERTY IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION; AND GRANTOR AGREES TO NOT OPPOSE SUCH APPOINTMENT.

**Entry.** To the extent permitted by applicable law, Mortgagee, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Property, and may also do any and all other things in connection with those actions that Mortgagee may consider necessary and appropriate to protect the security of this mortgage. Such other things may include: taking and possessing all of Grantor's or the then owner's books and records; entering into, enforcing, modifying, or canceling leases on such terms and conditions as Mortgagee may consider proper; obtaining and evicting tenants; fixing or modifying rents; collecting and receiving any payment of money owing to Grantor; completing any unfinished construction; and/or contracting for and making repairs and alterations. If Mortgagee so requests, Grantor will assemble all of the Property that has been removed from the Land and make all of it available to Mortgagee at the site of the Land. GRANTOR HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS MORTGAGEE AS GRANTOR'S ATTORNEY-IN-FACT TO PERFORM SUCH ACTS AND EXECUTE SUCH DOCUMENTS AS MORTGAGEE CONSIDERS APPROPRIATE IN CONNECTION WITH TAKING THESE MEASURES, INCLUDING ENDORSEMENT OF GRANTOR'S NAME ON ANY INSTRUMENTS. Regardless of any provision of this mortgage or the other Loan Documents, Mortgagee shall not be considered to have accepted any property other than cash or immediately available funds in satisfaction of any obligation of Grantor to Mortgagee, unless Mortgagee has given express written notice of its election of that remedy in accordance with the UCC.

**Cure; Protection of Security.** Mortgagee may cure any breach or default of Grantor, and if Mortgagee chooses to do so in connection with any such cure, Mortgagee may also enter the Property and/or do any and all other things which it considers necessary or appropriate to protect the security of this mortgage. Such other things may include: (1) appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Mortgagee under, this mortgage; (2) paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Mortgagee's judgment is or may be senior in priority to this mortgage, such judgment of Mortgagee to be conclusive as among the parties to this mortgage; (3) obtaining insurance and/or paying any premiums or charges for insurance required to be carried under the Note; (4) otherwise caring for and protecting any and all of the Property; and/or (5) employing counsel, accountants, contractors and other appropriate persons to assist Mortgagee. Mortgagee may take any of the actions permitted under this Article either with or without giving notice to any person. Notwithstanding the foregoing, in no event will Mortgagee have any obligation to take any of the actions set forth in this Section.

**Uniform Commercial Code Remedies.** Mortgagee may exercise any or all of the remedies granted to a secured party under the UCC. To the extent that applicable law imposes the duty on Mortgagee to exercise remedies in a commercially reasonable manner, Grantor acknowledges and agrees that it is not commercially unreasonable for Mortgagee to: (1) fail to incur expenses reasonably deemed significant by Mortgagee to prepare the Personalty for disposition or to fail to complete raw material or work in process into finished goods or other finished products for disposition; (2) fail to exercise collection remedies against account debtors or other persons obligated on the Personalty (directly or through the use of collection specialists), or to fail to remove liens, encumbrances or adverse claims against the Personalty;

(3) advertise dispositions of the Personalty through publications or media of general circulation, whether or not the Personalty is of a specialized nature; (4) contact persons for expressions of interest in acquiring all or any portion of the Personalty; (5) hire professional auctioneers to assist in the disposition of the Personalty, whether or not the Personalty is of a specialized nature; (6) dispose of the Personalty by utilizing Internet sites that provide for or are reasonably capable of the auction of assets of the types included in the Personalty; (7) dispose of the Personalty in wholesale rather than retail markets; (8) disclaim disposition warranties; (9) purchase insurance or credit enhancements to insure Mortgagee against risks of loss, collection or disposition of the Personalty or to provide to Mortgagee a guaranteed return from the collection or disposition of the Personalty; or (10) sell any Personalty jointly with any of the Property or to sell any Personalty in a sale separate from a sale of any of the Property. Grantor acknowledges that the purpose of this Section is to provide a non-exhaustive indication of what actions or omissions by Mortgagee would fulfill Mortgagee's duties under the UCC in Mortgagee's exercise of remedies against the Personalty, and that other actions or omissions by Mortgagee shall not be deemed to fail to fulfill such duties solely on account of not being expressly included or indicated in this Section.

**Judicial Action.** Mortgagee may bring an action in any court of competent jurisdiction to foreclose this mortgage in the manner provided under applicable law for the foreclosure of mortgages on real property or to obtain specific enforcement of any of the covenants or agreements of this mortgage.

**Sales of Personal Property.** Mortgagee may elect to treat as Personalty any Property which is intangible or which can be severed from the Land or Improvements without causing structural damage. If it chooses to do so, Mortgagee may dispose of any Personalty separately from the sale of real property, in any manner permitted by Article 9 of the UCC, including any public or private sale, or in any manner permitted by any other applicable law. Any proceeds of any such disposition shall not cure any Event of Default or reinstate any Secured Obligation.

**Single or Multiple Foreclosure Sales.** If the Property consists of more than one lot, parcel or item of property, in connection with any sale of the Property described in or permitted under this Article, Mortgagee may: (1) designate the order in which the lots, parcels and/or items shall be sold or disposed of or offered for sale or disposition; and (2) elect to dispose of the lots, parcels and/or items through a single consolidated sale or disposition to be held or made in connection with judicial proceedings, or by virtue of a judgment and decree of foreclosure and sale; or through two or more such sales or dispositions; or in any other manner Mortgagee may deem to be in its best interests (any such sale or disposition, a "Foreclosure Sale"). If it chooses to have more than one Foreclosure Sale, Mortgagee at its option may cause the Foreclosure Sales to be held simultaneously or successively, on the same day, or on such different days and at such different times and in such order as it may deem to be in its best interests. No Foreclosure Sale will terminate or affect the liens of this mortgage on any part of the Property which has not been sold, until all of the Secured Obligations have been paid in full.

**Additional Rights.** In addition to the rights and powers given to Mortgagee under this mortgage, Mortgagee shall have all such other rights both in law and equity for collection of the indebtedness secured hereby as it would have but for this mortgage.

**Credit Bids.** At any Foreclosure Sale, any person, including Grantor or Mortgagee, may bid for and acquire the Property or any part of it to the extent permitted by then applicable law. Instead of paying cash for that Property, Mortgagee may settle for the purchase price by crediting the sales price of the Property against the following obligations: first, the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Grantor is obligated to reimburse Mortgagee; and second, all other Secured Obligations in any order and proportions as Mortgagee may choose.

**Application of Foreclosure Sale Proceeds, Rents and Other Sums.** Mortgagee shall apply the proceeds of any Foreclosure Sale to pay (or reimburse Mortgagee for payment of) the Secured Obligations in any order and proportions as Mortgagee may choose, with the surplus, if any, to be paid over to Grantor. Mortgagee has no liability for any funds which it does not actually receive.

## ARTICLE 7 – ACCOMMODATION MAKER PROVISIONS

**Authorization.** Grantor authorizes Mortgagee to perform any of the following acts at any time, without notice to Grantor and without affecting the rights of Mortgagee or Grantor's obligations under this mortgage: (1) alter any terms and provisions of the Secured Obligations, including renewing, compromising, extending or accelerating, or otherwise changing the time for payment of, or increasing or decreasing the rate of interest on, the Secured Obligations or any part of thereof; (2) take and hold security for the Secured Obligations, accept additional or substituted security for the Secured Obligations, and subordinate, exchange, enforce, waive, release, compromise, fail to perfect, sell or otherwise dispose of any such security; (3) apply any security now or later held for the Secured Obligations in any order that Mortgagee may choose, and may direct the order and manner of any sale of all or any part of it and bid at any such sale; (4) release Borrower of its liability for the terms and provisions of the Secured Obligations; (5) substitute, add or release any one or more guarantors or endorsers of the Secured Obligations; and (6) extend other credit to Borrower, and may take and hold security for the credit so extended, whether or not such security also secures the Secured Obligations.

**Waivers.** Grantor waives: (1) any right to require Mortgagee to proceed against Borrower, proceed against or exhaust any security held from Borrower, or pursue any other remedy in Mortgagee's power to pursue; (2) any defense based on any legal disability of Borrower, any discharge or limitation of the liability of Borrower to Mortgagee, whether consensual or arising by operation of law or any bankruptcy, reorganization, receivership, insolvency, or debtor-relief proceeding, or from any other cause, or any claim that Grantor's obligations exceed or are more burdensome than those of Borrower; (3) all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of acceptance of this mortgage and of the existence, creation, or incurring of new or additional indebtedness of Borrower, and demands and notices of every kind; (4) any defense based on or arising out of any defense that Borrower may have to the payment or performance of the Secured Obligations or any part of it; and (5) until the Secured Obligations have been paid and performed in full, all rights of subrogation, reimbursement, indemnification and contribution (contractual, statutory or otherwise), including any claim or right of subrogation under the Bankruptcy Code (Title 11 of the U.S. Code) or any successor statute, all rights to enforce any remedy that Mortgagee may have against Borrower, and all rights to participate in any security now or later to be held by Mortgagee for the Secured Obligations. Grantor waives all rights and defenses that Grantor may have because the Secured Obligations may be secured by real property other than the Property hereby encumbered. This is an unconditional and irrevocable waiver of any rights and defenses Grantor may have because the Secured Obligations may be secured by real property other than the Property. Grantor waives any right or defense it may have at law or equity, to a fair market value hearing or action to determine a deficiency judgment after a foreclosure of any real property not secured by this mortgage. No provision or waiver in this mortgage shall be construed as limiting the generality of any other provision or waiver contained in this mortgage.

**Information.** Grantor is solely responsible for keeping informed of Borrower's financial condition and business operations and all other circumstances affecting Borrower's ability to pay and perform its obligations to Mortgagee, and agrees that Mortgagee will have no duty to disclose to Grantor any information which Mortgagee may receive about Borrower's financial condition, business operations, or any other circumstances bearing on its ability to perform.

**No Mortgagee in Possession.** Neither the enforcement of any of the remedies under this Article, the assignment of the Rents and Leases under Article 2, the security interests under Article 3, nor any other remedies afforded to Mortgagee under the Loan Documents, at law or in equity shall cause Mortgagee to be deemed or construed to be a mortgagee in possession of the Property, to obligate Mortgagee to lease the Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise.

