

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

**RECEIVED**  
**JUN 06 2016**  
Department of Water Resources  
Eastern Region

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

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

| 1. | Water Right/Claim No. | Water Right/Claim No. | Water Right/Claim No. | Water Right/Claim No. |
|----|-----------------------|-----------------------|-----------------------|-----------------------|
|    | see attached          |                       |                       |                       |
|    |                       |                       |                       |                       |
|    |                       |                       |                       |                       |
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|    |                       |                       |                       |                       |

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

Rabo AgriFinance, Inc.

12243 Olive Blvd., Suite 50

St. Louis MO 63141

Phone 314-317-8000

Email

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

Blaine Larsen and Connie Larsen

5. Expiration Date of Notification Period

June 1, 2020

6. Is this a Renewal of Request for Notification?

☐ YES

☒ NO

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

Title, if applicable

AVP

SUPPORT DATA

IN FILE # 31-2365E

**For Office Use Only**

Received by JR

Date 6/7/2016

Receipt No. E042146

Fee 2875.-

Processed by AJ

Date

WR JR

Date 6/20/2016

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| 31-2365E  | OK |
| 31-2374B  | OK |
| 31-2405B  | OK |
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| 31-7034AD | OK |
| 31-7034AE | OK |
| 31-7034AF | OK |
| 31-7034V  | OK |
| 31-7034W  | OK |
| 31-7034X  | OK |
| 31-7034Y  | OK |
| 31-7034Z  | OK |
| 31-7037C  | OK |
| 31-7038B  | OK |
| 31-7044B  | OK |
| 31-7177B  | OK |
| 31-7220C  | OK |
| 31-7220D  | OK |
| 31-7220F  | OK |
| 31-7222B  | OK |
| 31-7302A  | OK |
| 31-7369E  | OK |
| 31-7369F  | OK |
| 31-7370A  | OK |
| 31-7370F  | OK |
| 31-7373   | OK |
| 31-7606   | OK |
| 31-7615A  | OK |
| 31-7618A  | OK |
| 31-7620A  | OK |
| 31-7621A  | OK |
| 31-7622A  | OK |
| 31-7627B  | OK |
| 31-7629   | OK |
| 31-7635A  | OK |
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26 Duplicate

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| 31-7635A |
| 31-7638A |

~~89~~ Duplicate

**Barg, Jonie**

116 Water  
Rights

**From:** Asberry-Chua, D (Deborah) [Deborah.Asberry-Chua@raboag.com]  
**Sent:** Monday, June 13, 2016 2:09 PM  
**To:** Barg, Jonie  
**Subject:** Larsen Water Rights

Jonie,

Enclosed is a list of the water rights. Again, my apologies for the submitted request being so sloppy. In looking at this, it is looks like there are 116 water rights. That means you are missing a \$25 fee. If it would be possible to put a notice out for all but the last one (which is the only one under BLF Land LLC and Connie Larsen), I can request a check for that last one. If you would please confirm that you are missing \$25, I would appreciate it.

Thank you very much,

Debby

31-11791 OK  
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 31-11993 OK  
 31-11996 OK  
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 31-12028 OK  
 31-12036 OK  
 31-12078 OK  
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31-12014 OK  
31-12080 OK  
31-12082 OK  
31-12114 OK  
31-12144 OK  
31-12146 OK  
31-2301A OK  
31-7158C OK  
31-7439B OK  
31-7609 OK  
31-7610A OK  
31-7611 OK  
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31-12185 OK  
31-12187 OK  
31-12189 OK  
31-12191 OK  
31-7220B OK

**Deborah Asberry-Chua**  
Sr. Loan Closing Specialist

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**Rabo AgriFinance**  
12443 Olive Boulevard, Suite 50, St. Louis, Missouri 63141  
Phone: (314) 317-8151  
Email: [Deborah.Asberry-Chua@raboag.com](mailto:Deborah.Asberry-Chua@raboag.com)

 Please consider the environment before printing this email.

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Microfile No. 56011  
02 Day Jun 15  
At 11 O'Clock 23 M  
Clark Co. Recorder Kerri Ellis  
Fee \$100.00  
AC Deputy  
Recorded at Request of  
First American Title NCS Kansas City

Prepared by and after recording, please return to:  
Michael D. Killin  
Campbell Killin Brittan & Ray, LLC  
270 St. Paul Street, Suite 200  
Denver, Colorado 80206  
(303) 322-3400

PLEASE RETURN TO:  
First American Title Insurance Company  
1201 Walnut, Suite 700  
Kansas City, MO 64106  
File No. 719760  
Att. Kathy Henderson

## **MORTGAGE**

(Secures Future Advances and Includes an Assignment of Rents, a Security Agreement and Fixture Filing)

THIS MORTGAGE (this "**Mortgage**") made as of May 22, 2015 is between BLAINE LARSEN FARMS, INC., an Idaho corporation, and BLF LAND, LLC, an Idaho limited liability company ("**Mortgagor**", whether one or more, which designation shall include successors in interest), and of RABO AGRIFINANCE, INC., a Delaware corporation, whose address is 12443 Olive Boulevard, Suite 50, St. Louis, Missouri 63141, as a Lender (as defined below) and in its capacity as the agent for the Lenders (in such capacity, the "**Agent**").

WITNESSETH, THAT WHEREAS Mortgagor and other co-borrowers (sometimes referred to collectively as "**Borrower**") have entered into a Loan and Security Agreement with Agent and the financial institutions party thereto (the "**Lenders**"), which term, for the purposes hereof shall include "**Issuer**" (as such term is defined in the Loan Agreement) dated as of May 22, 2015 (as the same may be amended, replaced, restated and/or supplemented from time to time, the "**Loan Agreement**"), which Loan Agreement entitles Borrower to borrow principal sums and to obtain letters of credit from the Lenders up to and including the amount of TWO HUNDRED TWENTY FIVE MILLION DOLLARS (\$225,000,000.00), which amount is and shall be evidenced by the promissory notes of Borrower executed on the date of the Loan Agreement and to be executed from time to time thereafter (collectively, the "**Notes**"), with interest thereon and payable according to the terms thereof, with maturity dates according to the terms thereof, with an original outside maturity date of June 1, 2020 (which outside maturity date may be extended from time to time in accordance with the terms of the Loan Agreement).

NOW THEREFORE, Mortgagor, in consideration of these premises, and to secure the performance of the Loan Agreement and the prompt payment of the Notes, including future advances, and any other sums that may be added to the principal of the Notes pursuant to the Loan Agreement and under the terms of this Mortgage, all other Liabilities (as defined in the Loan Agreement, including but not limited to Bank Products Obligations and Swap Obligations (each as defined in the Loan Agreement)) together with interest thereon and any sums advanced or expended by Agent in protection or enforcement of its interests hereunder and to secure any other present or future indebtedness of Borrower to the Agent and the Lenders, and to secure the prompt performance of all promises, conditions and covenants related thereto, does hereby grant, mortgage, warrant, convey, pledge and hypothecate unto Agent and its successors and assigns forever, for the ratable benefit of Lenders the hereinafter described real property (the "**Land**"), situated in Jefferson County, Fremont County, and Clark County all in the State of Idaho, to wit:

That property more particularly described in Exhibit A attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same, together with all and singular the privileges and appurtenances thereunto belonging, including without limitation, the following, whether now leased, owned, or hereafter acquired (a) any and all improvements, tenements, buildings, easements, fixtures, privileges, reservations, allowances, hereditaments and appurtenances, now or hereafter belonging or pertaining to the Land; (b) all of Mortgagor's right, title and interest in any land lying between the boundaries of the Land and the center line of any adjacent street, road, avenue or alley, whether existing or proposed; (c) all oil, gas, minerals, crops, timber, trees, shrubs, flowers and landscaping plants and materials now or hereafter located on, under or above the Land; (d) all plats, surveys, soil and engineering data, plans and specifications, drawings, renderings, profiles, shop drawings and all development rights associated with the Land, now existing or hereafter transferred to the Land from other real property; (e) all awards and payments, including without limitation, interest payments, resulting from the exercise of any right of condemnation or eminent domain or from any other public or private taking of, injury to or decrease in the value of, any of the Land; (f) all water, rights to water and water rights, ditches and ditch rights, wells and well rights (specifically including, but not limited to, the Water Rights as defined in the Loan Agreement and as set forth on Exhibit B), springs and spring rights and reservoirs and reservoir rights appurtenant to, transferred to, or historically used in connection with the Land and all of Mortgagor's rights and interests under applicable state or federal law to all unappropriated water contained in or available from any part of the water bearing formations underlying the Land, together with all associated easements and rights-of-way; (g) any and all of Mortgagor's right, title and interest in water taps purchased or available for purchase from any water provider or any other person; (h) all of the rents, income, receipts, revenues, royalties, issues and profits of or from the Land and the improvements located thereon (collectively, the "**Rents**"); (i) any and all rights and estates in reversion or remainder; (j) all interest of Mortgagor in and to any insurance proceeds, or any causes of action, damages or recoveries relating to the Land; and (k) any and all other rights and interest of every kind and nature in all property, whether real or personal, forming a part of or used in connection with the Land and the construction, operation and convenience of the improvements located thereon, including without limitation, all machines, machinery, fixtures, apparatus, equipment or articles used to supply heating, gas, electricity, air conditioning, water, light, power, sprinkler protection, waste removal, refrigeration and ventilation; all building materials, supplies and equipment located on the Land and intended to be incorporated into the improvements thereon, whether or not affixed; all floor coverings, screens, draperies, partitions, furniture and furnishings; all architects', contractors' and suppliers' agreements and contracts and all plans and specifications relating to the construction of improvements; and all headgates, flumes, wells, well equipment, pumps, pumping equipment, pumping accessories, sprinkler systems, and fences (the Land, together with the rights listed in (a) through (k) of this paragraph, collectively are the "**Property**"). Without detracting from the foregoing, this Mortgage shall constitute an assignment of all of Mortgagor's right, title and interest in and to appurtenant contracts, if any.

The word "**indebtedness**" is used herein in its most comprehensive sense and includes any and all advances, debts, obligations and liabilities of Borrower, now or hereafter made, incurred or created, whether voluntary or involuntary and however arising, whether due or not due, absolute or contingent, liquidated or unliquidated, determined and undetermined, and whether Borrower may be liable, individually or jointly.

Amendments, renewals, extensions, modifications and substitutions of and for indebtedness, including without limitation the Notes, may be made by the Agent and the Lenders pursuant to the terms of the Loan Agreement and upon such terms and conditions and with such modifications and changes, including without limitation, changes in the interest or discount rate, as the Agent and the Lenders may see fit in accordance with the Loan Agreement, and in the event and to the extent that Mortgagor is not the obligor of any such indebtedness, such amendments, renewals, extensions, modifications and substitutions may be made at any time and from time to time without further notice to or consent from Mortgagor. Agent may enter into any agreement with Borrower or any other obligor or guarantor, or may release or discharge any obligor or guarantor from any indebtedness, without notice to or consent of Mortgagor, and without releasing or compromising this Mortgage or releasing or discharging any Mortgagor not specifically released or discharged in writing. If the ownership of the Property becomes vested in a person or persons other than Mortgagor, Agent may, without notice to Mortgagor, deal with such successor or successors in interest of Mortgagor with reference to this Mortgage, the indebtedness secured hereby and the Property in the same manner as if such person or persons were Mortgagor, without in any way releasing or discharging Mortgagor.

Upon a "Matured Default" (as such term is defined in the Loan Agreement), Agent, at its option, shall have the power to foreclose in the manner otherwise provided for mortgages, and to the fullest extent permitted by applicable law, Mortgagor waives any rights of redemption and/or appraisement as to any sale or foreclosure.

Agent or its representatives and agents are specifically authorized to bid at any foreclosure sale held and any bid by Agent may take into consideration anticipated taxes, assessments, insurance premiums, utilities, maintenance costs, repairs, title expense, the cost of any appraisal, the cost of satisfying senior indebtedness and the then going real estate agent's commission, all or any of which may be incurred during the period of redemption or in order to subsequently sell or otherwise dispose of the Property after the issuance of a deed, and such amounts shall not be deemed an overplus distributable to junior lienors or Mortgagor.

As may be permitted by law, after deducting all costs, fees and expenses of sale, the proceeds of sale shall be applied to payment of (i) all sums expended under the terms hereof, not then repaid, with accrued interest at the maximum rate provided by the Loan Agreement and Notes, (ii) all other sums then secured hereby, and (iii) the remainder, if any, to the person or persons legally entitled thereto.

#### **BORROWER AND MORTGAGOR EXPRESSLY COVENANT AND AGREE:**

1. **Payment of Indebtedness.** To pay all and singular of the principal and interest and other sums of money payable by virtue of the Loan Agreement, Notes or other indebtedness secured under the terms and conditions of this Mortgage, on the days respectively that the same severally become due.
2. **Performance of Obligations.** To perform each and every stipulation, agreement and condition of the Loan Agreement, Notes, or any other document or instrument evidencing indebtedness secured hereby, and of this Mortgage.

3. Insurance. To maintain, or cause to be maintained, insurance on the Property, in each case, for the benefit of the Agent, for the ratable benefit of the Lenders, as follows:

(a) All-risk builders risk insurance (non-reporting form) during the construction of any improvements on the Land or to the Property (referred to in this paragraph 3 as the "**Improvements**") in an amount equal to one hundred percent (100%) of the replacement cost of the Improvements, providing all-risk coverage on the Improvements and the materials stored on the Property and elsewhere, and including the perils of collapse, water damage and, if requested by Agent, flood, business interruption, permission to occupy, interests costs and other risks;

(b) All-risk casualty insurance after the completion of the construction of each of the Improvements, in an amount at least equal to one hundred percent (100%) of the replacement cost of such Improvements with an agreed amount endorsement, providing all-risk coverage on the Improvements, and including the perils of business interruption or loss of rents for a period of not less than twelve (12) months, boiler/machinery coverage, and other risks;

(c) Workers' Compensation Insurance for Contractors for statutory limits;

(d) Flood hazard coverage for any portion of the Property that is located in an identified flood hazard area by any "Governmental Authority" (as defined in the Loan Agreement); and

(e) Such other insurance as is required in the Loan Agreement.

The permanent all-risk casualty insurance as described in item (b) above, shall be provided on a building by building basis as the construction of each building is completed and a certificate of occupancy or equivalent is issued with respect thereto; provided that there shall be no lapse in the insurance coverage and the Improvements must at all times be covered by either builder's risk or permanent all-risk casualty insurance. All of the insurance policies described above shall be "occurrence" based policies, issued on forms, by companies and in amounts satisfactory to Agent. At the request of the Agent, Mortgagor shall deliver or cause to be delivered to Agent certificates of insurance naming Agent as mortgagee and additional loss payee and copies of the insurance policies. Regardless of the failure of the certificates of insurance or policies to strictly comply with the terms and provisions of this Mortgage, the Agent's interest in and lien upon the policies and their proceeds shall continue unimpaired.

In the event of any loss covered by any policy on the Improvements, the carrier named in such policy is and shall, at the request of the Agent, be directed by Mortgagor to make payment for such loss to Agent and not to Mortgagor, or to Mortgagor and Agent jointly. Notwithstanding the foregoing, Agent shall disburse the net amount of any such insurance proceeds to Mortgagor for application to the costs of repair, rebuilding, or restoration of the Improvements to as good or better condition as such Improvements were in immediately prior to any casualty on account of which such amounts are paid (the "**Restoration**"), provided that the following conditions have been satisfied in Agent's sole discretion: (i) Agent shall have determined that the Improvements can be restored to as good or better condition as such

Improvements were in immediately prior to the casualty on account of which such amounts are paid, prior to the earliest "**Maturity Date**" of the Notes (as defined in the Loan Agreement); (ii) Agent shall have determined that such net amounts (together with any equity funds of Mortgagor deposited by Mortgagor with Agent) shall be sufficient to complete the Restoration; and (iii) no Matured Default shall have occurred.

Any insurance proceeds which are to be disbursed by Agent and applied to the Restoration (together with any equity funds of Mortgagor deposited by Mortgagor with Agent) shall be held and disbursed by Agent upon such terms and conditions as would be required by a prudent interim construction lender and in accordance with the disbursement procedures, terms and conditions set forth in the Loan Agreement. Any reduction in the indebtedness secured hereby resulting from Agent's application of any sums received by it hereunder shall take effect only when Agent actually receives such sums and, in any event, the unpaid portion of the indebtedness secured hereby shall remain in full force and effect and Mortgagor shall not be excused in the payment thereof. Mortgagor agrees to execute and deliver, from time to time, such further instruments as may be requested by Agent to confirm the foregoing assignment to Agent of any award, damage, insurance proceeds, payment or other compensation. Agent is hereby irrevocably constituted and appointed the attorney-in-fact of Mortgagor (which power of attorney shall be irrevocable, shall be deemed coupled with an interest, shall survive the voluntary or involuntary dissolution of Mortgagor and shall not be affected by any disability or incapacity suffered by Mortgagor subsequent to the date hereof), with full power of substitution, subject to the terms of this section, to settle for, collect and receive any such awards, damages, insurance proceeds, payments or other compensation from the parties or authorities making the same, to appear in and prosecute any proceedings therefor and to give receipts and acquittance therefor; provided, however, that Agent will not exercise such power so long as no Matured Default shall have occurred.

The net amount of any sums received by Agent under this section in excess of the amount necessary to complete the Restoration may, at the option of Agent, be applied to the outstanding secured indebtedness, in such order as Agent may determine in its sole discretion.

4. Advances for Taxes, Insurance or Prior Encumbrances. If for any reason Mortgagor fails to insure and deliver the policies and certificates of insurance or to pay promptly all taxes, assessments, levies, water rents, insurance premiums, and any amount due upon prior encumbrances, if any, Agent may, but shall not be obligated to, procure the insurance or pay such taxes, assessments, levies, water rents, insurance premium and amount due on the prior encumbrance, regardless of whether to prevent default, cure any default or redeem the Property from foreclosure or sale.

5. Title to Property. Mortgagor warrants title to the Property is free and clear of all liens and encumbrances, except those listed on Exhibit C, attached hereto and made a part hereof (the "**Permitted Exceptions**"). To the fullest extent permitted by applicable law, Mortgagor waives the homestead exemption and all other exemptions available to Mortgagor by statute or otherwise, whether now vested or to be acquired.

6. Preservation of Property. Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter comprising a part of the Property that may be damaged or destroyed which is not fully covered by insurance as required herein; (b) keep the Property in good condition and repair, without waste, and free from mechanics', materialmen's or like liens or claims or other liens or claims for lien; (c) comply with all requirements of law, rule and regulation and with restrictions of record with respect to the Property and the use thereof; (d) suffer or permit no change in the general nature of the proposed use of the Property without Agent's prior consent; and (e) suffer or commit no waste, impairment or deterioration of the Property and, regardless of natural depreciation, to keep the Property and the improvements thereon at all times in good condition and repair. Mortgagor shall pay when due all utility charges which are incurred by Mortgagor for gas, electricity, water and sewer services furnished to the Property and all other assessments or charges of a similar nature, or assessments payable pursuant to any restrictive covenants, whether public or private, affecting the Property, whether or not such assessments or charges are or may become liens thereon. In the event of any failure of Mortgagor to so protect and preserve the Property, Agent, at Mortgagor's cost and expense, may take whatever actions, and expend such sums, as Agent may deem required to protect and preserve the Property.

7. Inspection. Agent shall have the right to have its authorized representative or representatives enter upon and inspect the Property at all times, after notice of the inspection has been given to Mortgagor.

8. Environmental Matters. Except as disclosed to Agent in the Loan Agreement, Mortgagor warrants that: (a) no notice has been received to the effect that, or Mortgagor has no knowledge that, the Property or its operations is not in compliance with any of the requirements of applicable federal, state and local environmental, health and safety statutes and regulations ("**Environmental Laws**") or is the subject of any federal or state investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could have a material adverse effect on the Property; (b) there have been no releases of hazardous materials at, on or under the Property that, singly or in the aggregate, have, or may reasonably be expected to have, a material adverse effect on the Property; (c) there are no underground storage tanks, active or abandoned, including without limitation petroleum storage tanks, on or under the Property that, singly or in the aggregate, have, or may reasonably be expected to have, a material adverse effect on the Property; and (d) no conditions exist at, on or under the Property which, with the passage of time, or the giving of notice or both, would give rise to any material liability under any Environmental Laws. In the event that any investigation, site monitoring, containment, cleanup, removal, restoration, detoxification, closure, or other remedial work of any kind or nature ("**Remedial Action**") is required under any Environmental Law or is reasonably determined by Agent to be necessary due to the current or future presence, suspected presence, release or suspected release of a hazardous material on, under, in or about the Property, within thirty (30) days after written demand for performance thereof by Agent (or such shorter period of time as may be required under any Environmental Law) Mortgagor shall commence to perform, or cause to be commenced, and thereafter diligently prosecute to completion in accordance with applicable law, all such Remedial Action within any time limits provided in any Environmental Law or by order of any court or Governmental Authority, or if no such reasonable period of time

is provided within such time as is approved by Agent. All Remedial Action shall be performed by one or more contractors and/or engineers) retained by Mortgagor and approved in advance in writing by Agent, which approval shall not be unreasonably withheld, and shall be under the supervision of one or more consulting engineer(s) retained by Mortgagor and approved in advance in writing by Agent, which approval shall not be unreasonably withheld. In the event Mortgagor shall fail timely to commence or cause to be commenced or fail diligently to prosecute to completion such Remedial Action, Agent may, but shall not be obligated to, cause such Remedial Action to be performed, and all costs and expenses (including, without limitation, reasonable attorneys' fees) thereof or incurred by Agent in connection therewith shall be paid by Mortgagor.

9. Restriction on Transfer; Effect of Transfer. It shall be an immediate default hereunder, at the option of Agent, if, without the prior consent of Agent, Mortgagor shall, either directly or indirectly, create, effect or consent to, or shall suffer or permit, any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of the Property or any part thereof or interest therein; provided, however, that the foregoing provisions of this Paragraph 9 shall not apply to (a) liens securing the indebtedness to the Lenders; (b) the lien of current taxes and assessments not in default; (c) the Permitted Exceptions; or (d) to the extent otherwise permitted in the Loan Agreement. In the event of any sale or transfer of the title to the Property, should Agent not exercise its option to accelerate the indebtedness secured hereby, the purchaser or new owner shall be deemed to have assumed and agreed to pay the indebtedness secured hereby and promptly perform the terms of this Mortgage and all promises, conditions and covenants related thereto, jointly and severally with Mortgagor, whether or not the instrument evidencing such sale or transfer expressly so provides, and this covenant shall run with the Land and remain in full force and effect until the indebtedness is paid in full. The provisions of this Paragraph 9 shall be operative with respect to, and shall be binding upon, any persons who shall acquire any part of, interest in or encumbrance upon the Property. Mortgagor agrees that the making of any oil, gas or mineral lease or the sale or conveyance of any mineral interest or right to explore for minerals under through or upon the Property would impair the value of the Property; and that Mortgagor shall have no right, power or authority to lease the Property, or any part thereof, for oil, gas or other mineral purposes or to grant, assign or convey any mineral interest of any nature, or the right to explore for oil, gas and other minerals, without first obtaining from Agent express written permission therefor. Except as otherwise provided in the "Plans" (as defined in the Construction Lending Protocol attached to the Loan Agreement), Mortgagor shall not grant any easement or right-of-way with respect to all or any portion of the Property without the prior written consent of Agent, which shall not be unreasonably withheld.

10. Sums Expended by Agent. Mortgagor shall be liable to Agent for any expenditure made by Agent, including without limitation, court or alternative dispute resolution costs and reasonable attorneys' fees, pursuant or incidental to this Mortgage or the exercise of the rights and remedies given it under this Mortgage, which sums shall bear interest at the rate provided in the Notes. Such sums shall be due and payable upon demand, shall be so much additional indebtedness secured by this Mortgage, shall be a lien on the Property, and shall be paid out of the proceeds of the sale of the Property, if not otherwise paid by Mortgagor.

11. Litigation Relating to Property. Agent shall have the right, but no obligation, to file and defend suits at the expense of Mortgagor and in Mortgagor's name relating to the Property or the lien created by this Mortgage or to preserve its rights pursuant to this Mortgage, but shall incur no personal liability by its acts or omissions in relation to such proceedings.

