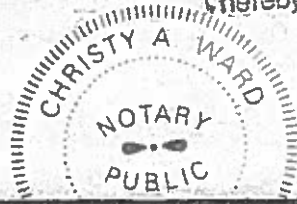


Thereby certify this is a copy of the original.

Christy A Ward

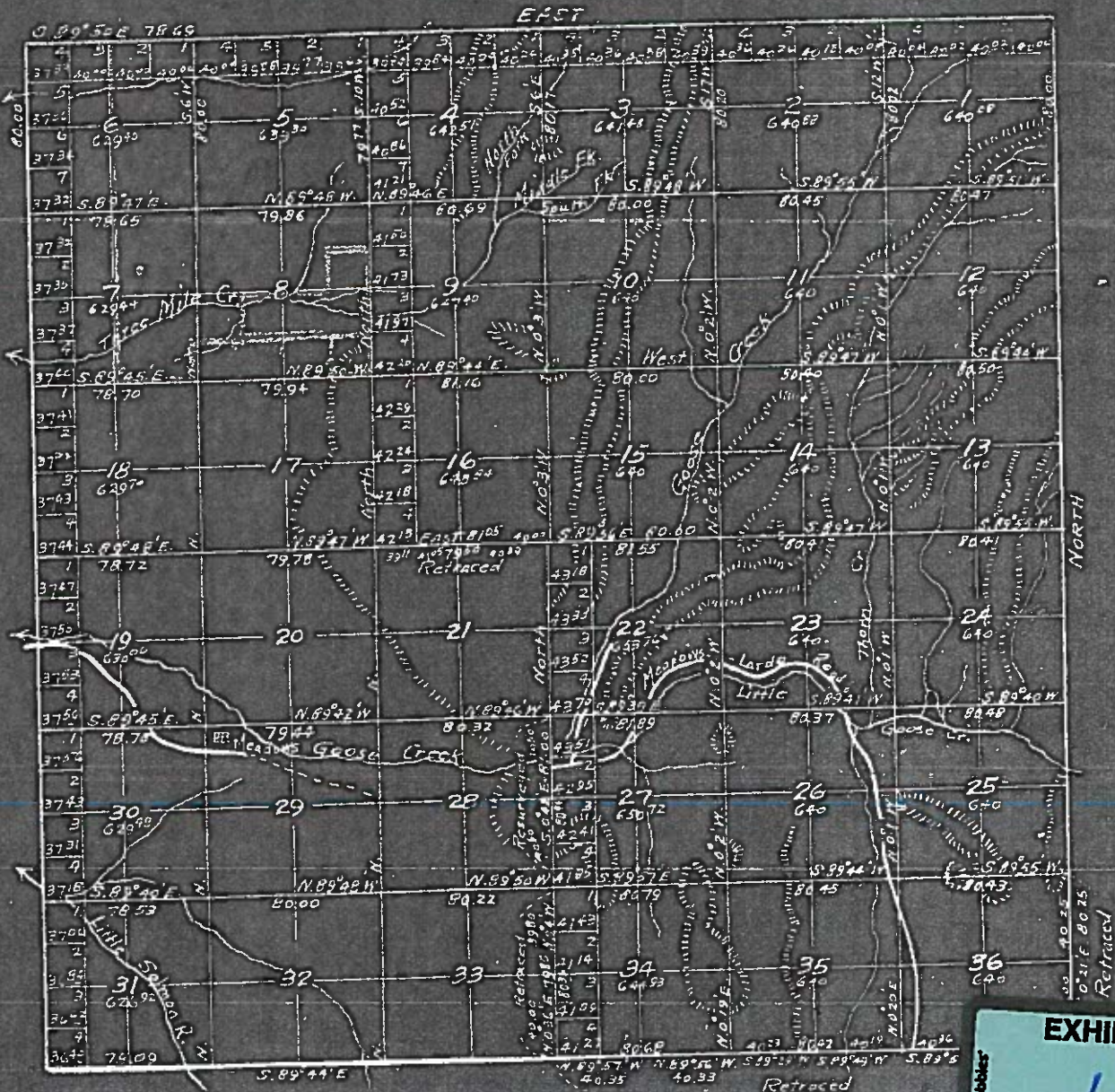
Erin D. Waller #3



TOWNSHIP N^o 19 NORTH, RANGE N^o 2 EAST,
BOISE MERIDIAN, IDAHO.

