

Amended

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

JUL 19 2017

NOTICE OF SECURITY INTEREST IN A WATER RIGHT
AND REQUEST FOR NOTIFICATION OF A CHANGE IN OWNERSHIP OR
ANY PROPOSED OR FINAL ACTION TO AMEND, TRANSFER, OR
OTHERWISE MODIFY A WATER RIGHT

RECEIVED

DEC 11 2017

Department of Water Resources
Eastern Region

Please print or type. Attach pages with additional information. Instructions are on the back of this page.
Incomplete forms will be returned

1. Water Right No: 29-11650 / 29-4166 / 29-11648 / 29-11697 / 29-11698 / 29-11699 / 29-11700 / 29-320 / 29-321 / 29-322 /
29-11925 / 29-4398 *29-12060, 29-12061 29-14234, 29-14235, 29-14236,*

Adjudication Claim No(s):

*29-14237, 29-14238, 29-14239,
29-14240 & 29-14241*

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 right or claim 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:

ZB, N.A. dba ZIONS FIRST NATIONAL BANK
2460 SOUTH 3270 WEST
WEST VALLEY CITY, UTAH 84119

4. Name of Water Right Owner/Claimant(s) ELIASON LAND HOLDINGS, LLC

5. Expiration Date of Notification Period

6. Is this a Renewal of Request for Notification? YES NO

7. Signature(s) (and title if applicable)

D. W. Winward
LaDaina Winward, Vice President

For Office Use Only

Received by _____ Date _____ Fee _____
Receipted by *JS* Date *12-11-2017* Receipt No. *E0431605* *\$350.00*
Processed by _____ AJ Date _____ WR _____ Date _____

152-0008 (9/00).

used filing fee

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SUPPORT DATA

IN FILE # *29-4166*

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DEPARTMENT OF WATER RESOURCES

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LaDaina Winward, Vice President

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

152-0008 (9/00).

RECORDATION REQUESTED BY:

ZB, N.A. dba Zions First National Bank
Northern Utah Commercial Banking Office
2302 Washington Blvd.
Ogden, UT 84401

WHEN RECORDED MAIL TO:

ZB, N.A. dba Zions First National Bank
Enterprise Loan Operations UT RDWG 1970
PO Box 25007
Salt Lake City, UT 84125-0007

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MORTGAGE AND FIXTURE FILING

THIS MORTGAGE dated June 28, 2017, is made and executed between Eliason Land Holdings, LLC as to Tract 1; and Eliason Land Holdings, LLC as to Tract 2, whose address is 26400 N 26500 W, Snowville, UT 84336 (referred to below as "Grantor") and ZB, N.A. dba Zions First National Bank, whose address is 2302 Washington Blvd., Ogden, UT 84401 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, grants, bargains, sells and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Bannock County, State of Idaho:

See the exhibit or other description document which is attached hereto and made a part of this document, together with any and all water rights, including but not limited to water rights number(s): 29-11650, 29-4166, 29-11648, 29-11697, 29-11698, 29-11699, 29-11700, 29-320, 29-321, 29-322, 29-11925 and 29-4398: Now owned or hereafter acquired which are appurtenant thereto

The Real Property or its address is commonly known as Approx. 23010 S. Marsh Valley Road, Downey, ID 83234. The Real Property tax identification number is R4431010100; R4431010600; R4431013600; R4431013700; R4431014600; R4431015200; R4431015300; R4431015400; R4431015600; R4431015800; R4431015900; R4433031902; R4433032000; R4433032100; R4433032300; R4471003001; R4471004100; R4471004601; R4473000701; R4473000800; R4473001400.

CROSS-COLLATERALIZATION. In addition to the Note, this Mortgage secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due and shall strictly perform all of Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property. The following provisions relate to the use of the Property or to other limitations on the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor

authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Idaho law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and reasonable attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialman's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that

coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Mortgage:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any

part of the Indebtedness secured by this Mortgage; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with the Property.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the Indebtedness or Grantor's ability to perform Grantor's obligations under this Mortgage or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Grantor's existence as a going business or the death of any member, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the

Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default in payment, is curable and if Grantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty that Grantor would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Nonjudicial Sale. If permitted by applicable law, Lender may foreclose Grantor's interest in all or in any part of the Personal Property or the Real Property by non-judicial sale.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the Indebtedness.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is

a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

NOTICES. Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

DISPUTE RESOLUTION PROVISION. This Dispute Resolution Provision contains a jury waiver, a class action waiver, and an arbitration clause (or judicial reference agreement, as applicable), set out in four Sections. **READ IT CAREFULLY.**

SECTION 1. GENERAL PROVISIONS GOVERNING ALL DISPUTES.

1.1 PRIOR DISPUTE RESOLUTION AGREEMENTS SUPERSEDED. This Dispute Resolution Provision shall supersede and replace any prior "Jury Waiver," "Judicial Reference," "Class Action Waiver," "Arbitration," "Dispute Resolution," or similar alternative dispute agreement or provision between or among the parties.

1.2 "DISPUTE" defined. As used herein, the word "Dispute" includes, without limitation, any claim by either party against the other party related to this Agreement, any Related Document, and the Loan evidenced hereby. In addition, "Dispute" also includes any claim by either party against the other party regarding any other agreement or business relationship between any of them, whether or not related to the Loan or other subject matter of this Agreement. "Dispute" includes, but is not limited to, matters arising from or relating to a deposit account, an application for or denial of credit, warranties and representations made by a party, the adequacy of a party's disclosures, enforcement of any and all of the obligations a party hereto may have to another party, compliance with applicable laws and/or regulations, performance or services provided under any agreement by a party, including without limitation disputes based on or arising from any alleged tort or matters involving the employees, officers, agents, affiliates, or assigns of a party hereto.

If a third party is a party to a Dispute (such as a credit reporting agency, merchant accepting a credit card, junior lienholder or title company), each party hereto agrees to consent to including that third party in any arbitration or judicial reference proceeding for resolving the Dispute with that party.

1.3 Jury Trial Waiver. Each party waives their respective rights to a trial before a jury in connection with any Dispute, and all Disputes shall be resolved by a judge sitting without a jury. If a court determines that this jury trial waiver is not enforceable for any reason, then at any time prior to trial of the Dispute, but not later than 30 days after entry of the order determining this provision is unenforceable, any party shall be entitled to move the court for an order, as applicable: (A) compelling arbitration and staying or dismissing such litigation pending arbitration ("Arbitration Order") under Section 2 hereof, or (B) staying such litigation and compelling judicial reference under Section 3 hereof.

1.4 CLASS ACTION WAIVER. If permitted by applicable law, each party waives the right to litigate in court or an arbitration proceeding any Dispute as a class action, either as a member of a class or as a representative, or to act as a private attorney general.

1.5 SURVIVAL. This Dispute Resolution Provision shall survive any termination, amendment or expiration of this Agreement, or any other relationship between the parties.

