

RECEIVED

SEP 21 2017

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

RECEIVED

SEP 25 2017

WATER RESOURCES  
WESTERN REGION

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

| 1.    | Water Right/Claim No. | Water Right/Claim No. | Water Right/Claim No. | Water Right/Claim No. |
|-------|-----------------------|-----------------------|-----------------------|-----------------------|
| PD    | 63-8067               |                       |                       |                       |
| LIC { | 63-10272              |                       |                       |                       |
|       | 63-11513              |                       |                       |                       |
|       | 63-11514              |                       |                       |                       |
|       |                       |                       |                       |                       |

2. The following **REQUIRED** information must be submitted with this form:A) Evidence of the security interest. This may be a copy of a **DEED of TRUST, MORTGAGE, CONTRACT OF SALE** or other legal document indicating your interest in the property and water rights or claims in question, **WITH ATTACHED LEGAL DESCRIPTION.**B) A **FEE of \$25.00 per** water right or adjudication claim.

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

**SUPPORT DATA**  
**IN FILE #** 63-8067

Metropolitan Life Insurance Company

Agricultural Investments

10801 Mastin Blvd, Ste. 930

Overland Park, KS 66210

Phone \_\_\_\_\_

Email \_\_\_\_\_

4. Name of Water Right Owner/Claimant(s) Big Sky Partnership aka Big Sky Farms Limited Partnership5. Expiration Date of Notification Period 08/01/20376. Is this a Renewal of Request for Notification? ☒ YES ☐ NO

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

Title, if applicable

John C Epenmuller**For Office Use Only**Received by AM Date 9-21-2017 Receipt No. 5036370 Fee \$100-Processed by AJ X Date X WR dj Date 10/19/17

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

Instrument # 0000461954  
ELMORE COUNTY, ID  
11:54:06 AM Sep 14, 2017  
For TITLEONE - TWIN FALLS  
No. of Pages: 6 Fee: \$25.00  
BARBARA STEELE, Recorder  
DE, Deputy  
Electronically Recorded by Simplifile

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

Stoel Rives LLP  
600 University Street, Suite 3600  
Seattle, Washington 98101  
Attn: Devin P. McComb

Loan No. 198242 and 199037  
17292730

**MODIFICATION OF MORTGAGE,  
ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING  
(Elmore County, Idaho)**

This MODIFICATION OF MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Agreement") is made and entered into as of September 13, 2017, by and between BIG SKY FARMS LIMITED PARTNERSHIP, an Idaho limited partnership, MAURICE DON MCFARLAND, aka Don McFarland and CAROL LYNN MCFARLAND, aka Carol McFarland, husband and wife, having a mailing address at P.O. Box 5178, Twin Fall, Idaho 83303 (collectively, the "Mortgagor"), and METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation, having a mailing address at 10801 Mastin Blvd., Suite 930, Overland Park, Kansas 66210 (the "Mortgagee").

**RECITALS**

A. To evidence that certain loan (the "Loan"), Mortgagor has heretofore executed and delivered to Mortgagee that certain Promissory Note dated May 12, 2016, in the original principal amount of Four Million Five Hundred Thousand and 00/100 Dollars (\$4,500,000.00) (the "2016 Note"). The 2016 Note is secured by that certain Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated as of May 12, 2016 and recorded in the Official Records of Elmore County, Idaho, on May 13, 2016 as Document No. 0000453486 (the "Mortgage") encumbering certain real property (the "Real Property") located in Elmore County, Idaho, as more particularly described therein. Capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Mortgage.

B. Mortgagee has agreed to lend to Mortgagor an additional loan evidenced by that certain Promissory Note (the "2017 Note") of even date herewith, in the amount of Three Million Five Hundred Thousand and 00/100 Dollars (\$3,500,000.00) and Mortgagee and Mortgagor have agreed to modify the Mortgage to secure all rights and obligations under the 2017 Note.

