

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

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MAY 24 2017

MAY 22 2017

WATER RESOURCES
WESTERN REGIONDEPT OF WATER RESOURCES
SOUTHERN REGION**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**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(s): 67-441, 67-11182

Adjudication Claim No(s): _____

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 # 67-441D. L. Evans BankP.O. Box 87Twin Falls, ID 833034. Name of Water Right Owner/Claimant(s) 50/50 Farms, LLC5. Expiration Date of Notification Period 03,25, 20426. Is this a Renewal of Request for Notification? ☐ YES ☒ NO7. Signature(s) (and title if applicable) *[Signature]*Loan Officer**For Office Use Only**Received by *[Signature]*
Received by *[Signature]*
Processed by *[Signature]*Date 5/22/2017
Date 5/22/2017
Date 6/23/17Fee \$50-
Receipt No. 5036140
WR Date

RECORDATION REQUESTED BY:

D. L. Evans Bank
Meridian Fairview Branch
2560 E. Fairview Ave.
Meridian, ID 83642

WHEN RECORDED MAIL TO:

D. L. Evans Bank
Meridian Fairview Branch
2560 E. Fairview Ave.
Meridian, ID 83642

SEND TAX NOTICES TO:

50/50 Farms, LLC
P.O. Box 723
New Meadows, ID 83654

Instrument # 130741**COUNCIL, ADAMS, IDAHO**

3-27-2017 02:50:45 PM No. of Pages: 6

Recorded for: **TIMBERLINE TITLE & ESCROW****SHERRY WARD**

Fee: 25.00

Ex-Officio Recorder Deputy

Index to: **MORTGAGE**

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MORTGAGE

THIS MORTGAGE dated March 24, 2017, is made and executed between 50/50 Farms, LLC (referred to below as "Grantor") and D. L. Evans Bank, whose address is 2560 E. Fairview Ave., Meridian, ID 83642 (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 Adams County, State of Idaho:

Township 14 North, Range 1 West, Boise Meridian, Adams County, Idaho

Section 23: The SE1/4SW1/4 and all that part of the N1/2SW1/4SE1/4 lying West of the Little Weiser River as now established.

And

Township 14 North, Range 1 West, Boise Meridian, Adams County, Idaho

Section 23: All that portion of the SW1/4SW1/4 lying and situated east of the Little Weiser Road as said road was established as of the 1st day of July 1981.

Said tract may also be more particularly described as follows:

Commencing at the northeast corner of the said SW1/4SW1/4 of said Section, Township, and Range;

Thence south 1,320.00 feet, more or less, on and along the east line of the said SW1/4SW1/4 to the southeast corner thereof;

Thence west 90 feet, more or less, on and along the south line of the said SW1/4SW1/4;

Thence north and parallel to the east line of the said SW1/4SW1/4 a distance of 220 feet, more or less;

Thence in a northwesterly direction 1,150.00 feet, more or less, to a point on the north line of the said SW1/4SW1/4, which point is 350 feet west of the northeast corner of the said SW1/4SW1/4;

Thence east on and along the north line of the said SW1/4SW1/4 a distance of 350 feet to the POINT AND PLACE OF BEGINNING.

Together with the water rights represented by Idaho State Department of Water Resources Water Right No. 67-11182 with a claimed priority of April 1, 1981 to 0.02 cfs of stockwater and 0.04 cfs of domestic from groundwater and Water Right No. 67-441 with a claimed priority of June 1, 1885 to 0.16 cfs of irrigation from the waters of Little Weiser River a tributary of the Weiser River together with any and all other water rights and ditch rights appurtenant to the above described premises.

The Real Property or its address is commonly known as 606 Indian Valley Road, Indian Valley, ID 83632. The Real Property tax identification number is RP14N01W236607A MH14N01W236607A RP14N01W236500A.

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 THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property; (c) the provisions of this Mortgage do not conflict with or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all Borrower's and Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower and Grantor agree that Borrower's and 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 tenable 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



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

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

June 23, 2017

DL EVANS BANK
PO BOX 87
TWIN FALLS ID 83303

RE: Notice of Security Interest for Water Right No's: 67-441 & 67-11182

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.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Chad Jones'.

Chad Jones
Office Specialist II
Western Regional Office

Enclosures

Cc: 50/50 FARMS LLC
PO BOX 723
NEW MEADOWS, ID 83654