SECTION 2. Arbitration IF JURY WAIVER UNENFORCEABLE (EXCEPT CALIFORNIA). If (but only if) a state or federal court located outside the state of California determines for any reason that the jury trial waiver in this Dispute Resolution Provision is not enforceable with respect to a Dispute, then any party hereto may require that said Dispute be resolved by binding arbitration pursuant to this Section 2 before a single arbitrator. An arbitrator shall have no authority to determine matters (i) regarding the validity, enforceability, meaning, or scope of this Dispute Resolution Provision, or (ii) class action claims brought by either party as a class representative on behalf of others and claims by a class representative on either party's behalf as a class member, which matters may be determined only by a court without a jury. By agreeing to arbitrate a Dispute, each party gives up any right that party may have to a jury trial, as well as other rights that party would have in court that are not available or are more limited in arbitration, such as the rights to discovery and to appeal.

Arbitration shall be commenced by filing a petition with, and in accordance with the applicable arbitration rules of, National Arbitration Forum ("NAF") or Judicial Arbitration and Mediation Service, Inc. ("JAMS") ("Administrator") as selected by the initiating party. However, if the parties agree, arbitration may be commenced by appointment of a licensed attorney who is selected by the parties and who agrees to conduct the arbitration without an Administrator. If NAF and JAMS both decline to administer arbitration of the Dispute, and if the parties are unable to mutually agree upon a licensed attorney to act as arbitrator with an Administrator, then either party may file a lawsuit (in a court of appropriate venue outside the state of California) and move for an Arbitration Order. The arbitrator, howsoever appointed, shall have expertise in the subject matter of the Dispute. Venue for the arbitration proceeding shall be at a location determined by mutual agreement of the parties or, if no agreement, in the city and state where Lender or Bank is headquartered. The arbitrator shall apply the law of the state specified in the agreement giving rise to the Dispute.

After entry of an Arbitration Order, the non-moving party shall commence arbitration. The moving party shall, at its discretion, also be entitled to commence arbitration but is under no obligation to do so, and the moving party shall not in any way be adversely prejudiced by electing not to commence arbitration. The arbitrator: (i) will hear and rule on appropriate dispositive motions for judgment on the pleadings, for failure to state a claim, or for full or partial summary judgment; (ii) will render a decision and any award applying applicable law; (iii) will give effect to any limitations period in determining any Dispute or defense; (iv) shall enforce the doctrines of compulsory counterclaim, res judicata, and collateral estoppel, if applicable; (v) with regard to motions and the arbitration hearing, shall apply rules of evidence governing civil cases; and (vi) will apply the law of the state specified in the agreement giving rise to the Dispute. Filing of a petition for arbitration shall not prevent any party from (i) seeking and obtaining from a court of competent jurisdiction (notwithstanding ongoing arbitration) provisional or ancillary remedies including but not limited to injunctive relief, property preservation orders, foreclosure, eviction, attachment, replevin, garnishment, and/or the appointment of a receiver, (ii) pursuing non-judicial foreclosure, or (iii) availing itself of any self-help remedies such as setoff and repossession. The exercise of such rights shall not constitute a waiver of the right to submit any Dispute to arbitration.

Judgment upon an arbitration award may be entered in any court having jurisdiction except that, if the arbitration award exceeds \$4,000,000, any party shall be entitled to a de novo appeal of the award before a panel of three arbitrators. To allow for such appeal, if the award (including Administrator, arbitrator, and attorney's fees and costs) exceeds \$4,000,000, the arbitrator will issue a written, reasoned decision supporting the award, including a statement of authority and its application to the Dispute. A request for de novo appeal must be filed with the arbitrator within 30 days following the date of the arbitration award; if such a request is not made within that time period, the arbitration decision shall become final and binding. On appeal, the arbitrators shall review the award de novo, meaning that they shall reach their own findings of fact and conclusions of law rather than deferring in any manner to the original arbitrator. Appeal of an arbitration award shall be pursuant to the rules of the Administrator or, if the Administrator has no such rules, then the JAMS arbitration appellate rules shall apply.

Arbitration under this provision concerns a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq. If the terms of this Section 2 vary from the Administrator's rules, this Section 2 shall control.

SECTION 3. JUDICIAL REFERENCE IF JURY WAIVER UNENFORCEABLE (CALIFORNIA ONLY). If (but only if) a Dispute is filed in a state or federal court located within the state of California, and said court determines for any reason that the jury trial waiver in this Dispute Resolution Provision is not enforceable with respect to that Dispute, then any party hereto may require that Dispute be resolved by judicial reference in accordance with California Code of Civil Procedure, Sections 638, et seq., including without limitation whether the Dispute is subject to a judicial reference proceeding. By agreeing to resolve Disputes by judicial reference, each party is giving up any right that party may have to a jury trial. The referee shall be a retired judge, agreed upon by the parties, from either the American Arbitration Association (AAA) or Judicial Arbitration and Mediation Service, Inc. (JAMS). If the parties cannot agree on the referee, the party who initially selected the reference procedure shall request a panel of ten retired judges from either AAA or JAMS, and the court shall select the referee from that panel. (If AAA and JAMS are unavailable to provide this service, the court may select a referee by such other procedures as are used by that court.) The referee shall be appointed to sit with all of the powers provided by law, including the power to hear and determine any or all of the issues in the proceeding, whether of fact or of law, and to report a statement of decision. The parties agree that time is of the essence in conducting the judicial reference proceeding set forth herein. The costs of the judicial reference proceeding, including the fee for the court reporter, shall be borne equally by the parties as the costs are incurred, unless otherwise awarded by the referee. The referee shall hear all pre-trial and post-trial matters (including without limitation requests for equitable relief), prepare a statement of decision with written findings of fact and conclusions of law, and apportion costs as appropriate. The referee shall be empowered to enter equitable relief as well as legal relief, provide all temporary or provisional remedies, enter equitable orders that are binding on the parties and rule on any motion that would be authorized in a trial, including without limitation motions for summary adjudication. Only for this Section 3, "Dispute" includes matters regarding the validity, enforceability, meaning, or scope of this Section, and (i) class action claims brought by either party as a class representative on behalf of others and claims by a class representative on either party's behalf as a class member. Judgment upon the award shall be entered in the court in which such proceeding was commenced and all parties shall have full rights of appeal. This provision will not be deemed to limit or constrain Bank or Lender's right of offset, to obtain provisional or ancillary remedies, to interplead funds in the event of a dispute, to exercise any security interest or lien Bank or Lender may hold in property or to comply with legal process involving accounts or other property held by Bank or Lender.

Nothing herein shall preclude a party from moving (prior to the court ordering judicial reference) to dismiss, stay or transfer the suit to a forum outside California on grounds that California is an improper, inconvenient or less suitable venue. If such motion is granted, this Section 3 shall not apply to any proceedings in the new forum.

This Section 3 may be invoked only with regard to Disputes filed in state or federal courts located in the State of California. In no event shall the provisions in this Section 3 diminish the force or effect of any venue selection or jurisdiction provision in this Agreement or any Related Document.