## ARTICLE 8 – MISCELLANEOUS

**Notices.** All notices, approvals, consents, and other communications, under this mortgage ("Notices") must be in writing and delivered or sent via registered or certified mail, postage prepaid, return receipt requested, to the address specified herein. All Notices will be deemed to be given or made upon the earlier to occur of: (1) actual receipt by the intended recipient; or (2) (A) if delivered by hand or by courier, upon delivery; or (B) if delivered by registered or certified mail, four Business Days after deposit in the U.S. mail, properly addressed, postage prepaid;. Notices must be mailed or delivered, if to Grantor, to the address adjacent Grantor's signature below; if to Mortgagee, to MetLife Agricultural Finance, 10801 Mastin Blvd., Ste 930, Overland Park, KS 66210, Attn: SSU Director, with a carbon copy to MetLife Agricultural Finance, 10801 Mastin Blvd, Ste. 120, Overland Park, KS 66210, Attn: Director, CRO.

**Entire Agreement.** This mortgage and the other Loan Documents collectively: (1) represent the sum of the understandings and agreements between Mortgagee and Grantor concerning the Loan; (2) replace any prior oral or written agreements between Mortgagee and Grantor concerning the Loan; and (3) are intended by Mortgagee and Grantor as the final, complete and exclusive statement of the terms agreed to by them.

**No Waiver or Cure.** Each waiver by Mortgagee must be in writing, and no waiver is to be construed as a continuing waiver. No waiver is to be implied from any delay or failure by Mortgagee to take action on account of any default of Grantor. Consent by Mortgagee to any act or omission by Grantor must not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Mortgagee's consent to be obtained in any future or other instance. The exercise by Mortgagee of any right or remedy under this mortgage or the other Loan Documents or under applicable law, shall not: cure or waive a breach, Event of Default or notice of default under this mortgage or invalidate any act performed pursuant to any such default or notice; or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and all other defaults under the Loan Documents, have been cured); or impair the security of this mortgage; or prejudice Mortgagee or any receiver appointed in accordance with this mortgage, in the exercise of any right or remedy afforded any of them under this mortgage; or be construed as an affirmation by Mortgagee of any tenancy, lease or option, or a subordination of the lien of this mortgage.

**Merger.** No merger shall occur as a result of Mortgagee's acquiring any other estate in or any other lien on the Property.

**Waiver of Dower, Homestead, and Distributive Share.** Grantor relinquishes all right of dower, if any, and waives all right of homestead exemption and distributive share in and to the Property. Grantor waives any right of exemption as to the Property.

**Waiver of Marshalling.** Grantor waives all rights, legal and equitable, it may now or hereafter have to require marshalling of assets or to require upon foreclosure sales of assets in a particular order. Each successor and assign of Grantor, including any holder of a lien subordinate to this mortgage, by acceptance of its interest or lien agrees that it shall be bound by the above waiver, as if it had given the waiver itself.

**Waiver of Certain Other Laws.** To the extent permitted by applicable law, Grantor shall not at any time insist upon, plead, claim or take the benefit or advantage of any applicable law providing for appraisal, valuation, stay, extension, equity or redemption, any statutory or common law right of redemption, and all other exemptions, and Grantor, for Grantor, and its representatives, successors and assigns, and for any and all persons ever claiming any interest in the Property, to the extent permitted by law, hereby waives and releases all rights of redemption (including, without limitation, any common law or statutory right of redemption), and all other exceptions, as well as valuation, appraisal, stay of execution, or notice of election to mature or declare due the whole of the Secured Obligations in the event of foreclosure of the lien created by this mortgage. WITHOUT LIMITATION, IF THE UNDERSIGNED GRANTOR, OR ANY OF THEM, IS A CORPORATION, GRANTOR HEREBY RELEASES AND WAIVES ANY AND ALL RIGHTS OF REDEMPTION FROM SALE UNDER ANY JUDGMENT OF FORECLOSURE

AND EACH OF THE ITEMS WAIVED AND RELEASED ABOVE, ON BEHALF OF GRANTOR, AND EACH AND EVERY PERSON ACQUIRING ANY INTEREST IN OR TITLE TO THE PROPERTY, SUBSEQUENT TO THE DATE OF THIS MORTGAGE, AND ON BEHALF OF ALL OF THE PERSONS TO THE EXTENT PERMITTED BY APPLICABLE LAW OF THE STATE OF IDAHO.

**Joint and Several Obligations.** If Grantor consists of more than one person, each Grantor (1) acknowledges and undertakes, together with every other Grantor, joint and several liability for the indebtedness, liabilities and obligations of Grantor under this mortgage; (2) acknowledges that this mortgage is the independent and several obligation of each Grantor and may be enforced against each Grantor separately, whether or not enforcement of any right or remedy hereunder has been sought against any other Grantor; and (3) agrees that its liability hereunder and under any other Loan Document shall be absolute, unconditional, continuing and irrevocable. GRANTOR EXPRESSLY WAIVES ANY REQUIREMENT THAT MORTGAGEE EXHAUST ANY RIGHT, POWER OR REMEDY AND PROCEED AGAINST ANY OTHER GRANTOR UNDER THIS MORTGAGE, OR ANY OTHER LOAN DOCUMENTS, OR AGAINST ANY OTHER PERSON UNDER ANY GUARANTY OF, OR SECURITY FOR, ANY OF THE SECURED OBLIGATIONS.

**Authority to Bind Grantor.** If Grantor is comprised of multiple Persons, any Person comprising Grantor is hereby authorized to bind all parties comprising Grantor. Mortgagee may, at any time and without notice, waive any prior requirement that requests, authorizations, or other actions be taken only by a Designated Person.

**Binding Effect; Successors and Assigns.** The Loan Documents shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns; provided, that Grantor shall not assign its rights or obligations hereunder without Mortgagee's consent. However, this section does not waive the Prohibited Transfer provisions; and Grantor shall not assign its rights or obligations hereunder without Mortgagee's consent. Mortgagee may transfer all or any portion of its rights under the Loan Documents to any other Person. Mortgagee may disclose to any actual or proposed transferee any information that Grantor has delivered to Mortgagee in connection with the negotiation of this mortgage or pursuant to the Loan Documents; and Grantor shall cooperate fully with Mortgagee in providing that information to any actual or proposed transferee.

**Severability.** Any provision of any Loan Document which is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of that Loan Document or affecting the validity or enforceability of that provision in any other jurisdiction; except that if such provision relates to the payment of any monetary sum, then Mortgagee may, at its option, declare all Secured Obligations immediately due and payable.

**Governing Law/Jurisdiction and Venue.** This mortgage shall be governed exclusively by the laws of the State of Idaho without regard or reference to its conflict of laws principles. GRANTOR IRREVOCABLY AGREES THAT, AT THE OPTION OF MORTGAGEE, ALL ACTIONS, PROCEEDINGS OR COUNTERCLAIMS ARISING OUT OF OR RELATING TO THIS MORTGAGE OR ANY OTHER LOAN DOCUMENT WILL BE LITIGATED IN THE DISTRICT COURT IN AND FOR THE COUNTY IN WHICH THE LAND IS LOCATED, OR THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF IDAHO IN WHICH SUCH COUNTY IS LOCATED. GRANTOR IRREVOCABLY CONSENTS TO SERVICE, JURISDICTION, AND VENUE OF THOSE COURTS FOR ALL SUCH ACTIONS, PROCEEDINGS AND COUNTERCLAIMS AND WAIVES ANY OTHER VENUE TO WHICH IT MIGHT BE ENTITLED BY VIRTUE OF DOMICILE, HABITUAL RESIDENCE OR OTHERWISE.

**General.** This mortgage may not be amended, changed, modified, altered or terminated without the prior written consent of Mortgagee. This mortgage may be executed in counterparts, each of which will be an original and all of which together are deemed one and the same instrument. Mortgagee is authorized to execute any other documents or take any other actions necessary to effectuate this mortgage and the consummation of the transactions contemplated herein. Time is of the essence of this mortgage. Each party has participated in negotiating and drafting this mortgage, so if an ambiguity or a question of intent

or interpretation arises, this mortgage is to be construed as if the parties had drafted it jointly, as opposed to being construed against a party because it was responsible for drafting one or more provisions of this mortgage. When all Secured Obligations have been paid in full, Mortgagee shall execute and deliver to Grantor, a release of the Property from the lien of this mortgage. Headings and captions are provided for convenience only and do not affect the meaning of the text which follows.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

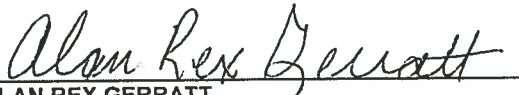
[SIGNATURE PAGE TO MORTGAGE]

GRANTOR BY EXECUTION AND DELIVERY OF THIS MORTGAGE TO MORTGAGEE, AND MORTGAGEE, BY ACCEPTANCE HEREOF, TO THE EXTENT PERMITTED BY APPLICABLE LAW (1) COVENANT AND AGREE NOT TO ELECT A TRIAL BY JURY IN ANY ACTION OR PROCEEDING FOR THE RESOLUTION OF ANY CONTROVERSY OR CLAIM THAT ARISES OUT OF OR RELATES TO: (A) THIS MORTGAGE; OR (B) ANY OTHER LOAN DOCUMENT, WHETHER ARISING IN CONTRACT, TORT OR BY STATUTE (INDIVIDUALLY AND COLLECTIVELY, A "CONTROVERSY OR CLAIM"); AND (2) WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY CONTROVERSY OR CLAIM TO THE EXTENT SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THE PROVISIONS OF THIS SECTION ARE GIVEN KNOWINGLY AND VOLUNTARILY AND ARE A MATERIAL INDUCEMENT FOR MORTGAGEE ENTERING INTO THE NOTE AND OTHER LOAN DOCUMENTS.

Grantor is executing this mortgage effective as of the day and year first written above.