12. Zoning; Special Districts. Without the prior written consent of Agent, Mortgagor shall not seek, make, suffer, consent to or acquiesce in any change in the zoning or conditions of use of the Property. Mortgagor shall comply with and make all payments required under the provisions of any covenants, conditions or restrictions affecting the Property. Mortgagor shall comply with all existing and future requirements of all Governmental Authorities having jurisdiction over the Property. If, under applicable zoning provisions, the use of all or any part of the Property is or becomes a nonconforming use, Mortgagor shall not cause or permit such use to be discontinued or abandoned without the prior written consent of Agent. Mortgagor will take no action to include or permit the Property to be included within the boundaries or subject to the powers of any quasi-governmental entity, including without limitation, any special improvement district, metropolitan district, or special district, without the prior written consent of Agent, which shall not be unreasonably withheld or delayed.

13. Assignment of Rents and Leases. As further security for the indebtedness and the liabilities and obligations secured by this Mortgage, Mortgagor hereby absolutely and irrevocably grants, conveys, pledges, hypothecates, transfers and assigns unto Agent, for the ratable benefit of the Lenders, all Rents now or hereafter due or payable for the occupancy or use of the Property or any portion thereof, and all leases and subleases, whether written or oral, with all security therefore, including without limitation, all guaranties thereof, now or hereafter affecting the Property. This is a present and absolute assignment, not an assignment for security purposes only, and Agent's right to the Rents is not contingent upon, and may be exercised without possession of, the Property. Agent confers upon Mortgagor a license ("License") to collect and retain the Rents as they become due and payable, until the occurrence of a Matured Default. Mortgagor represents, warrants, and covenants to and with the Agent and the Lenders that (a) the Rents have not been sold, assigned, transferred or set over by any instrument now in force and will not at any time during the term of this assignment be sold, assigned, transferred or set over; and (b) Mortgagor has the right to sell, assign, transfer and set over the Rents and to grant to and confer upon Agent the rights, interests, powers and authorities granted and conferred by this Mortgage. Upon or at any time after the occurrence of a Matured Default, Agent may, at its option, without notice, and whether or not the indebtedness shall have been declared due and payable, either in person or by agent, or by a receiver to be appointed by a court, with or without bringing any action or proceeding (a) enter upon, take possession of, manage and operate the Property, or any part thereof (including without limitation, making necessary repairs, alterations and improvements to the Property); (b) make, cancel, enforce or modify leases; (c) obtain and evict tenants; (d) fix or modify Rents; (e) do any acts which Agent deems reasonably proper to protect the security of this Mortgage, and (f) either with or without taking possession of the Property, in its own name or in the name of Mortgagor, collect and receive all or any Rents, including without limitation, those past due and unpaid. Upon written notice from Agent, all tenants of and other obligors with respect to the Property hereby are directed by Mortgagor to pay promptly all Rents as they fall due to Agent without further notice from Mortgagor. In connection with the foregoing, Agent shall be entitled and empowered to employ attorneys and

management, rental and other agents in and about the Property to effect the matters which Agent is empowered to do, and if Agent shall itself effect such matters, Agent shall be entitled to charge and receive such reasonable management, rental and other fees as may be customary in the area in which the Property is located; and the reasonable fees, charges, costs and expenses of Agent or such persons shall be so much additional indebtedness subject to the terms of this Mortgage. Agent may apply all funds collected as aforesaid, less costs and expenses of operation and collection, including without limitation, reasonable attorneys' and agents' fees, charges, costs and expenses, upon any indebtedness in accordance with the terms of the Loan Agreement. The entering upon and taking possession of the Property and the collection of Rents and the application thereof as set forth in this Mortgage shall not cure or waive any default or invalidate any act done by Agent.

14. Right to Possession and Receiver. Upon or at any time after the occurrence of a Matured Default, Agent shall at once become entitled to the possession, use and enjoyment of the Property, and to the Rents, from the date of such occurrence and continuing during the pendency of any foreclosure proceedings, and the periods of redemption, if any. Possession shall at once be delivered to Agent on request, and on refusal, the delivery of possession may be enforced by Agent by any appropriate civil suit or proceeding, and Agent shall be entitled to a receiver for the Property, and of the Rents, for and including without limitation, the time covered by any proceedings for sale or foreclosure and the applicable periods of redemption, if any. Agent shall be entitled to such receiver as a matter of right, without regard to the solvency or insolvency of Mortgagor, or of the then owner of the Property, and without regard to the value of the Property, and such receiver may be appointed by any court of competent jurisdiction upon ex parte application, and without notice, notice being expressly waived, and all Rents shall be applied by such receiver, after the payment of all costs to maintain and preserve the Property, to the payment of the indebtedness according to law and the orders and directions of a court of competent jurisdiction.

15. Mortgagee in Possession. Nothing contained in this Mortgage shall be construed as making Agent a mortgagee in possession.

16. Attorneys' Fees - Foreclosure. Mortgagor agrees to pay reasonable attorneys' fees for legal services incurred by Agent with respect to any action to collect the indebtedness or enforce the Notes or this Mortgage, including without limitation, any foreclosure proceedings, and such fees shall be allowed or taxed by the Court as part of the costs of foreclosure.

17. Deficiency; Rights Cumulative. To the extent permitted under applicable law, Agent shall retain the right to pursue and receive judgment for any deficiency balance remaining unpaid after foreclosure, and to exercise all other legal and equitable remedies for the collection of the indebtedness secured hereby; all rights and remedies of Agent are cumulative and may be exercised in any order.

18. Waivers. Any waiver of any right or remedy of Agent must be in writing. No waiver, express or implied, of the performance of any obligation, agreement or covenant hereof shall be deemed or taken to be a waiver of the strict performance of any other or future obligation, agreement or covenant hereof. No payment or advancement by Agent on behalf of

Mortgagor shall be deemed a waiver of the breach occurring by reason of the failure of Mortgagor to make such payment or of the right to elect to foreclose this Mortgage. Any delay by Agent in exercising its rights and remedies under the Loan Agreement, Notes or this Mortgage shall not, even though such delay be repeated and extended, be construed as a waiver of the right of Agent to exercise any right or remedy given it in this Mortgage, in the Loan Agreement, Notes, by operation of law or otherwise.

19. UCC Security Agreement. This Mortgage constitutes a security agreement and a fixture filing under the Uniform Commercial Code of the State of Idaho (the "Code") with respect to any part of the Property, which might now or hereafter be or be deemed to be personal property, fixtures or property other than real estate (for the purposes of this Paragraph 19 called "Collateral"). Mortgagor hereby grants to the Agent for the ratable benefit of the Lenders and the Issuer a security interest in the Collateral. All of the terms, provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property covered. The provisions of this Paragraph 19 shall not limit the generality or applicability of any other provision of this Mortgage, but shall be in addition thereto.

20. Successors and Assigns. It is further expressly understood and agreed that all covenants and agreements here described shall extend to and be binding upon the heirs, executors, legal representatives, successors and assigns (voluntary and involuntary by operation of law) of the respective parties hereto.

21. Severability. The unenforceability or invalidity of any provision hereof shall not render any other provision or provisions unenforceable or invalid.

22. Further Assurances. Mortgagor will do, execute, acknowledge and deliver all and every further acts, deeds, conveyances, transfers and assurances necessary or proper, in the sole judgment of Agent, for the better assuring, conveying, mortgaging, assigning and confirming unto Agent all of the Property or property intended so to be, whether now owned by Mortgagor or hereafter acquired.

23. Headings. Headings are used in this Mortgage for convenience only and shall not be used to alter or interpret the terms and provisions of this Mortgage.

24. Counterparts. This Mortgage may be executed in counterparts, each of which shall be an original, and all of which, taken together, shall constitute the Mortgage.

25. Governing Law. This Mortgage will be governed by and construed in accordance with the laws of the State of Idaho.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER IDAHO LAW.

[Signatures to follow on separate page.]

IN WITNESS WHEREOF, this THIS MORTGAGE is executed as of the day and year first above written.

**MORTGAGOR**

**BLAINE LARSEN FARMS, INC.**

By: Blaine Larsen  
Name: Blaine Larsen  
Its: President

**BLF LAND, LLC**

By: Blaine Larsen  
Name: Blaine Larsen  
Its: President/Manager

[Signature Page to Mortgage]

STATE OF California  
County of Riverside ) ss.

The foregoing Deed of Trust was acknowledged before me this 22 day of May, 2015  
by Blaine Larsen, the President of Blaine Larsen Farms, Inc.

WITNESS my hand and official seal.

My commission expires: July 30, 2016

  
Notary Public M. Louisa Cervantes

STATE OF California  
County of Riverside ) ss.

The foregoing Deed of Trust was acknowledged before me this 22 day of May, 2015  
by Blaine Larsen, the President/Manager of BLF Land, LLC.

WITNESS my hand and official seal.

My commission expires: July 30, 2016

  
Notary Public M. Louisa Cervantes

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
COUNTY OF Riverside ) ss

On May 22, 2015, before me, M. Louisa Cervantes, a notary public, personally appeared Blaine Larsen, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

My commission expires: July 30, 2016

M. Louisa Cervantes  
Notary Public



## **Exhibit A to Mortgage**

### **Legal Description:**

Real property in the City of Rigby, County of Jefferson, State of Idaho, described as follows:

#### **TRACT I - JEFFERSON COUNTY**

Township 7 North, Range 36 E.B.M., Jefferson County, Idaho

(Quality Pack Pivots 407,408), commonly known as:

Section 1: E½.

(Freshpack)

Section 4: E½SE¼ lying East of the Easterly right-of-way of the Union Pacific Railroad.

(Quality Pack)

(Pivots 421,422,428,429,411,412,415,416), commonly known as:

Township 7 North, Range 37 E.B.M., Jefferson County, Idaho

Section 5: ALL;

EXCEPT: A parcel beginning 500 feet East from the SW Corner of Section 5; thence North 600 feet; thence East 600 feet; thence South 600 feet; thence West 600 feet to the point of beginning,

ALSO EXCEPT: Beginning at a point that is S. 89°53'37" E. 1222.08 feet along the South line of said Section 5 and N. 00°06'23" E. 696.55 feet from the SW corner of said Section 5 and running thence S. 87°54'43" E. 468.48 feet; thence N. 82°14'00" E. 217.30 feet; thence N. 27°15'41" E. 188.29 feet; thence N. 47°46'24" W. 374.50 feet; thence N. 66°00'17" W. 335.36 feet; thence S. 31°45'10" W. 297.51 feet; thence S. 15°06'30" W. 177.10 feet; thence S. 06°37'24" E. 144.75 feet to the Point of Beginning.

ALSO EXCEPT: Beginning at the Southeast corner of said Section 5, thence S. 89°55'18" W. along the South line of said Section 5 for a distance of 485.00 feet, said point being the True Point of Beginning.

Thence S. 89°55'18" W. along said South line for a distance of 415.00 feet;

Thence N. 00°04'42" W. for a distance of 500.00 feet;

Thence N. 18°18'34" E. for a distance of 41.02 feet;

Thence N. 51°53'00" E. for a distance of 74.00 feet;

Thence N. 60°01'00" E. for a distance of 182.00 feet;

Thence N. 86°27'00" E. for a distance of 94.00 feet;

Thence S. 52°36'00" E. for a distance of 94.00 feet;

Thence S. 08°10'00" E. for a distance of 125.00 feet;

Thence S. 00°04'42" E. for a distance of 500.00 feet to the True Point of Beginning.

Section 6: ALL.

(Hamer Pivots 402,405,406, 409,410), commonly known as:  
Township 8 North, Range 36 E.B.M., Jefferson County, Idaho

Section 34:  $W\frac{1}{2}NE\frac{1}{4}$ ;  $E\frac{1}{2}NW\frac{1}{4}$ ;

EXCEPT: Commencing at the NW Corner of the  $E\frac{1}{2}NW\frac{1}{4}$  of said Section 34 and running thence East 650 feet; thence in a Southwest direction to a point which is 650 feet South of the NW Corner of the  $E\frac{1}{2}NW\frac{1}{4}$  of said Section 34; thence North along the West Boundary of the  $E\frac{1}{2}NW\frac{1}{4}$  of said Section 34 to the point of beginning.

TOGETHER WITH an Easement 20 feet in width, follows an existing farm road, and is described as follows:

Segment I: The North 20 feet of the West 650 feet of the  $E\frac{1}{2}NW\frac{1}{4}$  of Section 34, Township 8 North, Range 36 E.B.M.

Segment II: The North 20 feet of the  $NW\frac{1}{4}NW\frac{1}{4}$  of Section 34, Township 8 North, Range 36 E.B.M.

Segment III: The North 20 feet of the East 800 feet, more or less of the  $NE\frac{1}{4}NE\frac{1}{4}$  of Section 33, Township 8 North, Range 36 E.B.M.

Segment IV: From the West end of Segment III, the roadway turns North, and the 20 foot roadway runs Northwesterly approximately 950 feet, turns West just prior to the potato cellar, and runs West approximately 500 feet until it connects with the County Road running along the West Boundary of  $SE\frac{1}{4}SE\frac{1}{4}$  of Section 28, Township 8 North, Range 36 E.B.M., as disclosed by Grant of Roadway Easement, recorded January 13, 1981, as Instrument No. 207657, executed by Frank H. Jacobs and Geraldine M. Jacobs, husband and wife to Keith W. Zollinger and Ann P. Zollinger, husband and wife.

**ALSO INCLUDING:**

Beginning at a point that is  $N.89^{\circ}41'47''E.$  along the Section line 1318.19 feet from the  $N\frac{1}{4}$  Corner of Section 34, Township 8 North, Range 36 East of the Boise Meridian, said point being the Northwest corner of the  $E\frac{1}{2}NE\frac{1}{4}$  of said Section 34; running thence  $N.89^{\circ}41'47''E.$  along said Section line 227.35 feet; thence  $S.00^{\circ}03'25''E.$  2647.68 feet to the South line of said  $E\frac{1}{2}NE\frac{1}{4}$ ; thence  $S.89^{\circ}17'37''W.$  along said South line 227.37 feet to the West line of said  $E\frac{1}{2}NE\frac{1}{4}$ ; thence  $N.00^{\circ}03'25''W.$  along said West line 2649.27 feet to the POINT OF BEGINNING.

**EXCEPTING THEREFROM:**

A parcel of land situated in Section 34, Township 8 North, range 36 E.B.M., Jefferson County, Idaho, more particularly described as follows:

Beginning at the Northeast corner of Section 34, Township 8 North, Range 36E.B.M., Jefferson County, Idaho; thence S. 89°37'21"W. along the North line of said Section 34 for a distance of 1109.87 feet to the True Point of Beginning, said point being the Northeast corner of grant deed Instrument No. 392982; thence S. 00°06'07" W. for a distance of 2643.33 feet to the South line of the NE¼ of said Section 34, said point being the Southeast corner of grant deed Instrument No. 392982; thence S. 89°09'59" W. along the South line of said NE¼ for a distance of 53.00 feet; thence N. 00°06'07" W. for a distance of 2643.76 feet to the North line of said Section 34; thence N. 89°37'21"E. for a distance of 53.00 feet to the True Point of Beginning.

**ALSO EXCEPTING:**

Beginning at a point that is S.89°41'47"W. along the Section line 371.45 feet from the N¼ Corner of Section 34, Township 8 North, Range 36 East of the Boise Meridian; running thence S.89°41'47"W. along said Section line 296.74 feet to a point that is N.89°41'47"E. 650.00 feet from the Northwest corner of the E½NW¼ of said Section 34; thence S.44°45'56"W. 920.35 feet to the West line of said E½NW¼; thence S.00°09'54"E. along said West line 2017.75 feet to the East-West Center Section line of said Section 34; thence N.89°17'37"E. along said East-West Center Section line 265.82 feet; thence N.00°09'54"W. 1881.92 feet; thence N.35°51'07"E. 493.55 feet; thence N.51°02'41"E. 231.97 feet; thence N.51°30'47"E. 272.10 feet; thence N.02°59'21"W. 72.44 feet to the POINT OF BEGINNING.

Section 36: E½; E½W½;

EXCEPT: Part of the NE¼ and SE¼ of Section 36, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, more particularly described as:

Commencing at the E¼ corner of Section 36, from which the Southeast corner of said section bears S. 00°00'31. E. 2,639.01 feet, the basis of bearings for this description;

Thence S. 00°00'31. E. 119.13 feet along the section line;

Thence S. 89°59'29" W. 1,485.66 feet to the Point of Beginning.

Thence S. 88°39'21. W. 192.12 feet, parallel with and 200.00 feet southerly of an existing potato cellar;

Thence N. 01°12'02. W. 718.16 feet, parallel with and 100.00 feet westerly of said existing potato cellar;

Thence N. 88°22'46" E. 192.24 feet;

Thence S. 01°11'29" E. 719.09 feet to the Point of Beginning.

ALSO EXCEPT: A 25 foot wide access easement being described as 12.50 feet both sides of the following described centerline:

Commencing at the E¼ corner of Section 36, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, from which the Southeast corner of said section bears S. 00°00'31" E. 2,639.01 feet, the basis of bearings for this description; thence N. 00°00'31" W. 476.29 feet to a point on the East line of said Section 36; thence S. 89°59'29" W. 1,241.24 feet to a point, more or less, being on the westerly right-of-way of a county road, said point being the Point of Beginning; thence S. 89°46'44" W. 256.69 feet to a point on the easterly boundary of the above described parcel, said point being the Point of Terminus.

Parcel 5:

Tract V: (Munns Pivots) 320,330,331,353,357,358,359,323,334,335,339, 340,341), commonly known as:

Township 8 North, Range 36 E.B.M., Jefferson County, Idaho

Section 2: Lot 4; SW $\frac{1}{4}$ NW $\frac{1}{4}$ ; W $\frac{1}{2}$ SW $\frac{1}{4}$ ;

EXCEPTING THEREFROM: The E. 330 feet of the W $\frac{1}{2}$ W $\frac{1}{2}$ .

Section 3: All

Section 12: SW $\frac{1}{4}$ ; W $\frac{1}{2}$ SE $\frac{1}{4}$ .

Section 13: W $\frac{1}{2}$ ; SE $\frac{1}{4}$ .

Section 15: All.

SUBJECT TO an easement described as: Beginning at a point that is North 86.99 feet from the SW corner of said Section 15 which is S. 89°31'03" W. 5364.26 feet from the SE corner of said Section 15 and running thence N. 89°10'14" W. 867.02 feet to an existing county road; thence N. 2°37'04" E. 30.01 feet parallel to the center line of Union Pacific Oregon Short Line Railroad; thence S. 89°10'14" E. 1588.06 feet; thence S. 89°17'16" E. 2894.91 feet; thence S. 89°13'16" E. 678.30 feet; thence S. 01°54'12" W. 30.01 feet; thence N. 89°17'16" W. 2894.98 feet; thence N. 89°10'09" E. 721.98 feet to the point of beginning.

EXCEPT Part of the S $\frac{1}{2}$ SE $\frac{1}{4}$  Section 15, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, more particularly described as:

Commencing at the Southeast corner of Section 15, from which the S $\frac{1}{4}$  corner of said section bears S. 89°31'03" W. 2,682.14 feet, the basis of bearings for this description; Thence S. 89°31'03" W. 1,696.02 feet; thence N. 00°28'57" W. 268.21 feet to the Point of Beginning.

Thence N. 00°27'34" E. 198.07 feet, parallel with and 200.00 feet westerly of the West line of an existing potato cellar;

Thence S. 89°28'31" E. 719.74 feet, parallel with and 100.00 feet northerly of the North line of said potato cellar;

Thence S. 00°27'34" W. 190.90 feet, parallel with and 200.00 feet easterly of the East line of said potato cellar;

Thence S. 89°57'13" W. 719.77 feet to the Point of Beginning.

ALSO Except: An ingress/egress easement being described as 12.50 feet both sides of the following described centerline:

Commencing at the Southeast corner of Section 15, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, from which the S $\frac{1}{4}$  corner of said section bears S. 89°31'03" W. 2,682.14 feet, the basis of bearings for this description; thence S. 89°31'03" W. 925.34 feet to the

Point of Beginning; thence N. 00°28'57" W. 318.98 feet; thence N. 89°32'26" W. 50.00 feet to the point of terminus, said point being on the East line of the above described parcel.

ALSO Except: Any portion lying South of the County road.

Section 22: E½E½.

Tract VI: (Munns Pivots) 320,321,322,323,332,303, 347,338,348,349,354,340,341 & 360), commonly known as:

Township 8 North, Range 36 E.B.M., Jefferson County, Idaho

Section 4: E½E½ lying East of the railroad right of way.

Section 9: E½E½ lying East of the railroad right of way.

Section 10: All.

Section 11: S½; W½NW¼;

EXCEPTING THEREFROM: The East 330 feet of the NW¼NW¼.

Section 14: All.

Section 23: W½W½.

Section 24: E½; E½W½;

EXCEPT: Beginning at a point that is S. 89°28'35" W. 4034.48 feet along the section line to the SW corner of the SE¼SW¼ and N. 0°16'37" E. 30.49 feet from the SE corner of said Section 24 and running thence N. 0°16'37" E. 550.13 feet along the West line of said SE¼SW¼; thence N. 89°26'05" E. 580.64 feet; thence S. 0°01'35" E. 550.04 feet; thence S. 89°25'44" W. 583.55 feet to the point of beginning.

#### TRACT IIA - JEFFERSON COUNTY

Township 7 North, Range 36 E.B.M., Jefferson County, Idaho

Section 9: Those parts of the E½E½ lying East of the Easterly right of way of the Union Pacific Railroad.

#### TRACT II - FREMONT COUNTY

Pivot Nos. 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 409, 410, 413, 414, 417, 418, 419, 420, 423, 424, 425 & 426, commonly known as:

Township 8 North, Range 37 E.B.M., Fremont County, Idaho

Section 17: S½.

Section 18: S½.

Section 19: ALL;

Except: Beginning at the Southwest corner of said section; and running thence East 200 feet along the South section line; thence North 200 feet; thence West 200 feet; thence South 200 feet to the point of beginning.

Also Except: Commencing at the Southeast corner of said Section 19, from which the Southwest corner of said section bears N. 89°56'43" W. 4978.43 feet, the basis of bearings for this description; thence N. 89°56'43" W. 1177.27 feet along the section line; thence N. 00°03'22" E. 535.01 feet to the Point of Beginning; thence N. 80°29'19" W. 718.48 feet parallel with the southerly line of an existing cellar known as cellar no. 81; thence N. 09°26'00" E. 114.19 feet parallel with and 200.00 feet westerly of the westerly line of said cellar; thence S. 80°29'19" E. 718.48 feet parallel with the northerly line of said cellar; thence S. 09°26'01" W. 114.19 feet parallel with and 200.00 feet easterly of the easterly line of said cellar to the point of beginning.

ALSO EXCEPT the following 25.00 feet wide ingress/egress easement, being described as 25.00 feet both sides of the following described centerline:

Commencing at the Southeast corner of Section 19, from which the Southwest corner of said section bears N. 89°56'43" W. 4978.43 feet, the basis of bearings for this description; thence N. 89°56'43" W. 1353.07 feet along the section line; thence N. 00°03'17" E. 44.92 feet to the Point of Beginning, said point being more or less the northerly right-of-way of a county road; thence N. 13°16'09" W. 22.91 feet; thence N. 04°18'39" E. 70.06 feet; thence N. 09°31'12" E. 421.43 feet to the point of terminus.

Section 20: ALL.

Section 23: E½, Less the West 600 feet of the NE¼.

Section 24: ALL.

Section 25: The E½NE¼, and all that portion of the W½NE¼ lying North and East of a line running from the N¼ corner to the Southeast corner of the SW¼NE¼.

(Yearsley Pivot Nos. 417, 418, 423 & 424, commonly known as:  
Township 8 North, Range 37 E.B.M., Fremont County, Idaho

Section 29: ALL;

Except: Commencing at the Northeast corner of said Section 29; thence N. 89°52' W. 1,284.97 feet; thence S. 1°34'38" W. 5,282.73 feet; thence S. 89°55' E. 1,454.95 feet; thence N. 0°16' W. along the section line 5,280 feet, more or less, to the point of beginning.

Also Except: Beginning at a point 1,525 feet West of the Northeast corner of said Section 29; and running thence South 300 feet; thence East 300 feet; thence North 300 feet; thence West 300 feet to the point of beginning.

Section 30: E½E½.

Section 31: ALL.

Section 32: ALL, Except: E½E½.

(Pivot Nos 435, 436, 437 and 438, commonly known as:  
Township 8 North, Range 38 E.B.M., Fremont County, Idaho

Section 19: S½

Section 30: N½.