SECTION 4. Reliance. Each party (i) certifies that no one has represented to such party that the other party would not seek to enforce a jury waiver, class action waiver, arbitration provision or judicial reference provision in the event of suit, and (ii) acknowledges that it and the other party have been induced to enter into this Agreement by, among other things, material reliance upon the mutual waivers, agreements, and certifications in the four Sections of this DISPUTE RESOLUTION PROVISION.

UNLAWFUL USE, MEDICAL MARIJUANA, CONTROLLED SUBSTANCES AND PROHIBITED ACTIVITIES. The undersigned shall not use, occupy, or permit the use or occupancy of any Property or Collateral by the undersigned or any lessee, tenant, licensee, permittee, agent, or any other person in any manner that would be a violation of any applicable federal, state or local law or regulation, regardless of whether such use or occupancy is lawful under any conflicting law, including without limitation any law relating to the use, sale, possession, cultivation, manufacture, distribution or marketing of any controlled substances or other contraband (whether for commercial, medical, or personal purposes), or any law relating to the medicinal use or distribution of marijuana (collectively, "Prohibited Activities"). Any lease, license, sublease or other agreement for use, occupancy or possession of any Property or Collateral (collectively a "lease") with any third person ("lessee") shall expressly prohibit the lessee from engaging or permitting others to engage in any Prohibited Activities. The undersigned shall upon demand provide Lender with a written statement setting forth its compliance with this section and stating whether any Prohibited Activities are or may be occurring in, on or around the Property or Collateral. If the undersigned becomes aware that any lessee is likely engaged in any Prohibited Activities, The undersigned shall, in compliance with applicable law, terminate the applicable lease and take all actions permitted by law to discontinue such activities. The undersigned shall keep Lender fully advised of its actions and plans to comply with this section and to prevent Prohibited Activities.

This section is a material consideration and inducement upon which Lender relies in extending credit and other financial accommodations to the undersigned. Failure by the undersigned to comply with this section shall constitute a material non-curable Event of Default. Notwithstanding anything in this agreement, the Note or Related Documents regarding rights to cure Events of Default, Lender is entitled upon breach of this section to immediately exercise any and all remedies under this agreement, the Note the Related Documents, and by law.

In addition and not by way of limitation, the undersigned shall indemnify, defend and hold Lender harmless from and against any loss, claim, damage, liability, fine, penalty, cost or expense (including attorneys' fees and expenses) arising from, out of or related to any Prohibited Activities at or on the Property or Collateral, Prohibited Activities by the undersigned or any lessee of the Property or Collateral, or the undersigned's breach, violation, or failure to enforce or comply with any of the covenants set forth in this section. This indemnity includes, without limitation any claim by any governmental entity or agency, any lessee, or any third person, including any governmental action for seizure or forfeiture of any Property or Collateral (with or without compensation to Lender, and whether or not Property or Collateral is taken free of or subject to Lender's lien or security interest). As used in this section, the word "undersigned" does not include Lender or any individual signing on behalf of Lender.

DOCUMENT IMAGING. Lender shall be entitled, in its sole discretion, to image or make copies of all or any selection of the agreements, instruments, documents, and items and records governing, arising from or relating to any of Borrower's loans, including, without limitation, this document and the Related Documents, and Lender may destroy or archive the paper originals. The parties hereto (i) waive any right to insist or

require that Lender produce paper originals, (ii) agree that such images shall be accorded the same force and effect as the paper originals, (iii) agree that Lender is entitled to use such images in lieu of destroyed or archived originals for any purpose, including as admissible evidence in any demand, presentment or other proceedings, and (iv) further agree that any executed facsimile (faxed), scanned, or other imaged copy of this document or any Related Document shall be deemed to be of the same force and effect as the original manually executed document.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Governing Law. With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Property, this Mortgage will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the State of Idaho. In all other respects, this Mortgage will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Utah without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Mortgage is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Note and this Mortgage has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the State of Utah.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Salt Lake County, State of Utah.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Successors and Assigns. Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Idaho as to all indebtedness secured by this Mortgage.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means Eliason Land Holdings, LLC and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Default. The word "Default" means the Default set forth in this Mortgage in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

Grantor. The word "Grantor" means Eliason Land Holdings, LLC.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

My commission expires 8/12/2017

Exhibit A
Legal Description

Real property in the County of Bannock, State of Idaho, described as follows:

TRACT 1
PARCEL 1C:

A PARCEL OF LAND LOCATED IN SECTIONS 25, 26 AND 36, TOWNSHIP 11 SOUTH, RANGE 36 E.B.M., BANNOCK COUNTY, IDAHO: COMMENCING AT A POINT 5.78 CHAINS SOUTH OF THE NORTHWEST CORNER OF SE1/4 NE1/4 OF SAID SECTION 36; THENCE RUNNING SOUTH 11 CHAINS; THENCE NORTH 62° WEST 44.96 CHAINS; THENCE NORTH 62°16' WEST 8.60 CHAINS; THENCE NORTH 84°30' WEST 17.97 CHAINS; THENCE NORTH 4°10' EAST 12.91 CHAINS; THENCE SOUTH 83° EAST 20.23 CHAINS; THENCE SOUTH 17-1/4° WEST 2.28 CHAINS; THENCE SOUTH 62° EAST 50.51 CHAINS, MORE OR LESS, TO THE PLACE OF BEGINNING.

EXCEPTING THEREFROM: A PARCEL OF LAND LOCATED IN THE NORTHEAST 1/4 OF SECTION 35, THE SOUTHEAST CORNER OF SECTION 26, THE SOUTHWEST 1/4 OF SECTION 25, AND THE NORTHWEST 1/4 OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36 EAST, B.M., BANNOCK COUNTY, IDHAO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH 1/4 CORNER OF SAID SECTION 35, MARKED BY A 2 INCH ALUMINUM CAP STAMPED SLS LS 13023 (2015) SEE CORNER PERPETUATION INSTRUMENT NUMBER 21504260; THENCE NORTH 89°44'15" EAST, ALONG THE NORTH LINE OF SAID SECTION 35, (BASIS OF BEARING PER CENTRAL MERIDIAN OF EAST ZONE OF IDAHO STATE PLANE COORDINATE SYSTEM), A DISTANCE OF 832.92 FEET; THENCE SOUTH 84°02'17" EAST A DISTANCE OF 116.82 FEET TO A POINT ON THE SOUTH BOUNDARY LINE OF A PARCEL OF LAND DESCRIBED IN DEED INSTRUMENT NUMBER 21221755 BEING THE POINT OF BEGINNING.