GRANTOR

Address for notices:  
179 East 300 South  
Burley, Idaho 83318

  
ALAN REX GERRATT

Address for notices:  
63 Pelican Dr  
Rupert, Idaho 83350

  
TODD LARRY GERRATT

Address for notices:  
2150 East 352 South  
Declo, Idaho 83323

  
DAVID CHARLES GERRATT

Address for notices:  
2680 Burton Circle  
Burley, Idaho 83318

  
STEVEN MERLE GERRATT

Address for notices:  
250 East 300 South  
Burley, Idaho 83318

MIDWAY DAIRY, L.L.C., an Idaho limited liability  
company

By: Alan Gerratt  
ALAN GERRATT  
Member

By: Todd Gerratt  
TODD GERRATT  
Member

By: Dave Gerratt  
DAVE GERRATT aka DAVID CHARLES GERRATT  
Member

By: Steve Gerratt  
STEVE GERRATT aka STEVEN MERLE GERRATT  
Member

By: Jake Gerratt  
JAKE GERRATT aka JACOB TODD GERRATT  
Member

Address for notices:  
250 East 300 South  
Burley, Idaho 83318

ADTD FARMS, LLC, an Idaho limited liability company

By: Alan Gerratt  
ALAN GERRATT  
Member

By: Todd Gerratt  
TODD GERRATT  
Member

By: Steve Gerratt  
STEVE GERRATT aka STEVEN MERLE GERRATT  
Member

By: Dave Gerratt  
DAVE GERRATT aka DAVID CHARLES GERRATT  
Member

By: Jake Gerratt  
JAKE GERRATT aka JACOB TODD GERRATT  
Member

Address for notices:  
179 East 300 South  
Burley, Idaho 83318

Kayla Scholer Gerratt  
KAYLA SCHOLER GERRATT

Address for notices:  
63 Pelican Dr  
Rupert, Idaho 83350

Brenda Lee Gerratt  
BRENDA LEE GERRATT

Address for notices:  
2150 E 352 S  
Declo, Idaho 83323

Bonnie Sue Gerratt  
BONNIE SUE GERRATT

Address for notices:  
2680 Burton Circle  
Burley, Idaho 83318

Michelle Grooms Gerratt  
MICHELLE GROOMS GERRATT

Address for notices:  
2820 Burton Ave  
Burley, Idaho 83318

Address for notices:  
102 South 2250 East  
Delco, Idaho 83323

Address for notices:  
250 East 300 South  
Burley, Idaho 83318

  
JACOB TODD GERRATT

  
KRISTI LYN GERRATT

ADT FARMS, LLC, an Idaho limited liability company

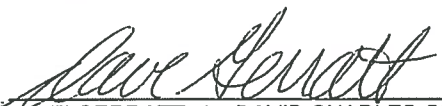
By:   
ALAN GERRATT  
Member

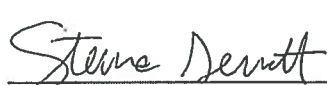
By:   
TODD GERRATT  
Member

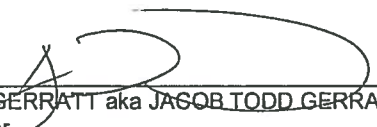
By: ADTD Farms, LLC, Member

By:   
ALAN GERRATT  
Member

By:   
TODD GERRATT  
Member

By:   
DAVE GERRATT aka DAVID CHARLES GERRATT  
Member

By:   
STEVE GERRATT aka STEVEN MERLE GERRATT  
Member

By:   
JAKE GERRATT aka JACOB TODD GERRATT  
Member

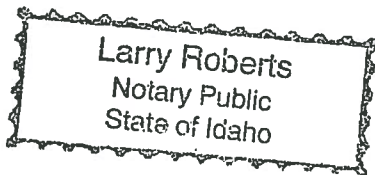
[ACKNOWLEDGEMENTS OF MORTGAGE ON FOLLOWING PAGE]

[ACKNOWLEDGEMENTS OF MORTGAGE]

STATE OF IDAHO )

County of Carida ) ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Alan Rex Gerratt**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same. ✓

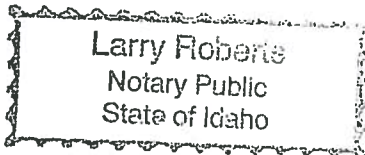


Larry Roberts  
Notary Public for Idaho  
Residing at Wink Falls, ID  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Carida ) ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Todd Larry Gerratt**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same. ✓

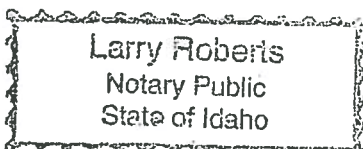


Larry Roberts  
Notary Public for Idaho  
Residing at Wink Falls, ID  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Carida ) ss.

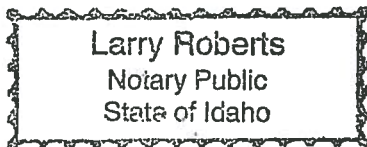
On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **David Charles Gerratt**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same. ✓



Larry Roberts  
Notary Public for Idaho  
Residing at Wink Falls  
My Commission Expires 6-30-21

STATE OF IDAHO )  
 : ss.  
County of Cassia )

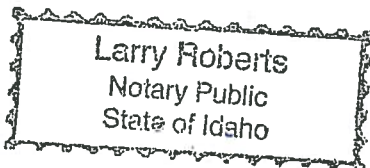
On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Steven Merle Gerratt**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same. ✓



Larry Roberts  
Notary Public for Idaho  
Residing at Link Falls, ID  
My Commission Expires 6-30-21

STATE OF IDAHO )  
 : ss.  
County of Cassia )

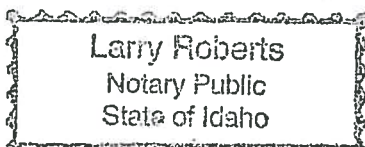
On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Alan Gerratt**, known or identified to me to be a Member of MIDWAY DAIRY, L.L.C., the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same. ✓



Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )  
 : ss.  
County of Cassia )

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Todd Gerratt**, known or identified to me to be a Member of MIDWAY DAIRY, L.L.C., the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same. ✓

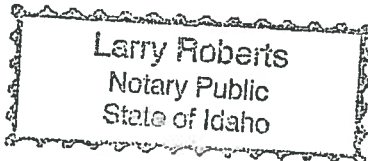


Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Cassia ) ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Dave Gerratt aka David Charles Gerratt**, known or identified to me to be a Member of MIDWAY DAIRY, L.L.C., the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.

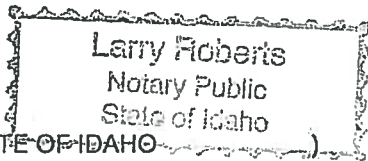


Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Cassia ) ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Steve Gerratt aka Steven Merle Gerratt**, known or identified to me to be a Member of MIDWAY DAIRY, L.L.C., the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.

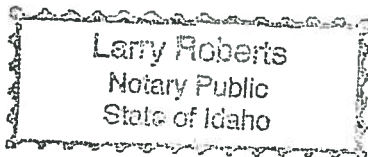


Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Cassia ) ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Jake Gerratt aka Jacob Todd Gerratt**, known or identified to me to be a Member of MIDWAY DAIRY, L.L.C., the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



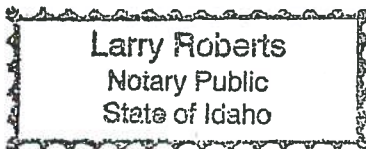
Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Cassia )

: ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Alan Gerratt**, known or identified to me to be a Member of ADTD Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



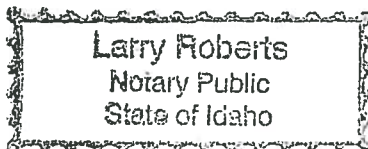
Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Cassia )

: ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Todd Gerratt**, known or identified to me to be a Member of ADTD Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



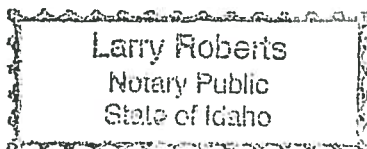
Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Cassia )

: ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Dave Gerratt aka David Charles Gerratt**, known or identified to me to be a Member of ADTD Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



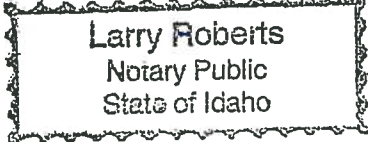
Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Cassia )

: ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Steve Gerratt** aka **Steven Merle Gerratt**, known or identified to me to be a Member of ADTD Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



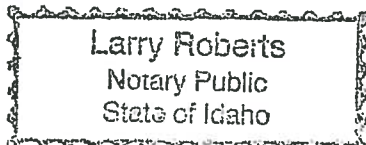
[Signature]  
Notary Public for Idaho  
My Commission Expires 6.30.21

STATE OF IDAHO )

County of Cassia )

: ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Jake Gerratt** aka **Jacob Todd Gerratt**, known or identified to me to be a Member of ADTD Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



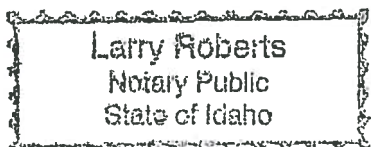
[Signature]  
Notary Public for Idaho  
My Commission Expires 6.30.21

STATE OF IDAHO )

County of Cassia )

: ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Kayla Scholer Gerratt**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.



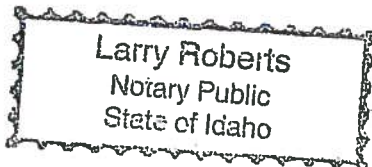
[Signature]  
Notary Public for Idaho  
Residing at Burley, ID  
My Commission Expires 6.30.21

STATE OF IDAHO

County of Cassia

)  
: ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Brenda Lee Gerratt**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same. ✓



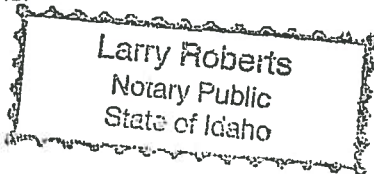
Larry Roberts  
Notary Public for Idaho  
Residing at Luna Falls, ID  
My Commission Expires 6-30-21

STATE OF IDAHO

County of Cassia

)  
: ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Bonnie Sue Gerratt**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same. ✓



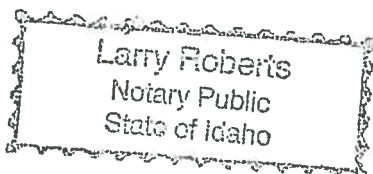
Larry Roberts  
Notary Public for Idaho  
Residing at Luna Falls, ID  
My Commission Expires 6-30-21

STATE OF IDAHO

County of Cassia

)  
: ss.

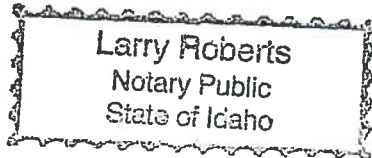
On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Michelle Grooms Gerratt**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same. ✓



Larry Roberts  
Notary Public for Idaho  
Residing at Luna Falls, ID  
My Commission Expires 6-30-21

STATE OF IDAHO )  
County of Cassia : ss.

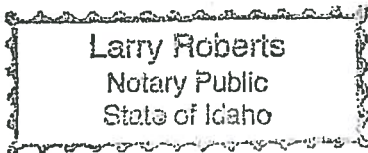
On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Jacob Todd Gerratt**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same. ✓



Larry Roberts  
Notary Public for Idaho  
Residing at Turn Falls, ID  
My Commission Expires 6-30-21

STATE OF IDAHO )  
County of Cassia : ss.