Scale: 1 inch = 80 chs.

Prepared by
ADAMS COUNTY ABSTRACT CO.,
COUNCIL, IDAHO.



EXHIBIT

Appendix

The United States of America,
Certificate No. 3520,

to

Mattie A. Wallace.

PATENT

Dated August 7, 1906
Recorded Aug. 24, 1916
Book 2 of Patents
Page 22

WHEREAS Mattie A. Wallace of Washington County, Idaho, has deposited in the General Land Office of the United States a Certificate of the Register of the Land Office at Boise, Idaho, whereby it appears that full payment has been made by the said Mattie A. Wallace according to the provisions of the act of Congress of the 24th of April, 1820, entitled "An act to provide for the sale of the Public Lands," and the acts supplemental thereto, for the

South East quarter of the North East quarter of Section Eight in Township Nineteen North of Range Two East of Boise Meridian in Idaho containing forty acres according to the Official Plat of the survey of the said lands, returned to the General Land office by the Surveyor General,

which said Tract has been purchased by the said Mattie A. Wallace.

NOW KNOW YE, That the United States of America, in consideration of the premises, and in conformity with the several acts of Congress in such case made and provided, HAVE GIVEN AND GRANTED, and by these presents DO GIVE AND GRANT, unto the said Mattie A. Wallace and to her heirs, the said tract above described; TO HAVE AND TO HOLD THE SAME, together with all the rights, privileges, immunities, and appurtenances, of whatsoever nature, thereunto belonging, unto the said Mattie A. Wallace and to her heirs and assigns forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws, and decisions of courts, and also subject to the right of the proprietor of a vein or lode to extract and remove his ore therefrom, should the same be found to penetrate or intersect the premises hereby granted, as provided by law; and there is reserved from the lands hereby granted, a right of way thereon for ditches of canals constructed by the authority of the United States

By the President:

T Roosevelt

(S E A L)
United States
General Land Office

By

F. M. McKean, Secretary

C. H. Brush, Recorder of the
General Land Office.

RECORDED: Idaho. Vol. 64, Page 16.

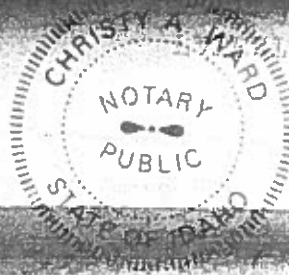
Thereby certify this is a copy of the original.

Christy A. Ward



Whereby certify this is a copy of the original

Christy A. Ward



The United States of America,
Homestead Certificate No. 2405,

to

Ellis D. Wallace.

PATENT

Dated January 13, 1908
Recorded Aug. 24, 1916
Book 2 of Patents
Page 21

WHEREAS, There has been deposited in the General Land Office of the United States a Certificate of the Register of the Land Office at Boise, Idaho, whereby it appears that, pursuant to the Act of Congress approved 20th May, 1862, "To secure Homesteads to Actual Settlers on the Public Domain," and the acts supplemental thereto, the claim of Ellis D. Wallace

is hereby patented, in conformity to law, for the north half of the east quarter of Section eight in Township nineteen north of Range two east of the Boise Meridian, Idaho, containing one hundred sixty acres, according to the official plat of the survey of the said land, returned to the General Land Office by the Surveyor General:

NOW KNOW YE, That there is, therefore, granted by the United States unto the said Ellis D. Wallace the tract of land above described; TO HAVE AND TO HOLD the said tract of land, with the appurtenances thereof, unto the said Ellis D. Wallace and to his heirs and assigns forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws, and decisions of courts, and also subject to the right of the proprietor of a vein or lode to extract and remove his ore therefrom, should the same be found to penetrate or intersect the premises hereby granted, as provided by law. And there is reserved from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States.

By the President: Theodore Roosevelt

(S E A L)

By M. W. Young, Secretary.

United States
General Land Office

H. W. Sanford, Recorder of the
General Land Office.

RECORDED: Vol. 712, Page 317.