THENCE CONTINUING SOUTH 84°02'17" EAST, ALONG THE SOUTH BOUNDARY LINE OF SAID PARCEL OF LAND, A DISTANCE OF 1382.08 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL OF LAND; THENCE ALONG THE EAST BOUNDARY LINE OF SAID PARCEL OF LAND FOR THE NEXT TWO (2) COURSES: 1. NORTH 04°13'43" EAST A DISTANCE OF 163.02 FEET TO A POINT ON THE NORTH BOUNDARY LINE OF SAID SECTION 35; 2. NORTH 03°03'43" EAST A DISTANCE OF 131.59 FEET TO THE SOUTHWEST CORNER OF A PARCEL OF LAND DESCRIBED IN DEED INSTRUMENT NUMBER 20700443; THENCE SOUTH 82°59'40" EAST, ALONG THE SOUTHERLY BOUNDARY LINE OF SAID PARCEL OF LAND, A DISTANCE OF 772.95 FEET; THENCE SOUTH 07°24'27" WEST A DISTANCE OF 209.30 FEET; THENCE NORTH 82°11'34" WEST A DISTANCE OF 171.40 FEET; THENCE SOUTH 03°41'03" WEST A DISTANCE OF 578.43 FEET TO A POINT ON THE NORTH BOUNDARY LINE OF A PARCEL OF LAND DESCRIBED IN DEED INSTRUMENT NUMBER 20906572; THENCE NORTH 84°36'23" WEST A DISTANCE OF 227.11 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 35; THENCE NORTH 84°06'33" WEST A DISTANCE OF 1806.50 FEET; THENCE NORTH 10°55'11" EAST A DISTANCE OF 507.79 FEET TO THE POINT OF BEGINNING.

PARCEL 1D:

A PARCEL OF LAND LOCATED IN THE SECTIONS 35 AND 36, TOWNSHIP 11 SOUTH, RANGE 36 E.B.M., BANNOCK COUNTY, IDAHO: COMMENCING AT A POINT 6 CHAINS WEST OF THE NORTHEAST CORNER OF SE1/4 NE1/4 OF SAID SECTION 35; THENCE SOUTH 5-3/4° WEST 38 LINKS TO THE TRUE POINT OF BEGINNING; THENCE RUNNING SOUTH 5-3/4° WEST 3.12 CHAINS; THENCE SOUTH 72°11' EAST 22.55 CHAINS; THENCE SOUTH 3.35 CHAINS; THENCE NORTH 71°40' WEST 22.80 CHAINS; THENCE SOUTH 3°22' WEST, 2.39 CHAINS; THENCE NORTH 87°50' WEST 5.50 CHAINS; THENCE SOUTH 3-3/4° WEST 4.30 CHAINS; THENCE NORTH 83°43' WEST 27.87 CHAINS; THENCE NORTHERLY 10.44 CHAINS TO THE NORTHWEST CORNER OF THE SW1/4 NE1/4 OF SAID SECTION 35; THENCE SOUTH 87°37' EAST 25 CHAINS; THENCE NORTH 85°43' EAST 8.70 CHAINS, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM: A PARCEL OF LAND LOCATED IN THE NORTHEAST 1/4 OF SECTION 35, TOWNSHIP 11 SOUTH, RANGE 36 EAST, B.M., BANNOCK COUNTY, IDAHO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH 1/4 CORNER OF SAID SECTION 35, MARKED BY A 2 INCH ALUMINUM CAP STAMPED SLS LS 13023 (2015) SEE CORNER PERPETUATION INSTRUMENT NUMBER 21504260; THENCE SOUTH 00°02'16" WEST, ALONG THE MERIDIONAL CENTERLINE OF SAID SECTION 35, (BASIS OF BEARING PER CENTRAL MERIDIAN OF EAST ZONE OF IDAHO STATE PLANE COORDINATE SYSTEM), A DISTANCE OF 1328.54 FEET TO THE CENTER-NORTH 1/16 CORNER OF SAID SECTION 35, BEING THE POINT OF BEGINNING;

THENCE NORTH 88°29'53" EAST A DISTANCE OF 247.00 FEET; THENCE SOUTH 87°03'57" EAST A DISTANCE OF 720.00 FEET; THENCE SOUTH 87°36'58" EAST A DISTANCE OF 683.57 FEET; THENCE NORTH 86°49'34" EAST A DISTANCE OF 241.15 FEET TO THE NORTHWEST CORNER OF A PARCEL OF LAND DESCRIBED IN DEED INSTRUMENT NUMBER 21507448; THENCE SOUTH 03°29'38" WEST, ALONG THE WESTERLY BOUNDARY LINE OF SAID PARCEL OF LAND, A DISTANCE OF 550.00 FEET; THENCE SOUTH 88°05'22" EAST, ALONG THE SOUTHERLY BOUNDARY LINE OF SAID PARCEL OF LAND, A DISTANCE OF 363.00 FEET TO A POINT ON THE CENTERLINE OF MARSH VALLEY ROAD; THENCE SOUTH 03°08'58" WEST, ALONG THE CENTERLINE OF MARSH VALLEY ROAD, A DISTANCE OF 312.49 FEET; THENCE NORTH 87°46'11" WEST A DISTANCE OF 361.07 FEET; THENCE NORTH 03°54'51" WEST A DISTANCE OF 36.00 FEET; THENCE NORTH 83°20'39" WEST A DISTANCE OF 1851.50 FEET TO A POINT ON THE MERIDIONAL CENTERLINE OF SAID SECTION 35; THENCE NORTH 00°02'16" EAST, ALONG THE MERIDIONAL CENTERLINE OF SAID SECTION 35, A DISTANCE OF 654.00 FEET TO THE POINT OF BEGINNING.

PARCEL 1E:

A PARCEL OF LAND LOCATED IN THE SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36 E.B.M., BANNOCK COUNTY, IDAHO: COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 36; THENCE RUNNING SOUTH 80 RODS; THENCE WEST 11.46 CHAINS; THENCE NORTH 9°30' EAST 20.76 RODS; THENCE NORTHERLY 60 RODS, MORE OR LESS, TO A POINT 40 RODS WEST OF THE POINT OF BEGINNING; THENCE EAST 40 RODS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM: COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 35; THENCE EAST 832.92 FEET; THENCE SOUTH 84°06' EAST 1499.52 FEET; THENCE SOUTH 4°10' WEST 442.24 FEET TO POINT OF BEGINNING; THENCE SOUTH 4°10' WEST 62 FEET; THENCE NORTH 84°0' WEST 92 FEET; THENCE NORTH 4°10' EAST 62 FEET; THENCE SOUTH 84°0' EAST 92 FEET, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM: COMMENCING AT THE NORTHEAST CORNER OF THE SE1/4 NE1/4 OF SECTION 35; THENCE WEST 396.0 FEET; THENCE SOUTH 3°45' WEST 25.08 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 85°43' WEST 363.0 FEET; THENCE SOUTH 3°45' WEST 550.0 FEET; THENCE SOUTH 87°50' EAST 363.0 FEET; THENCE NORTH 3°22' EAST 600.0 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

PARCEL 2:

TOWNSHIP 11 SOUTH, RANGE 36 EAST, BOISE MERIDIAN, BANNOCK COUNTY, IDAHO.

SECTION 34: SE1/4

SECTION 35: SW1/4

TOWNSHIP 12 SOUTH, RANGE 36 EAST, BOISE MERIDIAN, BANNOCK COUNTY, IDAHO.