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements hereinafter set forth and other good and valuable considerations the receipt and sufficiency of which are hereby acknowledged by the parties hereto, it is agreed as follows:

**AGREEMENT**

(1) Confirmation of Loan. All of the Loan Documents (as defined in the Mortgage) are hereby confirmed by the Mortgagor as being in full force and effect and the Mortgagor acknowledges it has no defenses or offsets to any of its obligations thereunder and that Mortgagee has performed all of its obligations thereunder to the date hereof.

(2) Modification of Mortgage. Effective as of the date of recordation of this Agreement (the "Effective Date"), each reference to the "Note" in the Mortgage is hereby amended to be and include the 2016 Note and the 2017 Note. The terms of the Mortgage, including all warranties, covenants and indemnities contained therein, are incorporated herein by this reference and made a part hereof and are fully applicable to the 2017 Note at the time the

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

Stoel Rives LLP  
600 University Street, Suite 3600  
Seattle, Washington 98101  
Attn: Devin P. McComb

Loan No. 198242 and 199037  
17292730

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Mortgage was executed. All other defined terms set forth in the Mortgage are hereby revised and interpreted in accordance herewith.

(3) Incorporation of Mortgage. To the extent not expressly inconsistent with the provisions of this Agreement, all of the terms, warranties, covenants, conditions, rights and remedies in the Mortgage are incorporated herein by this reference and made part of this Agreement, and all of such terms that apply or relate to the Real Property and the Improvements.

(4) No Implied Modifications. Except as specifically modified in this Agreement, nothing herein contained shall be considered as modifying, releasing, altering or affecting the Mortgage, the original priority of the Mortgage, or the rights, benefits, duties or obligations of the parties thereto. It is further recognized and agreed that any and all other documents and security agreements entered into between the parties hereto which are in any manner connected with the indebtedness evidenced by the 2016 Note shall remain in full force and effect unless specifically canceled or amended by a written agreement executed by Mortgagee.

(5) No Subordination. This Agreement does not constitute nor is it intended to be or create a subordination of the lien of the Mortgage to any other lien on or interest in the property encumbered thereby whether created or recorded before or after the Mortgage.

(6) Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties hereto regarding the subject matter hereof, and no oral understandings, written agreements or representations exist which are in addition to or contradict or expand upon the terms herein set forth. No amendments, variations, waivers, modifications or changes to this Agreement shall be effective unless in writing and signed by the Mortgagee and the Mortgagor subsequent to the date hereof.

(7) Counterparts. This Agreement may be executed in two or more counterparts, all of which shall constitute but one and the same instrument. The signature pages of exact copies of this Agreement may be attached to one copy to form one complete document.

*[Remainder of this page intentionally left blank.]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

**MORTGAGOR:**

Address for notices:  
P.O. Box 5178  
Twin Falls, Idaho 83303

BIG SKY FARMS LIMITED PARTNERSHIP, an Idaho limited partnership

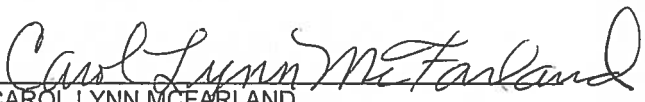
By:   
Maurice Don McFarland a/k/a Don McFarland,  
General Partner

By:   
Carol Lynn McFarland a/k/a Carol McFarland  
General Partner

Address for notices:  
P.O. Box 5178  
Twin Falls, Idaho 83303

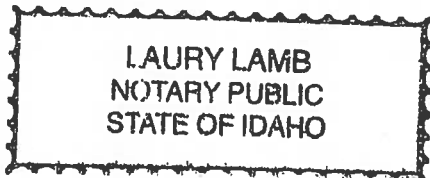
  
MAURICE DON MCFARLAND  
a/k/a Don McFarland

Address for notices:  
P.O. Box 5178  
Twin Falls, Idaho 83303

  
CAROL LYNN MCFARLAND

STATE OF IDAHO )  
COUNTY OF Jerome )ss.  
)