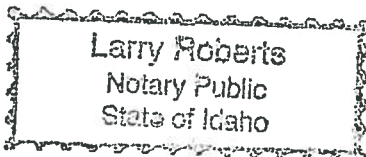
On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Kristi Lyn Gerratt**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same. ✓



Larry Roberts  
Notary Public for Idaho  
Residing at Turn Falls, ID  
My Commission Expires 6-30-21

STATE OF IDAHO )  
County of Cassia : ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Alan Gerratt**, known or identified to me to be a Member of ADT Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same. ✓

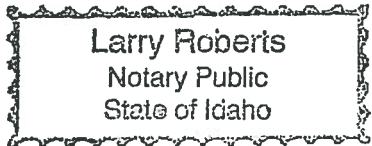


Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Cassia ) ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Todd Gerratt**, known or identified to me to be a Member of ADT Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same. ✓

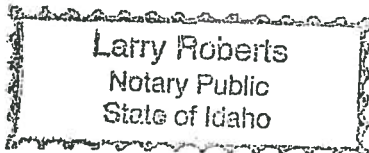


Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Cassia ) ss.

On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Alan Gerratt**, Member of ADT Farms, LLC, and Idaho limited liability company, known or identified to me to be a Member of ADT Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same. ✓

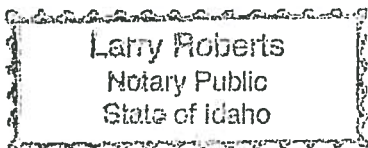


Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )

County of Cassia ) ss.

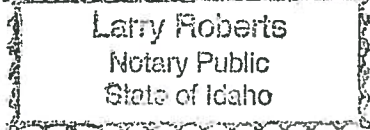
On this 24<sup>th</sup> day of January, in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Todd Gerratt**, Member of ADT Farms, LLC, and Idaho limited liability company, known or identified to me to be a Member of ADT Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same. ✓



Larry Roberts  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )  
County of Cassia : ss.

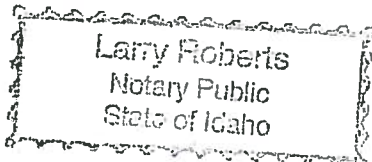
On this 24<sup>th</sup> day of January in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Dave Gerratt aka David Charles Gerratt**, Member of ADTD Farms, LLC, and Idaho limited liability company, known or identified to me to be a Member of ADT Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



[Signature]  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )  
County of Cassia : ss.

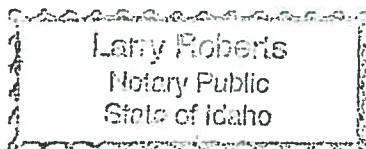
On this 24<sup>th</sup> day of January in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Steve Gerratt aka Steven Merle Gerratt**, Member of ADTD Farms, LLC, and Idaho limited liability company, known or identified to me to be a Member of ADT Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



[Signature]  
Notary Public for Idaho  
My Commission Expires 6-30-21

STATE OF IDAHO )  
County of Cassia : ss.

On this 24<sup>th</sup> day of January in the year 2018, before me, Larry Roberts, a notary public for the State of Idaho, personally appeared **Jake Gerratt aka Jacob Todd Gerratt**, Member of ADTD Farms, LLC, and Idaho limited liability company, known or identified to me to be a Member of ADT Farms, LLC, the Idaho limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



[Signature]  
Notary Public for Idaho  
My Commission Expires 6-30-21

**EXHIBIT A**

Midway Dairy  
Loan No: 199255

**MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT,  
AND FIXTURE FILING**

**Legal Description of Real Estate**

Cassia County, Idaho

**SCHEDULE C**  
**Legal Description**

TRACT A

PARCEL NO. 1:  
TOWNSHIP 11 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 12: Part of the SW¼, more particularly described as follows:

Beginning at the W¼ section corner of said Section 12, said corner marked by a U.S. BLM pipe with cap which shall be the Point of Beginning;  
Thence South 89°33'41" East along the North line of the SW¼ for a distance of 614.30 feet to a ½ inch rebar;  
Thence South 35°14'01" West for a distance of 1066.11 feet to a ½ inch rebar on the West line of Section 12;  
Thence North 00°03'01" East along the West line of Section 12 for a distance of 875.50 feet to the Point of Beginning.

SAVE AND EXCEPT the following described tract:

Beginning at the W¼ section corner of said Section 12, said corner marked by a U.S. BLM pipe with cap; Thence South 00°03'01" West along the West line of Section 12 for a distance of 34.41 feet to a point; Thence South 89°33'41" East for a distance of 146.36 feet to the Point of Beginning;  
Thence North 00°03'01" East for a distance of 10.00 feet;  
Thence South 89°33'41" East for a distance of 40.00 feet;  
Thence South 00°03'01" West for a distance of 40.00 feet;  
Thence North 89°33'41" West for a distance of 40.00 feet;  
Thence North 00°03'01" East for a distance of 30.00 feet to the Point of Beginning.

PARCEL NO. 2:  
TOWNSHIP 11 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Sections 13 & 14: Part of the NE¼ and all of the NW¼ of Section 13 and part of the NE¼ of Section 14, more particularly described as follows:

Beginning at the Northwest section corner of said Section 13, said corner marked by a U.S. BLM aluminum pipe and cap which shall be the Point of Beginning;  
Thence South 89°30'47" East along the North line of the NW¼ for a distance of 2640.70 feet to the N¼ section corner of Section 13, marked by a ½ inch iron pin;  
Thence South 89°30'42" East along the North line of the NE¼ for a distance of 1321.91 feet;  
Thence South 00°29'18" West for a distance of 20.78 feet to a ½ inch rebar;  
Thence South 00°29'18" West for a distance of 46.67 feet to a ½ inch rebar;  
Thence along a non-tangent curve to the left for a distance of 3344.49 feet to a ½ inch rebar; said curve having a radius of 1306.12 feet and a central angle of 146°42'48" and a long chord bearing of South 00°27'27" West for a distance of 2502.80 feet;  
Thence South 00°27'52" West for a distance of 72.87 feet to a ½ inch rebar on the East-West ¼ section line;  
Thence North 89°32'08" West along said line for a distance of 3942.25 feet to the West ¼ section corner of Section 13 said corner marked by a U.S. GLO iron pipe with brass cap on top;  
Thence North 89°46'26" West along the East-West ¼ section line of Section 14 for a distance of 338.89 feet to a ½ inch rebar on the East right of way of Interstate 80;  
Thence North 31°35'32" West along said right of way for a distance of 1603.77 feet to a right of way marker at station 630+97.72;  
Thence North 31°34'50" West continuing along said right of way for a distance of 1509.37 feet to a ½ inch rebar at the intersection of said right of way and the North line of the NE¼ of Section 14;  
Thence South 89°45'12" East along the North line of the NE¼ for a distance of 1970.33 feet to the Point of Beginning.

EXCEPTING THEREFROM the following described tracts:

File Number: 17302965  
Policy Number: PROFORMA

ALTA Loan Policy (6/17/06)

Tract No. 1:

Beginning at the Northwest corner of said Section 13, said corner marked by a U.S. BLM aluminum pipe and cap, which shall be the Point of Beginning;

Thence East along the North section line of said Section 13 for 100 feet;

Thence South 80 feet;

Thence West 100 feet;

Thence North 80 feet to the Point of Beginning.

Tract No. 2:

Beginning at the Northeast corner of said Section 14, said corner marked by an aluminum pipe with cap; Thence South 00°01'03" West along the East line of Section 14 for a distance of 25.00 feet to the extended South right of way of an unimproved county road; Thence North 89°45'12" West along the South right of way of an unimproved county road for a distance of 76.76 feet to a ½ inch rebar which shall be the Point of Beginning;

Thence South 00°14'48" West for a distance of 10.00 feet to a ½ inch rebar;

Thence North 89°45'12" West for a distance of 10.00 feet to a ½ inch rebar;

Thence North 00°14'48" East for a distance of 10.00 feet to a ½ inch rebar on the South right of way of an unimproved county road;

Thence South 89°45'12" East along said right of way for a distance of 10.00 feet to the Point of Beginning.

TRACT B

PARCEL NO. 1:

TOWNSHIP 11 SOUTH, RANGE 27 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 18: SW¼NE¼, W¼SE¼ and E¼SW¼

Section 19: Lots 2, 3 and 4 and E¼NW¼, EXCEPTING THEREFROM that portion of Lot 4 deeded to the State of Idaho for highway purposes.

Section 30: Lot 1, EXCEPTING THEREFROM that portion deeded to the State of Idaho for highway purposes.

PARCEL NO. 2:

TOWNSHIP 11 SOUTH, RANGE 27 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 7: All of Lot 4 and Tax Lot No. 1051 in Lot 3, more particularly described as follows:

Beginning at a point 61½ rods South of the Northwest corner of said Lot 3;

Thence East to the East boundary of said Lot 3;

Thence South along said East boundary to the Southeast corner of said Lot 3;

Thence West along South boundary of said Lot 3 to the Southwest corner of said Lot 3;

Thence North along the West boundary of said Lot 3 to The Point of Beginning.

PARCEL NO. 3:

TOWNSHIP 11 SOUTH, RANGE 27 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 7: SE¼, E¼SW¼ and part of Lot 3 described as follows:

Beginning at the Northwest corner of said Lot 3;

Thence South 61½ rods;

Thence East to the East side of said Lot 3;

Thence North 61½ rods;

Thence West to the Point of Beginning.

SAVE AND EXCEPT the South 25 feet of the SE¼.

File Number: 17302965  
Policy Number: PROFORMA

ALTA Loan Policy (6/17/06)

PARCEL NO. 4:  
TOWNSHIP 11 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 14: NE $\frac{1}{4}$  and E $\frac{1}{2}$ NW $\frac{1}{4}$ , EXCEPTING that portion deeded to the State of Idaho and to the Raft River Highway District for highway purposes.