#### TRACT IIA - FREMONT COUNTY

Township 8 North, Range 37 E.B.M., Fremont County, Idaho  
Section 32: E½E½

#### TRACT III - CLARK COUNTY

Parcel 1:

PART I (Pivots 350,355,351,356, 358,352,344,345,328,329,346,324,325,326,327,305,318,319):  
(Munns)

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 24: Lots 3 and 4; W½SE¼; That portion of the SW¼ lying East of the existing power line.

Section 25: Lots 1, 2, 3 and 4; W½E½; W½.

EXCEPT: Commencing at the SE corner of said Section 25; thence West a distance of approximately 1,760 feet, more or less, along the South boundary line of Section 25 to a point where a fence line crosses the South boundary line of said section; thence following the fence line in a Northeast direction to a point on the East boundary line of Section 25 a distance of approximately 700 feet, more or less, North of the SE corner of Section 25; thence South along the East boundary line of Section 25 to the SE corner of Section 25, and the point of beginning.

Section 26: All.

Section 27: E½.

Section 33: NE¼; E½NW¼; E½SE¼ lying East of the railroad; EXCEPTING THEREFROM:  
NE¼NE¼ East of railroad right of way.

Section 34: All, LESS: N½NW¼. ALSO EXCEPTING THEREFROM: E½SE¼SE¼.

Section 35: All, EXCEPT the S. 330 feet of the S½ and the W. 330 feet of the NW¼SW¼SW¼SW¼.

Township 9 North, Range 37 E.B.M., Clark County, Idaho

Section 19: Lots 3 and 4

Section 30: Lots 1, 2 and 3

(Woodfield Potato Storages)

Township 9 North, Range 35 E.B.M., Clark County, Idaho

Section 9:

Part of the S½ described as: Beginning at a point that is North 2381.58 feet along the Section Line and East 2569.76 feet from the Southwest corner of said Section 9, and running thence S. 86°30'09" E. 375.00 feet; thence S. 3°29'51" W. 145.00 feet; thence N. 86°30'09" W. 375.00 feet; thence N. 3°29'51" E. 145.00 feet to the Point of Beginning.

Part of the S½ described as: Beginning at a point that is North 2381.58 feet along the Section Line and East 2569.76 feet from the Southwest corner of said Section 9, and running thence N. 3°29'51" E. 97.53 feet; thence S. 86°30'09" E. 375.00 feet; thence S. 3°29'51" W. 97.53 feet; thence N. 86°30'09" W. 375.00 feet to the Point of Beginning.

Together with an easement for ingress and egress to the above two parcels described as: Commencing at the South end of the County road that runs approximately in a North South direction along the Section Line between Sections 4 and 5 of Township 9 North, Range 35 E.B.M., Clark County, Idaho, and continuing approximately along such Section Line on the existing unimproved road South, in a southerly direction continuing along the West Section Line of the NW¼ of Section 9, Township 9 North, Range 35 East in a Southerly direction and then a Southeasterly direction across the SW¼NW¼ of Section 9, and then in an Easterly direction approximately along the South Line of said NW¼ of Section 9, and then in a Southeasterly direction to the above parcels, as reserved in Warranty Deed recorded July 26, 2006, as Instrument No. 51631.

(Beaver Creek Pivot 304), commonly known as:

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 28: NW¼;

Also including that portion of the NW¼NE¼ described as follows:

Beginning at a point that is N. 89°49' W. along the section line 1135.56 feet to the Westerly right of way line of the U.P. Railroad from the Northeast corner of said Section 28; thence N. 89°49'

W. 1511.42 feet; thence S. 0°00'40" E. 1321.74 feet; thence S. 89°49'42" E. 1593.89 feet to the Westerly right of way line of said Railroad; thence N. 3°34'54" W. along said Railroad right of way 1324.26 feet to the Point of Beginning.

**EXCEPTING THEREFROM:**

Part of the NE 1/4 of Section 28, Township 9 North, Range 36 East, B.M., Clark County, Idaho described as:

Beginning at a point on the West right-of-way line of the Union Pacific Railroad and the south line of a county road that is N. 89°55'48" W. 1135.67 feet along the North line of said Section 28 from the NE corner of said Section 28 and running thence S. 03°41'19" E. 1325.33 feet along said West right-of-way line to a point on the South line of the North 1/2 of the NE 1/4; thence N. 89°54'00" W. 416.17 feet along said South line of the North 1/2 of the NE 1/4; thence N. 00°19'20" W. 526.61 feet; thence N. 88°56'01" W. 17.03 feet; thence N. 01°34'54" W. 40.69 feet; thence N. 87°24'18" E. 16.50 feet; thence N. 01°15'43" W. 38.23 feet; thence N. 89°11'36" W. 6.32 feet; thence N. 00°20'38" E. 715.64 feet to the North line of said Section 28 and also the South line of the county road; thence S. 89°55'48" E. 338.41 feet along the section line and the south line of the county road to the point of beginning.

**Parcel 2:**

(Laird Pivots 342,343,313,314), commonly known as:

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 13: That portion of the SW¼SW¼ lying West of the easterly poles of the existing power line. The Southerly 495 feet of the NW¼SW¼ lying West of the easterly poles of the existing power line.

Section 14: S½SE¼; the Southerly 495 feet of the N½SE¼.

Section 15: That portion of the NW¼ described as follows: Starting at the NW corner of said Section 15, and running thence S. along the common section line between Sections 15 and 16 (assumed bearing = S. 0° E.) An approximate distance of 884 feet to a point in an existing corral fence separating animal corrals from an adjacent potato field with circular, rotary sprinkling system, which point is the True Point of Beginning; thence approximately S. 63° E. along an existing fence line an approximate distance of 737 feet; thence S. 53° E. along an existing fence line an approximate distance of 416 feet; thence approximately S. 32° E. an approximate distance of 525 feet to the ¼-¼ section line between the SW¼NW¼ and the SE¼NW¼ of said Section 15; thence S. along said line approximately 673 feet to the SE corner of the SW¼NW¼ of said Section 15; thence W. along the ¼ section line to the SW corner of the NW¼ of said Section 15; thence N. along the section line to the True Point of Beginning.

Section 16: That portion of the E½ of the Section lying East of the centerline of the Union Pacific Railroad tracks, described as follows: Beginning at the NE section corner of Section 16; thence S. 0°02' E. along the East Section line of said Section 16 a distance of 5288.77 feet to the SE section corner of said Section 16; thence N. 89°59'02" W. along the South line of Section 16 a

distance of 1365.41 feet to a point in the centerline of the Union Pacific Railroad right of way; thence N. 3°36'24" W. along said centerline of the Union Pacific Railroad a distance of 5310.70 feet to the North Section line of said Section 16; thence S. 89°54'17" E. a distance of 1695.85 feet to the NE corner of said Section 16 with said corner being the original Point of Beginning. EXCEPTING THEREFROM the N. 884 feet of that portion of the N½NE¼ of said Section 16 lying between the centerline of the Union Pacific Railroad Tracks and the common (North-South) Section line between Sections 16 and 15.

Section 21: That portion of the N½NE¼ lying East of railroad tracks.

Section 22: NW¼NW¼

Section 23: E½

Section 24: That portion of the W½ lying West of the Easterly poles of the existing power line.

Parcel 4: (Beaver Creek Potato Storage)

Beginning at a point that is North 203.92 feet along the Section line and N. 89°23'13" W. 2550.87 feet from the SE corner of Section 29, Township 9 North, Range 36 E.B.M., Clark County, Idaho, and running thence N. 89°23'13" W. 608.50 feet; thence N. 0°36'47" E. 333.00 feet; thence S. 89°23'13" E. 608.50 feet; thence S. 0°36'47" W. 333.00 feet to the point of beginning.

Together with a 30 foot wide access easement lying 15 feet each side of the following described center line: Beginning at a point that is North 995.30 feet along the section line and N. 89°05'25" W. 413.20 feet from the Southeast corner of Section 29, Township 9 North, Range 36 E.B.M., Clark County, Idaho, said point of beginning being on the center line of a North-South county road; and running thence N. 89°05'25" W. 2189.30 feet; thence S. 0°36'47" W. 571.84 feet to a point on the North side of the Cellar Parcel.

ADDITIONAL COLLATERAL:  
CLARK COUNTY:

(Pivot Numbers 300, 301, 301A, 302, 302A, 303), commonly known as:

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 9: ALL, lying West of the Union Pacific Railroad right of way and South and East of Old Highway #91.

Section 16: That part of the N½ of said Section 16, lying Westerly of the centerline of the Union Pacific Railroad right of way, said centerline described as follows:

Commencing at the NE section corner of said Section 16; thence along the North line of said Section 16, N. 89°54'17" W. 1695.08 feet to a point of the centerline of said railroad right of way being the real Point of Beginning; thence along said centerline S. 03°36'24" E. 2650.85 feet, more or less, to the East-West centerline of said Section 16.

ALSO: That part of the S½ of said Section 16, lying Westerly of the centerline of the Union Pacific Railroad right of way, said centerline described as follows: Commencing at the SE section corner of said Section 16; thence along the South line of said Section 16, N. 89°59'02" W. 1365.41 feet to a point in the centerline of said railroad right of way, being the real Point of Beginning; thence along said centerline N. 03°36'24" W. 2650.85 feet, more or less, to the East-West centerline of said Section 16.

Section 21: W½; that part of the E½ lying West of the Union Pacific Railroad right-of-way; SE¼NE¼; E½SE¼ lying East of the Union Pacific Railroad right-of-way.

EXCEPT from the NW¼NW¼ that portion excepted in the deed from Clark County to Lawrence W. Kidd, recorded February 24, 1940, in Book 11 of Deeds at page 184, records of Clark County, Idaho, described as follows: Beginning at a point on the section line between Section 16 and 21 from which point the section corner common to Sections 16, 17, 20, and 21, Township 9 North, Range 36 E.B.M. bears due West a distance of 50 feet; thence S. 00°02' E. along the East boundary of State Highway No. 91, 1320 feet; thence East along the line common to the boundary line between the NW¼NW¼ and SW¼NW¼, according to United States survey thereof, 200 feet; thence N00°02'W 1320 feet to a point on the section line between Section 16 and 21; thence due West along said section line 200 feet to the point of beginning.

ALSO EXCEPT from said NW¼NW¼ that portion conveyed to Utah Power & Light Company described as follows: Beginning at a point on the North line of said section that is East 200 feet from the East right-of-way line of U.S. Highway No. 191; thence continuing along said North line, N. 89°53' E. 200 feet; thence S. 00°10' E. 300 feet; thence S. 89°53' W. 200 feet; thence N. 00°10' W. 300 feet to the point of beginning.

Section 22: S½NW¼; SW¼.

Section 27: W½.

Section 28: E½ East of the Railroad right of way

Section 33: NE¼NE¼ East of the Railroad right of way.

Section 34: N½NW¼.

## Exhibit B to Mortgage

### Water Rights:

#### Burke Farm Irrigation Water Rights:

Decree 31-12012 for 1.88 CFS, priority of 11/01/1977 for 115.4 acres from a well.  
Decree 31-12014 for 2.00 CFS, priority of 02/24/1977 for 121.4 acres from a well.  
Decree 31-12011 for .33 CFS, priority of 03/02/1977 for 20.1 acres from a well. ✱  
Decree 31-12013 for .20 CFS, priority of 11/01/1977 for 12.5 acres from a well. ✱  
Decree 31-12015 for .17 CFS, priority of 02/24/1977 for 10.6 acres from a well. ✱  
Decree 31-12017 for .21 CFS, priority of 06/11/1976 for 11.4 acres from a well. ✱  
Decree 31-12019 for .03 CFS, priority of 07/15/1981 for 1.6 acres from a well. ✱  
Decree 31-7037C for .24 CFS, priority of 06/08/1970 for 16.2 acres from a well.  
Decree 31-7038B for .31 CFS, priority of 06/08/1970 for 17.4 acres from a well.  
Decree 31-7222B for .42 CFS, priority of 03/02/1977 for 25.9 acres from a well.  
Decree 31-11980 for 1.73 CFS, priority of 01/31/1975 for 120 acres from a well.  
Decree 31-11978 for 1.79 CFS, priority of 01/31/1975 for 124 acres from a well.  
Decree 31-7158C for 1.9 CFS, priority of 01/31/1975 for 122 acres from a well.  
Decree 31-11979 for .11 CFS, priority of 01/31/1975 for 8 acres from a well.  
Decree 31-11981 for .17 CFS, priority of 01/31/1975 for 12 acres from a well.  
Decree 31-12114 for 2.03 CFS, priority of 02/24/1977 for 123.3 acres from a well.  
Decree 31-12144 for 2.03 CFS, priority of 02/24/1977 for 123.7 acres from a well.  
Decree 31-12146 for 2.03 CFS, priority of 02/24/1977 for 123.7 acres from a well.

#### Yearsley Farm Irrigation Water Rights:

Decree 31-12204 for 3.61 CFS, priority of 04/15/1958 for 242.8 acres from wells.  
Decree 31-12130 for 2.07 CFS, priority of 09/18/1973 for 241.9 acres from wells.  
Decree 31-12132 for 2.04 CFS, priority of 10/25/1954 for 184.2 acres from wells.  
Decree 31-12134 for .76 CFS, priority of 02/20/1959 for 61.6 acres from wells.

#### Quality Pack Farm Water Rights:

Decree 31-11909 for 8.54 CFS, priority of 07/07/1969 for 478.4 acres from wells.  
Decree 31-12028 for 4.48 CFS, priority of 06/08/1970 for 250.8 acres from a well.  
Decree 31-12036 for 7.36 CFS, priority of 06/08/1970 for 409.9 acres from wells.  
Decree 31-7220F for 1.42 CFS, priority of 03/10/1977 for 137.1 acres from a well.  
Decree 31-12080 for 1.68 CFS, priority of 02/27/1978 for 105.6 acres from a well.  
Decree 31-12082 for 2.02 CFS, priority of 02/27/1978 for 123.3 acres from a well.  
Decree 31-11961 for 4.21 CFS, priority of 05/02/1963 for 249.0 acres from a well.  
Decree 31-12078 for 1.72 CFS, priority of 02/27/1978 for 101.6 acres from a well.  
Decree 31-12084 for 1.96 CFS, priority of 02/27/1978 for 123.3 acres from a well. ✱

Decree 31-7370A for .44 CFS, priority of 08/17/1981 for 22.0 acres from a well.  
 Decree 31-11932 for 1.86 CFS, priority of 08/17/1981 for 120.9 acres from a well.  
 Decree 31-11957 for .34 CFS, priority of 08/17/1981 for 84.8 acres from a well.  
 Decree 31-11958 for .20 CFS, priority of 08/17/1981 for 14 acres from a well.  
 Decree 31-11959 for 1.83 CFS, priority of 08/17/1981 for 126 acres from a well.  
 Decree 31-11960 for .41 CFS, priority of 08/17/1981 for 84.8 acres from a well.  
 Decree 31-11962 for .57 CFS, priority of 05/02/1963 for 84.8 acres from a well.  
 Decree 31-11956 for 1.43 CFS, priority of 08/17/1981 for 95.0 acres from a well. \* 31-11956

**Weaver Farm Irrigation Water Rights:**

Decree 31-12110 for 5.46 CFS, priority of 01/08/1973 for 291 acres from wells.  
 Decree 31-11780 for 4.35 CFS, priority of 01/08/1973 for 217.5 acres from a well.  
 Decree 31-11782 for 2.92 CFS, priority of 12/22/1978 for 146.0 acres from a well.  
 Decree 31-12056 for 5.72 CFS, priority of 01/08/1973 for 305.00 acres from wells.  
 Decree 31-2426E for .79 CFS, priority of 08/11/1966 for 47.1 acres from a well.  
 Decree 31-12112 for 2.78 CFS, priority of 01/08/1973 for 139 acres from wells.  
 Decree 31-12058 for 3.52 CFS, priority of 01/08/1973 for 280.7 acres from wells.

**Munns South Farm Irrigation Water Rights:**

Decree 31-11779 for 2.57 CFS, priority of 02/17/1969 for 197.4 acres from wells.  
 Decree 31-7369E for 2.65 CFS, priority of 08/12/1981 for 185.1 acres from a well.  
 Decree 31-11800 for .23 CFS, priority of 04/23/1983 for 15.8 acres from a well.  
 Decree 31-11802 for 2.2 CFS, priority of 04/23/1983 for 143.6 acres from a well.  
 Decree 31-11804 for .38 CFS, priority of 04/23/1983 for 24.7 acres from a well.  
 Decree 31-12308 for 2.5 CFS, priority of 10/26/1944 for 125.0 acres from a well. \*  
 Decree 31-7034AD for 2.7 CFS, priority of 05/11/1970 for 184.0 acres from a well.  
 Decree 31-11739 for .27 CFS, priority of 07/29/1971 for 13.7 acres from a well. \*  
 Decree 31-12086 for 2.45 CFS, priority of 08/12/1981 for 175.1 acres from a well.  
 Decree 31-11925 for 2.19 CFS, priority of 04/23/1983 for 142.9 acres from a well.  
 Decree 31-11791 for .02 CFS, priority of 11/12/1976 for 1.4 acres from a well.  
 Decree 31-11793 for .10 CFS, priority of 08/12/1981 for 7 acres from a well.  
 Decree 31-11795 for .13 CFS, priority of 04/23/1983 for 8.6 acres from a well.  
 Decree 31-11797 for .04 CFS, priority of 08/12/1981 for 2.6 acres from a well.  
 Decree 31-11910 for .8 CFS, priority of 07/07/1969 for 44.6 acres from a well.  
 Decree 31-11912 for .27 CFS, priority of 08/12/1981 for 17.6 acres from a well.  
 Decree 31-11990 for .05 CFS, priority of 11/12/1976 for 3.1 acres from a well.  
 Decree 31-11993 for .46 CFS, priority of 03/05/1980 for 31 acres from a well.  
 Decree 31-11995 for .10 CFS, priority of 01/08/1973 for 5 acres from a well.

Decree 31-11997 for .05 CFS, priority of 05/11/1970 for 4.0 acres from a well.  
 License 31-74398 for .84 CFS, priority of 07/27/1985 for 41.8 acres from a well.  
 Decree 31-11991 for .26 CFS, priority of 11/12/1976 for 16.3 acres from a well.  
 Decree 31-7034Z for 1.78 CFS, priority of 05/11/1970 for 121.0 acres from a well.  
 Decree 31-11996 for 1.61 CFS, priority of 05/11/1970 for 120.0 acres from a well.  
 Decree 31-7034AF for 1.79 CFS, priority of 05/11/1970 for 121.0 acres from a well.  
 Decree 31-7034C for 1.67 CFS, priority of 05/11/1970 for 114.0 acres from a well.  
 Decree 31-7034W for 2.41 CFS, priority of 05/11/1970 for 164.0 acres from a well.  
 Decree 31-7034V for 1.8 CFS, priority of 05/11/1970 for 122.0 acres from a well.  
 Decree 31-2301A for 3.62 CFS, priority of 04/23/1951 for 181.0 acres from a well.  
 Decree 31-7034AB for .94 CFS, priority of 05/11/1970 for 63.0 acres from a well.  
 Decree 31-7034X for 1.83 CFS, priority of 05/11/1970 for 124.0 acres from a well.  
 Decree 31-11799 for .01 CFS, priority of 04/28/1983 for .7 acres from a well.  
 Decree 31-1181 for .13 CFS, priority of 04/23/1983 for 8.4 acres from a well. \* 11801?  
 Decree 31-11803 for .02 CFS, priority of 04/23/1983 for 1.3 acres from a well.  
 Decree 31-11932 for .08 CFS, priority of 08/12/1981 for 5.0 acres from a well.  
 Decree 31-11934 for .51 CFS, priority of 08/17/1981 for 33.1 acres from a well.  
 Decree 31-7034Y for 3.96 CFS, priority of 05/11/1970 for 269.0 acres from a well.  
 Decree 31-7302A for 4.4 CFS, priority of 06/23/1978 for 269.0 acres from a well.  
 Decree 31-12338 for 1.65 CFS, priority of 06/20/1969 for 124 acres from a well.  
 Decree 31-7034AE for 1.54 CFS, priority of 05/11/1970 for 122 acres from a well.

**Munns North Farm Irrigation Water Rights:**

Decree 31-12108 for 2.86 CFS, priority of 05/10/1978 for 220.3 acres from a well. \*  
 Decree 31-12128 for 3.16 CFS, priority of 05/10/1978 for 220.3 acres from a well. \*  
 Decree 31-7627A for 2.63 CFS, priority of 08/12/1981 for 171.0 acres from a well.  
 Decree 31-7635A for 1.86 CFS, priority of 04/23/1983 for 121.6 acres from a well.  
 Decree 31-11915 for .01 CFS, priority of 04/23/1983 for 1.3 acres from a well.  
 Decree 31-11916 for .01 CFS, priority of 04/23/1983 for .1 acres from a well.  
 Decree 31-11918 for .1 CFS, priority of 07/29/1971 for 6.5 acres from a well.  
 Decree 31-11920 for .08 CFS, priority of 07/29/1971 for 5.3 acres from a well.  
 Decree 31-11922 for .17 CFS, priority of 07/29/1971 for 10.5 acres from a well.  
 Decree 31-11924 for .25 CFS, priority of 08/12/1981 for 18 acres from a well.  
 Decree 31-11926 for .04 CFS, priority of 04/23/1983 for 2.5 acres from a well.  
 Decree 31-11928 for .20 CFS, priority of 04/23/1983 for 13.7 acres from a well.  
 Decree 31-11930 for .28 CFS, priority of 08/12/1981 for 18 acres from a well.  
 Decree 31-7220C for 1.08 CFS, priority of 03/10/1977 for 104.1 acres from a well.  
 Decree 31-7220D for 1.08 CFS, priority of 03/10/1977 for 104.1 acres from a well.

Decree 31-11792 for .2 CFS, priority of 11/12/1976 for 12.7 acres from a well.  
 Decree 31-11794 for .75 CFS, priority of 08/12/1981 for 52.4 acres from a well.  
 Decree 31-11798 for .29 CFS, priority of 08/21/1981 for 18.6 acres from a well.  
 Decree 31-11913 for 1.16 CFS, priority of 04/23/1983 for 79.7 acres from a well.  
 Decree 31-11914 for .03 CFS, priority of 04/23/1983 for 2.3 acres from a well.  
 Decree 31-12150 for .61 CFS, priority of 07/07/1969 for 34.1 acres from a well. \*  
 Decree 31-2365E for .62 CFS, priority of 04/18/1958 for 44.4 acres from a well.  
 Decree 31-2374B for .18 CFS, priority of 02/20/1959 for 14.8 acres from a well.  
 Decree 31-2405B for .22 CFS, priority of 05/02/1963 for 13.2 acres from a well.  
 Decree 31-7044B for .21 CFS, priority of 01/11/1971 for 10.8 acres from a well.  
 Decree 31-7177B for .13 CFS, priority of 01/02/1976 for 7.2 acres from a well.  
 Decree 31-11923 for 1.42 CFS, priority of 08/12/1981 for 101.0 acres from a well.  
 Decree 31-11929 for 1.54 CFS, priority of 08/12/1981 for 101.1 acres from a well.  
 Decree 31-11931 for 3.1 CFS, priority of 08/12/1981 for 202.0 acres from a well.  
 Decree 31-7610A for .28 CFS, priority of 04/23/1983 for 148.2 acres from a well.  
 Decree 31-7612A for .51 CFS, priority of 05/02/1978 for 148.2 acres from a well.  
 Decree 31-7621A for .57 CFS, priority of 04/23/1983 for 148.2 acres from a well.  
 Decree 31-7638A for .76 CFS, priority of 03/29/1984 for 148.2 acres from a well.  
 Decree 31-11911 for 2.25 CFS, priority of 08/12/1981 for 147.8 acres from a well. - Duplicate  
 Decree 31-7605 for .75 CFS, priority of 03/29/1984 for 43.2 acres from a well.  
 Decree 31-7607 for .95 CFS, priority of 03/29/1984 for 49.2 acres from a well.  
 Decree 31-7608 for .38 CFS, priority of 06/01/1987 for 44.7 acres from a well.  
 Decree 31-7613 for .57 CFS, priority of 05/02/1978 for 39.3 acres from a well.  
 Decree 31-7616 for .37 CFS, priority of 05/02/1978 for 44.7 acres from a well.  
 Decree 31-12205 for .07 CFS, priority of 04/18/1958 for 4.8 acres from a well.  
 Decree 31-12207 for .08 CFS, priority of 03/09/1970 for 4.2 acres from a well. \*  
 Decree 31-12209 for .32 CFS, priority of 01/22/1971 for 17.6 acres from a well. \*  
 Decree 31-12211 for .15 CFS, priority of 06/11/1976 for 11.0 acres from a well. \*  
 Decree 31-12213 for .08 CFS, priority of 03/03/1977 for 4.6 acres from a well. \*  
 Decree 31-7369F for 1.73 CFS, priority of 08/12/1981 for 120.5 acres from a well.  
 Decree 31-2301B for .38 CFS, priority of 04/23/1951 for 19.0 acres from a well.  
 Decree 31-7034AA for 1.28 CFS, priority of 05/11/1970 for 104.0 acres from a well.  
 Decree 31-7302B for 1.01 CFS, priority of 06/23/1978 for 62.0 acres from a well.  
 Decree 31-7615A for .35 CFS, priority of 06/01/1987 for 44.8 acres from a well.  
 Decree 31-7618A for .37 CFS, priority of 05/02/1978 for 44.8 acres from a well.  
 Decree 31-7620A for .52 CFS, priority of 04/23/1983 for 34.8 acres from a well.  
 Decree 31-7622A for .57 CFS, priority of 04/23/1983 for 41.2 acres from a well.  
 Decree 31-7052P for .81 CFS, priority of 07/29/1971 for 40.4 acres from a well.