On Sept 13, 2017, before me, the undersigned, a Notary Public, personally appeared Maurice Don McFarland aka Don McFarland, known or identified to me (or proved to me on the oath of \_\_\_\_\_), to be one of the partners in the partnership of Big Sky Farms Limited Partnership, an Idaho limited partnership, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



*Laury Lamb*

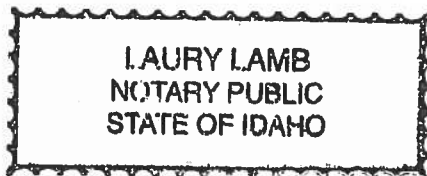
Notary Public for Idaho

Printed Name: Laury Lamb

Commission Expires: 4/2/2022

STATE OF IDAHO )  
COUNTY OF Jerome )ss.  
)

On Sept 13, 2017, before me, the undersigned, a Notary Public, personally appeared Carol Lynn McFarland aka Carol McFarland, known or identified to me (or proved to me on the oath of \_\_\_\_\_), to be one of the partners in the partnership of Big Sky Farms Limited Partnership, an Idaho limited partnership, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



*Laury Lamb*

Notary Public for Idaho

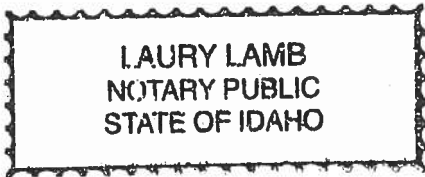
Printed Name: Laury Lamb

Commission Expires: 4/2/2022

STATE OF IDAHO  
COUNTY OF Jerome

)  
)ss.  
)

On Sept 13, 2017, before me, the undersigned, a Notary Public, personally appeared Maurice Don McFarland, aka Don McFarland, known or identified to me (or proved to me on the oath of Don McFarland), to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.



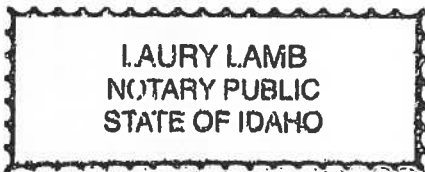
*Laury Lamb*

Notary Public for Idaho  
Printed Name: Laury Lamb  
Commission Expires: 4/2/2022

STATE OF IDAHO  
COUNTY OF Jerome

)  
)ss.  
)

On Sept 13, 2017, before me, the undersigned, a Notary Public, personally appeared Carol Lynn McFarland aka Carol McFarland, known or identified to me (or proved to me on the oath of Don McFarland), to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.



*Laury Lamb*

Notary Public for Idaho  
Printed Name: Laury Lamb  
Commission Expires: 4/2/2022

**MORTGAGEE:**

METROPOLITAN LIFE INSURANCE COMPANY,  
a New York corporation

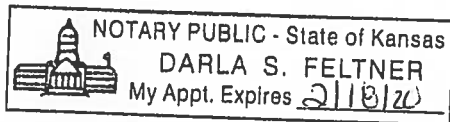
By: John C. Espenmiller  
Printed Name: JOHN C. ESPENMILLER  
Title: Director

STATE OF KANSAS )  
COUNTY OF Johnson ) ss.

On this 13th day of September, 2017, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came John C. Espenmiller, Director of METROPOLITAN LIFE INSURANCE COMPANY, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of New York, personally known to me to be such officer, and is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of said corporation, and such person duly acknowledged the execution of the same to be the act and deed of said corporation.

In witness whereof, I have hereunto set my hand and affixed my official seal, the day and year last above written.