Section 13: N $\frac{1}{4}$ , EXCEPT that portion deeded to the Raft River Highway District for Highway purposes

ALSO EXCEPTING FROM said Sections 13 and 14 the following described tract:

Part of the NE $\frac{1}{4}$  and all of the NW $\frac{1}{4}$  of Section 13 and part of the NE $\frac{1}{4}$  of Section 14, more particularly described as follows:

Beginning at the Northwest section corner of said Section 13, said corner marked by a U.S. BLM aluminum pipe and cap which shall be the Point of Beginning;  
Thence South 89°30'47" East along the North line of the NW $\frac{1}{4}$  for a distance of 2640.70 feet to the N $\frac{1}{4}$  section corner of Section 13, marked by a  $\frac{1}{2}$  inch iron pin;  
Thence South 89°30'42" East along the North line of the NE $\frac{1}{4}$  for a distance of 1321.91 feet;  
Thence South 00°29'18" West for a distance of 20.78 feet to a  $\frac{1}{2}$  inch rebar;  
Thence South 00°29'18" West for a distance of 46.67 feet to a  $\frac{1}{2}$  inch rebar;  
Thence along a non-tangent curve to the left for a distance of 3344.49 feet to a  $\frac{1}{2}$  inch rebar; said curve having a radius of 1306.12 feet and a central angle of 146°42'48" and a long chord bearing of South 00°27'27" West for a distance of 2502.80 feet;  
Thence South 00°27'52" West for a distance of 72.87 feet to a  $\frac{1}{2}$  inch rebar on the East-West  $\frac{1}{4}$  section line;  
Thence North 89°32'08" West along said line for a distance of 3942.25 feet to the West  $\frac{1}{4}$  section corner of Section 13 said corner marked by a U.S. GLO iron pipe with brass cap on top;  
Thence North 89°46'26" West along the East-West  $\frac{1}{4}$  section line of Section 14 for a distance of 338.89 feet to a  $\frac{1}{2}$  inch rebar on the East right of way of Interstate 80;  
Thence North 31°35'32" West along said right of way for a distance of 1603.77 feet to a right of way marker at station 630+97.72;  
Thence North 31°34'50" West continuing along said right of way for a distance of 1509.37 feet to a  $\frac{1}{2}$  inch rebar at the intersection of said right of way and the North line of the NE $\frac{1}{4}$  of Section 14;  
Thence South 89°45'12" East along the North line of the NE $\frac{1}{4}$  for a distance of 1970.33 feet to the Point of Beginning.

PARCEL NO. 5:  
TOWNSHIP 11 SOUTH, RANGE 27 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 18: Lots 1 and 2, and E $\frac{1}{2}$ NW $\frac{1}{4}$

PARCEL NO. 6:  
TOWNSHIP 11 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 12: NE $\frac{1}{4}$ ; SE $\frac{1}{4}$

TOWNSHIP 11 SOUTH, RANGE 27 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 7: Lots 1 and 2, EXCEPTING THEREFROM the following described parcel:

Beginning at the Northeast corner of said Section 7; Thence South 89°43' West for 5268.47 feet along section line to a point that is 415.12 feet East of the Northwest corner of said Lot 1, which said point shall be known as the True Point of Beginning;  
Thence South 0°06' East for 2644.07 feet, more or less, to a point on the quarter section line, which said point is 430.96 feet East of the Southwest corner of said Lot 2;  
Thence North 89°44'30" East along the quarter section line for 1289.00 feet to a point on the 1/16th section line, said point being the Southeast corner of said Lot 2;  
Thence North 0°06' West along the 1/16th section line for 2644.77 feet, more or less, to a point on the North section line of said Section 7, said point being the Northeast corner of said Lot 1;  
Thence South 89°43' West for 1289.00 feet along the North section line to the True Point of Beginning.

File Number: 17302965  
Policy Number: PROFORMA

ALTA Loan Policy (6/17/06)

PARCEL NO. 7:  
TOWNSHIP 11 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 13: Part of the NW¼NW¼, more particularly described as follows:

Beginning at the Northwest corner of said Section 13, said corner marked by a U.S. BLM aluminum pipe and cap, which shall be the Point of Beginning;

Thence East along the North section line of said Section 13 for 100 feet;

Thence South 80 feet;

Thence West 100 feet;

Thence North 80 feet to the Point of Beginning.

PARCEL NO. 8:

A perpetual easement as reserved in Warranty Deed dated March 22, 2002 and recorded March 25, 2002 as Instrument No. 280470, records of Cassia County, Idaho, for the installation, repair, replacement, and maintenance of an underground pipeline and for ingress and egress thereto for the maintenance of said pipeline, which easement is 20 feet in width, wherein the pipeline is buried, running generally from the well located on Parcel No. 7 described above;

Thence Southeasterly to the center of the NW¼ of said Section 13, Township 11 South, Range 26 East, Boise Meridian, Cassia County, Idaho;

Thence Easterly to the East boundary of said NW¼ of said Section 13;

Thence continuing East to the center of the NE¼ of said Section 13.

#### TRACT C

PARCEL NO. 1:  
TOWNSHIP 10 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 26: S½

EXCEPTING THEREFROM, the following described tracts:

Tract No. 1:

Beginning at the Southeast corner of said Section 26, said corner marked by a U.S. General Land Office Pipe with brass cap which shall be the Point of Beginning;

Thence North 0°27'21" West for 96.21 feet (rec as 96.22 feet);

Thence South 89°58'05" West for 401.24 feet;

Thence South 00°01'55" East for 6.82 feet;

Thence South 89°49'54" West for 27.65 feet;

Thence South 00°24'19" East for 89.36 feet;

Thence North 89°57'52" East for 429.02 feet (rec as 428.94 feet).

EXCEPTING THEREFROM, that portion deeded to the Burley Highway District.

Tract No. 2:

Beginning at the Southwest corner of Section 26, Station 29+52.189, 7.541 meters (24.74 feet) left of said Project centerline;  
Thence North 89°57'50" East along the South boundary of SW¼ of said Section 26 for a distance of 803.758 meters (2637.00 feet) to the S¼ corner of said Section 26, Station 37+55.978, 9.462 meters (31.04 feet) left of said Project centerline;  
Thence North 89°57'50" East along the South boundary of the SE¼ for a distance of 672.739 meters (2207.14 feet), Station 44+28.716, 8.721 meters (28.61 feet) left of said Project centerline;  
Thence North 00°24'19" West for a distance of 3.471 meters (11.39 feet), Station 44+28.698, 12.192 meters (40.00 feet) left of said Project centerline;  
Thence South 89°54'03" West and being parallel with the centerline of said Project for a distance of 672.737 meters (2207.14 feet) to a point on the West boundary of the SE¼ of said Section 26, Station 37+55.919, 12.192 meters (40.00 feet) left of said Project centerline;  
Thence North 89°53'57" West and being parallel with the centerline of said Project for a distance of 803.776 meters (2637.06 feet) to a point on the West boundary of the SW¼ of said Section 26, Station 29+52.144, 12.192 meters (40.00 feet) left of said Project centerline;  
Thence South 00°27'00" East along the West boundary of the SW¼ of said Section 26 for a distance of 4.651 meters (15.26 feet) to the Point of Beginning.

Tract No. 3:

Commencing at the Southeast section corner (monumented by a G.L.O. brass cap); Thence South 89°57'52" West along the South section boundary for 429.02 feet to a ½ inch rebar (recorded as North 89°34'28" West for 428.94 feet); Thence North 00°24'19" West for 11.39 feet, which shall be the True Point of Beginning;  
Thence continuing South 89°54'05" West along the South section boundary for 329.85 feet to a ½ inch rebar;  
Thence North 55°29'13" East for 433.07 feet to a ½ inch rebar;  
Thence South 0°01'55" East for 166.76 feet to a ½ inch rebar;  
Thence South 89°49'54" West for 27.65 feet to a ½ inch rebar;  
Thence South 0°24'19" East for 77.97 feet to the True Point of Beginning.

PARCEL NO. 2:  
TOWNSHIP 10 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 26: N½, EXCEPTING THEREFROM the following described tracts:

Tract No. 1:

Beginning at the Northeast corner of the NW¼NW¼ of said Section 26;  
Thence West 300 feet;  
Thence South 300 feet;  
Thence East 700 feet;  
Thence North 300 feet;  
Thence West 400 feet to the Point of Beginning.

Tract No. 2:

Commencing at the Northeast section corner (Monumented by a G.L.O. Brass Cap), Thence South 0°26'11" East (Recorded as South) along the East section boundary for 640.25 feet to a ½ inch rebar and the True Point Of Beginning;  
Thence continuing South 0°26'11" East along the East section line for 1457.51 feet to a ½ inch rebar;  
Thence South 89°32'15" West for 796.23 feet to a ½ inch rebar;  
Thence North 02°20'11" West for 457.51 feet to a ½ inch rebar;  
Thence South 89°49'57" West for 557.55 feet to a ½ inch rebar;  
Thence North 0°48'35" West for 403.40 feet to a ½ inch rebar;  
Thence South 88°42'21" West for 479.10 feet to a ½ inch rebar;  
Thence North 0°43'46" West for 605.18 feet to a ½ inch rebar;  
Thence North 89°40'06" East for 1853.73 feet to the True Point Of Beginning.

Tract No. 3:

Beginning at the Northeast corner of said Section 26, said corner marked by a U.S. G.L.O. iron pipe with a brass cap on top which shall be the Point of Beginning;  
Thence South 00°00'27" East (South 00°26'11" East, rec.) along the East section line of Section 26 for a distance of 640.19 feet (640.25 feet, rec.) to a ½ inch rebar;  
Thence North 89°54'40" West (North 89°40'06" West, rec.) for a distance of 1854.06 feet (1853.73 feet, rec.) to a ½ inch rebar;  
Thence North 00°18'29" West for a distance of 649.02 feet to a ½ inch rebar on the North line of Section 26;  
Thence South 89°38'22" East along said North line for a distance of 1857.50 feet to the Point of Beginning.

Tract No. 4:

Beginning at the Northeast corner of said Section 26, said corner marked by a U.S. G.L.O. iron pipe with a brass cap on top; Thence North 89°38'22" West along the North line of Section 26 for a distance of 1857.50 feet to a ½ inch rebar; Thence South 00°18'29" East for a distance of 649.02 feet to a ½ inch rebar; Thence South 00°18'49" East (South 00°43'46" East, rec.) for a distance of 605.18 feet to a ½ inch rebar which shall be the Point of Beginning;

Thence North 89°07'46" East (North 88°42'21" East, rec.) for a distance of 479.11 feet (479.10 feet, rec.) to a ½ inch rebar;  
Thence South 00°22'53" East (South 00°48'35" East, rec.) for a distance of 403.31 feet (403.40 feet, rec.) to a ½ inch rebar;  
Thence South 89°44'33" East (South 89°49'57" East, rec.) for a distance of 557.54 feet (557.55 feet, rec.) to a ½ inch rebar;  
Thence South 01°55'19" East (South 02°20'11" East, rec.) for a distance of 60.00 feet to a ½ inch rebar;  
Thence North 89°38'22" West for a distance of 1038.83 feet to a ½ inch rebar;  
Thence North 00°18'49" West for a distance of 451.97 feet to the Point of Beginning.

Tract No. 5:

Beginning at the Northeast corner of said Section 26, said corner marked by a U.S. G.L.O. iron pipe with a brass cap on top; Thence South 00°00'27" East (South 00°26'11" East, rec.) along the East line of Section 26 for a distance of 2097.70 feet to a ½ inch rebar which shall be the Point of Beginning;

Thence South 00°00'27" East along the East line of Section 26 for a distance of 65.54 feet to a ½ inch rebar;  
Thence North 89°38'22" West for a distance of 26.11 feet to a ½ inch rebar;  
Thence North 89°38'22" West for a distance of 768.22 feet to a ½ inch rebar;  
Thence North 01°55'19" West for a distance of 60.00 feet to a ½ inch rebar;  
Thence North 89°57'31" East (North 89°32'15" West, rec.) for a distance of 796.32 feet (796.23 feet, rec.) to the Point of Beginning.