Decree 31-7606 for .45 CFS, priority of 03/29/1984 for 33.2 acres from a well.  
Decree 31-7609 for .11 CFS, priority of 04/23/1983 for 24.2 acres from a well.  
Decree 31-7611 for .21 CFS, priority of 06/02/1978 for 24.2 acres from a well.  
Decree 31-7629 for .24 CFS, priority of 04/23/1983 for 16.2 acres from a well.

**Beaver Creek East Irrigation Water Rights:**

Decree 31-11784 for 5.68 CFS, priority of 07/29/1976 for 381.8 acres from a well.  
Decree 31-12183 for .34 CFS, priority of 08/20/1976 for 17.0 acres from a well.  
Decree 31-12185 for .13 CFS, priority of 10/10/1973 for 17.0 acres from a well.  
Decree 31-12187 for .17 CFS, priority of 06/14/1974 for 17.0 acres from a well.

Decree 31-7127 for 6.24 CFS, priority of 07/25/1974 for 320 acres from wells.  
Decree 31-7202B for 2.42 CFS, priority of 07/29/1976 for 121 acres from wells.  
License 31-7423 for .2 CFS, priority of 04/25/1984 for 36 acres from wells.  
Decree 31-7630 for .78 CFS, priority of 04/23/1983 for 53.8 acres from wells.  
Decree 31-12105 for .27 CFS, priority of 04/03/1969 for 20.6 acres from wells.

Decree 31-12107 for .2 CFS, priority of 02/20/1974 for 10.7 acres from wells.  
Decree 31-12109 for .14 CFS, priority of 05/10/1978 for 10.7 acres from wells.  
Decree 31-12111 for .54 CFS, priority of 01/08/1979 for 29.0 acres from wells.  
Decree 31-12112 for .24 CFS, priority of 01/08/1973 for 12 acres from wells.  
Decree 31-12115 for .14 CFS, priority of 02/28/1977 for 8.7 acres from wells.  
Decree 31-12117 for .24 CFS, priority of 11/12/1976 for 15.0 acres from wells.  
Decree 31-12118 for .18 CFS, priority of 01/02/1976 for 10 acres from wells.  
License 31-12121 for .20 CFS, priority of 07/27/1985 for 10.0 acres from wells.  
Decree 31-12123 for .16 CFS, priority of 05/11/1970 for 10.9 acres from wells.  
Decree 31-12125 for .16 CFS, priority of 05/11/1970 for 10.9 acres from wells.  
Decree 31-12127 for .39 CFS, priority of 08/11/1966 for 22.3 acres from wells.  
Decree 31-12129 for .07 CFS, priority of 05/10/1978 for 4.7 acres from wells.  
Decree 31-12131 for .12 CFS, priority of 09/18/1973 for 14.1 acres from wells.  
Decree 31-12133 for .12 CFS, priority of 10/25/1954 for 10.7 acres from wells.  
Decree 31-12135 for .04 CFS, priority of 02/20/1959 for 3.6 acres from wells.  
Decree 31-12143 for .38 CFS, priority of 02/20/1974 for 19.0 acres from wells.  
Decree 31-12145 for .14 CFS, priority of 02/24/1977 for 8.3 acres from wells.  
Decree 31-12147 for .14 CFS, priority of 02/24/1977 for 8.3 acres from wells.  
Decree 31-12149 for .10 CFS, priority of 01/02/1976 for 5.5 acres from wells.

Decree 31-12151 for .05 CFS, priority of 07/07/1969 for 2.8 acres from wells.  
Decree 31-12171 for .13 CFS, priority of 03/11/1982 for 9.5 acres from wells. \*  
Decree 31-12172 for .08 CFS, priority of 03/11/1982 for 6.0 acres from wells. \*  
Decree 31-12189 for .06 CFS, priority of 01/24/1975 for 4.0 acres from wells. \*  
Decree 31-12191 for .26 CFS, priority of 03/18/1974 for 15.0 acres from wells. \*  
Decree 31-7220B for 1.26 CFS, priority of 03/10/1977 for 122 acres from a well.

**Beaver Creek West Cellar:**

Decree 31-12200 for .04 CFS, priority of 02/17/1969 for Domestic Use from a well. \*

Water License 31-7651 for .66 CFS, priority of 08/28/1997 for industrial use.  
Decree 31-7370F for .27 CFS, priority of 08/17/1981 for 18 acres from a well.  
Decree 31-7627B for .39 CFS, priority of 08/12/1981 for 95 acres from a well.

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**Exhibit C to Mortgage**

**Permitted Exceptions:**

As set forth in Schedule B of the pro forma title insurance policy issued by First American Title Insurance Policy Number 719760.

Instrument No. 553477  
01 Day Jun 2015  
At 03 O'Clock 54 M  
ABBIE MACE  
FREMONT CO RECORDER  
Fee \$100.00  
JC Deputy  
Recorded at Request of  
First American Title NCS Kanse

Prepared by and after recording, please return to:  
Michael D. Killin  
Campbell Killin Brittan & Ray, LLC  
270 St. Paul Street, Suite 200  
Denver, Colorado 80206  
(303) 322-3400

PLEASE RETURN TO:  
First American Title Insurance Company  
1201 Walnut, Suite 700  
Kansas City, MO 64106  
File No.: 714760  
Att.: Kathy Henderson

### **MORTGAGE**

(Secures Future Advances and Includes an Assignment of Rents, a Security Agreement and Fixture Filing)

THIS MORTGAGE (this "**Mortgage**") made as of May 22, 2015 is between BLAINE LARSEN FARMS, INC., an Idaho corporation, and BLF LAND, LLC, an Idaho limited liability company ("**Mortgagor**", whether one or more, which designation shall include successors in interest), and of RABO AGRIFINANCE, INC., a Delaware corporation, whose address is 12443 Olive Boulevard, Suite 50, St. Louis, Missouri 63141, as a Lender (as defined below) and in its capacity as the agent for the Lenders (in such capacity, the "**Agent**").

WITNESSETH, THAT WHEREAS Mortgagor and other co-borrowers (sometimes referred to collectively as "**Borrower**") have entered into a Loan and Security Agreement with Agent and the financial institutions party thereto (the "**Lenders**"), which term, for the purposes hereof shall include "**Issuer**" (as such term is defined in the Loan Agreement) dated as of May 22, 2015 (as the same may be amended, replaced, restated and/or supplemented from time to time, the "**Loan Agreement**"), which Loan Agreement entitles Borrower to borrow principal sums and to obtain letters of credit from the Lenders up to and including the amount of TWO HUNDRED TWENTY FIVE MILLION DOLLARS (\$225,000,000.00), which amount is and shall be evidenced by the promissory notes of Borrower executed on the date of the Loan Agreement and to be executed from time to time thereafter (collectively, the "**Notes**"), with interest thereon and payable according to the terms thereof, with maturity dates according to the terms thereof, with an original outside maturity date of June 1, 2020 (which outside maturity date may be extended from time to time in accordance with the terms of the Loan Agreement).

NOW THEREFORE, Mortgagor, in consideration of these premises, and to secure the performance of the Loan Agreement and the prompt payment of the Notes, including future advances, and any other sums that may be added to the principal of the Notes pursuant to the Loan Agreement and under the terms of this Mortgage, all other Liabilities (as defined in the Loan Agreement, including but not limited to Bank Products Obligations and Swap Obligations (each as defined in the Loan Agreement)) together with interest thereon and any sums advanced or expended by Agent in protection or enforcement of its interests hereunder and to secure any other present or future indebtedness of Borrower to the Agent and the Lenders, and to secure the prompt performance of all promises, conditions and covenants related thereto, does hereby grant, mortgage, warrant, convey, pledge and hypothecate unto Agent and its successors and assigns forever, for the ratable benefit of Lenders the hereinafter described real property (the "**Land**"), situated in Jefferson County, Fremont County, and Clark County all in the State of Idaho, to wit:

That property more particularly described in Exhibit A attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same, together with all and singular the privileges and appurtenances thereunto belonging, including without limitation, the following, whether now leased, owned, or hereafter acquired (a) any and all improvements, tenements, buildings, easements, fixtures, privileges, reservations, allowances, hereditaments and appurtenances, now or hereafter belonging or pertaining to the Land; (b) all of Mortgagor's right, title and interest in any land lying between the boundaries of the Land and the center line of any adjacent street, road, avenue or alley, whether existing or proposed; (c) all oil, gas, minerals, crops, timber, trees, shrubs, flowers and landscaping plants and materials now or hereafter located on, under or above the Land; (d) all plats, surveys, soil and engineering data, plans and specifications, drawings, renderings, profiles, shop drawings and all development rights associated with the Land, now existing or hereafter transferred to the Land from other real property; (e) all awards and payments, including without limitation, interest payments, resulting from the exercise of any right of condemnation or eminent domain or from any other public or private taking of, injury to or decrease in the value of, any of the Land; (f) all water, rights to water and water rights, ditches and ditch rights, wells and well rights (specifically including, but not limited to, the Water Rights as defined in the Loan Agreement and as set forth on Exhibit B), springs and spring rights and reservoirs and reservoir rights appurtenant to, transferred to, or historically used in connection with the Land and all of Mortgagor's rights and interests under applicable state or federal law to all unappropriated water contained in or available from any part of the water bearing formations underlying the Land, together with all associated easements and rights-of-way; (g) any and all of Mortgagor's right, title and interest in water taps purchased or available for purchase from any water provider or any other person; (h) all of the rents, income, receipts, revenues, royalties, issues and profits of or from the Land and the improvements located thereon (collectively, the "Rents"); (i) any and all rights and estates in reversion or remainder; (j) all interest of Mortgagor in and to any insurance proceeds, or any causes of action, damages or recoveries relating to the Land; and (k) any and all other rights and interest of every kind and nature in all property, whether real or personal, forming a part of or used in connection with the Land and the construction, operation and convenience of the improvements located thereon, including without limitation, all machines, machinery, fixtures, apparatus, equipment or articles used to supply heating, gas, electricity, air conditioning, water, light, power, sprinkler protection, waste removal, refrigeration and ventilation; all building materials, supplies and equipment located on the Land and intended to be incorporated into the improvements thereon, whether or not affixed; all floor coverings, screens, draperies, partitions, furniture and furnishings; all architects', contractors' and suppliers' agreements and contracts and all plans and specifications relating to the construction of improvements; and all headgates, flumes, wells, well equipment, pumps, pumping equipment, pumping accessories, sprinkler systems, and fences (the Land, together with the rights listed in (a) through (k) of this paragraph, collectively are the "Property"). Without detracting from the foregoing, this Mortgage shall constitute an assignment of all of Mortgagor's right, title and interest in and to appurtenant contracts, if any.

The word "**indebtedness**" is used herein in its most comprehensive sense and includes any and all advances, debts, obligations and liabilities of Borrower, now or hereafter made, incurred or created, whether voluntary or involuntary and however arising, whether due or not due, absolute or contingent, liquidated or unliquidated, determined and undetermined, and whether Borrower may be liable, individually or jointly.

Amendments, renewals, extensions, modifications and substitutions of and for indebtedness, including without limitation the Notes, may be made by the Agent and the Lenders pursuant to the terms of the Loan Agreement and upon such terms and conditions and with such modifications and changes, including without limitation, changes in the interest or discount rate, as the Agent and the Lenders may see fit in accordance with the Loan Agreement, and in the event and to the extent that Mortgagor is not the obligor of any such indebtedness, such amendments, renewals, extensions, modifications and substitutions may be made at any time and from time to time without further notice to or consent from Mortgagor. Agent may enter into any agreement with Borrower or any other obligor or guarantor, or may release or discharge any obligor or guarantor from any indebtedness, without notice to or consent of Mortgagor, and without releasing or compromising this Mortgage or releasing or discharging any Mortgagor not specifically released or discharged in writing. If the ownership of the Property becomes vested in a person or persons other than Mortgagor, Agent may, without notice to Mortgagor, deal with such successor or successors in interest of Mortgagor with reference to this Mortgage, the indebtedness secured hereby and the Property in the same manner as if such person or persons were Mortgagor, without in any way releasing or discharging Mortgagor.

Upon a "Matured Default" (as such term is defined in the Loan Agreement), Agent, at its option, shall have the power to foreclose in the manner otherwise provided for mortgages, and to the fullest extent permitted by applicable law, Mortgagor waives any rights of redemption and/or appraisal as to any sale or foreclosure.

Agent or its representatives and agents are specifically authorized to bid at any foreclosure sale held and any bid by Agent may take into consideration anticipated taxes, assessments, insurance premiums, utilities, maintenance costs, repairs, title expense, the cost of any appraisal, the cost of satisfying senior indebtedness and the then going real estate agent's commission, all or any of which may be incurred during the period of redemption or in order to subsequently sell or otherwise dispose of the Property after the issuance of a deed, and such amounts shall not be deemed an overplus distributable to junior lienors or Mortgagor.

As may be permitted by law, after deducting all costs, fees and expenses of sale, the proceeds of sale shall be applied to payment of (i) all sums expended under the terms hereof, not then repaid, with accrued interest at the maximum rate provided by the Loan Agreement and Notes, (ii) all other sums then secured hereby, and (iii) the remainder, if any, to the person or persons legally entitled thereto.

#### **BORROWER AND MORTGAGOR EXPRESSLY COVENANT AND AGREE:**

1. Payment of Indebtedness. To pay all and singular of the principal and interest and other sums of money payable by virtue of the Loan Agreement, Notes or other indebtedness secured under the terms and conditions of this Mortgage, on the days respectively that the same severally become due.

2. Performance of Obligations. To perform each and every stipulation, agreement and condition of the Loan Agreement, Notes, or any other document or instrument evidencing indebtedness secured hereby, and of this Mortgage.

3. **Insurance.** To maintain, or cause to be maintained, insurance on the Property, in each case, for the benefit of the Agent, for the ratable benefit of the Lenders, as follows:

(a) All-risk builders risk insurance (non-reporting form) during the construction of any improvements on the Land or to the Property (referred to in this paragraph 3 as the "**Improvements**") in an amount equal to one hundred percent (100%) of the replacement cost of the Improvements, providing all-risk coverage on the Improvements and the materials stored on the Property and elsewhere, and including the perils of collapse, water damage and, if requested by Agent, flood, business interruption, permission to occupy, interests costs and other risks;

(b) All-risk casualty insurance after the completion of the construction of each of the Improvements, in an amount at least equal to one hundred percent (100%) of the replacement cost of such Improvements with an agreed amount endorsement, providing all-risk coverage on the Improvements, and including the perils of business interruption or loss of rents for a period of not less than twelve (12) months, boiler/machinery coverage, and other risks;

(c) Workers' Compensation Insurance for Contractors for statutory limits;

(d) Flood hazard coverage for any portion of the Property that is located in an identified flood hazard area by any "Governmental Authority" (as defined in the Loan Agreement); and

(e) Such other insurance as is required in the Loan Agreement.

The permanent all-risk casualty insurance as described in item (b) above, shall be provided on a building by building basis as the construction of each building is completed and a certificate of occupancy or equivalent is issued with respect thereto; provided that there shall be no lapse in the insurance coverage and the Improvements must at all times be covered by either builder's risk or permanent all-risk casualty insurance. All of the insurance policies described above shall be "occurrence" based policies, issued on forms, by companies and in amounts satisfactory to Agent. At the request of the Agent, Mortgagor shall deliver or cause to be delivered to Agent certificates of insurance naming Agent as mortgagee and additional loss payee and copies of the insurance policies. Regardless of the failure of the certificates of insurance or policies to strictly comply with the terms and provisions of this Mortgage, the Agent's interest in and lien upon the policies and their proceeds shall continue unimpaired.

In the event of any loss covered by any policy on the Improvements, the carrier named in such policy is and shall, at the request of the Agent, be directed by Mortgagor to make payment for such loss to Agent and not to Mortgagor, or to Mortgagor and Agent jointly. Notwithstanding the foregoing, Agent shall disburse the net amount of any such insurance proceeds to Mortgagor for application to the costs of repair, rebuilding, or restoration of the Improvements to as good or better condition as such Improvements were in immediately prior to any casualty on account of which such amounts are paid (the "**Restoration**"), provided that the following conditions have been satisfied in Agent's sole discretion: (i) Agent shall have determined that the Improvements can be restored to as good or better condition as such

Improvements were in immediately prior to the casualty on account of which such amounts are paid, prior to the earliest "**Maturity Date**" of the Notes (as defined in the Loan Agreement); (ii) Agent shall have determined that such net amounts (together with any equity funds of Mortgagor deposited by Mortgagor with Agent) shall be sufficient to complete the Restoration; and (iii) no Matured Default shall have occurred.

Any insurance proceeds which are to be disbursed by Agent and applied to the Restoration (together with any equity funds of Mortgagor deposited by Mortgagor with Agent) shall be held and disbursed by Agent upon such terms and conditions as would be required by a prudent interim construction lender and in accordance with the disbursement procedures, terms and conditions set forth in the Loan Agreement. Any reduction in the indebtedness secured hereby resulting from Agent's application of any sums received by it hereunder shall take effect only when Agent actually receives such sums and, in any event, the unpaid portion of the indebtedness secured hereby shall remain in full force and effect and Mortgagor shall not be excused in the payment thereof. Mortgagor agrees to execute and deliver, from time to time, such further instruments as may be requested by Agent to confirm the foregoing assignment to Agent of any award, damage, insurance proceeds, payment or other compensation. Agent is hereby irrevocably constituted and appointed the attorney-in-fact of Mortgagor (which power of attorney shall be irrevocable, shall be deemed coupled with an interest, shall survive the voluntary or involuntary dissolution of Mortgagor and shall not be affected by any disability or incapacity suffered by Mortgagor subsequent to the date hereof), with full power of substitution, subject to the terms of this section, to settle for, collect and receive any such awards, damages, insurance proceeds, payments or other compensation from the parties or authorities making the same, to appear in and prosecute any proceedings therefor and to give receipts and acquittance therefor; provided, however, that Agent will not exercise such power so long as no Matured Default shall have occurred.

The net amount of any sums received by Agent under this section in excess of the amount necessary to complete the Restoration may, at the option of Agent, be applied to the outstanding secured indebtedness, in such order as Agent may determine in its sole discretion.

4. Advances for Taxes, Insurance or Prior Encumbrances. If for any reason Mortgagor fails to insure and deliver the policies and certificates of insurance or to pay promptly all taxes, assessments, levies, water rents, insurance premiums, and any amount due upon prior encumbrances, if any, Agent may, but shall not be obligated to, procure the insurance or pay such taxes, assessments, levies, water rents, insurance premium and amount due on the prior encumbrance, regardless of whether to prevent default, cure any default or redeem the Property from foreclosure or sale.

5. Title to Property. Mortgagor warrants title to the Property is free and clear of all liens and encumbrances, except those listed on Exhibit C, attached hereto and made a part hereof (the "**Permitted Exceptions**"). To the fullest extent permitted by applicable law, Mortgagor waives the homestead exemption and all other exemptions available to Mortgagor by statute or otherwise, whether now vested or to be acquired.

6. Preservation of Property. Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter comprising a part of the Property that may be damaged or destroyed which is not fully covered by insurance as required herein; (b) keep the Property in good condition and repair, without waste, and free from mechanics', materialmen's or like liens or claims or other liens or claims for lien; (c) comply with all requirements of law, rule and regulation and with restrictions of record with respect to the Property and the use thereof; (d) suffer or permit no change in the general nature of the proposed use of the Property without Agent's prior consent; and (e) suffer or commit no waste, impairment or deterioration of the Property and, regardless of natural depreciation, to keep the Property and the improvements thereon at all times in good condition and repair. Mortgagor shall pay when due all utility charges which are incurred by Mortgagor for gas, electricity, water and sewer services furnished to the Property and all other assessments or charges of a similar nature, or assessments payable pursuant to any restrictive covenants, whether public or private, affecting the Property, whether or not such assessments or charges are or may become liens thereon. In the event of any failure of Mortgagor to so protect and preserve the Property, Agent, at Mortgagor's cost and expense, may take whatever actions, and expend such sums, as Agent may deem required to protect and preserve the Property.

7. Inspection. Agent shall have the right to have its authorized representative or representatives enter upon and inspect the Property at all times, after notice of the inspection has been given to Mortgagor.

8. Environmental Matters. Except as disclosed to Agent in the Loan Agreement, Mortgagor warrants that: (a) no notice has been received to the effect that, or Mortgagor has no knowledge that, the Property or its operations is not in compliance with any of the requirements of applicable federal, state and local environmental, health and safety statutes and regulations ("**Environmental Laws**") or is the subject of any federal or state investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could have a material adverse effect on the Property; (b) there have been no releases of hazardous materials at, on or under the Property that, singly or in the aggregate, have, or may reasonably be expected to have, a material adverse effect on the Property; (c) there are no underground storage tanks, active or abandoned, including without limitation petroleum storage tanks, on or under the Property that, singly or in the aggregate, have, or may reasonably be expected to have, a material adverse effect on the Property; and (d) no conditions exist at, on or under the Property which, with the passage of time, or the giving of notice or both, would give rise to any material liability under any Environmental Laws. In the event that any investigation, site monitoring, containment, cleanup, removal, restoration, detoxification, closure, or other remedial work of any kind or nature ("**Remedial Action**") is required under any Environmental Law or is reasonably determined by Agent to be necessary due to the current or future presence, suspected presence, release or suspected release of a hazardous material on, under, in or about the Property, within thirty (30) days after written demand for performance thereof by Agent (or such shorter period of time as may be required under any Environmental Law) Mortgagor shall commence to perform, or cause to be commenced, and thereafter diligently prosecute to completion in accordance with applicable law, all such Remedial Action within any time limits provided in any Environmental Law or by order of any court or Governmental Authority, or if no such reasonable period of time

is provided within such time as is approved by Agent. All Remedial Action shall be performed by one or more contractors and/or engineers) retained by Mortgagor and approved in advance in writing by Agent, which approval shall not be unreasonably withheld, and shall be under the supervision of one or more consulting engineer(s) retained by Mortgagor and approved in advance in writing by Agent, which approval shall not be unreasonably withheld. In the event Mortgagor shall fail timely to commence or cause to be commenced or fail diligently to prosecute to completion such Remedial Action, Agent may, but shall not be obligated to, cause such Remedial Action to be performed, and all costs and expenses (including, without limitation, reasonable attorneys' fees) thereof or incurred by Agent in connection therewith shall be paid by Mortgagor.

9. Restriction on Transfer; Effect of Transfer. It shall be an immediate default hereunder, at the option of Agent, if, without the prior consent of Agent, Mortgagor shall, either directly or indirectly, create, effect or consent to, or shall suffer or permit, any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of the Property or any part thereof or interest therein; provided, however, that the foregoing provisions of this Paragraph 9 shall not apply to (a) liens securing the indebtedness to the Lenders; (b) the lien of current taxes and assessments not in default; (c) the Permitted Exceptions; or (d) to the extent otherwise permitted in the Loan Agreement. In the event of any sale or transfer of the title to the Property, should Agent not exercise its option to accelerate the indebtedness secured hereby, the purchaser or new owner shall be deemed to have assumed and agreed to pay the indebtedness secured hereby and promptly perform the terms of this Mortgage and all promises, conditions and covenants related thereto, jointly and severally with Mortgagor, whether or not the instrument evidencing such sale or transfer expressly so provides, and this covenant shall run with the Land and remain in full force and effect until the indebtedness is paid in full. The provisions of this Paragraph 9 shall be operative with respect to, and shall be binding upon, any persons who shall acquire any part of, interest in or encumbrance upon the Property. Mortgagor agrees that the making of any oil, gas or mineral lease or the sale or conveyance of any mineral interest or right to explore for minerals under through or upon the Property would impair the value of the Property; and that Mortgagor shall have no right, power or authority to lease the Property, or any part thereof, for oil, gas or other mineral purposes or to grant, assign or convey any mineral interest of any nature, or the right to explore for oil, gas and other minerals, without first obtaining from Agent express written permission therefor. Except as otherwise provided in the "Plans" (as defined in the Construction Lending Protocol attached to the Loan Agreement), Mortgagor shall not grant any easement or right-of-way with respect to all or any portion of the Property without the prior written consent of Agent, which shall not be unreasonably withheld.