Darla S. Feltner  
Notary Public  
Residing at: Overland Park, KS  
My Commission Expires on 2/18/20



**EXHIBIT A**

Big Sky Farms  
Loan No: 198242

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

**Legal Description of Real Estate**

**Elmore County, Idaho**

**Tract I:**

**Township 1 North, Range 9 East, Boise Meridian, Elmore County, Idaho**

**Section 27: S1/2N1/2SE1/4; S1/2SE1/4, SW1/4**

**Section 28: SE1/4SE1/4; SW1/4SW1/4**

**Section 32: S1/2S1/2**

**Section 33: E1/2, E1/2W1/2; SW1/4SW1/4**

**Section 34: All**

**Township 1 South, Range 9 East, Boise Meridian, Elmore County, Idaho**

**Section 3: U.S. Government Lots 1, 2, 3 and 4, S1/2N1/2; N1/2SE1/4; SW1/4  
less tax U.S. Government Lot 1**

**Section 4: All**

**Section 5: All LESS SW1/4NW1/4 AND Less W1/2SW1/4**

**Section 8: N1/2NE1/4**

**Section 9: NW1/4NE1/4; N1/2NW1/4**

**(The following is the legal description of Tax U.S. Government Lot 1 in Section 3, Township 1 South, Range 9 East, Boise Meridian)**

**SAVE AND EXCEPT that portion of S1/2SW1/4, Section 3, Township 1 South, Range 9 East, Boise Meridian, Elmore County, Idaho; more particularly described as follows:**

**Commencing at the Southwest corner of Section 3, Township 1 South, Range 9 East, Boise Meridian, and running thence South 89°51' East along the South Section line of said Section 3, a distance of 437 feet to a steel pin in the center of a graveled road, the Real Point of Beginning.**

**thence continuing from the real point of beginning**

**North 0°04' West a distance 1,000 feet to a steel pin: thence**

**South 89°51' East a distance of 1,742.4 feet to a steel pin; thence**

**South 0°04' East a distance of 1,000 feet to a steel pin on the South Section line of said Section 3, thence**

**North 89°51' West along the South Section line of said Section 3 a distance of 1,742.4 feet, more or less to the Real Point of Beginning.**

**Tract II:**

**Township 1 North, Range 9 East, Boise Meridian, Elmore County, Idaho**

**Exhibit A-1**

**Big Sky Farms  
Mortgage, Assignment of Rents, Security Agreement, and Fixture Filing  
Loan no. 198242  
86331285.5 0053564-00246**

**Section 32:**

**The North Half of the Southeast Quarter, The Southeast Quarter of the Northeast Quarter, the West Half of the Northeast Quarter, the Northeast Quarter of the Northeast Quarter of the Northwest Quarter, the South Half of the Northeast Quarter of the Northwest Quarter, the Southeast Quarter of the Northwest Quarter, the North Half of the Southwest Quarter and the Northeast Quarter of the Northeast Quarter;**

**Section 33:**

**The Northwest Quarter of the Southwest Quarter, the Southwest Quarter of the Northwest Quarter, and the Northwest Quarter of the Northwest Quarter.**

**Exhibit A-2**

**Big Sky Farms  
Mortgage, Assignment of Rents, Security Agreement, and Fixture Filing  
Loan no. 198242  
86331285.5 0053564-00246**

**EXHIBIT B**

Big Sky Farms  
Loan No: 198242

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

**LIST OF SPECIFIC WATER RIGHTS**

| Notes | Type | Basin | Sequence | Suffix | Applic Basin | Status         | Priority Date | Div. Rate (cfs) | Source             | Water Use                                                                     | Owner               |
|-------|------|-------|----------|--------|--------------|----------------|---------------|-----------------|--------------------|-------------------------------------------------------------------------------|---------------------|
|       | WR   | 63    | 8067     |        |              | Decreed Active | 1/6/1975      | 5.49            | GROUND WATER       | IRRIGATION                                                                    |                     |
| 1     | WR   | 63    | 10272    |        |              | License Active | 10/28/1988    |                 | LITTLE CAMAS CREEK | IRRIGATION FROM STORAGE, IRRIGATION STORAGE                                   | BIG SKY PARTNERSHIP |
| 2     | WR   | 63    | 11513    |        |              | License Active | 3/14/1991     | 9.68            | GROUND WATER       | DIVERSION TO STORAGE, IRRIGATION, IRRIGATION FROM STORAGE, IRRIGATION STORAGE | BIG SKY PARTNERSHIP |
|       | WR   | 63    | 11514    |        |              | License Active | 5/10/1991     | 9.68            | GROUND WATER       | IRRIGATION                                                                    | BIG SKY PARTNERSHIP |