SECTION 2: LOTS 3 AND 4; SW1/4 NE1/4; SE1/4 NW1/4; NW1/4 SE1/4; NE1/4 SW1/4

PARCEL 3:

A PORTION OF SECTION 35, TOWNSHIP 11 SOUTH, RANGE 36, E.B.M., BANNOCK COUNTY, IDAHO, DESCRIBED AS FOLLOWS:

COMMENCING 6.78 CHAINS WEST AND 11.89 CHAINS SOUTH OF THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 35, TOWNSHIP 11 SOUTH, RANGE 36, E.B.M., AND RUNNING THENCE SOUTH 3-3/4° WEST 4.84 CHAINS, THENCE NORTH 87°50' WEST 5.50 CHAINS, THENCE NORTH 3-3/4° EAST 4.84 CHAINS, THENCE SOUTH 87°50' EAST 5.50 CHAINS, TO THE POINT OF BEGINNING.

PARCEL 4E:

THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36, E.B.M., BANNOCK COUNTY, IDAHO.

PARCEL 4F:

THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36, E.B.M., BANNOCK COUNTY, IDAHO.

PARCEL 4G:

THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36, E.B.M., BANNOCK COUNTY, IDAHO.

PARCEL 4H:

A PORTION OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36, E.B.M., BANNOCK COUNTY, IDAHO, DESCRIBED AS FOLLOWS:

COMMENCING 1.42 CHAINS EAST OF THE NORTHWEST CORNER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36, E.B.M., THENCE SOUTH 62°13' EAST 31.92 CHAINS, THENCE SOUTH 9.5° WEST 5.19 CHAINS, THENCE WEST 8.54 CHAINS, THENCE SOUTH 5.78 CHAINS, THENCE NORTH 62° WEST, 50.51 CHAINS, THENCE NORTH 17-1/4° EAST, 2.28 CHAINS, THENCE EAST 25.69 CHAINS, TO THE POINT OF BEGINNING.

PARCEL 4I:

A PORTION OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36, E.B.M., SECTION 31, TOWNSHIP 11 SOUTH, RANGE 37, E.B.M., SECTION 6, TOWNSHIP 12 SOUTH, RANGE 37, E.B.M., AND SECTION 1, TOWNSHIP 12 SOUTH, RANGE 36, E.B.M., ALL IN BANNOCK COUNTY, IDAHO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 1, TOWNSHIP 12 SOUTH, RANGE 36, E.B.M., SAID CORNER BEING THE COMMON CORNER OF TOWNSHIPS 11 AND 12 SOUTH, RANGES 36 EAST AND 37 EAST, THENCE BEARING SOUTH ALONG THE EAST LINE OF SAID SECTION 1, A DISTANCE OF 102.75 FEET TO THE TRUE POINT OF BEGINNING; THENCE BEARING NORTH 71°50' WEST A DISTANCE OF 389.90 FEET; THENCE BEARING NORTH 58°16' WEST A DISTANCE OF 1127.1 FEET; THENCE BEARING NORTH 0°10' EAST 2056.0 FEET; THENCE BEARING NORTH 89°50' EAST 1323.15 FEET, MORE OR LESS, TO THE EAST LINE OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36, E.B.M., THENCE BEARING SOUTH ALONG SAID EAST LINE OF SECTION 36, A DISTANCE OF 1344.84 FEET; THENCE BEARING NORTH 89°36' EAST 15.35 FEET; THENCE BEARING SOUTH 25°08' EAST A DISTANCE OF 427.0 FEET; THENCE BEARING SOUTH 9°05' EAST A DISTANCE OF 220.9 FEET; THENCE BEARING SOUTH 11°59' EAST A DISTANCE OF 439.65 FEET; THENCE BEARING SOUTH 1°18' EAST A DISTANCE OF 504.45 FEET; THENCE BEARING NORTH 71°50' WEST A DISTANCE OF 351.85 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE PROPERTY DEEDED TO THE STATE OF IDAHO, RECORDED

A PARCEL OF LAND BEING ON BOTH SIDES OF THE CENTERLINE OF INTERSTATE 15, PROJECT NO. 1-15-1 (37) 29 HIGHWAY SURVEY AS SHOWN ON THE PLANS THEREOF NOW ON FILE IN THE OFFICE OF THE DEPARTMENT OF HIGHWAYS OF THE STATE OF IDAHO, AND BEING A PORTION OF GOVERNMENT LOT 4 OF SECTION 6, TOWNSHIP 12 SOUTH, RANGE 37 EAST, BOISE MERIDIAN, AND A PORTION OF GOVERNMENT LOT 4 OF SECTION 31, TOWNSHIP 11 SOUTH, RANGE 37 EAST, BOISE MERIDIAN, DESCRIBED AS FOLLOWS, TO-WIT:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 6, TOWNSHIP 12 SOUTH, RANGE 37 EAST, BOISE MERIDIAN; THENCE SOUTH 0°02'33" WEST (SHOWN OF RECORD TO BE SOUTH) ALONG THE WEST LINE OF SAID SECTION 6 A DISTANCE OF 102.75 FEET TO A POINT IN THE SOUTHERLY LINE OF THE TRACT OF LAND AS DESCRIBED IN THAT CERTAIN WARRANTY DEED DATED MARCH 26, 1955, RECORDED APRIL 18, 1955 IN BOOK 120 OF DEEDS AT PAGE 488 AS INSTRUMENT NO. 307404, RECORDS OF BANNOCK COUNTY, IDAHO; THENCE SOUTH 71°47'12" EAST (SHOWN OF RECORD TO BE SOUTH 71°50' EAST) ALONG THE SOUTHERLY LINE OF SAID TRACT OF LAND 55.0 FEET, MORE OR LESS, TO A POINT IN A LINE PARALLEL WITH AND 200.0 FEET NORTHWESTERLY FROM THE CENTERLINE AND OPPOSITE STATION 676+67.26 OF SAID INTERSTATE 15, PROJECT NO. I-15-1(37) 29 HIGHWAY SURVEY AND BEING THE REAL POINT OF BEGINNING:

THENCE ALONG THE SOUTHERLY AND EASTERLY LINES OF SAID TRACT OF LAND AS FOLLOWS: SOUTH 71°47'12" EAST (SHOWN OF RECORD TO BE SOUTH 71°50' EAST) 293.60 FEET, NORTH 1°20'48" WEST (SHOWN OF RECORD TO BE NORTH 1°18' WEST) 504.45 FEET, NORTH 12°01'48" WEST (SHOWN OF RECORD TO BE NORTH 11°59' WEST) 205.0 FEET, MORE OR LESS, TO A POINT IN A LINE PARALLEL WITH AND 200.0 FEET NORTHWESTERLY FROM CENTERLINE OF SAID HIGHWAY SURVEY; THENCE SOUTH 20°13'44" WEST ALONG SAID LAST PARALLEL LINE 660.0 FEET, MORE OR LESS, TO THE REAL POINT OF BEGINNING.