10. Sums Expended by Agent. Mortgagor shall be liable to Agent for any expenditure made by Agent, including without limitation, court or alternative dispute resolution costs and reasonable attorneys' fees, pursuant or incidental to this Mortgage or the exercise of the rights and remedies given it under this Mortgage, which sums shall bear interest at the rate provided in the Notes. Such sums shall be due and payable upon demand, shall be so much additional indebtedness secured by this Mortgage, shall be a lien on the Property, and shall be paid out of the proceeds of the sale of the Property, if not otherwise paid by Mortgagor.

11. Litigation Relating to Property. Agent shall have the right, but no obligation, to file and defend suits at the expense of Mortgagor and in Mortgagor's name relating to the Property or the lien created by this Mortgage or to preserve its rights pursuant to this Mortgage, but shall incur no personal liability by its acts or omissions in relation to such proceedings.

12. Zoning; Special Districts. Without the prior written consent of Agent, Mortgagor shall not seek, make, suffer, consent to or acquiesce in any change in the zoning or conditions of use of the Property. Mortgagor shall comply with and make all payments required under the provisions of any covenants, conditions or restrictions affecting the Property. Mortgagor shall comply with all existing and future requirements of all Governmental Authorities having jurisdiction over the Property. If, under applicable zoning provisions, the use of all or any part of the Property is or becomes a nonconforming use, Mortgagor shall not cause or permit such use to be discontinued or abandoned without the prior written consent of Agent. Mortgagor will take no action to include or permit the Property to be included within the boundaries or subject to the powers of any quasi-governmental entity, including without limitation, any special improvement district, metropolitan district, or special district, without the prior written consent of Agent, which shall not be unreasonably withheld or delayed.

13. Assignment of Rents and Leases. As further security for the indebtedness and the liabilities and obligations secured by this Mortgage, Mortgagor hereby absolutely and irrevocably grants, conveys, pledges, hypothecates, transfers and assigns unto Agent, for the ratable benefit of the Lenders, all Rents now or hereafter due or payable for the occupancy or use of the Property or any portion thereof, and all leases and subleases, whether written or oral, with all security therefore, including without limitation, all guaranties thereof, now or hereafter affecting the Property. This is a present and absolute assignment, not an assignment for security purposes only, and Agent's right to the Rents is not contingent upon, and may be exercised without possession of, the Property. Agent confers upon Mortgagor a license ("License") to collect and retain the Rents as they become due and payable, until the occurrence of a Matured Default. Mortgagor represents, warrants, and covenants to and with the Agent and the Lenders that (a) the Rents have not been sold, assigned, transferred or set over by any instrument now in force and will not at any time during the term of this assignment be sold, assigned, transferred or set over; and (b) Mortgagor has the right to sell, assign, transfer and set over the Rents and to grant to and confer upon Agent the rights, interests, powers and authorities granted and conferred by this Mortgage. Upon or at any time after the occurrence of a Matured Default, Agent may, at its option, without notice, and whether or not the indebtedness shall have been declared due and payable, either in person or by agent, or by a receiver to be appointed by a court, with or without bringing any action or proceeding (a) enter upon, take possession of, manage and operate the Property, or any part thereof (including without limitation, making necessary repairs, alterations and improvements to the Property); (b) make, cancel, enforce or modify leases; (c) obtain and evict tenants; (d) fix or modify Rents; (e) do any acts which Agent deems reasonably proper to protect the security of this Mortgage, and (f) either with or without taking possession of the Property, in its own name or in the name of Mortgagor, collect and receive all or any Rents, including without limitation, those past due and unpaid. Upon written notice from Agent, all tenants of and other obligors with respect to the Property hereby are directed by Mortgagor to pay promptly all Rents as they fall due to Agent without further notice from Mortgagor. In connection with the foregoing, Agent shall be entitled and empowered to employ attorneys and

management, rental and other agents in and about the Property to effect the matters which Agent is empowered to do, and if Agent shall itself effect such matters, Agent shall be entitled to charge and receive such reasonable management, rental and other fees as may be customary in the area in which the Property is located; and the reasonable fees, charges, costs and expenses of Agent or such persons shall be so much additional indebtedness subject to the terms of this Mortgage. Agent may apply all funds collected as aforesaid, less costs and expenses of operation and collection, including without limitation, reasonable attorneys' and agents' fees, charges, costs and expenses, upon any indebtedness in accordance with the terms of the Loan Agreement. The entering upon and taking possession of the Property and the collection of Rents and the application thereof as set forth in this Mortgage shall not cure or waive any default or invalidate any act done by Agent.

14. Right to Possession and Receiver. Upon or at any time after the occurrence of a Matured Default, Agent shall at once become entitled to the possession, use and enjoyment of the Property, and to the Rents, from the date of such occurrence and continuing during the pendency of any foreclosure proceedings, and the periods of redemption, if any. Possession shall at once be delivered to Agent on request, and on refusal, the delivery of possession may be enforced by Agent by any appropriate civil suit or proceeding, and Agent shall be entitled to a receiver for the Property, and of the Rents, for and including without limitation, the time covered by any proceedings for sale or foreclosure and the applicable periods of redemption, if any. Agent shall be entitled to such receiver as a matter of right, without regard to the solvency or insolvency of Mortgagor, or of the then owner of the Property, and without regard to the value of the Property, and such receiver may be appointed by any court of competent jurisdiction upon ex parte application, and without notice, notice being expressly waived, and all Rents shall be applied by such receiver, after the payment of all costs to maintain and preserve the Property, to the payment of the indebtedness according to law and the orders and directions of a court of competent jurisdiction.

15. Mortgagee in Possession. Nothing contained in this Mortgage shall be construed as making Agent a mortgagee in possession.

16. Attorneys' Fees - Foreclosure. Mortgagor agrees to pay reasonable attorneys' fees for legal services incurred by Agent with respect to any action to collect the indebtedness or enforce the Notes or this Mortgage, including without limitation, any foreclosure proceedings, and such fees shall be allowed or taxed by the Court as part of the costs of foreclosure.

17. Deficiency; Rights Cumulative. To the extent permitted under applicable law, Agent shall retain the right to pursue and receive judgment for any deficiency balance remaining unpaid after foreclosure, and to exercise all other legal and equitable remedies for the collection of the indebtedness secured hereby; all rights and remedies of Agent are cumulative and may be exercised in any order.

18. Waivers. Any waiver of any right or remedy of Agent must be in writing. No waiver, express or implied, of the performance of any obligation, agreement or covenant hereof shall be deemed or taken to be a waiver of the strict performance of any other or future obligation, agreement or covenant hereof. No payment or advancement by Agent on behalf of

Mortgagor shall be deemed a waiver of the breach occurring by reason of the failure of Mortgagor to make such payment or of the right to elect to foreclose this Mortgage. Any delay by Agent in exercising its rights and remedies under the Loan Agreement, Notes or this Mortgage shall not, even though such delay be repeated and extended, be construed as a waiver of the right of Agent to exercise any right or remedy given it in this Mortgage, in the Loan Agreement, Notes, by operation of law or otherwise.

19. UCC Security Agreement. This Mortgage constitutes a security agreement and a fixture filing under the Uniform Commercial Code of the State of Idaho (the "**Code**") with respect to any part of the Property, which might now or hereafter be or be deemed to be personal property, fixtures or property other than real estate (for the purposes of this Paragraph 19 called "**Collateral**"). Mortgagor hereby grants to the Agent for the ratable benefit of the Lenders and the Issuer a security interest in the Collateral. All of the terms, provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property covered. The provisions of this Paragraph 19 shall not limit the generality or applicability of any other provision of this Mortgage, but shall be in addition thereto.

20. Successors and Assigns. It is further expressly understood and agreed that all covenants and agreements here described shall extend to and be binding upon the heirs, executors, legal representatives, successors and assigns (voluntary and involuntary by operation of law) of the respective parties hereto.

21. Severability. The unenforceability or invalidity of any provision hereof shall not render any other provision or provisions unenforceable or invalid.

22. Further Assurances. Mortgagor will do, execute, acknowledge and deliver all and every further acts, deeds, conveyances, transfers and assurances necessary or proper, in the sole judgment of Agent, for the better assuring, conveying, mortgaging, assigning and confirming unto Agent all of the Property or property intended so to be, whether now owned by Mortgagor or hereafter acquired.

23. Headings. Headings are used in this Mortgage for convenience only and shall not be used to alter or interpret the terms and provisions of this Mortgage.

24. Counterparts. This Mortgage may be executed in counterparts, each of which shall be an original, and all of which, taken together, shall constitute the Mortgage.

25. Governing Law. This Mortgage will be governed by and construed in accordance with the laws of the State of Idaho.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER IDAHO LAW.

[Signatures to follow on separate page.]

IN WITNESS WHEREOF, this THIS MORTGAGE is executed as of the day and year first above written.

**MORTGAGOR**

**BLAINE LARSEN FARMS, INC.**

By: Blaine Larsen  
Name: Blaine Larsen  
Its: President

**BLF LAND, LLC**

By: Blaine Larsen  
Name: Blaine Larsen  
Its: President/Manager

[Signature Page to Mortgage]

STATE OF California  
County of Riverside ) ss.

The foregoing Deed of Trust was acknowledged before me this 22 day of May, 2015  
by Blaine Larsen, the President of Blaine Larsen Farms, Inc.

WITNESS my hand and official seal.

My commission expires July 30, 2016

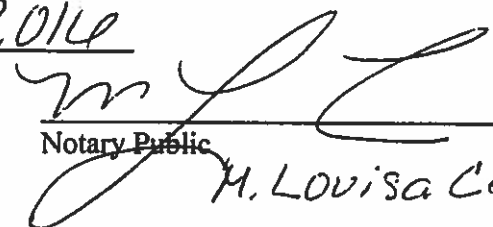
  
Notary Public M. Louisa Cervantes

STATE OF California  
County of Riverside ) ss.

The foregoing Deed of Trust was acknowledged before me this 22 day of May, 2015  
by Blaine Larsen, the President/Manager of BLF Land, LLC.

WITNESS my hand and official seal.

My commission expires: July 30, 2016

  
Notary Public M. Louisa Cervantes

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
COUNTY OF Riverside ) ss

On May 22, 2015, before me, M. Louisa Cervantes, a notary public, personally appeared Blaine Larsen, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

My commission expires: July 30, 2016

M. Louisa Cervantes  
Notary Public



## **Exhibit A to Mortgage**

### **Legal Description:**

Real property in the City of Rigby, County of Jefferson, State of Idaho, described as follows:

#### **TRACT I - JEFFERSON COUNTY**

Township 7 North, Range 36 E.B.M., Jefferson County, Idaho

(Quality Pack Pivots 407,408), commonly known as:  
Section 1: E½.

(Freshpack)  
Section 4: E½SE¼ lying East of the Easterly right-of-way of the Union Pacific Railroad.

(Quality Pack)  
(Pivots 421,422,428,429,411,412,415,416), commonly known as:  
Township 7 North, Range 37 E.B.M., Jefferson County, Idaho

Section 5: ALL;

EXCEPT: A parcel beginning 500 feet East from the SW Corner of Section 5; thence North 600 feet; thence East 600 feet; thence South 600 feet; thence West 600 feet to the point of beginning,

ALSO EXCEPT: Beginning at a point that is S. 89°53'37" E. 1222.08 feet along the South line of said Section 5 and N. 00°06'23" E. 696.55 feet from the SW corner of said Section 5 and running thence S. 87°54'43" E. 468.48 feet; thence N. 82°14'00" E. 217.30 feet; thence N. 27°15'41" E. 188.29 feet; thence N. 47°46'24" W. 374.50 feet; thence N. 66°00'17" W. 335.36 feet; thence S. 31°45'10" W. 297.51 feet; thence S. 15°06'30" W. 177.10 feet; thence S. 06°37'24" E. 144.75 feet to the Point of Beginning.

ALSO EXCEPT: Beginning at the Southeast corner of said Section 5, thence S. 89°55'18" W. along the South line of said Section 5 for a distance of 485.00 feet, said point being the True Point of Beginning.

Thence S. 89°55'18" W. along said South line for a distance of 415.00 feet;  
Thence N. 00°04'42" W. for a distance of 500.00 feet;  
Thence N. 18°18'34" E. for a distance of 41.02 feet;  
Thence N. 51°53'00" E. for a distance of 74.00 feet;  
Thence N. 60°01'00" E. for a distance of 182.00 feet;  
Thence N. 86°27'00" E. for a distance of 94.00 feet;  
Thence S. 52°36'00" E. for a distance of 94.00 feet;  
Thence S. 08°10'00" E. for a distance of 125.00 feet;  
Thence S. 00°04'42" E. for a distance of 500.00 feet to the True Point of Beginning.

Section 6: ALL.

(Hamer Pivots 402,405,406, 409,410), commonly known as:  
Township 8 North, Range 36 E.B.M., Jefferson County, Idaho

Section 34:  $W\frac{1}{2}NE\frac{1}{4}$ ;  $E\frac{1}{2}NW\frac{1}{4}$ ;

EXCEPT: Commencing at the NW Corner of the  $E\frac{1}{2}NW\frac{1}{4}$  of said Section 34 and running thence East 650 feet; thence in a Southwest direction to a point which is 650 feet South of the NW Corner of the  $E\frac{1}{2}NW\frac{1}{4}$  of said Section 34; thence North along the West Boundary of the  $E\frac{1}{2}NW\frac{1}{4}$  of said Section 34 to the point of beginning.

TOGETHER WITH an Easement 20 feet in width, follows an existing farm road, and is described as follows:

Segment I: The North 20 feet of the West 650 feet of the  $E\frac{1}{2}NW\frac{1}{4}$  of Section 34, Township 8 North, Range 36 E.B.M.

Segment II: The North 20 feet of the  $NW\frac{1}{4}NW\frac{1}{4}$  of Section 34, Township 8 North, Range 36 E.B.M.

Segment III: The North 20 feet of the East 800 feet, more or less of the  $NE\frac{1}{4}NE\frac{1}{4}$  of Section 33, Township 8 North, Range 36 E.B.M.

Segment IV: From the West end of Segment III, the roadway turns North, and the 20 foot roadway runs Northwesterly approximately 950 feet, turns West just prior to the potato cellar, and runs West approximately 500 feet until it connects with the County Road running along the West Boundary of  $SE\frac{1}{4}SE\frac{1}{4}$  of Section 28, Township 8 North, Range 36 E.B.M., as disclosed by Grant of Roadway Easement, recorded January 13, 1981, as Instrument No. 207657, executed by Frank H. Jacobs and Geraldine M. Jacobs, husband and wife to Keith W. Zollinger and Ann P. Zollinger, husband and wife.

ALSO INCLUDING:

Beginning at a point that is  $N.89^{\circ}41'47''E.$  along the Section line 1318.19 feet from the  $N\frac{1}{4}$  Corner of Section 34, Township 8 North, Range 36 East of the Boise Meridian, said point being the Northwest corner of the  $E\frac{1}{2}NE\frac{1}{4}$  of said Section 34; running thence  $N.89^{\circ}41'47''E.$  along said Section line 227.35 feet; thence  $S.00^{\circ}03'25''E.$  2647.68 feet to the South line of said  $E\frac{1}{2}NE\frac{1}{4}$ ; thence  $S.89^{\circ}17'37''W.$  along said South line 227.37 feet to the West line of said  $E\frac{1}{2}NE\frac{1}{4}$ ; thence  $N.00^{\circ}03'25''W.$  along said West line 2649.27 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM:

A parcel of land situated in Section 34, Township 8 North, range 36 E.B.M., Jefferson County, Idaho, more particularly described as follows:

Beginning at the Northeast corner of Section 34, Township 8 North, Range 36E.B.M., Jefferson County, Idaho; thence S. 89°37'21"W. along the North line of said Section 34 for a distance of 1109.87 feet to the True Point of Beginning, said point being the Northeast corner of grant deed Instrument No. 392982; thence S. 00°06'07" W. for a distance of 2643.33 feet to the South line of the NE¼ of said Section 34, said point being the Southeast corner of grant deed Instrument No. 392982; thence S. 89°09'59" W. along the South line of said NE¼ for a distance of 53.00 feet; thence N. 00°06'07" W. for a distance of 2643.76 feet to the North line of said Section 34; thence N. 89°37'21"E. for a distance of 53.00 feet to the True Point of Beginning.

**ALSO EXCEPTING:**

Beginning at a point that is S.89°41'47"W. along the Section line 371.45 feet from the N¼ Corner of Section 34, Township 8 North, Range 36 East of the Boise Meridian; running thence S.89°41'47"W. along said Section line 296.74 feet to a point that is N.89°41'47"E. 650.00 feet from the Northwest corner of the E½NW¼ of said Section 34; thence S.44°45'56"W. 920.35 feet to the West line of said E½NW¼; thence S.00°09'54"E. along said West line 2017.75 feet to the East-West Center Section line of said Section 34; thence N.89°17'37"E. along said East-West Center Section line 265.82 feet; thence N.00°09'54"W. 1881.92 feet; thence N.35°51'07"E. 493.55 feet; thence N.51°02'41"E. 231.97 feet; thence N.51°30'47"E. 272.10 feet; thence N.02°59'21"W. 72.44 feet to the POINT OF BEGINNING.

Section 36: E½; E½W½;

EXCEPT: Part of the NE¼ and SE¼ of Section 36, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, more particularly described as:

Commencing at the E¼ corner of Section 36, from which the Southeast corner of said section bears S. 00°00.31. E. 2,639.01 feet, the basis of bearings for this description;

Thence S. 00°00.31. E. 119.13 feet along the section line;

Thence S. 89°59.29" W. 1,485.66 feet to the Point of Beginning.

Thence S. 88°39.21. W. 192.12 feet, parallel with and 200.00 feet southerly of an existing potato cellar;

Thence N. 01°12.02. W. 718.16 feet, parallel with and 100.00 feet westerly of said existing potato cellar;

Thence N. 88°22'46" E. 192.24 feet;

Thence S. 01°11'29" E. 719.09 feet to the Point of Beginning.

ALSO EXCEPT: A 25 foot wide access easement being described as 12.50 feet both sides of the following described centerline:

Commencing at the E¼ corner of Section 36, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, from which the Southeast corner of said section bears S. 00°00'31" E. 2,639.01 feet, the basis of bearings for this description; thence N. 00°00'31" W. 476.29 feet to a point on the East line of said Section 36; thence S. 89°59'29" W. 1,241.24 feet to a point, more or less, being on the westerly right-of-way of a county road, said point being the Point of Beginning; thence S. 89°46'44" W. 256.69 feet to a point on the easterly boundary of the above described parcel, said point being the Point of Terminus.

Parcel 5:

Tract V: (Munns Pivots) 320,330,331,353,357,358,359,323,334,335,339, 340,341), commonly known as:

Township 8 North, Range 36 E.B.M., Jefferson County, Idaho

Section 2: Lot 4; SW $\frac{1}{4}$ NW $\frac{1}{4}$ ; W $\frac{1}{2}$ SW $\frac{1}{4}$ ;

EXCEPTING THEREFROM: The E. 330 feet of the W $\frac{1}{2}$ W $\frac{1}{2}$ .

Section 3: All

Section 12: SW $\frac{1}{4}$ ; W $\frac{1}{2}$ SE $\frac{1}{4}$ .

Section 13: W $\frac{1}{2}$ ; SE $\frac{1}{4}$ .

Section 15: All.

SUBJECT TO an easement described as: Beginning at a point that is North 86.99 feet from the SW corner of said Section 15 which is S. 89°31'03" W. 5364.26 feet from the SE corner of said Section 15 and running thence N. 89°10'14" W. 867.02 feet to an existing county road; thence N. 2°37'04" E. 30.01 feet parallel to the center line of Union Pacific Oregon Short Line Railroad; thence S. 89°10'14" E. 1588.06 feet; thence S. 89°17'16" E. 2894.91 feet; thence S. 89°13'16" E. 678.30 feet; thence S. 01°54'12" W. 30.01 feet; thence N. 89°17'16" W. 2894.98 feet; thence N. 89°10'09" E. 721.98 feet to the point of beginning.

EXCEPT Part of the S $\frac{1}{2}$ SE $\frac{1}{4}$  Section 15, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, more particularly described as:

Commencing at the Southeast corner of Section 15, from which the S $\frac{1}{4}$  corner of said section bears S. 89°31'03" W. 2,682.14 feet, the basis of bearings for this description; Thence S. 89°31'03" W. 1,696.02 feet; thence N. 00°28'57" W. 268.21 feet to the Point of Beginning.

Thence N. 00°27'34" E. 198.07 feet, parallel with and 200.00 feet westerly of the West line of an existing potato cellar;

Thence S. 89°28'31" E. 719.74 feet, parallel with and 100.00 feet northerly of the North line of said potato cellar;

Thence S. 00°27'34" W. 190.90 feet, parallel with and 200.00 feet easterly of the East line of said potato cellar;

Thence S. 89°57'13" W. 719.77 feet to the Point of Beginning.

ALSO Except: An ingress/egress easement being described as 12.50 feet both sides of the following described centerline:

Commencing at the Southeast corner of Section 15, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, from which the S $\frac{1}{4}$  corner of said section bears S. 89°31'03" W. 2,682.14 feet, the basis of bearings for this description; thence S. 89°31'03" W. 925.34 feet to the

Point of Beginning; thence N. 00°28'57" W. 318.98 feet; thence N. 89°32'26" W. 50.00 feet to the point of terminus, said point being on the East line of the above described parcel.

ALSO Except: Any portion lying South of the County road.

Section 22: E½E½.

Tract VI: (Munns Pivots) 320,321,322,323,332,303, 347,338,348,349,354,340,341 & 360), commonly known as:

Township 8 North, Range 36 E.B.M., Jefferson County, Idaho

Section 4: E½E½ lying East of the railroad right of way.

Section 9: E½E½ lying East of the railroad right of way.

Section 10: All.

Section 11: S½; W½NW¼;

EXCEPTING THEREFROM: The East 330 feet of the NW¼NW¼.

Section 14: All.

Section 23: W½W½.

Section 24: E½; E½W½;

EXCEPT: Beginning at a point that is S. 89°28'35" W. 4034.48 feet along the section line to the SW corner of the SE¼SW¼ and N. 0°16'37" E. 30.49 feet from the SE corner of said Section 24 and running thence N. 0°16'37" E. 550.13 feet along the West line of said SE¼SW¼; thence N. 89°26'05" E. 580.64 feet; thence S. 0°01'35" E. 550.04 feet; thence S. 89°25'44" W. 583.55 feet to the point of beginning.

#### TRACT IIA - JEFFERSON COUNTY

Township 7 North, Range 36 E.B.M., Jefferson County, Idaho

Section 9: Those parts of the E½E½ lying East of the Easterly right of way of the Union Pacific Railroad.

#### TRACT II - FREMONT COUNTY

Pivot Nos. 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 409, 410, 413, 414, 417, 418, 419, 420, 423, 424, 425 & 426, commonly known as:

Township 8 North, Range 37 E.B.M., Fremont County, Idaho

Section 17: S½.

Section 18: S½.

Section 19: ALL;

Except: Beginning at the Southwest corner of said section; and running thence East 200 feet along the South section line; thence North 200 feet; thence West 200 feet; thence South 200 feet to the point of beginning.

Also Except: Commencing at the Southeast corner of said Section 19, from which the Southwest corner of said section bears N. 89°56'43" W. 4978.43 feet, the basis of bearings for this description; thence N. 89°56'43" W. 1177.27 feet along the section line; thence N. 00°03'22" E. 535.01 feet to the Point of Beginning; thence N. 80°29'19" W. 718.48 feet parallel with the southerly line of an existing cellar known as cellar no. 81; thence N. 09°26'00" E. 114.19 feet parallel with and 200.00 feet westerly of the westerly line of said cellar; thence S. 80°29'19" E. 718.48 feet parallel with the northerly line of said cellar; thence S. 09°26'01" W. 114.19 feet parallel with and 200.00 feet easterly of the easterly line of said cellar to the point of beginning.