- 1 This water right is limited to 15.71 cfs.  
2 63-11513 and 63-11514 are limited to 9.68 cfs  
All rights are limited to 15.71 cfs

Mountain Home Irrigation District

29.5 Shares

Big Sky Farms  
Mortgage, Assignment of Rents, Security Agreement, and Fixture Filing  
Loan no. 198242  
86331285.5 0053584-00246

Exhibit B-1

**EXHIBIT C**

**Big Sky Farms  
Loan No: 198242**

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

**LIST OF SPECIFIC WATER SHARES**

| <b>IRRIGATION DISTRICT</b>        | <b>NUMBER OF SHARES</b> |
|-----------------------------------|-------------------------|
| Mountain Home Irrigation District | 29.5                    |
|                                   |                         |
| <b>TOTAL SHARES:</b>              | <b>29.5</b>             |

**Exhibit D-1**

**Big Sky Farms  
Mortgage, Assignment of Rents, Security Agreement, and Fixture Filing  
Loan no. 198242  
86331285.5 0053564-00246**



State of Idaho

## DEPARTMENT OF WATER RESOURCES

Western Region • 2735 Airport Way • Boise, Idaho 83705-5082

Phone: (208) 334-2190 • Fax: (208) 334-2348 • Website: [www.idwr.idaho.gov](http://www.idwr.idaho.gov)

C.L. "BUTCH" OTTER  
Governor

GARY SPACKMAN  
Director

October 19, 2017

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

**RE: Notice of Security Interest for Water Right No's:**

**63-8067, 63-10272, 63-11513 & 63-11514**

Dear Party Holding Security Interest:

The Department of Water Resources acknowledges receipt of correspondence adding security interest of the above referenced water rights to you. The Department has modified its records to reflect the change in security interest for the water rights, and has enclosed computer-generated reports for your records.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing an ownership change notice, the department does not review the history of water use to determine if the right has been 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 note that as of July 1, 1996, water right owners are required to report any change of water right ownership and any change of mailing address of the owner of a water right to the department. Notice of the change must be provided to the department within 120 days of the change. Change reporting forms are available from any office of the department or online at [www.idwr.idaho.gov](http://www.idwr.idaho.gov).

Please feel free to contact this office at 208-334-2190 if you have any questions regarding this matter.

Sincerely,

Chad Jones  
Office Specialist II  
Western Regional Office

Enclosures

Cc: BIG SKY PARTNERSHIP  
PO BOX 5178  
TWIN FALLS ID 83303



237 N. Lincoln  
Jerome, ID 83338  
Ph. (208) 324-3357  
Fx. (866) 310-3443  
www.titleonecorp.com

Idaho Dept of Water Resources  
Attn: Trish Fawcett  
650 Addison Ave W., Ste 500  
Twin Falls, ID 83301

RECEIVED

SEP 21 2017

DEPT OF WATER RESOURCES  
SOUTHERN REGION

Date: September 19, 2017

Re: Escrow No. 17292730 ~ Big Sky Farms Limited Partnership, an Idaho limited partnership

RECEIVED

SEP 25 2017

WATER RESOURCES  
WESTERN REGION

Dear Trish,

In connection with the above referenced transaction, I am enclosing the following:

- Check No. 23195 in the amount of \$100.00
- Original signed Notice of Security Interest in a Water Right
- Copy of the recorded Modification of Mortgage, Instrument No. 461954, Elmore County, Idaho

If you have any questions, please do not hesitate to contact me.

Sincerely,

Laury Jo Lamb  
(208) 324-3357  
llamb@titleonecorp.com