HIGHWAY STATION REFERENCE; 676+67.26 TO 683+20. THE BEARINGS AS SHOWN IN THE ABOVE LAND DESCRIPTION, UNLESS OTHERWISE NOTED, ARE FROM THE IDAHO PLANE COORDINATE SYSTEM, BASED ON THE TRANSVERSE MERCATOR PROJECTION FOR THE EAST ZONE OF IDAHO. TO CONVERT TO GEODETIC BEARINGS, A CORRECTION OF 0°00'50" MUST BE SUBTRACTED FROM ALL NORTHEAST AND SOUTHWEST BEARINGS AND ADDED TO ALL NORTHWEST AND SOUTHEAST BEARINGS.

PARCEL 4J:

SE¼SW¼ AND SW¼SE¼ OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36, E.B.M.,
BANNOCK COUNTY, IDAHO.

PARCEL 5:

A PARCEL OF LAND LOCATED IN THE EAST ½ OF THE SOUTHEAST ¼ OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36 EAST, LOT 1 AND THE SOUTHEAST ¼ OF THE NORTHEAST ¼ OF SECTION 1, TOWNSHIP 12 SOUTH, RANGE 36 EAST, AND A PORTION OF THE NW¼ NW¼ SECTION 6, TOWNSHIP 12 SOUTH, RANGE 37 EAST, BOISE MERIDIAN, BANNOCK COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE TOWNSHIP CORNER COMMON TO TOWNSHIPS 11 SOUTH AND 12 SOUTH RANGES 36 AND 37 EAST; THENCE SOUTH 0°01'53" WEST FOR 102.75 FEET ALONG THE EAST LINE OF SECTION 1, TOWNSHIP 12 SOUTH, RANGE 36 EAST, BOISE MERIDIAN, BANNOCK COUNTY, IDAHO, TO THE REAL POINT OF BEGINNING; THENCE NORTH 71°50'39" WEST FOR 389.90 FEET; THENCE NORTH 58°16'39" WEST FOR 1127.10 FEET, MORE OR LESS, TO THE WEST BOUNDARY OF THE EAST ½ OF THE SOUTHEAST ¼ OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36 EAST, BOISE MERIDIAN, BANNOCK COUNTY, IDAHO;

THENCE SOUTH 0°31'34" EAST, ALONG THE WEST BOUNDARY OF SAID EAST ½ OF THE SOUTHEAST ¼ OF SECTION 36 FOR 611.55 FEET, MORE OR LESS, TO THE NORTHWEST CORNER OF SAID LOT 1 OF SECTION 1, TOWNSHIP 12 SOUTH, RANGE 36 EAST, BOISE MERIDIAN, BANNOCK COUNTY, IDAHO; THENCE SOUTH 0°08'31" WEST FOR 1310.18 FEET TO THE SOUTHWEST CORNER OF SAID LOT 1; THENCE SOUTH 0°08'31" WEST ALONG THE WESTERLY BOUNDARY OF SAID SOUTHEAST ¼ OF THE NORTHEAST ¼ OF SAID SECTION 1 FOR 671.94 FEET, MORE OR LESS, TO A POINT ON THE EXISTING CENTERLINE OF RAGGED LOUSE ROAD (COUNTY ROAD);

THENCE NORTH 74°42'09" EAST ALONG SAID CENTERLINE OF RAGGED LOUSE ROAD FOR 351.15 FEET TO ENGINEERS STATION G.S. NO. 4 18+25 AS SHOWN ON SAID I-15 SURVEY; THENCE NORTH 15°17'51" WEST FOR 56.00 FEET, MORE OR LESS, TO A POINT ON THE NORTHERLY RIGHT OF WAY FENCE LINE OF SAID COUNTY ROAD; THENCE NORTH 69°01'55" EAST ALONG SAID RIGHT OF WAY FENCE LINE FOR 182.48 FEET; THENCE SOUTH 79°57'41" EAST ALONG SAID RIGHT OF WAY FENCE LINE FOR 88.15 FEET TO AN EXISTING IDAHO DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MONUMENT; THENCE NORTH 73°15'32" EAST FOR 284.77 FEET, PREVIOUSLY DESCRIBED AS NORTH 74°27'26" EAST 283.21 FEET TO AN EXISTING IDAHO DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MONUMENT; THENCE NORTH 20°13'44" EAST ALONG THE WESTERLY RIGHT OF WAY LINE OF SAID I-15 FOR 800.00 FEET TO A POINT 150 FEET LEFT OF STATION 668+00 OF SAID HIGHWAY SURVEY;

THENCE NORTH 14°31'00" EAST ALONG THE WESTERLY RIGHT OF WAY LINE OF SAID I-15 FOR 502.08 FEET TO A POINT 200 FEET LEFT OF STATION 673+00 OF SAID HIGHWAY SURVEY; THENCE NORTH 20°13'44" EAST ALONG THE WESTERLY RIGHT OF WAY LINE OF SAID I-15 FOR 368.78 FEET; THENCE NORTH 71°50'39" WEST FOR 58.21 FEET, MORE OR LESS, TO THE REAL POINT OF BEGINNING.

PARCEL 7C:

A PARCEL OF LAND LOCATED IN THE N1/2 NE1/4 OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 36 EAST, BOISE MERIDIAN, BANNOCK COUNTY, IDAHO, AND BEING THAT PORTION OF THE FOLLOWING DESCRIBED PARCEL LYING SOUTH OF TREASURE LANE;

BEGINNING AT A POINT 2.65 CHAINS WEST OF SOUTHEAST CORNER OF SECTION 25, TOWNSHIP 11 SOUTH, RANGE 36 EAST OF THE BOISE MERIDIAN; THENCE RUNNING NORTH 1.57 CHAINS; THENCE NORTH 62°40' WEST 64.37 CHAINS; THENCE SOUTH 19.60 CHAINS; THENCE SOUTH 62°13' EAST 56.70 CHAINS; THENCE NORTH 00.32' WEST 14.88 CHAINS; THENCE EAST 7.35 CHAINS, MORE OR LESS, TO PLACE OF BEGINNING.

PARCEL 8:

A PART OF THE SW1/4 SW1/4 OF SECTION 31, TOWNSHIP 11 SOUTH, RANGE 37 E.B.M. DESCRIBED AS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 31; THENCE NORTH 00°01'39" EAST 1326.75 FEET ALONG THE WEST LINE OF SAID SECTION 31; THENCE NORTH 89°43'16" EAST 15.43 FEET TO THE POINT OF BEGINNING; THENCE NORTH 89°37'39" EAST 574.89 FEET TO THE NORTHWESTERLY RIGHT OF WAY OF INTERSTATE 15; THENCE SOUTH 20°11'15" WEST 894.44 FEET ALONG SAID RIGHT OF WAY; THENCE NORTH 11°57'21" WEST 242.81 FEET; THENCE NORTH 09°03'21" WEST 220.90 FEET; THENCE NORTH 25°06'21" WEST 426.94 FEET TO THE POINT OF BEGINNING.