ALSO EXCEPT the following 25.00 feet wide ingress/egress easement, being described as 25.00 feet both sides of the following described centerline:

Commencing at the Southeast corner of Section 19, from which the Southwest corner of said section bears N. 89°56'43" W. 4978.43 feet, the basis of bearings for this description; thence N. 89°56'43" W. 1353.07 feet along the section line; thence N. 00°03'17" E. 44.92 feet to the Point of Beginning, said point being more or less the northerly right-of-way of a county road; thence N. 13°16'09" W. 22.91 feet; thence N. 04°18'39" E. 70.06 feet; thence N. 09°31'12" E. 421.43 feet to the point of terminus.

Section 20: ALL.

Section 23: E½, Less the West 600 feet of the NE¼.

Section 24: ALL.

Section 25: The E½NE¼, and all that portion of the W½NE¼ lying North and East of a line running from the N¼ corner to the Southeast corner of the SW¼NE¼.

(Yearsley Pivot Nos. 417, 418, 423 & 424, commonly known as:  
Township 8 North, Range 37 E.B.M., Fremont County, Idaho

Section 29: ALL;

Except: Commencing at the Northeast corner of said Section 29; thence N. 89°52' W. 1,284.97 feet; thence S. 1°34'38" W. 5,282.73 feet; thence S. 89°55' E. 1,454.95 feet; thence N. 0°16' W. along the section line 5,280 feet, more or less, to the point of beginning.

Also Except: Beginning at a point 1,525 feet West of the Northeast corner of said Section 29; and running thence South 300 feet; thence East 300 feet; thence North 300 feet; thence West 300 feet to the point of beginning.

Section 30: E½E½.

Section 31: ALL.

Section 32: ALL, Except: E½E½.

(Pivot Nos 435, 436, 437 and 438, commonly known as:  
Township 8 North, Range 38 E.B.M., Fremont County, Idaho

Section 19: S½

Section 30: N½.

TRACT IIA - FREMONT COUNTY

Township 8 North, Range 37 E.B.M., Fremont County, Idaho

Section 32: E½E½

TRACT III - CLARK COUNTY

Parcel 1:

PART I (Pivots 350,355,351,356, 358,352,344,345,328,329,346,324,325,326,327,305,318,319):  
(Munns)

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 24: Lots 3 and 4; W½SE¼; That portion of the SW¼ lying East of the existing power line.

Section 25: Lots 1, 2, 3 and 4; W½E½; W½.

EXCEPT: Commencing at the SE corner of said Section 25; thence West a distance of approximately 1,760 feet, more or less, along the South boundary line of Section 25 to a point where a fence line crosses the South boundary line of said section; thence following the fence line in a Northeast direction to a point on the East boundary line of Section 25 a distance of approximately 700 feet, more or less, North of the SE corner of Section 25; thence South along the East boundary line of Section 25 to the SE corner of Section 25, and the point of beginning.

Section 26: All.

Section 27: E½.

Section 33: NE¼; E½NW¼; E½SE¼ lying East of the railroad; EXCEPTING THEREFROM: NE¼NE¼ East of railroad right of way.

Section 34: All, LESS: N½NW¼. ALSO EXCEPTING THEREFROM: E½SE¼SE¼.

Section 35: All, EXCEPT the S. 330 feet of the S½ and the W. 330 feet of the NW¼SW¼SW¼SW¼.

Township 9 North, Range 37 E.B.M., Clark County, Idaho

Section 19: Lots 3 and 4

Section 30: Lots 1, 2 and 3

(Woodfield Potato Storages)

Township 9 North, Range 35 E.B.M., Clark County, Idaho

Section 9:

Part of the S½ described as: Beginning at a point that is North 2381.58 feet along the Section Line and East 2569.76 feet from the Southwest corner of said Section 9, and running thence S. 86°30'09" E. 375.00 feet; thence S. 3°29'51" W. 145.00 feet; thence N. 86°30'09" W. 375.00 feet; thence N. 3°29'51" E. 145.00 feet to the Point of Beginning.

Part of the S½ described as: Beginning at a point that is North 2381.58 feet along the Section Line and East 2569.76 feet from the Southwest corner of said Section 9, and running thence N. 3°29'51" E. 97.53 feet; thence S. 86°30'09" E. 375.00 feet; thence S. 3°29'51" W. 97.53 feet; thence N. 86°30'09" W. 375.00 feet to the Point of Beginning.

Together with an easement for ingress and egress to the above two parcels described as: Commencing at the South end of the County road that runs approximately in a North South direction along the Section Line between Sections 4 and 5 of Township 9 North, Range 35 E.B.M., Clark County, Idaho, and continuing approximately along such Section Line on the existing unimproved road South, in a southerly direction continuing along the West Section Line of the NW¼ of Section 9, Township 9 North, Range 35 East in a Southerly direction and then a Southeasterly direction across the SW¼NW¼ of Section 9, and then in an Easterly direction approximately along the South Line of said NW¼ of Section 9, and then in a Southeasterly direction to the above parcels, as reserved in Warranty Deed recorded July 26, 2006, as Instrument No. 51631.

(Beaver Creek Pivot 304), commonly known as:

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 28: NW¼;

Also including that portion of the NW¼NE¼ described as follows:

Beginning at a point that is N. 89°49' W. along the section line 1135.56 feet to the Westerly right of way line of the U.P. Railroad from the Northeast corner of said Section 28; thence N. 89°49'

W. 1511.42 feet; thence S. 0°00'40" E. 1321.74 feet; thence S. 89°49'42" E. 1593.89 feet to the Westerly right of way line of said Railroad; thence N. 3°34'54" W. along said Railroad right of way 1324.26 feet to the Point of Beginning.

**EXCEPTING THEREFROM:**

Part of the NE 1/4 of Section 28, Township 9 North, Range 36 East, B.M., Clark County, Idaho described as:

Beginning at a point on the West right-of-way line of the Union Pacific Railroad and the south line of a county road that is N. 89°55'48" W. 1135.67 feet along the North line of said Section 28 from the NE corner of said Section 28 and running thence S. 03°41'19" E. 1325.33 feet along said West right-of-way line to a point on the South line of the North 1/2 of the NE 1/4; thence N. 89°54'00" W. 416.17 feet along said South line of the North 1/2 of the NE 1/4; thence N. 00°19'20" W. 526.61 feet; thence N. 88°56'01" W. 17.03 feet; thence N. 01°34'54" W. 40.69 feet; thence N. 87°24'18" E. 16.50 feet; thence N. 01°15'43" W. 38.23 feet; thence N. 89°11'36" W. 6.32 feet; thence N. 00°20'38" E. 715.64 feet to the North line of said Section 28 and also the South line of the county road; thence S. 89°55'48" E. 338.41 feet along the section line and the south line of the county road to the point of beginning.

**Parcel 2:**

(Laird Pivots 342,343,313,314), commonly known as:

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 13: That portion of the SW¼SW¼ lying West of the easterly poles of the existing power line. The Southerly 495 feet of the NW¼SW¼ lying West of the easterly poles of the existing power line.

Section 14: S½SE¼; the Southerly 495 feet of the N½SE¼.

Section 15: That portion of the NW¼ described as follows: Starting at the NW corner of said Section 15, and running thence S. along the common section line between Sections 15 and 16 (assumed bearing = S. 0° E.) An approximate distance of 884 feet to a point in an existing corral fence separating animal corrals from an adjacent potato field with circular, rotary sprinkling system, which point is the True Point of Beginning; thence approximately S. 63° E. along an existing fence line an approximate distance of 737 feet; thence S. 53° E. along an existing fence line an approximate distance of 416 feet; thence approximately S. 32° E. an approximate distance of 525 feet to the ¼-¼ section line between the SW¼NW¼ and the SE¼NW¼ of said Section 15; thence S. along said line approximately 673 feet to the SE corner of the SW¼NW¼ of said Section 15; thence W. along the ¼ section line to the SW corner of the NW¼ of said Section 15; thence N. along the section line to the True Point of Beginning.

Section 16: That portion of the E½ of the Section lying East of the centerline of the Union Pacific Railroad tracks, described as follows: Beginning at the NE section corner of Section 16; thence S. 0°02' E. along the East Section line of said Section 16 a distance of 5288.77 feet to the SE section corner of said Section 16; thence N. 89°59'02" W. along the South line of Section 16 a

distance of 1365.41 feet to a point in the centerline of the Union Pacific Railroad right of way; thence N. 3°36'24" W. along said centerline of the Union Pacific Railroad a distance of 5310.70 feet to the North Section line of said Section 16; thence S. 89°54'17" E. a distance of 1695.85 feet to the NE corner of said Section 16 with said corner being the original Point of Beginning. EXCEPTING THEREFROM the N. 884 feet of that portion of the N½NE¼ of said Section 16 lying between the centerline of the Union Pacific Railroad Tracks and the common (North-South) Section line between Sections 16 and 15.

Section 21: That portion of the N½NE¼ lying East of railroad tracks.

Section 22: NW¼NW¼

Section 23: E½

Section 24: That portion of the W½ lying West of the Easterly poles of the existing power line.

Parcel 4: (Beaver Creek Potato Storage)

Beginning at a point that is North 203.92 feet along the Section line and N. 89°23'13" W. 2550.87 feet from the SE corner of Section 29, Township 9 North, Range 36 E.B.M., Clark County, Idaho, and running thence N. 89°23'13" W. 608.50 feet; thence N. 0°36'47" E. 333.00 feet; thence S. 89°23'13" E. 608.50 feet; thence S. 0°36'47" W. 333.00 feet to the point of beginning.

Together with a 30 foot wide access easement lying 15 feet each side of the following described center line: Beginning at a point that is North 995.30 feet along the section line and N. 89°05'25" W. 413.20 feet from the Southeast corner of Section 29, Township 9 North, Range 36 E.B.M., Clark County, Idaho, said point of beginning being on the center line of a North-South county road; and running thence N. 89°05'25" W. 2189.30 feet; thence S. 0°36'47" W. 571.84 feet to a point on the North side of the Cellar Parcel.

ADDITIONAL COLLATERAL:  
CLARK COUNTY:

(Pivot Numbers 300, 301, 301A, 302, 302A, 303), commonly known as:

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 9: ALL, lying West of the Union Pacific Railroad right of way and South and East of Old Highway #91.

Section 16: That part of the N½ of said Section 16, lying Westerly of the centerline of the Union Pacific Railroad right of way, said centerline described as follows:

Commencing at the NE section corner of said Section 16; thence along the North line of said Section 16, N. 89°54'17" W. 1695.08 feet to a point of the centerline of said railroad right of way being the real Point of Beginning; thence along said centerline S. 03°36'24" E. 2650.85 feet, more or less, to the East-West centerline of said Section 16.

ALSO: That part of the S½ of said Section 16, lying Westerly of the centerline of the Union Pacific Railroad right of way, said centerline described as follows: Commencing at the SE section corner of said Section 16; thence along the South line of said Section 16, N. 89°59'02" W. 1365.41 feet to a point in the centerline of said railroad right of way, being the real Point of Beginning; thence along said centerline N. 03°36'24" W. 2650.85 feet, more or less, to the East-West centerline of said Section 16.

Section 21: W½; that part of the E½ lying West of the Union Pacific Railroad right-of-way; SE¼NE¼; E½SE¼ lying East of the Union Pacific Railroad right-of-way.

EXCEPT from the NW¼NW¼ that portion excepted in the deed from Clark County to Lawrence W. Kidd, recorded February 24, 1940, in Book 11 of Deeds at page 184, records of Clark County, Idaho, described as follows: Beginning at a point on the section line between Section 16 and 21 from which point the section corner common to Sections 16, 17, 20, and 21, Township 9 North, Range 36 E.B.M. bears due West a distance of 50 feet; thence S. 00°02' E. along the East boundary of State Highway No. 91, 1320 feet; thence East along the line common to the boundary line between the NW¼NW¼ and SW¼NW¼, according to United States survey thereof, 200 feet; thence N00°02'W 1320 feet to a point on the section line between Section 16 and 21; thence due West along said section line 200 feet to the point of beginning.

ALSO EXCEPT from said NW¼NW¼ that portion conveyed to Utah Power & Light Company described as follows: Beginning at a point on the North line of said section that is East 200 feet from the East right-of-way line of U.S. Highway No. 191; thence continuing along said North line, N. 89°53' E. 200 feet; thence S. 00°10' E. 300 feet; thence S. 89°53' W. 200 feet; thence N. 00°10' W. 300 feet to the point of beginning.

Section 22: S½NW¼; SW¼.

Section 27: W½.

Section 28: E½ East of the Railroad right of way

Section 33: NE¼NE¼ East of the Railroad right of way.

Section 34: N½NW¼.

## **Exhibit B to Mortgage**

### **Water Rights:**

#### **Burke Farm Irrigation Water Rights:**

Decree 31-12012 for 1.88 CFS, priority of 11/01/1977 for 115.4 acres from a well.  
Decree 31-12014 for 2.00 CFS, priority of 02/24/1977 for 121.4 acres from a well.  
Decree 31-12011 for .33 CFS, priority of 03/02/1977 for 20.1 acres from a well.  
Decree 31-12013 for .20 CFS, priority of 11/01/1977 for 12.5 acres from a well.  
Decree 31-12015 for .17 CFS, priority of 02/24/1977 for 10.6 acres from a well.  
Decree 31-12017 for .21 CFS, priority of 06/11/1976 for 11.4 acres from a well.  
Decree 31-12019 for .03 CFS, priority of 07/15/1981 for 1.6 acres from a well.  
Decree 31-7037C for .24 CFS, priority of 06/08/1970 for 16.2 acres from a well.  
Decree 31-7038B for .31 CFS, priority of 06/08/1970 for 17.4 acres from a well.  
Decree 31-7222B for .42 CFS, priority of 03/02/1977 for 25.9 acres from a well.  
Decree 31-11980 for 1.73 CFS, priority of 01/31/1975 for 120 acres from a well.  
Decree 31-11978 for 1.79 CFS, priority of 01/31/1975 for 124 acres from a well.  
Decree 31-7158C for 1.9 CFS, priority of 01/31/1975 for 122 acres from a well.  
Decree 31-11979 for .11 CFS, priority of 01/31/1975 for 8 acres from a well.  
Decree 31-11981 for .17 CFS, priority of 01/31/1975 for 12 acres from a well.  
Decree 31-12114 for 2.03 CFS, priority of 02/24/1977 for 123.3 acres from a well.  
Decree 31-12144 for 2.03 CFS, priority of 02/24/1977 for 123.7 acres from a well.  
Decree 31-12146 for 2.03 CFS, priority of 02/24/1977 for 123.7 acres from a well.

#### **Yearsley Farm Irrigation Water Rights:**

Decree 31-12204 for 3.61 CFS, priority of 04/15/1958 for 242.8 acres from wells.  
Decree 31-12130 for 2.07 CFS, priority of 09/18/1973 for 241.9 acres from wells.  
Decree 31-12132 for 2.04 CFS, priority of 10/25/1954 for 184.2 acres from wells.  
Decree 31-12134 for .76 CFS, priority of 02/20/1959 for 61.6 acres from wells.

#### **Quality Pack Farm Water Rights:**

Decree 31-11909 for 8.54 CFS, priority of 07/07/1969 for 478.4 acres from wells.  
Decree 31-12028 for 4.48 CFS, priority of 06/08/1970 for 250.8 acres from a well.  
Decree 31-12036 for 7.36 CFS, priority of 06/08/1970 for 409.9 acres from wells.  
Decree 31-7220F for 1.42 CFS, priority of 03/10/1977 for 137.1 acres from a well.  
Decree 31-12080 for 1.68 CFS, priority of 02/27/1978 for 105.6 acres from a well.  
Decree 31-12082 for 2.02 CFS, priority of 02/27/1978 for 123.3 acres from a well.  
Decree 31-11951 for 4.21 CFS, priority of 05/02/1963 for 249.0 acres from a well.  
Decree 31-12078 for 1.72 CFS, priority of 02/27/1978 for 101.6 acres from a well.  
Decree 31-12084 for 1.96 CFS, priority of 02/27/1978 for 123.3 acres from a well.

Decree 31-7370A for .44 CFS, priority of 08/17/1981 for 22.0 acres from a well.  
Decree 31-11933 for 1.86 CFS, priority of 08/17/1981 for 120.9 acres from a well.  
Decree 31-11957 for .34 CFS, priority of 08/17/1981 for 84.8 acres from a well.  
Decree 31-11958 for .20 CFS, priority of 08/17/1981 for 14 acres from a well.  
Decree 31-11959 for 1.83 CFS, priority of 08/17/1981 for 126 acres from a well.  
Decree 31-11960 for .41 CFS, priority of 08/17/1981 for 84.8 acres from a well.  
Decree 31-11962 for .57 CFS, priority of 05/02/1963 for 84.8 acres from a well.  
Decree 31-11996 for 1.43 CFS, priority of 08/17/1981 for 95.0 acres from a well.

**Weaver Farm Irrigation Water Rights:**

Decree 31-12110 for 5.46 CFS, priority of 01/08/1973 for 291 acres from wells.  
Decree 31-11780 for 4.35 CFS, priority of 01/08/1973 for 217.5 acres from a well.  
Decree 31-11782 for 2.92 CFS, priority of 12/22/1978 for 146.0 acres from a well.  
Decree 31-12056 for 5.72 CFS, priority of 01/08/1973 for 305.00 acres from wells.  
Decree 31-2426E for .79 CFS, priority of 08/11/1966 for 47.1 acres from a well.  
Decree 35-12112 for 2.78 CFS, priority of 01/08/1973 for 139 acres from wells.  
Decree 31-12058 for 3.52 CFS, priority of 01/08/1973 for 280.7 acres from wells.

**Munns South Farm Irrigation Water Rights:**

Decree 31-11779 for 2.57 CFS, priority of 02/17/1969 for 197.4 acres from wells.  
Decree 31-7369E for 2.65 CFS, priority of 08/12/1981 for 185.1 acres from a well.  
Decree 31-11800 for .23 CFS, priority of 04/23/1983 for 15.8 acres from a well.  
Decree 31-11802 for 2.2 CFS, priority of 04/23/1983 for 143.6 acres from a well.  
Decree 31-11804 for .38 CFS, priority of 04/23/1983 for 24.7 acres from a well.  
Decree 31-12308 for 2.5 CFS, priority of 10/26/1944 for 125.0 acres from a well.  
Decree 31-7034AD for 2.7 CFS, priority of 05/11/1970 for 184.0 acres from a well.  
Decree 31-11739 for .27 CFS, priority of 07/29/1971 for 13.7 acres from a well.  
Decree 31-12086 for 2.45 CFS, priority of 08/12/1981 for 175.1 acres from a well.  
Decree 31-11925 for 2.19 CFS, priority of 04/23/1983 for 142.9 acres from a well.  
Decree 31-11791 for .02 CFS, priority of 11/12/1976 for 1.4 acres from a well.  
Decree 31-11793 for .10 CFS, priority of 08/12/1981 for 7 acres from a well.  
Decree 31-11795 for .13 CFS, priority of 04/23/1983 for 8.6 acres from a well.  
Decree 31-11797 for .04 CFS, priority of 08/12/1981 for 2.6 acres from a well.  
Decree 31-11910 for .8 CFS, priority of 07/07/1969 for 44.6 acres from a well.  
Decree 31-11912 for .27 CFS, priority of 08/12/1981 for 17.6 acres from a well.  
Decree 31-11990 for .05 CFS, priority of 11/12/1976 for 3.1 acres from a well.  
Decree 31-11993 for .46 CFS, priority of 03/05/1980 for 31 acres from a well.  
Decree 31-11995 for .10 CFS, priority of 01/08/1973 for 5 acres from a well.

Decree 31-11997 for .05 CFS, priority of 05/11/1970 for 4.0 acres from a well.  
 License 31-7439B for .84 CFS, priority of 07/27/1985 for 41.8 acres from a well.  
 Decree 31-11991 for .26 CFS, priority of 11/12/1976 for 16.3 acres from a well.  
 Decree 31-7034Z for 1.78 CFS, priority of 05/11/1970 for 121.0 acres from a well.  
 Decree 31-11996 for 1.61 CFS, priority of 05/11/1970 for 120.0 acres from a well.  
 Decree 31-7034AF for 1.79 CFS, priority of 05/11/1970 for 121.0 acres from a well.  
 Decree 31-7034C for 1.67 CFS, priority of 05/11/1970 for 114.0 acres from a well.  
 Decree 31-7034W for 2.41 CFS, priority of 05/11/1970 for 164.0 acres from a well.  
 Decree 31-7034V for 1.8 CFS, priority of 05/11/1970 for 122.0 acres from a well.  
 Decree 31-2301A for 3.62 CFS, priority of 04/23/1951 for 181.0 acres from a well.  
 Decree 31-7034AB for .94 CFS, priority of 05/11/1970 for 63.0 acres from a well.  
 Decree 31-7034X for 1.83 CFS, priority of 05/11/1970 for 124.0 acres from a well.  
 Decree 31-11799 for .01 CFS, priority of 04/23/1983 for .7 acres from a well.  
 Decree 31-1181 for .13 CFS, priority of 04/23/1983 for 8.4 acres from a well.  
 Decree 31-11803 for .02 CFS, priority of 04/23/1983 for 1.3 acres from a well.  
 Decree 31-11932 for .08 CFS, priority of 08/12/1981 for 5.0 acres from a well.  
 Decree 31-11934 for .51 CFS, priority of 08/17/1981 for 33.1 acres from a well.  
 Decree 31-7034Y for 3.96 CFS, priority of 05/11/1970 for 269.0 acres from a well.  
 Decree 31-7302A for 4.4 CFS, priority of 06/23/1978 for 269.0 acres from a well.  
 Decree 31-12338 for 1.65 CFS, priority of 06/20/1969 for 124 acres from a well.  
 Decree 31-7034AE for 1.54 CFS, priority of 05/11/1970 for 122 acres from a well.

**Munns North Farm Irrigation Water Rights:**

Decree 31-12108 for 2.86 CFS, priority of 05/10/1978 for 220.3 acres from a well.  
 Decree 31-12128 for 3.16 CFS, priority of 05/10/1978 for 220.3 acres from a well.  
 Decree 31-7627A for 2.63 CFS, priority of 08/12/1981 for 171.0 acres from a well.  
 Decree 31-7635A for 1.86 CFS, priority of 04/23/1983 for 121.6 acres from a well.  
 Decree 31-11915 for .01 CFS, priority of 04/23/1983 for 1.3 acres from a well.  
 Decree 31-11916 for .01 CFS, priority of 04/23/1983 for .1 acres from a well.  
 Decree 31-11918 for .1 CFS, priority of 07/29/1971 for 6.5 acres from a well.  
 Decree 31-11920 for .08 CFS, priority of 07/29/1971 for 5.3 acres from a well.  
 Decree 31-11922 for .17 CFS, priority of 07/29/1971 for 10.5 acres from a well.  
 Decree 31-11924 for .25 CFS, priority of 08/12/1981 for 18 acres from a well.  
 Decree 31-11926 for .04 CFS, priority of 04/23/1983 for 2.5 acres from a well.  
 Decree 31-11928 for .20 CFS, priority of 04/23/1983 for 13.7 acres from a well.  
 Decree 31-11930 for .28 CFS, priority of 08/12/1981 for 18 acres from a well.  
 Decree 31-7220C for 1.08 CFS, priority of 03/10/1977 for 104.1 acres from a well.  
 Decree 31-7220D for 1.08 CFS, priority of 03/10/1977 for 104.1 acres from a well.