41m/288

(Charles)
Grantor

QUITCLAIM DEED

FOR VALUE RECEIVED, CHARLES WALLACE & SONS, INC., an Idaho corporation, of Post Office Box 31, New Meadows, Idaho 83654, Grantor, does hereby convey, release, remise, and forever quitclaim unto CHARLES M. WALLACE, aka CHARLES WALLACE, a single man, whose current address is: Post Office Box 31, New Meadows, Idaho 83654, Grantee, the following-described real property located in the County of Adams, State of Idaho, to-wit:

TRACT 1:

Beginning at the SE corner of Section 8, Township 19 North, Range 2 East of the Boise Meridian; thence North 1276.1 feet; thence North 89°54' West 264.4 feet to the true point of beginning; thence N. 89°54' W. 93.5 feet; thence N. 208.7 feet; thence N. 89°54' W. 208.7 feet; thence S. 208.7 feet; thence N. 89°54' W. 219.5 feet; thence N. 417.4 feet; thence S. 89°54' E. 521.7 feet; thence South 417.4 feet (to the true point of beginning). All in NE1/4SE1/4 and SE1/4SE1/4 of Section 8, Township 19 North, Range 2 East of Boise Meridian, containing 4 acres more or less.

TRACT 2:

Beginning at the SE corner of Section 8, Township 19 N., Range 2 East, Boise Meridian; thence N. 1316.1'; thence N. 89°54' W. 3481.6' to the true point of beginning; thence N. 89°54' W. 466.7'; thence N. 466.7'; thence S. 89°54' E. 466.7'; thence S. 466.7' to the true point of beginning; all in NE1/4SW1/4, Section 8, Township 19 North, Range 2 East, Boise Meridian, containing 5 acres, more or less.

All water and water rights used upon or appurtenant to said property however evidenced.

QUITCLAIM DEED

For Value Received CHARLES M. WALLACE, /aka CHARLES WALLACE
a single man,

do hereby convey, release, remise and forever quitclaim unto

HPJ PARTNERS, a California limited partnership,

whose current address is 502 North Third Street, Suite 202, McCall, ID 83638

the following described premises, to-wit:

A parcel of land situated in the E1/2SE1/4, Section 8,
Township 19 North, Range 2 East, Boise Meridian, Adams
County, Idaho, more particularly described as follows:

The E1/2SE1/4 of Section 8, Township 19 North, Range 2 East,
Boise Meridian, Adams County, Idaho.

SUBJECT TO the following described parcel:

Commencing at an aluminum cap marking the Section corner
common to Sections 8, 9, 16 and 17, Township 19 North, Range
2 East, Boise Meridian, Adams County, Idaho;

Thence North 00 degrees 27'23" West 1,272.31 feet along the
line common to said Sections 8 and 9;

Thence North 89 degrees 32'24" West 247.33 feet to an
existing fence line, the REAL POINT OF BEGINNING;

Thence continuing North 89 degrees 32'24" West 522.20 feet
along said existing fence line;

Thence North 00 degrees 17'00" East 417.40 feet along said
existing fence line;

Thence South 89 degrees 32'24" East 522.20 feet along said
existing fence line;

Thence South 00 degrees 17'00" West 417.40 feet along said
existing fence line to the POINT OF BEGINNING.

SUBJECT TO road and power line easements of record.

together with their appurtenances.

Dated: March 13, 1995

Charles Wallace

CHARLES M. WALLACE, aka CHARLES WALLACE

STATE OF IDAHO, COUNTY OF

Adams

On this 13th day of March, 19 95,
I, Charles Wallace, being in and for the said State, personally

STATE OF IDAHO, COUNTY OF Adams

I hereby certify that this instrument was filed for record at the
request of Timberline Title & Escrow

INST.

to
Charles Wallace

EXHIBIT A

A parcel of land situated in the E1/2SE1/4, Section 8, Township 19 North, Range 2 East, Boise Meridian, Adams County, Idaho, more particularly described as follows:

Commencing at an aluminum cap marking the Section corner common to Sections 8, 9, 16 and 17, Township 19 North, Range 2 East, Boise Meridian, Adams County, Idaho;

Thence North 00 degrees 27'23" West 1,272.31 feet along the line common to said Sections 8 and 9;

Thence North 89 degrees 32'24" West 247.33 feet to an existing fence line, the REAL POINT OF BEGINNING;

Thence continuing North 89 degrees 32'24" West 522.20 feet along said existing fence line;

Thence North 00 degrees 17'00" East 417.40 feet along said existing fence line;

Thence South 89 degrees 32'24" East 522.20 feet along said existing fence line;

Thence South 00 degrees 17'00" West 417.40 feet along said existing fence line to the POINT OF BEGINNING.