ALSO: A PART OF THE SW1/4 SW1/4 OF SECTION 31, TOWNSHIP 11 SOUTH, RANGE 37 E.B.M. DESCRIBED AS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 31; THENCE SOUTH 89°47'24" EAST 529.65 FEET ALONG THE SOUTH LINE OF SAID SECTION 31 TO THE SOUTHEASTERLY RIGHT OF WAY OF INTERSTATE 15 AND THE POINT OF BEGINNING; THENCE NORTH 20°11'15" EAST 1410.39 FEET ALONG SAID RIGHT OF WAY TO THE NORTH LINE OF SAID SW1/4 SW1/4; THENCE SOUTH 89°43'16" EAST 123.17 FEET ALONG SAID NORTH LINE; THENCE SOUTH 14°30'00" WEST 1367.70 FEET TO THE SOUTH LINE OF SAID

SECTION 31; THENCE NORTH 89°47'24" WEST 267.45 FEET ALONG SAID SOUTH LINE TO THE POINT OF BEGINNING.

TRACT 2:

PARCEL 1:

TOWNSHIP 11 SOUTH, RANGE 37 EAST, BOISE MERIDIAN; BANNOCK COUNTY, IDAHO:

SECTION 31: SW $\frac{1}{4}$ NE $\frac{1}{4}$; SE $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$ NW $\frac{1}{4}$

ALSO: Those portions of Government Lots 2 and 3 of Section 31, Township 11 South, Range 37 East, Boise Meridian, Bannock County, Idaho, lying East of Interstate 15 which is described as follows:

A parcel of land being on both sides of the center line of Interstate 15, Project No. I-15-1(37)29 Highway Survey as shown on the plans thereof now on file in the office of the Department of Highways of the State of Idaho, and being a portion of Government Lots 2 and 3 and the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 31, Township 11 South, Range 37 East, Boise Meridian, described as follows, to-wit:

Beginning at the Northwest corner of the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 31, Township 11 South, Range 37 East, Boise Meridian; thence South 89°51'44" West along the North line of Government Lot 2 of said Section 31, a distance of 207.24 feet to a point in a line parallel with and 200.0 feet Northwesterly from the centerline and opposite Station 720+14.72 of said Interstate 15, Project No. I-15-1(37)29 Highway Survey; thence South 20°13'44" West along said parallel line 2,798.17 feet to a point in the South line of Government Lot 3 of said Section 31 and opposite Station 692+16.55 of said Highway Survey; thence North 89°43'18" East along the South line of said Government Lot 3 a distance of 427.06 feet to a point in a line parallel with and 200.0 feet Southeasterly from the centerline and opposite Station 693+66.16 of said Highway Survey; thence North 20°13'44" East along said last parallel line 2,433.84 feet to a point opposite Station 718+00 of said Highway Survey; thence North 29°41'28" East 392.52 feet to a point in the North line of said SE $\frac{1}{4}$ NW $\frac{1}{4}$ and bears South 69°46'16" East 264.53 feet from Station 721+93.72 of said Highway Survey; thence South 89°51'44" West along said North line 288.27 feet to the Place of Beginning.

PARCEL 1A:

A SIXTY (60') FOOT WIDE INGRESS/EGRESS EASEMENT LOCATED IN THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER (NE $\frac{1}{4}$ NE $\frac{1}{4}$) AND THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER (SE $\frac{1}{4}$ NE $\frac{1}{4}$) OF SECTION 31, TOWNSHIP 11 SOUTH, RANGE 37 EAST, BOISE MERIDIAN, BANNOCK COUNTY, IDAHO, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID NE $\frac{1}{4}$ NE $\frac{1}{4}$ OF SAID SECTION 31; THENCE NORTH 1240 FEET, MORE OR LESS, ALONG THE WEST BOUNDARY OF SAID NE $\frac{1}{4}$ NE $\frac{1}{4}$ TO THE SOUTHERLY RIGHT OF WAY LINE OF HIGHWAY 40 (F.A.P. S-1751 (1)); THENCE SOUTH 89°30'36" EAST 58 FEET, MORE OR LESS, ALONG SAID SOUTHERLY RIGHT OF WAY LINE TO A RIGHT OF WAY MONUMENT AT HIGHWAY STATION 62+00, 70 FEET RIGHT OF CENTERLINE; THENCE NORTH 84°46'46" EAST 2 FEET, MORE OR LESS, ALONG SAID RIGHT OF WAY LINE TO A POINT THAT IS 60.00 FEET EAST OF THE WEST BOUNDARY OF SAID NE $\frac{1}{4}$ NE $\frac{1}{4}$; THENCE SOUTH 1300 FEET, MORE OR LESS, ALONG A LINE 60.00 FEET EAST OF AND PARALLEL WITH THE WEST BOUNDARY OF SAID NE $\frac{1}{4}$ NE $\frac{1}{4}$ TO A POINT THAT IS 60.00 FEET SOUTH OF THE NORTH BOUNDARY OF SAID SE $\frac{1}{4}$ NE $\frac{1}{4}$ AND 60.00 FEET EAST OF THE WEST BOUNDARY OF SAID SE $\frac{1}{4}$ NE $\frac{1}{4}$; THENCE WEST 60.00 FEET, MORE OR LESS, TO A POINT ON THE WEST BOUNDARY LINE OF THE SE $\frac{1}{4}$ NE $\frac{1}{4}$ THAT IS 60.00 FEET SOUTH OF THE POINT OF BEGINNING; THENCE NORTH 60.00 FEET ALONG THE WEST BOUNDARY OF SAID SE $\frac{1}{4}$ NE $\frac{1}{4}$ TO THE POINT OF BEGINNING.

PARCEL 2:

TOWNSHIP 12 SOUTH, RANGE 37 EAST, BOISE MERIDIAN, BANNOCK COUNTY, IDAHO:

SECTION 5: A PART OF THE NW $\frac{1}{4}$ SE $\frac{1}{4}$, AND A PART OF THE NE $\frac{1}{4}$ SW $\frac{1}{4}$, AND A PART OF THE NW $\frac{1}{4}$, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH QUARTER CORNER OF SAID SECTION 5, RUN THENCE SOUTH 1303 FEET TO THE SE CORNER OF THE NE $\frac{1}{4}$ NW $\frac{1}{4}$ OF SECTION 5; THENCE EAST 1315.58 FEET TO THE NE CORNER OF THE SW $\frac{1}{4}$ NE $\frac{1}{4}$ OF SECTION 5; THENCE SOUTH 1320 FEET TO THE SE CORNER OF THE SW $\frac{1}{4}$ NE $\frac{1}{4}$ OF SECTION 5; THENCE WEST 137 FEET TO A STAKE IN SOUTH BOUNDARY OF THE SW $\frac{1}{4}$ NE $\frac{1}{4}$ OF SECTION 5; THENCE SOUTH 31 $\frac{3}{4}$ ° WEST 260 FEET TO A STAKE IN THE CREEK; SOUTH 45°00' WEST 675 FEET TO A STAKE ON THE LEFT BANK OF MARSH CREEK; THENCE MEANDERING ALONG LEFT BANK OF CREEK NORTH 14 $\frac{3}{4}$ ° WEST 100 FEET; NORTH 50° EAST 81 FEET; NORTH 81° EAST 53 FEET; NORTH 43° EAST 78 $\frac{1}{2}$ ° FEET; NORTH 26° WEST 130 FEET; NORTH 74° WEST 193 FEET; NORTH 37 $\frac{1}{4}$ ° EAST 105 FEET; NORTH 61 $\frac{1}{2}$ ° WEST 174 FEET; SOUTH 87° WEST 106 FEET; SOUTH 62 $\frac{3}{4}$ ° WEST 149 FEET; SOUTH 45 $\frac{3}{4}$ ° WEST 100 FEET; SOUTH 82° WEST 85 FEET; NORTH 53° WEST 363 FEET CROSSING THE CREEK FROM THE LEFT BANK TO THE RIGHT BANK; THENCE MEANDERING ALONG RIGHT BANK OF MARSH CREEK SOUTH 88° WEST 84 FEET; NORTH 21 $\frac{3}{4}$ ° WEST 267 FEET; NORTH 70° WEST 130 FEET; NORTH 21 $\frac{1}{2}$ ° WEST 288 FEET; NORTH 70 $\frac{3}{4}$ ° WEST 404 FEET; SOUTH 55° WEST 171 FEET; NORTH 61° WEST 78 FEET; NORTH 38° WEST 87 FEET; NORTH 53 $\frac{1}{2}$ ° WEST 113 FEET; NORTH 12 $\frac{3}{4}$ ° WEST 132 FEET; NORTH 38 $\frac{1}{2}$ ° WEST 168 FEET; NORTH 5 $\frac{1}{2}$ ° WEST 99 FEET; NORTH 66° WEST 270 FEET; NORTH 45 $\frac{1}{4}$ ° WEST 194 FEET; NORTH 80 $\frac{1}{2}$ ° WEST 88 FEET; NORTH 44 $\frac{1}{4}$ ° WEST 155 FEET; NORTH 67 $\frac{1}{4}$ ° WEST 241 FEET; SOUTH 70° WEST 96 FEET; NORTH 37 $\frac{1}{4}$ ° WEST 181 FEET TO A STAKE IN THE WEST LINE OF SECTION 5, TOWNSHIP 12 SOUTH, RANGE 37 E.B.M.; THENCE NORTH 1000.40 FEET ALONG THE WEST BOUNDARY OF LOT 4 IN SAID SECTION 5 TO THE NW CORNER OF SAID SECTION 5; THENCE SOUTH 89°50' EAST 2640 FEET ALONG NORTH BOUNDARY OF SECTION 5 TO THE PLACE OF BEGINNING.

EXCEPTING:

S $\frac{1}{2}$ NE $\frac{1}{4}$ OF SAID SECTION 5, TOWNSHIP 12 SOUTH, RANGE 37 E.B.M., BANNOCK COUNTY, IDAHO.

PARCEL 2A:

TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS, 40 FEET IN WIDTH, LYING 20 FEET ON BOTH SIDES OF THE FOLLOWING DESCRIBED LINE AND BE BEING LOCATED IN PART OF THE E1/2 OF SECTION 5, TOWNSHIP 12 SOUTH, RANGE 37 EAST, B.M., BANNOCK COUNTY, IDAHO:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 5; THENCE SOUTH 00°13'44" EAST 2609.29 FEET ALONG THE SECTION LINE TO THE POINT OF BEGINNING; THENCE NORTH 89°48'12" WEST 1305.17 FEET TO A POINT OF CURVE; THENCE NORTHWESTERLY 59.46 FEET ALONG SAID CURVE TO THE RIGHT (CURVE DATA R=53.00 FEET, D=64°16'39") CHORD BEARS NORTH 57°39'52" WEST 56.39 FEET; THENCE NORTH 25°31'33" WEST 192.52 FEET TO A POINT OF CURVE; THENCE NORTHWESTERLY 203.88 FEET ALONG SAID CURVE TO THE LEFT (CURVE DATA R=507.57 FEET, D=23°00'50") CHORD BEARS NORTH 36°39'49" WEST 202.51 FEET; THENCE NORTH 46°18'24" WEST 255.73 FEET; THENCE NORTH 44°01'37" WEST 149.63 FEET; THENCE NORTH 45°46'55" WEST 31.11 FEET TO A POINT OF CURVE; THENCE NORTHWESTERLY 28.20 FEET ALONG SAID CURVE TO THE LEFT (CURVE DATA R=164.65 FEET, D=09°48'42") CHORD BEARS NORTH 50°41'17" WEST 28.16 FEET; THENCE NORTH 55°35'38" WEST 19.48 FEET; THENCE NORTH 55°08'31" WEST 16.89 FEET TO A POINT OF CURVE; THENCE NORTHWESTERLY 38.67 FEET ALONG SAID CURVE TO THE RIGHT (CURVE DATA R=534.65 FEET, D=04°08'38") CHORD BEARS NORTH 53°04'12" WEST 38.66 FEET; THENCE NORTH 50°59'53" WEST 17.63 FEET; THENCE NORTH 50°34'39" WEST 100.31 FEET TO A POINT OF CURVE; THENCE NORTHWESTERLY 204.13 FEET ALONG SAID CURVE TO THE LEFT (CURVE DATA R=655.81 FEET, D=17°50'02") CHORD BEARS NORTH

59°10'51" WEST 203.30 FEET; THENCE NORTH 64°10'34" WEST 50.09 FEET TO A POINT OF CURVE; THENCE NORTHWESTERLY 100.85 FEET ALONG SAID CURVE TO THE RIGHT (CURVE DATA R=470.29 FEET, D=12°17'11") CHORD BEARS NORTH 59°18'16" WEST 100.65 FEET; THENCE NORTH 47°39'37" WEST 204.34 FEET TO A POINT OF CURVE; THENCE NORTHWESTERLY 189.01 FEET ALONG SAID CURVE TO THE LEFT (CURVE DATA R=403.67 FEET, D=26°49'38") CHORD BEARS NORTH 57°31'18" WEST 187.29 FEET TO THE POINT OF TERMINUS.

THE SIDELINES OF THIS EASEMENT SHALL BE PROLONGED OR SHORTENED TO CONFORM TO SAID CENTERLINE.



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N Skyline Dr., Ste A, Idaho Falls, Idaho 83402-1718

Phone: (208) 525-7161 FAX: (208) 525-7177 www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

December 7, 2015

ZB NA
Dba Zions First National Bank
2460 S 3270 W
West Valley UT 84119

RE: Notice of Security Interest in a Water Right 29-11650, 29-4166, 29-11648, 29-11925, 29-4398, 29-12060, 29-12061, 29-14234, 29-14235, 29-14236, 29-14237, 29-14238, 29-14239, 29-14240 and 29-14241

Dear Water Right Holder(s):

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

Updating the security interest record for a water right does not reconfirm the validity of the right. When processing a security interest notice, the department does not review the history of water use to determine if the right has been deliberately abandoned or forfeited 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 Sections 42-222 and 42-223, Idaho Code.

Please feel free to contact this office if you have any questions regarding this matter.

Sincerely,

Jonie Barg
Technical Records Specialist

Enclosure

cc: Eliason Landholdings
Western AgCredit