Tract No. 6:

Beginning at the East ¼ corner of Section 26, said corner marked by a U.S. G.L.O. iron pipe with brass cap on top; Thence North 00°00'27" West along the east line of Section 26 for a distance of 413.12 feet to the Point of Beginning;

Thence North 89°38'22" West for a distance of 24.82 feet to a ½ inch rebar;  
Thence North 89°38'22" West for a distance of 846.59 feet to a ½ inch rebar;  
Thence North 00°00'27" West for a distance of 528.00 feet to a ½ inch rebar;  
Thence South 89°38'22" East for a distance of 61.79 feet to a ½ inch rebar;  
Thence South 01°55'19" East for a distance of 457.51 feet to a ½ inch rebar;  
Thence South 89°38'22" East for a distance of 768.22 feet to a ½ inch rebar;  
Thence South 89°38'22" East for a distance of 26.11 feet to a ½ inch rebar on the east line of Section 26;  
Thence South 00°00'27" East along said line for a distance of 70.81 feet to the Point of Beginning.

PARCEL NO. 3:

TOWNSHIP 10 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 26: A portion of the SE¼SE¼, more particularly described as follows:

Commencing at the Southeast corner of said Section 26, monumented by a brass cap in a vault, thence along the South section line thereof South 89°57'52" West 429.02 feet to a point marked by a ½ inch rebar; Thence North 00°24'19" West 11.39 feet to a point marked by a ½ inch rebar; said point being the True Point of Beginning;

Thence South 89°54'05" West 329.85 feet to a point marked by a ½ inch rebar;  
Thence North 55°29'13" East 433.07 feet to a point marked by a ½ inch rebar;  
Thence South 00°01'55" East 159.94 feet to a point marked by a ½ inch rebar;  
Thence South 89°58'05" West 27.69 feet to a point marked by a ½ inch rebar;  
Thence South 00°24'19" East 6.88 feet to a point marked by a ½ inch rebar;  
Thence South 00°24'19" East 77.97 feet to the True Point of Beginning.

File Number: 17302965  
Policy Number: PROFORMA

ALTA Loan Policy (6/17/06)

PARCEL NO. 4:  
TOWNSHIP 10 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 26: A part of the SE $\frac{1}{4}$ , more particularly described as follows:

Commencing at the Southeast section corner (monumented by a G.L.O. brass cap); Thence North 0°27'21" West (recorded as North) along the East section boundary for 90.35 feet to a  $\frac{1}{2}$  inch rebar; thence South 89°49'54" West for 401.29 feet to a  $\frac{1}{2}$  inch rebar and the True Point of Beginning;

Thence continuing South 89°49'54" West for 27.65 feet to a  $\frac{1}{2}$  inch rebar;

Thence North 00°24'19" West for 6.88 feet to a  $\frac{1}{2}$  inch rebar;

Thence North 89°58'05" East for 27.69 feet to a  $\frac{1}{2}$  inch rebar;

Thence South 00°01'55" East for 6.82 feet to the True Point of Beginning.

PARCEL NO. 5:  
TOWNSHIP 10 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 36: Part of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ , more particularly described as follows:

Beginning at the Northeast corner of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 36;

Thence West 230 feet along section line to a point;

Thence South 225 feet to a point;

Thence East 230 feet to a point on East line of said Section 36;

Thence North along east section line for 225 feet to the True Point of Beginning.

EXCEPTING THEREFROM, the following described tract:

A parcel of land being on the South side of the centerline of Project No. STP-2837(100), Highway Survey as shown on the plans thereof now on file in the office of the Idaho Transportation Department, Division of Highways, and being a portion of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 36; Beginning at the Northeast corner of Section 36, Station 61+67.712, 1.990 meters (6.53 feet) right of said Project centerline which shall be the Point of Beginning;

Thence North 89°56'03" West along the North boundary of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 36 for a distance of 70.104 meters (230.00 feet) Station 60+97.612, 1.342 meters (4.40 feet) right of said Project centerline;

Thence South 00°28'14" East for a distance of 10.850 meters (35.60 feet) Station 60+97.613, 12.192 meters (40.00 feet) right of said Project centerline;

Thence North 89°32'10" East and being parallel with the centerline of said Project for a distance of 70.101 meters (229.99 feet) to a point on the East boundary of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 36, Station 61+67.714, 12.192 meters (40.00 feet) right of said Project centerline;

Thence North 00°28'14" West along the East boundary of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 36 for a distance of 10.202 meters (33.47 feet) to the Northeast corner of said Section 36 which is the Point of Beginning.

PARCEL NO. 6:  
TOWNSHIP 10 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 25: S $\frac{1}{2}$ S $\frac{1}{2}$

EXCEPTING THEREFROM, the following described tracts:

File Number: 17302965  
Policy Number: PROFORMA

ALTA Loan Policy (6/17/06)

A parcel of land being on the North side of the centerline of Project No. STP-2837 (100), Highway Survey as shown on the plans thereof now on file in the office of the Idaho Transportation Department, Division of Highways, and being a portion of the SW¼ and the SE¼ of Section 25, Township 10 South, Range 26 East, Boise Meridian, described as follows:

Beginning at the Southwest corner of said Section 25, Station 45+59.530, 8.578 meters (28.14 feet) left of said Project centerline;  
Thence North 89°48'38" East along the South boundary of Section 25 for a distance of 804.633 meters (2639.87 feet) to the S¼ corner of said Section 25, Station 53+64.162, 5.441 meters (17.85 feet) left of said Project centerline;  
Thence South 89°56'03" East along the South boundary of Section 25 for a distance of 803.586 Meters (2636.44 feet) to the Southeast corner of Section 25, Station 61+67.712, 1.990 meters (6.53 feet) right of said Project centerline;  
Thence North 00°29'01" West along the East boundary of the SE¼ of said Section 25 for a distance of 14.182 meters (46.53 feet) Station 61+67.708, 12.192 meters (40.00 feet) left of said Project centerline;  
Thence South 89°32'10" West and being parallel with the centerline of said Project for a distance of 803.547 meters (2636.30 feet) to a point on the West boundary of the SE¼ of said Section 25, Station 53+64.162, 12.192 meters (40.00 feet) left of said Project centerline;  
Thence South 89°35'14" West and being parallel with the centerline of said Project for a distance of 804.624 meters (2639.84 feet) to a point on the West boundary of the SW¼ of said Section 25, Station 45+59.527, 12.192 meters (40.00 feet) left of said Project centerline;  
Thence South 00°27'27" East along the West boundary of the SW¼ of said Section 25 for a distance of 3.614 meters (11.86 feet) to the Point of Beginning.

PARCEL NO. 7:  
TOWNSHIP 10 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 26: Part of the SE¼SE¼, more particularly described as follows:

Beginning at the Southeast corner of said Section 26, said corner marked by a U.S. General Land Office Pipe with brass cap which shall be the Point of Beginning;

Thence North 0°27'21" West for 96.21 feet (rec as 96.22 feet);  
Thence South 89°58'05" West for 401.24 feet;  
Thence South 00°01'55" East for 6.82 feet;  
Thence South 89°49'54" West for 27.65 feet;  
Thence South 00°24'19" East for 89.36 feet;  
Thence North 89°57'52" East for 429.02 feet (rec as 428.94 feet).

EXCEPTING THEREFROM, that portion deeded to the Burley Highway District.

PARCEL NO. 8:  
TOWNSHIP 10 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 36: N¼, N¼S¼

EXCEPTING THEREFROM, the following described tracts:

Tract No. 1:

Beginning at the Northeast corner of the NE¼NE¼ of said Section 36;  
Thence West 230 feet along section line to a point;  
Thence South 225 feet to a point;  
Thence East 230 feet to a point on East line of said Section 36;  
Thence North along East section line for 225 feet to the True Point of Beginning.

Tract No. 2:

A parcel of land being on the South side of the centerline of Project No. STP-2837 (100), Highway Survey as shown on the plans thereof now on file in the office of the Idaho Transportation Department, Division of Highways, and being a portion of the NW¼ and the NE¼ of Section 36, Township 10 South, Range 26 East, Boise Meridian, described as follows:

Beginning at the Northwest corner of Section 36, Station 45+59.530, 8.578 meters (28.14 feet) left of Project centerline; Thence North 89°48'38" East along the North boundary of the NW¼ of said Section 36 for a distance of 73.457 meters (241.00 feet) Station 46+32.986, 8.291 meters (27.20 feet) left of said Project centerline and being the True Point of Beginning;

Thence North 89°48'38" East along the North boundary of the NW¼ of said Section 36 for a distance of 731.176 meters (2398.87 feet) to the N¼ corner of said Section 36, Station 53+64.162, 5.441 meters (17.85 feet) left of said Project centerline;

Thence South 89°56'03" East along the North boundary of the NE¼ of said Section 36 for a distance of 733.482 meters (2406.43 feet) Station 60+97.612, 1.342 meters (4.40 feet) right of said Project centerline;

Thence South 00°28'14" East for a distance of 10.850 meters (35.60 feet) Station 60+97.613, 12.192 meters (40.00 feet) right of said Project centerline;

Thence South 89°32'10" West and being parallel with the centerline of said Project for a distance of 733.510 meters (2406.52 feet) to a point on the West boundary of the NE¼ of said Section 36, Station 53+64.115, 12.192 meters (40.00 feet) right of said Project centerline;

Thence South 89°35'14" West and being parallel with the centerline of said Project for a distance of 731.208 meters (2398.97 feet) Station 46+32.906, 12.192 meters (40.00 feet) right of said Project centerline;

Thence North 00°11'22" West for a distance of 20.483 meters (67.20 feet) to the True Point of Beginning.

Tract No. 3:

A parcel of land being on the South side of the centerline of Project No. STP-2837 (100), Highway Survey as shown on the plans thereof now on file in the office of the Idaho Transportation Department, Division of Highways, and being a portion of the NW¼NW¼ of Section 36, Township 10 South, Range 26 East, Boise Meridian, described as follows:

Beginning at the Northwest corner of Section 36, Station 45+59.530, 8.578 meters (28.14 feet) left of said Project centerline;

Thence North 89°48'38" East along the North boundary of the NW¼NW¼ of said Section 36 for a distance of 34.138 meters (112.00 feet) Station 45+93.667, 8.444 meters (27.70 feet) left of said Project centerline;

Thence South 00°11'22" East for a distance of 20.637 meters (67.71 feet) Station 45+93.586, 12.192 meters (40.00 feet) right of said Project centerline;

Thence South 89°35'14" West and being parallel with the centerline of said Project for a distance of 34.161 meters (112.08 feet) to a point on the West boundary of the NW¼NW¼ of said Section 36, Station 45+59.426, 12.192 meters (40.00 feet) right of said Project centerline;

Thence North 00°07'38" West along the West boundary of NW¼NW¼ of said Section 36, 20.770 meters (68.14 feet) to the Northwest corner of Section 36 and being the Point of Beginning.