Decree 31-11792 for .2 CFS, priority of 11/12/1976 for 12.7 acres from a well.  
 Decree 31-11794 for .75 CFS, priority of 08/12/1981 for 52.4 acres from a well.  
 Decree 31-11798 for .29 CFS, priority of 08/21/1981 for 18.6 acres from a well.  
 Decree 31-11913 for 1.16 CFS, priority of 04/23/1983 for 79.7 acres from a well.  
 Decree 31-11914 for .03 CFS, priority of 04/23/1983 for 2.3 acres from a well.  
 Decree 31-12150 for .61 CFS, priority of 07/07/1969 for 34.1 acres from a well.  
 Decree 31-2365E for .62 CFS, priority of 04/18/1958 for 44.4 acres from a well.  
 Decree 31-2374B for .18 CFS, priority of 02/20/1959 for 14.8 acres from a well.  
 Decree 31-2405B for .22 CFS, priority of 05/02/1963 for 13.2 acres from a well.  
 Decree 31-7044B for .21 CFS, priority of 01/11/1971 for 10.8 acres from a well.  
 Decree 31-7177B for .13 CFS, priority of 01/02/1976 for 7.2 acres from a well.  
 Decree 31-11923 for 1.42 CFS, priority of 08/12/1981 for 101.0 acres from a well.  
 Decree 31-11929 for 1.54 CFS, priority of 08/12/1981 for 101.1 acres from a well.  
 Decree 31-11931 for 3.1 CFS, priority of 08/12/1981 for 202.0 acres from a well.  
 Decree 31-7610A for .28 CFS, priority of 04/23/1983 for 148.2 acres from a well.  
 Decree 31-7612A for .51 CFS, priority of 05/02/1978 for 148.2 acres from a well.  
 Decree 31-7621A for .57 CFS, priority of 04/23/1983 for 148.2 acres from a well.  
 Decree 31-7638A for .76 CFS, priority of 03/29/1984 for 148.2 acres from a well.  
 Decree 31-11911 for 2.25 CFS, priority of 08/12/1981 for 147.8 acres from a well.  
 Decree 31-7605 for .75 CFS, priority of 03/29/1984 for 43.2 acres from a well.  
 Decree 31-7607 for .95 CFS, priority of 03/29/1984 for 49.2 acres from a well.  
 Decree 31-7608 for .38 CFS, priority of 06/01/1987 for 44.7 acres from a well.  
 Decree 31-7613 for .57 CFS, priority of 05/02/1978 for 39.3 acres from a well.  
 Decree 31-7616 for .37 CFS, priority of 05/02/1978 for 44.7 acres from a well.  
 Decree 31-12205 for .07 CFS, priority of 04/18/1958 for 4.8 acres from a well.  
 Decree 31-12207 for .08 CFS, priority of 03/09/1970 for 4.2 acres from a well.  
 Decree 31-12209 for .32 CFS, priority of 01/22/1971 for 17.6 acres from a well.  
 Decree 31-12211 for .15 CFS, priority of 06/11/1976 for 11.0 acres from a well.  
 Decree 31-12213 for .08 CFS, priority of 03/03/1977 for 4.6 acres from a well.  
 Decree 31-7369F for 1.73 CFS, priority of 08/12/1981 for 120.5 acres from a well.  
 Decree 31-2301B for .38 CFS, priority of 04/23/1951 for 19.0 acres from a well.  
 Decree 31-7034AA for 1.28 CFS, priority of 05/11/1970 for 104.0 acres from a well.  
 Decree 31-7302B for 1.01 CFS, priority of 06/23/1978 for 62.0 acres from a well.  
 Decree 31-7615A for .35 CFS, priority of 06/01/1987 for 44.8 acres from a well.  
 Decree 31-7618A for .37 CFS, priority of 05/02/1978 for 44.8 acres from a well.  
 Decree 31-7620A for .52 CFS, priority of 04/23/1983 for 34.3 acres from a well.  
 Decree 31-7622A for .57 CFS, priority of 04/23/1983 for 41.2 acres from a well.  
 Decree 31-7052P for .81 CFS, priority of 07/29/1971 for 40.4 acres from a well.

Decree 31-7606 for .45 CFS, priority of 03/29/1984 for 33.2 acres from a well.  
Decree 31-7609 for .11 CFS, priority of 04/23/1983 for 24.2 acres from a well.  
Decree 31-7611 for .21 CFS, priority of 05/02/1978 for 24.2 acres from a well.  
Decree 31-7629 for .24 CFS, priority of 04/23/1983 for 16.2 acres from a well.

**Beaver Creek East Irrigation Water Rights:**

Decree 31-11784 for 5.68 CFS, priority of 07/29/1976 for 381.8 acres from a well.  
Decree 31-12183 for .34 CFS, priority of 08/20/1976 for 17.0 acres from a well.  
Decree 31-12185 for .13 CFS, priority of 10/10/1973 for 17.0 acres from a well.  
Decree 31-12187 for .17 CFS, priority of 06/14/1974 for 17.0 acres from a well.

Decree 31-7127 for 6.24 CFS, priority of 07/25/1974 for 320 acres from wells.  
Decree 31-7202B for 2.42 CFS, priority of 07/29/1976 for 121 acres from wells.  
License 31-7423 for .2 CFS, priority of 04/25/1984 for 36 acres from wells.  
Decree 31-7630 for .78 CFS, priority of 04/23/1983 for 53.8 acres from wells.  
Decree 31-12105 for .27 CFS, priority of 04/03/1969 for 20.6 acres from wells.

Decree 31-12107 for .2 CFS, priority of 02/20/1974 for 10.7 acres from wells.  
Decree 31-12109 for .14 CFS, priority of 05/10/1978 for 10.7 acres from wells.  
Decree 31-12111 for .54 CFS, priority of 01/08/1973 for 29.0 acres from wells.  
Decree 31-12113 for .24 CFS, priority of 01/08/1973 for 12 acres from wells.  
Decree 31-12115 for .14 CFS, priority of 02/24/1977 for 8.7 acres from wells.  
Decree 31-12117 for .24 CFS, priority of 11/12/1976 for 15.0 acres from wells.  
Decree 31-12119 for .18 CFS, priority of 01/02/1976 for 10 acres from wells.  
License 31-12121 for .20 CFS, priority of 07/27/1985 for 10.0 acres from wells.  
Decree 31-12123 for .16 CFS, priority of 05/11/1970 for 10.9 acres from wells.  
Decree 31-12125 for .16 CFS, priority of 05/11/1970 for 10.9 acres from wells.  
Decree 31-12127 for .39 CFS, priority of 08/11/1966 for 22.3 acres from wells.  
Decree 31-12129 for .07 CFS, priority of 05/10/1978 for 4.7 acres from wells.  
Decree 31-12131 for .12 CFS, priority of 09/18/1973 for 14.1 acres from wells.  
Decree 31-12133 for .12 CFS, priority of 10/25/1954 for 10.7 acres from wells.  
Decree 31-12135 for .04 CFS, priority of 02/20/1959 for 3.6 acres from wells.  
Decree 31-12143 for .38 CFS, priority of 02/20/1974 for 19.0 acres from wells.  
Decree 31-12145 for .14 CFS, priority of 02/24/1977 for 8.3 acres from wells.  
Decree 31-12147 for .14 CFS, priority of 02/24/1977 for 8.3 acres from wells.  
Decree 31-12149 for .10 CFS, priority of 01/02/1976 for 5.5 acres from wells.

Decree 31-12151 for .05 CFS, priority of 07/07/1969 for 2.8 acres from wells.  
Decree 31-12171 for .13 CFS, priority of 03/11/1982 for 9.5 acres from wells.  
Decree 31-12172 for .08 CFS, priority of 03/11/1982 for 6.0 acres from wells.  
Decree 31-12189 for .06 CFS, priority of 01/24/1975 for 4.0 acres from wells.  
Decree 31-12191 for .26 CFS, priority of 03/18/1974 for 15.0 acres from wells.  
Decree 31-72208 for 1.26 CFS, priority of 03/10/1977 for 122 acres from a well.

**Beaver Creek West Cellar:**

Decree 31-12200 for .04 CFS, priority of 02/17/1969 for Domestic Use from a well.

Water License 31-7651 for .66 CFS, priority of 08/28/1997 for Industrial use.  
Decree 31-7370F for .27 CFS, priority of 08/17/1981 for 18 acres from a well.  
Decree 31-7627B for .39 CFS, priority of 08/12/1981 for 95 acres from a well.

### **Exhibit C to Mortgage**

#### **Permitted Exceptions:**

As set forth in Schedule B of the pro forma title insurance policy issued by First American Title Insurance Policy Number 719760.

**Instrument # 417184**

RIGBY, JEFFERSON, IDAHO  
06-01-2015 01:56:15 PM No. of Pages: 31  
Recorded for: FIRST AMERICAN TITLE NCS KANSAS CITY  
COLLEEN C POOLE Fee: \$100.00  
Ex-Officio Recorder Deputy: LK  
Index To: MORTGAGE  
Electronically Recorded by Simplifile

Prepared by and after recording, please return to:  
Michael D. Killin  
Campbell Killin Brittan & Ray, LLC  
270 St. Paul Street, Suite 200  
Denver, Colorado 80206  
(303) 322-3400

PLEASE RETURN TO:  
First American Title Insurance Company  
1201 Walnut, Suite 700  
Kansas City, MO 64106  
File No.: 719760  
Attn: Kathy Henderson

**MORTGAGE**

(Secures Future Advances and Includes an Assignment of Rents, a Security Agreement and Fixture Filing)

THIS MORTGAGE (this "**Mortgage**") made as of May 22, 2015 is between BLAINE LARSEN FARMS, INC., an Idaho corporation, and BLF LAND, LLC, an Idaho limited liability company ("**Mortgagor**", whether one or more, which designation shall include successors in interest), and of RABO AGRIFINANCE, INC., a Delaware corporation, whose address is 12443 Olive Boulevard, Suite 50, St. Louis, Missouri 63141, as a Lender (as defined below) and in its capacity as the agent for the Lenders (in such capacity, the "**Agent**").

WITNESSETH, THAT WHEREAS Mortgagor and other co-borrowers (sometimes referred to collectively as "**Borrower**") have entered into a Loan and Security Agreement with Agent and the financial institutions party thereto (the "**Lenders**"), which term, for the purposes hereof shall include "**Issuer**" (as such term is defined in the Loan Agreement) dated as of May 22, 2015 (as the same may be amended, replaced, restated and/or supplemented from time to time, the "**Loan Agreement**"), which Loan Agreement entitles Borrower to borrow principal sums and to obtain letters of credit from the Lenders up to and including the amount of TWO HUNDRED TWENTY FIVE MILLION DOLLARS (\$225,000,000.00), which amount is and shall be evidenced by the promissory notes of Borrower executed on the date of the Loan Agreement and to be executed from time to time thereafter (collectively, the "**Notes**"), with interest thereon and payable according to the terms thereof, with maturity dates according to the terms thereof, with an original outside maturity date of June 1, 2020 (which outside maturity date may be extended from time to time in accordance with the terms of the Loan Agreement).

NOW THEREFORE, Mortgagor, in consideration of these premises, and to secure the performance of the Loan Agreement and the prompt payment of the Notes, including future advances, and any other sums that may be added to the principal of the Notes pursuant to the Loan Agreement and under the terms of this Mortgage, all other Liabilities (as defined in the Loan Agreement, including but not limited to Bank Products Obligations and Swap Obligations (each as defined in the Loan Agreement)) together with interest thereon and any sums advanced or expended by Agent in protection or enforcement of its interests hereunder and to secure any other present or future indebtedness of Borrower to the Agent and the Lenders, and to secure the prompt performance of all promises, conditions and covenants related thereto, does hereby grant, mortgage, warrant, convey, pledge and hypothecate unto Agent and its successors and assigns forever, for the ratable benefit of Lenders the hereinafter described real property (the "**Land**"), situated in Jefferson County, Fremont County, and Clark County all in the State of Idaho, to wit:

That property more particularly described in Exhibit A attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same, together with all and singular the privileges and appurtenances thereunto belonging, including without limitation, the following, whether now leased, owned, or hereafter acquired (a) any and all improvements, tenements, buildings, easements, fixtures, privileges, reservations, allowances, hereditaments and appurtenances, now or hereafter belonging or pertaining to the Land; (b) all of Mortgagor's right, title and interest in any land lying between the boundaries of the Land and the center line of any adjacent street, road, avenue or alley, whether existing or proposed; (c) all oil, gas, minerals, crops, timber, trees, shrubs, flowers and landscaping plants and materials now or hereafter located on, under or above the Land; (d) all plats, surveys, soil and engineering data, plans and specifications, drawings, renderings, profiles, shop drawings and all development rights associated with the Land, now existing or hereafter transferred to the Land from other real property; (e) all awards and payments, including without limitation, interest payments, resulting from the exercise of any right of condemnation or eminent domain or from any other public or private taking of, injury to or decrease in the value of, any of the Land; (f) all water, rights to water and water rights, ditches and ditch rights, wells and well rights (specifically including, but not limited to, the Water Rights as defined in the Loan Agreement and as set forth on Exhibit B), springs and spring rights and reservoirs and reservoir rights appurtenant to, transferred to, or historically used in connection with the Land and all of Mortgagor's rights and interests under applicable state or federal law to all unappropriated water contained in or available from any part of the water bearing formations underlying the Land, together with all associated easements and rights-of-way; (g) any and all of Mortgagor's right, title and interest in water taps purchased or available for purchase from any water provider or any other person; (h) all of the rents, income, receipts, revenues, royalties, issues and profits of or from the Land and the improvements located thereon (collectively, the "**Rents**"); (i) any and all rights and estates in reversion or remainder; (j) all interest of Mortgagor in and to any insurance proceeds, or any causes of action, damages or recoveries relating to the Land; and (k) any and all other rights and interest of every kind and nature in all property, whether real or personal, forming a part of or used in connection with the Land and the construction, operation and convenience of the improvements located thereon, including without limitation, all machines, machinery, fixtures, apparatus, equipment or articles used to supply heating, gas, electricity, air conditioning, water, light, power, sprinkler protection, waste removal, refrigeration and ventilation; all building materials, supplies and equipment located on the Land and intended to be incorporated into the improvements thereon, whether or not affixed; all floor coverings, screens, draperies, partitions, furniture and furnishings; all architects', contractors' and suppliers' agreements and contracts and all plans and specifications relating to the construction of improvements; and all headgates, flumes, wells, well equipment, pumps, pumping equipment, pumping accessories, sprinkler systems, and fences (the Land, together with the rights listed in (a) through (k) of this paragraph, collectively are the "**Property**"). Without detracting from the foregoing, this Mortgage shall constitute an assignment of all of Mortgagor's right, title and interest in and to appurtenant contracts, if any.

The word "**indebtedness**" is used herein in its most comprehensive sense and includes any and all advances, debts, obligations and liabilities of Borrower, now or hereafter made, incurred or created, whether voluntary or involuntary and however arising, whether due or not due, absolute or contingent, liquidated or unliquidated, determined and undetermined, and whether Borrower may be liable, individually or jointly.

Amendments, renewals, extensions, modifications and substitutions of and for indebtedness, including without limitation the Notes, may be made by the Agent and the Lenders pursuant to the terms of the Loan Agreement and upon such terms and conditions and with such modifications and changes, including without limitation, changes in the interest or discount rate, as the Agent and the Lenders may see fit in accordance with the Loan Agreement, and in the event and to the extent that Mortgagor is not the obligor of any such indebtedness, such amendments, renewals, extensions, modifications and substitutions may be made at any time and from time to time without further notice to or consent from Mortgagor. Agent may enter into any agreement with Borrower or any other obligor or guarantor, or may release or discharge any obligor or guarantor from any indebtedness, without notice to or consent of Mortgagor, and without releasing or compromising this Mortgage or releasing or discharging any Mortgagor not specifically released or discharged in writing. If the ownership of the Property becomes vested in a person or persons other than Mortgagor, Agent may, without notice to Mortgagor, deal with such successor or successors in interest of Mortgagor with reference to this Mortgage, the indebtedness secured hereby and the Property in the same manner as if such person or persons were Mortgagor, without in any way releasing or discharging Mortgagor.

Upon a "**Matured Default**" (as such term is defined in the Loan Agreement), Agent, at its option, shall have the power to foreclose in the manner otherwise provided for mortgages, and to the fullest extent permitted by applicable law, Mortgagor waives any rights of redemption and/or appraisal as to any sale or foreclosure.

Agent or its representatives and agents are specifically authorized to bid at any foreclosure sale held and any bid by Agent may take into consideration anticipated taxes, assessments, insurance premiums, utilities, maintenance costs, repairs, title expense, the cost of any appraisal, the cost of satisfying senior indebtedness and the then going real estate agent's commission, all or any of which may be incurred during the period of redemption or in order to subsequently sell or otherwise dispose of the Property after the issuance of a deed, and such amounts shall not be deemed an overplus distributable to junior lienors or Mortgagor.

As may be permitted by law, after deducting all costs, fees and expenses of sale, the proceeds of sale shall be applied to payment of (i) all sums expended under the terms hereof, not then repaid, with accrued interest at the maximum rate provided by the Loan Agreement and Notes, (ii) all other sums then secured hereby, and (iii) the remainder, if any, to the person or persons legally entitled thereto.

#### **BORROWER AND MORTGAGOR EXPRESSLY COVENANT AND AGREE:**

1. **Payment of Indebtedness.** To pay all and singular of the principal and interest and other sums of money payable by virtue of the Loan Agreement, Notes or other indebtedness secured under the terms and conditions of this Mortgage, on the days respectively that the same severally become due.

2. **Performance of Obligations.** To perform each and every stipulation, agreement and condition of the Loan Agreement, Notes, or any other document or instrument evidencing indebtedness secured hereby, and of this Mortgage.

3. Insurance. To maintain, or cause to be maintained, insurance on the Property, in each case, for the benefit of the Agent, for the ratable benefit of the Lenders, as follows:

(a) All-risk builders risk insurance (non-reporting form) during the construction of any improvements on the Land or to the Property (referred to in this paragraph 3 as the "**Improvements**") in an amount equal to one hundred percent (100%) of the replacement cost of the Improvements, providing all-risk coverage on the Improvements and the materials stored on the Property and elsewhere, and including the perils of collapse, water damage and, if requested by Agent, flood, business interruption, permission to occupy, interests costs and other risks;

(b) All-risk casualty insurance after the completion of the construction of each of the Improvements, in an amount at least equal to one hundred percent (100%) of the replacement cost of such Improvements with an agreed amount endorsement, providing all-risk coverage on the Improvements, and including the perils of business interruption or loss of rents for a period of not less than twelve (12) months, boiler/machinery coverage, and other risks;

(c) Workers' Compensation Insurance for Contractors for statutory limits;

(d) Flood hazard coverage for any portion of the Property that is located in an identified flood hazard area by any "Governmental Authority" (as defined in the Loan Agreement); and

(e) Such other insurance as is required in the Loan Agreement.

The permanent all-risk casualty insurance as described in item (b) above, shall be provided on a building by building basis as the construction of each building is completed and a certificate of occupancy or equivalent is issued with respect thereto; provided that there shall be no lapse in the insurance coverage and the Improvements must at all times be covered by either builder's risk or permanent all-risk casualty insurance. All of the insurance policies described above shall be "occurrence" based policies, issued on forms, by companies and in amounts satisfactory to Agent. At the request of the Agent, Mortgagor shall deliver or cause to be delivered to Agent certificates of insurance naming Agent as mortgagee and additional loss payee and copies of the insurance policies. Regardless of the failure of the certificates of insurance or policies to strictly comply with the terms and provisions of this Mortgage, the Agent's interest in and lien upon the policies and their proceeds shall continue unimpaired.

In the event of any loss covered by any policy on the Improvements, the carrier named in such policy is and shall, at the request of the Agent, be directed by Mortgagor to make payment for such loss to Agent and not to Mortgagor, or to Mortgagor and Agent jointly. Notwithstanding the foregoing, Agent shall disburse the net amount of any such insurance proceeds to Mortgagor for application to the costs of repair, rebuilding, or restoration of the Improvements to as good or better condition as such Improvements were in immediately prior to any casualty on account of which such amounts are paid (the "**Restoration**"), provided that the following conditions have been satisfied in Agent's sole discretion: (i) Agent shall have determined that the Improvements can be restored to as good or better condition as such

Improvements were in immediately prior to the casualty on account of which such amounts are paid, prior to the earliest "**Maturity Date**" of the Notes (as defined in the Loan Agreement); (ii) Agent shall have determined that such net amounts (together with any equity funds of Mortgagor deposited by Mortgagor with Agent) shall be sufficient to complete the Restoration; and (iii) no Matured Default shall have occurred.

Any insurance proceeds which are to be disbursed by Agent and applied to the Restoration (together with any equity funds of Mortgagor deposited by Mortgagor with Agent) shall be held and disbursed by Agent upon such terms and conditions as would be required by a prudent interim construction lender and in accordance with the disbursement procedures, terms and conditions set forth in the Loan Agreement. Any reduction in the indebtedness secured hereby resulting from Agent's application of any sums received by it hereunder shall take effect only when Agent actually receives such sums and, in any event, the unpaid portion of the indebtedness secured hereby shall remain in full force and effect and Mortgagor shall not be excused in the payment thereof. Mortgagor agrees to execute and deliver, from time to time, such further instruments as may be requested by Agent to confirm the foregoing assignment to Agent of any award, damage, insurance proceeds, payment or other compensation. Agent is hereby irrevocably constituted and appointed the attorney-in-fact of Mortgagor (which power of attorney shall be irrevocable, shall be deemed coupled with an interest, shall survive the voluntary or involuntary dissolution of Mortgagor and shall not be affected by any disability or incapacity suffered by Mortgagor subsequent to the date hereof), with full power of substitution, subject to the terms of this section, to settle for, collect and receive any such awards, damages, insurance proceeds, payments or other compensation from the parties or authorities making the same, to appear in and prosecute any proceedings therefor and to give receipts and acquittance therefor; provided, however, that Agent will not exercise such power so long as no Matured Default shall have occurred.

The net amount of any sums received by Agent under this section in excess of the amount necessary to complete the Restoration may, at the option of Agent, be applied to the outstanding secured indebtedness, in such order as Agent may determine in its sole discretion.

4. Advances for Taxes, Insurance or Prior Encumbrances. If for any reason Mortgagor fails to insure and deliver the policies and certificates of insurance or to pay promptly all taxes, assessments, levies, water rents, insurance premiums, and any amount due upon prior encumbrances, if any, Agent may, but shall not be obligated to, procure the insurance or pay such taxes, assessments, levies, water rents, insurance premium and amount due on the prior encumbrance, regardless of whether to prevent default, cure any default or redeem the Property from foreclosure or sale.

5. Title to Property. Mortgagor warrants title to the Property is free and clear of all liens and encumbrances, except those listed on Exhibit C, attached hereto and made a part hereof (the "**Permitted Exceptions**"). To the fullest extent permitted by applicable law, Mortgagor waives the homestead exemption and all other exemptions available to Mortgagor by statute or otherwise, whether now vested or to be acquired.

6. Preservation of Property. Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter comprising a part of the Property that may be damaged or destroyed which is not fully covered by insurance as required herein; (b) keep the Property in good condition and repair, without waste, and free from mechanics', materialmen's or like liens or claims or other liens or claims for lien; (c) comply with all requirements of law, rule and regulation and with restrictions of record with respect to the Property and the use thereof; (d) suffer or permit no change in the general nature of the proposed use of the Property without Agent's prior consent; and (e) suffer or commit no waste, impairment or deterioration of the Property and, regardless of natural depreciation, to keep the Property and the improvements thereon at all times in good condition and repair. Mortgagor shall pay when due all utility charges which are incurred by Mortgagor for gas, electricity, water and sewer services furnished to the Property and all other assessments or charges of a similar nature, or assessments payable pursuant to any restrictive covenants, whether public or private, affecting the Property, whether or not such assessments or charges are or may become liens thereon. In the event of any failure of Mortgagor to so protect and preserve the Property, Agent, at Mortgagor's cost and expense, may take whatever actions, and expend such sums, as Agent may deem required to protect and preserve the Property.

7. Inspection. Agent shall have the right to have its authorized representative or representatives enter upon and inspect the Property at all times, after notice of the inspection has been given to Mortgagor.