SUBJECT TO road and power line easements of record.

Charles Wallace

EXHIBIT A

A parcel of land situated in the NW1/4SW1/4 and the NE1/4SW1/4, Section 8, Township 19 North, Range 2 East, Boise Meridian, Adams County, Idaho, more particularly described as follows:

Commencing at a 5/8" rebar marking the SW 1/16 corner of Section 8, Township 19 North, Range 2 East, Boise Meridian, Adams County, Idaho, the REAL POINT OF BEGINNING;

Thence North 89 degrees 44'00" West 45.15 feet along the Southerly boundary of said NW1/4SW1/4 to a 5/8" rebar;

Thence North 00 degrees 42'00" West 468.24 feet along an existing fence line to a 5/8" rebar;

Thence South 88 degrees 22'22" East 477.90 feet along an existing fence line to a 5/8" rebar;

Thence South 02 degrees 48'12" East 457.49 feet along an existing fence line to the Southerly boundary of said NE1/4SW1/4;

Thence North 89 degrees 44'00" West 449.22 feet to the POINT OF BEGINNING.

SUBJECT TO easements and rights-of-way of use or record.

EXCEPTING County Road right-of-way.

Charles Wallace
to

INSTRUMENT NO. 92119
PAGE 3 OF 3

Charles Wallace Trust

**EXHIBIT "A" TO
CORRECTION SPECIAL WARRANTY DEED**

LEGAL DESCRIPTION OF PROPERTY

Situated in Adams County, State of Idaho:

TRACT 1:

Situated in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ and the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 8, Township 19 North, Range 2 East of the Boise Meridian:

Beginning at the SE corner of said Section 8; thence North 1276.1 feet; thence North 89° 54' West 264.4 feet to the TRUE POINT OF BEGINNING;

thence N. 89° 54' W., 93.5 feet;

thence N. 208.7 feet;

thence N. 89° 54' W. 208.7 feet;

thence S. 208.7 feet;

thence N. 89° 54' W. 219.5 feet;

thence N. 417.4 feet;

thence S. 89° 54' E. 521.7 feet;

thence South 417.4 feet to the true point of beginning.

Containing 4 acres, more or less.

TRACT 2:

Situated in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 8, Township 19 North, Range 2 East, Boise Meridian:

Beginning at the SE corner of said Section 8; thence N. 1316.1 feet; thence N. 89° 54' W. 3481.6 feet to the TRUE POINT OF BEGINNING;

thence N. 89° 54' W., 466.7 feet;

thence N. 466.7 feet;

thence S. 89° 54' E. 466.7 feet;

thence S. 466.7 feet to the true point of beginning.

Containing 5 acres, more or less.

===== END =====

QUITCLAIM DEED

INSTRUMENT NO. 97631
PAGE 1 OF 3

For Value Received LEONARD M. WALLACE as Successor Trustee of
THE CHARLES WALLACE TRUST
Under Trust Agreement dated March 6, 1997

does hereby convey, release, remise and forever quitclaim unto

LEONARD M. WALLACE and SHERYL K. WALLACE,
Husband and wife

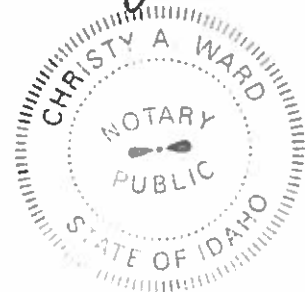
whose current address is Box 126, New Meadows, ID 83654

the following described premises, to-wit:

Thereby certify this is a copy of the original.

Christy A Ward

See attached Exhibit A



together with their appurtenances.

Dated: 3-13-2000

THE CHARLES WALLACE TRUST
Under Trust Agreement dated March 6, 1997

Leonard M. Wallace
LEONARD M. WALLACE, Successor Trustee

STATE OF IDAHO)
) ss
COUNTY OF Adams)

On this 13th day of MARCH 2000,
before me, a Notary Public in and for said State,
personally appeared LEONARD M. WALLACE,
known or identified to me to the Successor Trustee
of THE CHARLES WALLACE TRUST under
Trust Agreement dated March 6, 1997 that executed
this instrument or the person who executed the
instrument on behalf of said Trust, and acknowledged

INSTRUMENT NO. 97631
State of Idaho)
County of Adams) ss.
Filed for record at the request of
Timberline Title & Escrow
46 min. past 3 o'clock P.M.
this 13 day of March, 2000
by Michael Fisk RECORDER
Deputy
Fee \$ 9.00