Tract No. 4:

Beginning at the Northwest corner of Section 36; Thence South 00°17'39" West for a distance of 68.05 feet to a 5/8 inch rebar with a 3 inch aluminum cap on top, which shall be the Point of Beginning;

Thence South 89°59'24" East for a distance of 946.27 feet to a ½ inch rebar;

Thence along a non-tangent curve to the left for a distance of 1247.30 feet to a ½ inch rebar, said curve having a radius of 1361.33 feet and a central angle of 52°29'47" with a long chord bearing of South 48°13'23" West for a distance of 1204.12 feet;

Thence North 89°57'50" West for a distance of 52.42 to the West line of Section 36;

Thence North 00°17'39" East for a distance of 802.37 feet to the Point of Beginning.

PARCEL NO. 9:

TOWNSHIP 10 SOUTH, RANGE 27 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 30: A part of Lot 4, more particularly described as follows:

Beginning at the Southwest corner of said Lot 4, which shall be the True Point of Beginning;

Thence North 0°01' West for 208.71 feet along Section line to a point;

Thence South 89°55' East for 208.71 feet to a point;

Thence South 0°01' East for 208.71 feet to a point on section line;

Thence North 89°55' West for 208.71 feet to the True Point of Beginning.

EXCEPTING THEREFROM, the following described tract:

File Number: 17302965  
Policy Number: PROFORMA

ALTA Loan Policy (6/17/06)

A parcel of land being on the North side of the centerline of Project No. STP-2837 (100), Highway Survey as shown on the plans thereof now on file in the office of the Idaho Transportation Department, Division of Highways, and being a portion of Government Lot 4 of Section 30, Township 10 South, Range 27 East, Boise Meridian, described as follows:

Beginning at the Southwest corner of said Section 30, Station 61+67.712, 1.990 meters (6.53 feet) right of said Project centerline;

Thence North 89°37'26" East along the South boundary of said Section 30 for a distance of 63.505 meters (208.35 feet) Station 62+31.217, 2.108 meters (6.92 feet) right of said Project centerline;

Thence North 00°26'47" West for a distance of 14.300 meters (46.92 feet) Station 62+31.226, 12.192 meters (40.00 feet) left of said Project centerline;

Thence South 89°31'05" West and being parallel with the centerline of said Project for a distance of 63.514 meters (208.38 feet) to a point on the West boundary of Government Lot 4 of said Section 30, Station 61+67.708, 12.192 meters (40.00 feet) left of said Project centerline;

Thence South 00°29'01" East along the West boundary of Government Lot 4 of said Section 30 for a distance of 14.182 meters (46.53 feet) to the Point of Beginning.

PARCEL NO. 10:  
TOWNSHIP 10 SOUTH, RANGE 27 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 31: Part of the NW¼, more particularly described as follows:

Beginning at the W¼ section corner of Section 31, said corner marked by a U.S. BLM aluminum pipe with cap, which shall be the Point of Beginning:

Thence South 89°55'11" East along the South line of the NW¼ of Section 31 for a distance of 1394.26 feet;

Thence North 00°00'00" East for a distance of 1365.91 feet;

Thence North 89°51'32" West for a distance of 1369.10 feet to a ½ inch rebar;

Thence North 89°51'32" West for a distance of 25.00 feet to the West section line of the NW¼;

Thence South 00°00'25" West along said section line for a distance of 1367.40 feet to the Point of Beginning.

PARCEL NO. 11:  
TOWNSHIP 10 SOUTH, RANGE 27 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 31: Part of the NW¼, more particularly described as follows:

Beginning at the W¼ section Corner of Section 31, said corner marked by a US BLM aluminum pipe with a cap; Thence South 89°55'11" East along the South line of the NW¼ of Section 31 for a distance of 1394.26 feet to the Point of Beginning;

Thence North 00°00'00" East for a distance of 1365.91 feet;

Thence South 89°51'32" East for a distance of 28.52 feet to a ½ inch rebar;

Thence South 00°09'35" East for a distance of 978.70 feet to a ½ inch rebar;

Thence along a non-tangent curve to the right for a distance of 1222.71 feet to a ½ inch rebar on the South line of the NW¼, said curve having a radius of 1531.45 feet and a central angle of 45°44'41" and a long chord bearing South 70°56'23" East for a distance of 1190.49 feet;

Thence North 89°55'11" West along the South line of the NW¼ for a distance of 1156.47 feet to the Point of Beginning.

PARCEL NO.12:  
TOWNSHIP 10 SOUTH, RANGE 27 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 31: E½SW¼, Lots 3 and 4

TRACT D

PARCEL NO. 1:  
TOWNSHIP 11 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 12: Part of the SW¼, more particularly described as follows:

Beginning at the West quarter section corner of said Section 12, said corner marked by a U.S. BLM pipe with cap; Thence South 00°03'01" West along the West line of Section 12 for a distance of 34.41 feet to a point; Thence South 89°33'41" East for a distance of 146.36 feet to the Point of Beginning;  
Thence North 00°03'01" East for a distance of 10.00 feet;  
Thence South 89°33'41" East for a distance of 40.00 feet;  
Thence South 00°03'01" West for a distance of 40.00 feet;  
Thence North 89°33'41" West for a distance of 40.00 feet;  
Thence North 00°03'01" East for a distance of 30.00 feet to the Point of Beginning.

PARCEL NO. 2:  
TOWNSHIP 11 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 12: SW¼, EXCEPT, the following described tract:

Beginning at the West quarter section corner of said Section 12, said corner marked by a U.S. BLM pipe with cap which shall be the Point of Beginning;  
Thence South 89°33'41" East along the North line of the SW¼ for a distance of 614.30 feet to a ½ inch rebar;  
Thence South 35°14'01" West for a distance of 1066.11 feet to a ½ inch rebar on the West line of Section 12;  
Thence North 00°03'01" East along the West line of Section 12 for a distance of 875.50 feet to the Point of Beginning.

PARCEL NO. 3

A perpetual nonexclusive easement for the benefit of Parcel No. 1 as created by Warranty Deed executed by G. H. Matthews, a/k/a G. H. "Pete" Matthews, a/k/a Pete Matthews, and Linda H. Matthews, a/k/a Linda Matthews, husband and wife, to Lynn Taylor and Lisa Taylor, husband and wife, dated April 30, 2001 and recorded May 2, 2001 as Instrument No. 274747, records of Cassia County, Idaho; re-recorded May 16, 2001 as Instrument No. 274997, records of Cassia County, Idaho, on, over and across the following described property for the purpose of installing, maintaining, repairing and replacing an irrigation pipeline from Parcel No. 1 for the benefit of Parcel No. 2, said easement is herein described as follows:

TOWNSHIP 11 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 12: Part of the SW¼, more particularly described as follows:

Beginning at the West quarter section corner of said Section 12, said corner marked by a U.S. BLM pipe with cap; Thence South 00°03'01" West along the West line of Section 12 for a distance of 34.41 feet to the Point of Beginning;  
Thence South 89°33'41" East for a distance of 146.36 feet;  
Thence South 00°03'01" West for a distance of 20.00 feet;  
Thence North 89°33'41" West for a distance of 124.41 feet;  
Thence South 00°03'01" West for a distance of 587.49 feet;  
Thence South 62°37'50" East for a distance of 117.69 feet;  
Thence South 35°14'01" West for a distance of 20.19 feet;  
Thence North 62°37'50" West for a distance of 129.30 feet to the West line of Section 12;  
Thence North 00°03'01" East along the West line of Section 12 for a distance of 618.81 feet to the Point of Beginning.

File Number: 17302965  
Policy Number: PROFORMA

ALTA Loan Policy (6/17/06)

PARCEL NO. 4:  
TOWNSHIP 11 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 11: Part of the SE $\frac{1}{4}$ , more particularly described as follows:

Beginning at the Southeast corner of said Section 11, said corner marked by a U.S. BLM pipe with cap which shall be the Point of Beginning:  
Thence North 89°48'38" West along the South line of Section 11 for a distance of 1970.28 feet to a ½ inch rebar on the East right of way of Interstate Highway 84;  
Thence North 31°38'08" West along the East right of way of Interstate Highway 84 for a distance of 93.40 feet to a highway right of way marker at Station 614+91.02;  
Thence North 31°38'39" West along the East right of way of Interstate Highway 84 for a distance of 1194.99 feet to a ½ inch rebar on the West line of the SE $\frac{1}{4}$ ;  
Thence North 00°02'26" West along the West line of the SE $\frac{1}{4}$  for a distance of 1550.51 feet to a 5/8 inch rebar at the center ¼ corner of Section 11;  
Thence South 89°48'31" East along the North line of the SE $\frac{1}{4}$  for a distance of 2649.64 feet to a U.S. BLM pipe with cap at the East quarter section corner of Section 11;  
Thence South 00°03'01" West along the East line of Section 11 for a distance of 2645.02 feet to the Point of Beginning.

SAVE AND EXCEPT, the following described tract:

Beginning at the East quarter section corner of said Section 11, said corner marked by a US BLM aluminum pipe with cap which shall be the Point of Beginning;  
Thence South 00°03'01" West along the East line of Section 11 for a distance of 205.40 feet;  
Thence North 89°48'31" West for a distance of 48.26 feet to a ½ inch rebar;  
Thence North 89°48'31" West for a distance of 283.72 feet to a ½ inch rebar;  
Thence North 50°24'07" West for a distance of 163.43 feet to a ½ inch rebar;  
Thence North 00°03'31" East for a distance of 101.66 feet to a ½ inch rebar on the North line of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ ;  
Thence South 89°48'31" East along the North line of the NE $\frac{1}{4}$ SE $\frac{1}{4}$  for a distance of 407.98 feet to a ½ inch rebar;  
Thence South 89°48'31" East along the North line of the NE $\frac{1}{4}$ SE $\frac{1}{4}$  for a distance of 50.00 feet to the Point of Beginning.