EXHIBIT A

A parcel of land situated in the E1/2SE1/4, Section 8, Township 19 North, Range 2 East, Boise Meridian, Adams County, Idaho, more particularly described as follows:

Commencing at an aluminum cap marking the Section corner common to Sections 8, 9, 16 and 17, Township 19 North, Range 2 East, Boise Meridian, Adams County, Idaho;

Thence North 00 degrees 27'23" West 1,272.31 feet along the line common to said Sections 8 and 9;

Thence North 89 degrees 32'24" West 247.33 feet to an existing fence line, the REAL POINT OF BEGINNING;

Thence continuing North 89 degrees 32'24" West 522.20 feet along said existing fence line;

Thence North 00 degrees 17'00" East 417.40 feet along said existing fence line;

Thence South 89 degrees 32'24" East 522.20 feet along said existing fence line;

Thence South 00 degrees 17'00" West 417.40 feet along said existing fence line to the POINT OF BEGINNING.

SUBJECT TO road and power line easements of record.

A parcel of land situated in the NW1/4SW1/4 and the NE1/4SW1/4, Section 8, Township 19 North, Range 2 East, Boise Meridian, Adams County, Idaho, more particularly described as follows:

Commencing at a 5/8" rebar marking the SW 1/16 corner of Section 8, Township 19 North, Range 2 East, Boise Meridian, Adams County, Idaho, the REAL POINT OF BEGINNING;

Thence North 89 degrees 44'00" West 45.15 feet along the Southerly boundary of said NW1/4SW1/4 to a 5/8" rebar;

Thence North 00 degrees 42'00" West 468.24 feet along an existing fence line to a 5/8" rebar;

Thence South 88 degrees 22'22" East 477.90 feet along an existing fence line to a 5/8" rebar;

Thence South 02 degrees 48'12" East 457.49 feet along an existing fence line to the Southerly boundary of said NE1/4SW1/4;

Thence North 89 degrees 44'00" West 449.22 feet to the POINT OF BEGINNING.

SUBJECT TO easements and rights-of-way of use or record.

EXCEPTING County Road right-of-way.

Formerly described as:

TRACT 1

Township 19 North, Range 2 East, Boise Meridian, Adams County, Idaho

Section 8: A parcel of land situated in the NE1/4SE1/4 and the SE1/4SE1/4 more particularly described as follows:

Beginning at the Southeast corner of said Section 8;

Thence North 1276.1 feet;

Thence North 89° 54' West 264.4 feet to the REAL POINT OF BEGINNING;

Thence North 89° 54' West 93.5 feet;

Thence North 208.7 feet;

Thence North 89° 54' West 208.7 feet;

Thence South 208.7 feet;

Thence North 89° 54' West 219.5 feet;

Thence North 417.4 feet;

Thence South 89° 54' East 521.7 feet;

Thence South 417.4 feet to the REAL POINT OF BEGINNING.

TRACT 2

Township 19 North, Range 2 East, Boise Meridian, Adams County, Idaho

Section 8: A parcel of land situated in the NE1/4SW1/4 more particularly described as follows:

Beginning at the Southeast corner of said Section 8;

Thence North 1316.1 feet;

Thence North 89° 54' West 3481.6 feet to the REAL POINT OF BEGINNING;

Thence North 89° 54' West 466.7 feet;

Thence North 466.7 feet;

Thence South 89° 54' East 466.7 feet;

Thence South 466.7 feet to the REAL POINT OF BEGINNING.

INFORMATION REQUESTED BY:

Sterling Savings Bank

900 Second St
McCall, ID 83638

WHEN RECORDED MAIL TO:

Sterling Savings Bank
Consumer Loan Servicing
PO Box 2224
Spokane, WA 99201

Instrument # 99257

COUNCIL, ADAMS, IDAHO

2001-01-09 01:56:10 No. of Pages: 6

Recorded for: TIMBERLINE TITLE & ESCROW

MICHAEL FISK Fee: 18.00

Ex-Officio Recorder Deputy *Peggy D. Fisk*

Index to: DEED OF TRUST

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

DEED OF TRUST

THIS DEED OF TRUST is dated January 2, 2001, among MICHAEL C WALLACE and EULLA C WALLACE, HUSBAND AND WIFE ("Grantor"); Sterling Savings Bank, whose address is McCall, 900 Second St, McCall, ID 83638 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and TIMBERLINE TITLE AND ESCROW, whose address is PO BOX 6, COUNCIL, ID 83612 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor does hereby irrevocably grant, bargain, sell and convey in trust, with power of sale, to Trustee for the benefit of Lender as Beneficiary, 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 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 ADAMS County, State of Idaho:

TRACT 1: TOWNSHIP 19 NORTH, RANGE 2 EAST, BOISE MERIDIAN, ADAMS COUNTY, IDAHO. SECTION 8: A PARCEL OF LAND SITUATED IN THE NE1/4SE1/4 AND THE SE1/4SE1/4 MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT AN ALUMINUM CAP MARKING THE SECTION CORNER COMMON TO SECTIONS 8, 9, 16 AND 17, TOWNSHIP 19 NORTH, RANGE 2 EAST, BOISE MERIDIAN, ADAMS COUNTY, IDAHO; THENCE NORTH 00° 27' 23" WEST 1272.31 FEET ALONG A LINE COMMON TO SAID SECTIONS 8 AND 9; THENCE NORTH 89° 32' 24" WEST 247.33 FEET TO AN EXISTING FENCE LINE THE REAL POINT OF BEGINNING; THENCE CONTINUING NORTH 89° 32' 24" WEST 522.20 FEET ALONG SAID EXISTING FENCE LINE; THENCE NORTH 00° 17' 00" EAST 417.40 FEET ALONG SAID EXISTING FENCE LINE; THENCE SOUTH 89° 32' 24" EAST 522.20 FEET ALONG SAID EXISTING FENCE LINE; THENCE SOUTH 00° 17' 00" WEST 417.40 FEET ALONG SAID EXISTING FENCE LINE TO THE REAL POINT OF BEGINNING. EXCEPTING THEREFROM THE FOLLOWING: COMMENCING AT THE CORNER COMMON TO SECTION 8, 9, 16 AND 17 SAID TOWNSHIP AND RANGE; THENCE NORTH ALONG THE EAST LINE OF SECTION 8, A DISTANCE OF 1,320.00 FEET TO A POINT; THENCE WEST 369 FEET TO THE REAL POINT AND PLACE OF BEGINNING; THENCE WEST 208 FEET TO A POINT; THENCE NORTH 208 FEET TO A POINT; THENCE EAST 208 FEET TO A POINT; THENCE SOUTH 208 FEET TO THE REAL POINT OF BEGINNING. ALSO EXCEPTING THEREFROM THE COUNTY ROAD RIGHT OF WAY AS NOW ESTABLISHED.

The Real Property or its address is commonly known as 3288 WALLACE LN, NEW MEADOWS, ID 83654. The Real Property tax identification number is RP19N02E084800A.

Grantor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) 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 DEED OF TRUST, 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 DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the Related Documents.

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. THE REAL PROPERTY EITHER IS NOT MORE THAN FORTY (40) ACRES IN AREA OR IS LOCATED WITHIN AN INCORPORATED CITY OR VILLAGE.

and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means TIMBERLINE TITLE AND ESCROW, whose address is PO BOX 6, COUNCIL, ID 83612 and any substitute or successor trustees.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

x Michael C. Wallace
MICHAEL C WALLACE, individually

x Eulla C Wallace
EULLA C WALLACE, individually

INDIVIDUAL ACKNOWLEDGMENT

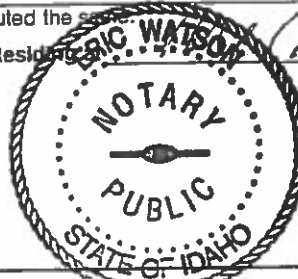
STATE OF ID)
) SS
COUNTY OF Valley)

On this 2nd day of Jan, in the year 20 01, before me Eric Watson, a notary public in and for the State of Idaho, personally appeared MICHAEL C WALLACE and EULLA C WALLACE, known or identified to me (or proved to me on the oath of _____), to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same.

Eric Watson
Notary Public for Idaho

My commission expires 2/27/04

Residence Wall ID



REQUEST FOR FULL RECONVEYANCE

(To be used only when obligations have been paid in full)

To: Trustco Servs, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to:

Date: March 11, 2004

Beneficiary: STERLING SAVINGS BANK
By: Custom Services
Its: Team Recurat