PARCEL NO. 5:  
TOWNSHIP 11 SOUTH, RANGE 26 EAST OF THE BOISE MERIDIAN,  
CASSIA COUNTY, IDAHO

Section 11: All of the N $\frac{1}{2}$  and all of the SW $\frac{1}{4}$  lying East of the Interstate 84 Highway, more particularly described as follows:

Beginning at the Northwest corner of said Section 11, said corner marked by a ½ inch rebar with 2 inch Aluminum Cap on top; Thence South 89°46'40" East (North 89°49'44" East, rec.) along the North section line for a distance of 798.52 feet (792.90 feet, rec.) to the Point of Beginning;  
Thence South 89°46'40" East along the North section line for a distance of 1850.90 feet to the North quarter corner of said Section 11, said corner marked by a U.S. GLO iron pipe with brass cap;  
Thence South 89°49'51" East along the North section line for a distance of 2653.19 feet to the Northeast corner of said Section 11, said corner marked by a 5/8 inch rebar;  
Thence South 00°02'12" West along the East section line for a distance of 2644.66 feet to the East quarter corner of said Section 11, said corner marked by a U.S. BLM aluminum pipe and cap;  
Thence North 89°48'31" West along the South line of the NW $\frac{1}{4}$  of said Section 11 for a distance of 2649.64 feet to the center quarter corner of said Section 11, said corner marked by a 5/8 inch rebar;  
Thence South 00°02'26" East along the quarter section line for a distance of 1550.51 feet to a point on the Easterly right-of-way of Interstate 84 Highway;  
Thence North 31°38'39" West (North 32°03'16" West, rec.) along said right-of-way for a distance of 530.15 feet to the highway right-of-way marker STA 597+66.15;  
Thence North 31°38'22" West (North 32°03'16" West, rec.) along said right-of-way for a distance of 2101.43 feet to highway right-of-way marker STA 576+64.63;  
Thence North 31°38'26" West (North 32°03'16" West, rec.) along said right-of-way for a distance of 2207.13 feet to highway right-of-way marker STA 554+57.43;  
Thence North 88°29'08" East (North 88°04'04" East, rec.) for a distance of 684.49 feet (684.24 feet, rec.) to highway right-of-way marker STA 558+00.80;  
Thence North 00°12'32" East (North 0°10'36" West, rec.) for a distance of 63.78 feet (68.75 feet, rec.) to the Point of Beginning.

**Exhibit B**  
**To Mortgage, Assignment of Rents, Security Agreement and Fixture Filing**

**Equipment and Improvements**

Equipment (excluding farm machinery rolling stock and vehicles, but including without limitation livestock handling equipment, milk tanks, compressors, pumps, stanchions, milking units and other milking equipment, equipment relating to power generation, irrigation equipment, pivots, pumps, motors, sprinkler systems, mainlines, hand lines, wheel lines, siphon tubes, gated pipe and all other irrigation equipment used for the production or transportation of water on the real property described in the attached *Exhibit A* or for the irrigation or drainage thereof);

Milking equipment shall include without limitation scales, milk silos, motors, hoppers, augers, pipelines, couplers, compressors, feed drops, cow lockups, corral shades, stalls, stands, tubes, pumps, tanks, valves, washers, milk receivers, dispensers, controls, filters, take-offs, pulsators, pulsations controllers, claws, automatic detachers, chillers, mounting material, in ground wash heads, runner parlor mats, power generators and sanitation equipment.

Irrigation equipment shall include without limitation above and under ground pipeline, main lines, electric lines, hand lines, wheel lines and all allied equipment such as control panels, pivot controls, wiring, wiring switch panels, shafting, openers, tubing, bowls, suction pipe, cones, reducers, valves, valve openers, reducers, end plugs, risers, stems, sprinkler heads, hoses and nozzles.

Livestock handling equipment shall include without limitation all corrals, cow shades, cow stands, lockups, feed alleys, water troughs, waste water management systems, loading chutes and windbreaks.

The aforementioned shall include, without limitation, the following:

**Tract I:**

- a.) 6 - Seven Tower Zimmatic Pivots;
- b.) 5 - Eight Tower Zimmatic Pivots;
- c.) 1 - 5 Tower Zimmatic Pivot;
- d.) 1-4 Tower Zimmatic Pivot;
- e.) 1 - Turbine deep well with 250hp GE Motor;
- f.) 1 - Centrifugal booster pump with 100hp Motor;
- g.) 1 - Turbine deep well pump with 100hp Motor;
- h.) 1 - Turbine deep well pump with 100hp Motor;
- i.) 1 - Centrifugal booster pump with 50hp Motor;
- j.) 1 - Turbine deep well pump with 250hp US Motor;
- k.) 1 - Centrifugal booster pump with 100hp Motor;

**Tract II:**

- a.) 3 - Eight Tower Zimmatic Pivots;
- b.) 2 - Seven Tower Zimmatic Pivots;
- c.) 3 - Nine Tower Zimmatic Pivots;
- d.) 1 - Ten Tower Zimmatic Pivot;
- e.) 1 - 4 Tower Zimmatic Pivot;
- f.) 4 - Deep well turbine pumps with 200hp GE Motors;
- g.) 1 - Deep well turbine pump with 250hp GE Motor;
- h.) 1 - Deep well turbine pump with 100hp Newman Motor;

**Exhibit C**  
**To Mortgage, Assignment of Rents, Security Agreement and Fixture Filing**

**Water Assets**

**WATER RIGHTS**

**Idaho Department of Water Resources**

| <b>Water Right Number</b> | <b>Diversion Rate (CFS)</b> | <b>Priority Date</b> |
|---------------------------|-----------------------------|----------------------|
| 43-2338B                  | 2.41                        | December 17, 1949    |
| 43-11132B                 | .6                          | June 30, 1985        |
| 43-12986                  | 1.83                        | December 17, 1949    |
| 43-12987                  | 1.76                        | December 17, 1949    |
| 43-12989                  | .44                         | June 30, 1985        |
| 43-13034                  | .45                         | June 30, 1985        |
| 43-13068                  | .75                         | March 16, 1963       |
| 43-13671                  | 1.54                        | August 15, 1951      |
| 43-13673                  | 2.7                         | March 6, 1952        |
| 43-13675                  | 1.96                        | October 30, 1962     |
| 43-2492                   | 3.59                        | March 18, 1960       |
| 43-12990                  | 2.33                        | June 30, 1985        |
| 43-13620                  | 3.31                        | November 10, 1961    |
| 43-13621                  | .66                         | November 10, 1961    |
| 43-13622                  | .52                         | March 10, 1958       |
| 43-13623                  | .11                         | March 10, 1958       |
| 43-13624                  | 2.02                        | March 10, 1958       |
| 43-13625                  | .4                          | March 10, 1958       |
| 43-13626                  | 1.43                        | May 1, 1961          |
| 43-13627                  | .29                         | May 1, 1961          |
| 43-13628                  | 2.15                        | February 12, 1971    |
| 43-13629                  | .43                         | February 12, 1971    |
| 43-13630                  | 3.2                         | April 14, 1976       |
| 43-13631                  | .64                         | April 14, 1976       |

| <b>Water Right Number</b> | <b>Diversion Rate (CFS)</b> | <b>Priority Date</b> |
|---------------------------|-----------------------------|----------------------|
| 43-13632                  | .47                         | January 4, 1983      |
| 43-13633                  | .09                         | January 4, 1983      |
| 43-13689                  | 3.06                        | February 12, 1971    |
| 43-13672                  | .29                         | August 15, 1951      |
| 43-13674                  | .51                         | March 6, 1952        |
| 43-13676                  | .37                         | October 30, 1962     |
| 43-2366B                  | .77                         | August 15, 1951      |
| 43-2375B                  | 1.35                        | March 6, 1952        |
| 43-2555B                  | .98                         | October 30, 1962     |

**Exhibit D**  
**To Mortgage, Assignment of Rents, Security Agreement and Fixture Filing**

**Dairy Products and Receivables**

Any and all milk, cream and dairy products produced on the real property described on *Exhibit A* and accounts generated therefrom, including, without limitation, milk, cream and dairy product proceeds, whether pursuant to payments from agreements with milk producers, other milk, cream or dairy product purchasers or otherwise; whether now owned or hereafter acquired; whether now existing or hereafter arising; and all accessions, additions, replacements and substitutions for any of such property, and all proceeds (including, without limitation, insurance proceeds) from the sale or other disposition of any such property.



State of Idaho

## DEPARTMENT OF WATER RESOURCES

Southern Region • 650 ADDISON AVE W STE 500 • TWIN FALLS, ID 83301-5858  
Phone: (208)736-3033 • Fax: (208)736-3037 • Website: [www.idwr.idaho.gov](http://www.idwr.idaho.gov)

C.L. "Butch" Otter  
Governor

Gary Spackman  
Director

February 16, 2018

METROPOLITAN LIFE INSURANCE COMPANY  
AGRICULTURAL INVESTMENTS  
10801 MASTIN BLVD STE 930  
OVERLAND PARK KS 66210

RE: Notice of Security Interest for Water Right/Permit No(s): 43-13672, 43-13674, & 43-13676

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.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address of the owner of a water right, to the Department. Notice of the change must be provided to the Department within 120 days of the change. Change reporting forms are available from any office of the Department or online [www.idwr.idaho.gov](http://www.idwr.idaho.gov).

If you have any questions concerning the enclosed information, please contact me at (208) 736-3033.

Sincerely,

  
Denise Maline  
Administrative Assistant I

Enclosure(s)

cc: MIDWAY DAIRY LLC  
TITLEONE CORPORATION



January 25, 2018

Trish Fawcett  
ID Dept. of Water Resources  
650 Addison Avenue West, Suite 500  
Twin Falls, ID 83301

RECEIVED  
JAN 29 2018  
DEPT OF WATER RESOURCES  
SOUTHERN REGION

RE: TitleOne File No. 17302965  
Midway Dairy, L.L.C., et al

Dear Trish:

Enclosed with this letter please find the following documents:

1. The original executed Notice of Security Interest in a Water Right on Midway Dairy, L.L.C.
2. The original executed Notice of Security Interest in a Water Right on ADTD Farms, LLC.
3. The original executed Notice of Security Interest in a Water Right on ADT Farms, LLC.
4. The original executed Notice of Security Interest in a Water Right on Ida Gold Farms, General Partnership.
5. A copy of the recorded Mortgage, Assignment Of Rents, Security Agreement, And Fixture Filing.
6. TitleOne Corporation's check no. 13422 payable to Idaho Department of Water Resources in the amount of \$825.00 for the Notices.

Would you please make the necessary changes to indicate the Security Interests. Please send a receipted copy to this office.

Should you have any questions, or if TitleOne Corporation may be of further assistance, please do not hesitate to contact this office.

Very truly yours,  
TITLEONE CORPORATION

Nancy Garrett  
Administrative Assistant

AR/nrg  
Enc.  
FedEx