8. Environmental Matters. Except as disclosed to Agent in the Loan Agreement, Mortgagor warrants that: (a) no notice has been received to the effect that, or Mortgagor has no knowledge that, the Property or its operations is not in compliance with any of the requirements of applicable federal, state and local environmental, health and safety statutes and regulations ("**Environmental Laws**") or is the subject of any federal or state investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could have a material adverse effect on the Property; (b) there have been no releases of hazardous materials at, on or under the Property that, singly or in the aggregate, have, or may reasonably be expected to have, a material adverse effect on the Property; (c) there are no underground storage tanks, active or abandoned, including without limitation petroleum storage tanks, on or under the Property that, singly or in the aggregate, have, or may reasonably be expected to have, a material adverse effect on the Property; and (d) no conditions exist at, on or under the Property which, with the passage of time, or the giving of notice or both, would give rise to any material liability under any Environmental Laws. In the event that any investigation, site monitoring, containment, cleanup, removal, restoration, detoxification, closure, or other remedial work of any kind or nature ("**Remedial Action**") is required under any Environmental Law or is reasonably determined by Agent to be necessary due to the current or future presence, suspected presence, release or suspected release of a hazardous material on, under, in or about the Property, within thirty (30) days after written demand for performance thereof by Agent (or such shorter period of time as may be required under any Environmental Law) Mortgagor shall commence to perform, or cause to be commenced, and thereafter diligently prosecute to completion in accordance with applicable law, all such Remedial Action within any time limits provided in any Environmental Law or by order of any court or Governmental Authority, or if no such reasonable period of time

is provided within such time as is approved by Agent. All Remedial Action shall be performed by one or more contractors and/or engineers) retained by Mortgagor and approved in advance in writing by Agent, which approval shall not be unreasonably withheld, and shall be under the supervision of one or more consulting engineer(s) retained by Mortgagor and approved in advance in writing by Agent, which approval shall not be unreasonably withheld. In the event Mortgagor shall fail timely to commence or cause to be commenced or fail diligently to prosecute to completion such Remedial Action, Agent may, but shall not be obligated to, cause such Remedial Action to be performed, and all costs and expenses (including, without limitation, reasonable attorneys' fees) thereof or incurred by Agent in connection therewith shall be paid by Mortgagor.

9. Restriction on Transfer; Effect of Transfer. It shall be an immediate default hereunder, at the option of Agent, if, without the prior consent of Agent, Mortgagor shall, either directly or indirectly, create, effect or consent to, or shall suffer or permit, any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of the Property or any part thereof or interest therein; provided, however, that the foregoing provisions of this Paragraph 9 shall not apply to (a) liens securing the indebtedness to the Lenders; (b) the lien of current taxes and assessments not in default; (c) the Permitted Exceptions; or (d) to the extent otherwise permitted in the Loan Agreement. In the event of any sale or transfer of the title to the Property, should Agent not exercise its option to accelerate the indebtedness secured hereby, the purchaser or new owner shall be deemed to have assumed and agreed to pay the indebtedness secured hereby and promptly perform the terms of this Mortgage and all promises, conditions and covenants related thereto, jointly and severally with Mortgagor, whether or not the instrument evidencing such sale or transfer expressly so provides, and this covenant shall run with the Land and remain in full force and effect until the indebtedness is paid in full. The provisions of this Paragraph 9 shall be operative with respect to, and shall be binding upon, any persons who shall acquire any part of, interest in or encumbrance upon the Property. Mortgagor agrees that the making of any oil, gas or mineral lease or the sale or conveyance of any mineral interest or right to explore for minerals under through or upon the Property would impair the value of the Property; and that Mortgagor shall have no right, power or authority to lease the Property, or any part thereof, for oil, gas or other mineral purposes or to grant, assign or convey any mineral interest of any nature, or the right to explore for oil, gas and other minerals, without first obtaining from Agent express written permission therefor. Except as otherwise provided in the "Plans" (as defined in the Construction Lending Protocol attached to the Loan Agreement), Mortgagor shall not grant any easement or right-of-way with respect to all or any portion of the Property without the prior written consent of Agent, which shall not be unreasonably withheld.

10. Sums Expended by Agent. Mortgagor shall be liable to Agent for any expenditure made by Agent, including without limitation, court or alternative dispute resolution costs and reasonable attorneys' fees, pursuant or incidental to this Mortgage or the exercise of the rights and remedies given it under this Mortgage, which sums shall bear interest at the rate provided in the Notes. Such sums shall be due and payable upon demand, shall be so much additional indebtedness secured by this Mortgage, shall be a lien on the Property, and shall be paid out of the proceeds of the sale of the Property, if not otherwise paid by Mortgagor.

11. Litigation Relating to Property. Agent shall have the right, but no obligation, to file and defend suits at the expense of Mortgagor and in Mortgagor's name relating to the Property or the lien created by this Mortgage or to preserve its rights pursuant to this Mortgage, but shall incur no personal liability by its acts or omissions in relation to such proceedings.

12. Zoning; Special Districts. Without the prior written consent of Agent, Mortgagor shall not seek, make, suffer, consent to or acquiesce in any change in the zoning or conditions of use of the Property. Mortgagor shall comply with and make all payments required under the provisions of any covenants, conditions or restrictions affecting the Property. Mortgagor shall comply with all existing and future requirements of all Governmental Authorities having jurisdiction over the Property. If, under applicable zoning provisions, the use of all or any part of the Property is or becomes a nonconforming use, Mortgagor shall not cause or permit such use to be discontinued or abandoned without the prior written consent of Agent. Mortgagor will take no action to include or permit the Property to be included within the boundaries or subject to the powers of any quasi-governmental entity, including without limitation, any special improvement district, metropolitan district, or special district, without the prior written consent of Agent, which shall not be unreasonably withheld or delayed.

13. Assignment of Rents and Leases. As further security for the indebtedness and the liabilities and obligations secured by this Mortgage, Mortgagor hereby absolutely and irrevocably grants, conveys, pledges, hypothecates, transfers and assigns unto Agent, for the ratable benefit of the Lenders, all Rents now or hereafter due or payable for the occupancy or use of the Property or any portion thereof, and all leases and subleases, whether written or oral, with all security therefore, including without limitation, all guaranties thereof, now or hereafter affecting the Property. This is a present and absolute assignment, not an assignment for security purposes only, and Agent's right to the Rents is not contingent upon, and may be exercised without possession of, the Property. Agent confers upon Mortgagor a license ("License") to collect and retain the Rents as they become due and payable, until the occurrence of a Matured Default. Mortgagor represents, warrants, and covenants to and with the Agent and the Lenders that (a) the Rents have not been sold, assigned, transferred or set over by any instrument now in force and will not at any time during the term of this assignment be sold, assigned, transferred or set over; and (b) Mortgagor has the right to sell, assign, transfer and set over the Rents and to grant to and confer upon Agent the rights, interests, powers and authorities granted and conferred by this Mortgage. Upon or at any time after the occurrence of a Matured Default, Agent may, at its option, without notice, and whether or not the indebtedness shall have been declared due and payable, either in person or by agent, or by a receiver to be appointed by a court, with or without bringing any action or proceeding (a) enter upon, take possession of, manage and operate the Property, or any part thereof (including without limitation, making necessary repairs, alterations and improvements to the Property); (b) make, cancel, enforce or modify leases; (c) obtain and evict tenants; (d) fix or modify Rents; (e) do any acts which Agent deems reasonably proper to protect the security of this Mortgage, and (f) either with or without taking possession of the Property, in its own name or in the name of Mortgagor, collect and receive all or any Rents, including without limitation, those past due and unpaid. Upon written notice from Agent, all tenants of and other obligors with respect to the Property hereby are directed by Mortgagor to pay promptly all Rents as they fall due to Agent without further notice from Mortgagor. In connection with the foregoing, Agent shall be entitled and empowered to employ attorneys and

management, rental and other agents in and about the Property to effect the matters which Agent is empowered to do, and if Agent shall itself effect such matters, Agent shall be entitled to charge and receive such reasonable management, rental and other fees as may be customary in the area in which the Property is located; and the reasonable fees, charges, costs and expenses of Agent or such persons shall be so much additional indebtedness subject to the terms of this Mortgage. Agent may apply all funds collected as aforesaid, less costs and expenses of operation and collection, including without limitation, reasonable attorneys' and agents' fees, charges, costs and expenses, upon any indebtedness in accordance with the terms of the Loan Agreement. The entering upon and taking possession of the Property and the collection of Rents and the application thereof as set forth in this Mortgage shall not cure or waive any default or invalidate any act done by Agent.

14. Right to Possession and Receiver. Upon or at any time after the occurrence of a Matured Default, Agent shall at once become entitled to the possession, use and enjoyment of the Property, and to the Rents, from the date of such occurrence and continuing during the pendency of any foreclosure proceedings, and the periods of redemption, if any. Possession shall at once be delivered to Agent on request, and on refusal, the delivery of possession may be enforced by Agent by any appropriate civil suit or proceeding, and Agent shall be entitled to a receiver for the Property, and of the Rents, for and including without limitation, the time covered by any proceedings for sale or foreclosure and the applicable periods of redemption, if any. Agent shall be entitled to such receiver as a matter of right, without regard to the solvency or insolvency of Mortgagor, or of the then owner of the Property, and without regard to the value of the Property, and such receiver may be appointed by any court of competent jurisdiction upon ex parte application, and without notice, notice being expressly waived, and all Rents shall be applied by such receiver, after the payment of all costs to maintain and preserve the Property, to the payment of the indebtedness according to law and the orders and directions of a court of competent jurisdiction.

15. Mortgagee in Possession. Nothing contained in this Mortgage shall be construed as making Agent a mortgagee in possession.

16. Attorneys' Fees - Foreclosure. Mortgagor agrees to pay reasonable attorneys' fees for legal services incurred by Agent with respect to any action to collect the indebtedness or enforce the Notes or this Mortgage, including without limitation, any foreclosure proceedings, and such fees shall be allowed or taxed by the Court as part of the costs of foreclosure.

17. Deficiency; Rights Cumulative. To the extent permitted under applicable law, Agent shall retain the right to pursue and receive judgment for any deficiency balance remaining unpaid after foreclosure, and to exercise all other legal and equitable remedies for the collection of the indebtedness secured hereby; all rights and remedies of Agent are cumulative and may be exercised in any order.

18. Waivers. Any waiver of any right or remedy of Agent must be in writing. No waiver, express or implied, of the performance of any obligation, agreement or covenant hereof shall be deemed or taken to be a waiver of the strict performance of any other or future obligation, agreement or covenant hereof. No payment or advancement by Agent on behalf of

Mortgagor shall be deemed a waiver of the breach occurring by reason of the failure of Mortgagor to make such payment or of the right to elect to foreclose this Mortgage. Any delay by Agent in exercising its rights and remedies under the Loan Agreement, Notes or this Mortgage shall not, even though such delay be repeated and extended, be construed as a waiver of the right of Agent to exercise any right or remedy given it in this Mortgage, in the Loan Agreement, Notes, by operation of law or otherwise.

19. UCC Security Agreement. This Mortgage constitutes a security agreement and a fixture filing under the Uniform Commercial Code of the State of Idaho (the "Code") with respect to any part of the Property, which might now or hereafter be or be deemed to be personal property, fixtures or property other than real estate (for the purposes of this Paragraph 19 called "Collateral"). Mortgagor hereby grants to the Agent for the ratable benefit of the Lenders and the Issuer a security interest in the Collateral. All of the terms, provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property covered. The provisions of this Paragraph 19 shall not limit the generality or applicability of any other provision of this Mortgage, but shall be in addition thereto.

20. Successors and Assigns. It is further expressly understood and agreed that all covenants and agreements here described shall extend to and be binding upon the heirs, executors, legal representatives, successors and assigns (voluntary and involuntary by operation of law) of the respective parties hereto.

21. Severability. The unenforceability or invalidity of any provision hereof shall not render any other provision or provisions unenforceable or invalid.

22. Further Assurances. Mortgagor will do, execute, acknowledge and deliver all and every further acts, deeds, conveyances, transfers and assurances necessary or proper, in the sole judgment of Agent, for the better assuring, conveying, mortgaging, assigning and confirming unto Agent all of the Property or property intended so to be, whether now owned by Mortgagor or hereafter acquired.

23. Headings. Headings are used in this Mortgage for convenience only and shall not be used to alter or interpret the terms and provisions of this Mortgage.

24. Counterparts. This Mortgage may be executed in counterparts, each of which shall be an original, and all of which, taken together, shall constitute the Mortgage.

25. Governing Law. This Mortgage will be governed by and construed in accordance with the laws of the State of Idaho.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER IDAHO LAW.

[Signatures to follow on separate page.]

IN WITNESS WHEREOF, this THIS MORTGAGE is executed as of the day and year first above written.

**MORTGAGOR**

**BLAINE LARSEN FARMS, INC.**

By:   
Name: Blaine Larsen  
Its: President

**BLF LAND, LLC**

By:   
Name: Blaine Larsen  
Its: President/Manager

[Signature Page to Mortgage]

STATE OF California  
County of Riverside ) ss.

The foregoing Deed of Trust was acknowledged before me this 22 day of May, 2015  
by Blaine Larsen, the President of Blaine Larsen Farms, Inc.

WITNESS my hand and official seal.

My commission expires July 30, 2016

M. Louisa Cervantes  
Notary Public

STATE OF California  
County of Riverside ) ss.

The foregoing Deed of Trust was acknowledged before me this 22 day of May, 2015  
by Blaine Larsen, the President/Manager of BLF Land, LLC.

WITNESS my hand and official seal.

My commission expires July 30, 2016

M. Louisa Cervantes  
Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
COUNTY OF Riverside ) ss

On May 22, 2015, before me, M. Louisa Cervantes, a notary public, personally appeared Blaine Larsen, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

My commission expires: July 30, 2016

M. Louisa Cervantes  
Notary Public



## **Exhibit A to Mortgage**

### **Legal Description:**

Real property in the City of Rigby, County of Jefferson, State of Idaho, described as follows:

#### **TRACT I - JEFFERSON COUNTY**

Township 7 North, Range 36 E.B.M., Jefferson County, Idaho

(Quality Pack Pivots 407,408), commonly known as:

Section 1: E½.

(Freshpack)

Section 4: E½SE¼ lying East of the Easterly right-of-way of the Union Pacific Railroad.

(Quality Pack)

(Pivots 421,422,428,429,411,412,415,416), commonly known as:

Township 7 North, Range 37 E.B.M., Jefferson County, Idaho

Section 5: ALL;

EXCEPT: A parcel beginning 500 feet East from the SW Corner of Section 5; thence North 600 feet; thence East 600 feet; thence South 600 feet; thence West 600 feet to the point of beginning,

ALSO EXCEPT: Beginning at a point that is S. 89°53'37" E. 1222.08 feet along the South line of said Section 5 and N. 00°06'23" E. 696.55 feet from the SW corner of said Section 5 and running thence S. 87°54'43" E. 468.48 feet; thence N. 82°14'00" E. 217.30 feet; thence N. 27°15'41" E. 188.29 feet; thence N. 47°46'24" W. 374.50 feet; thence N. 66°00'17" W. 335.36 feet; thence S. 31°45'10" W. 297.51 feet; thence S. 15°06'30" W. 177.10 feet; thence S. 06°37'24" E. 144.75 feet to the Point of Beginning.

ALSO EXCEPT: Beginning at the Southeast corner of said Section 5, thence S. 89°55'18" W. along the South line of said Section 5 for a distance of 485.00 feet, said point being the True Point of Beginning.

Thence S. 89°55'18" W. along said South line for a distance of 415.00 feet;

Thence N. 00°04'42" W. for a distance of 500.00 feet;

Thence N. 18°18'34" E. for a distance of 41.02 feet;

Thence N. 51°53'00" E. for a distance of 74.00 feet;

Thence N. 60°01'00" E. for a distance of 182.00 feet;

Thence N. 86°27'00" E. for a distance of 94.00 feet;

Thence S. 52°36'00" E. for a distance of 94.00 feet;

Thence S. 08°10'00" E. for a distance of 125.00 feet;

Thence S. 00°04'42" E. for a distance of 500.00 feet to the True Point of Beginning.

Section 6: ALL.

(Hamer Pivots 402,405,406, 409,410), commonly known as:  
Township 8 North, Range 36 E.B.M., Jefferson County, Idaho

Section 34: W $\frac{1}{2}$ NE $\frac{1}{4}$ ; E $\frac{1}{2}$ NW $\frac{1}{4}$ ;

EXCEPT: Commencing at the NW Corner of the E $\frac{1}{2}$ NW $\frac{1}{4}$  of said Section 34 and running thence East 650 feet; thence in a Southwest direction to a point which is 650 feet South of the NW Corner of the E $\frac{1}{2}$ NW $\frac{1}{4}$  of said Section 34; thence North along the West Boundary of the E $\frac{1}{2}$ NW $\frac{1}{4}$  of said Section 34 to the point of beginning.

TOGETHER WITH an Easement 20 feet in width, follows an existing farm road, and is described as follows:

Segment I: The North 20 feet of the West 650 feet of the E $\frac{1}{2}$ NW $\frac{1}{4}$  of Section 34, Township 8 North, Range 36 E.B.M.

Segment II: The North 20 feet of the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 34, Township 8 North, Range 36 E.B.M.

Segment III: The North 20 feet of the East 800 feet, more or less of the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 33, Township 8 North, Range 36 E.B.M.

Segment IV: From the West end of Segment III, the roadway turns North, and the 20 foot roadway runs Northwesterly approximately 950 feet, turns West just prior to the potato cellar, and runs West approximately 500 feet until it connects with the County Road running along the West Boundary of SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 28, Township 8 North, Range 36 E.B.M., as disclosed by Grant of Roadway Easement, recorded January 13, 1981, as Instrument No. 207657, executed by Frank H. Jacobs and Geraldine M. Jacobs, husband and wife to Keith W. Zollinger and Ann P. Zollinger, husband and wife.

ALSO INCLUDING:

Beginning at a point that is N.89°41'47"E. along the Section line 1318.19 feet from the N $\frac{1}{4}$  Corner of Section 34, Township 8 North, Range 36 East of the Boise Meridian, said point being the Northwest corner of the E $\frac{1}{2}$ NE $\frac{1}{4}$  of said Section 34; running thence N.89°41'47"E. along said Section line 227.35 feet; thence S.00°03'25"E. 2647.68 feet to the South line of said E $\frac{1}{2}$ NE $\frac{1}{4}$ ; thence S.89°17'37"W. along said South line 227.37 feet to the West line of said E $\frac{1}{2}$ NE $\frac{1}{4}$ ; thence N.00°03'25"W. along said West line 2649.27 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM:

A parcel of land situated in Section 34, Township 8 North, range 36 E.B.M., Jefferson County, Idaho, more particularly described as follows:

Beginning at the Northeast corner of Section 34, Township 8 North, Range 36E.B.M., Jefferson County, Idaho; thence S. 89°37'21"W. along the North line of said Section 34 for a distance of 1109.87 feet to the True Point of Beginning, said point being the Northeast corner of grant deed Instrument No. 392982; thence S. 00°06'07" W. for a distance of 2643.33 feet to the South line of the NE¼ of said Section 34, said point being the Southeast corner of grant deed Instrument No. 392982; thence S. 89°09'59" W. along the South line of said NE¼ for a distance of 53.00 feet; thence N. 00°06'07" W. for a distance of 2643.76 feet to the North line of said Section 34; thence N. 89°37'21"E. for a distance of 53.00 feet to the True Point of Beginning.

**ALSO EXCEPTING:**

Beginning at a point that is S.89°41'47"W. along the Section line 371.45 feet from the N¼ Corner of Section 34, Township 8 North, Range 36 East of the Boise Meridian; running thence S.89°41'47"W. along said Section line 296.74 feet to a point that is N.89°41'47"E. 650.00 feet from the Northwest corner of the E½NW¼ of said Section 34; thence S.44°45'56"W. 920.35 feet to the West line of said E½NW¼; thence S.00°09'54"E. along said West line 2017.75 feet to the East-West Center Section line of said Section 34; thence N.89°17'37"E. along said East-West Center Section line 265.82 feet; thence N.00°09'54"W. 1881.92 feet; thence N.35°51'07"E. 493.55 feet; thence N.51°02'41"E. 231.97 feet; thence N.51°30'47"E. 272.10 feet; thence N.02°59'21"W. 72.44 feet to the POINT OF BEGINNING.

Section 36: E½; E½W½;

EXCEPT: Part of the NE¼ and SE¼ of Section 36, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, more particularly described as:

Commencing at the E¼ corner of Section 36, from which the Southeast corner of said section bears S. 00°00'31". E. 2,639.01 feet, the basis of bearings for this description;

Thence S. 00°00'31". E. 119.13 feet along the section line;

Thence S. 89°59'29" W. 1,485.66 feet to the Point of Beginning.

Thence S. 88°39'21". W. 192.12 feet, parallel with and 200.00 feet southerly of an existing potato cellar;

Thence N. 01°12'02". W. 718.16 feet, parallel with and 100.00 feet westerly of said existing potato cellar;

Thence N. 88°22'46" E. 192.24 feet;

Thence S. 01°11'29" E. 719.09 feet to the Point of Beginning.

ALSO EXCEPT: A 25 foot wide access easement being described as 12.50 feet both sides of the following described centerline:

Commencing at the E¼ corner of Section 36, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, from which the Southeast corner of said section bears S. 00°00'31" E. 2,639.01 feet, the basis of bearings for this description; thence N. 00°00'31" W. 476.29 feet to a point on the East line of said Section 36; thence S. 89°59'29" W. 1,241.24 feet to a point, more or less, being on the westerly right-of-way of a county road, said point being the Point of Beginning; thence S. 89°46'44" W. 256.69 feet to a point on the easterly boundary of the above described parcel, said point being the Point of Terminus.

Parcel 5:

Tract V: (Munns Pivots) 320,330,331,353,357,358,359,323,334,335,339, 340,341), commonly known as:

Township 8 North, Range 36 E.B.M., Jefferson County, Idaho

Section 2: Lot 4; SW $\frac{1}{4}$ NW $\frac{1}{4}$ ; W $\frac{1}{2}$ SW $\frac{1}{4}$ ;

EXCEPTING THEREFROM: The E. 330 feet of the W $\frac{1}{2}$ W $\frac{1}{2}$ .

Section 3: All

Section 12: SW $\frac{1}{4}$ ; W $\frac{1}{2}$ SE $\frac{1}{4}$ .

Section 13: W $\frac{1}{2}$ ; SE $\frac{1}{4}$ .

Section 15: All.

SUBJECT TO an easement described as: Beginning at a point that is North 86.99 feet from the SW corner of said Section 15 which is S. 89°31'03" W. 5364.26 feet from the SE corner of said Section 15 and running thence N. 89°10'14" W. 867.02 feet to an existing county road; thence N. 2°37'04" E. 30.01 feet parallel to the center line of Union Pacific Oregon Short Line Railroad; thence S. 89°10'14" E. 1588.06 feet; thence S. 89°17'16" E. 2894.91 feet; thence S. 89°13'16" E. 678.30 feet; thence S. 01°54'12" W. 30.01 feet; thence N. 89°17'16" W. 2894.98 feet; thence N. 89°10'09" E. 721.98 feet to the point of beginning.

EXCEPT Part of the S $\frac{1}{2}$ SE $\frac{1}{4}$  Section 15, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, more particularly described as:

Commencing at the Southeast corner of Section 15, from which the S $\frac{1}{4}$  corner of said section bears S. 89°31'03" W. 2,682.14 feet, the basis of bearings for this description; Thence S. 89°31'03" W. 1,696.02 feet; thence N. 00°28'57" W. 268.21 feet to the Point of Beginning.

Thence N. 00°27'34" E. 198.07 feet, parallel with and 200.00 feet westerly of the West line of an existing potato cellar;

Thence S. 89°28'31" E. 719.74 feet, parallel with and 100.00 feet northerly of the North line of said potato cellar;

Thence S. 00°27'34" W. 190.90 feet, parallel with and 200.00 feet easterly of the East line of said potato cellar;

Thence S. 89°57'13" W. 719.77 feet to the Point of Beginning.

ALSO Except: An ingress/egress easement being described as 12.50 feet both sides of the following described centerline:

Commencing at the Southeast corner of Section 15, Township 8 North, Range 36 E.B.M., Jefferson County, Idaho, from which the S $\frac{1}{4}$  corner of said section bears S. 89°31'03" W. 2,682.14 feet, the basis of bearings for this description; thence S. 89°31'03" W. 925.34 feet to the

Point of Beginning; thence N. 00°28'57" W. 318.98 feet; thence N. 89°32'26" W. 50.00 feet to the point of terminus, said point being on the East line of the above described parcel.

ALSO Except: Any portion lying South of the County road.

Section 22: E½E½.

Tract VI: (Munns Pivots) 320,321,322,323,332,303, 347,338,348,349,354,340,341 & 360), commonly known as:

Township 8 North, Range 36 E.B.M., Jefferson County, Idaho

Section 4: E½E½ lying East of the railroad right of way.

Section 9: E½E½ lying East of the railroad right of way.

Section 10: All.

Section 11: S½; W½NW¼;

EXCEPTING THEREFROM: The East 330 feet of the NW¼NW¼.

Section 14: All.

Section 23: W½W½.

Section 24: E½; E½W½;

EXCEPT: Beginning at a point that is S. 89°28'35" W. 4034.48 feet along the section line to the SW corner of the SE¼SW¼ and N. 0°16'37" E. 30.49 feet from the SE corner of said Section 24 and running thence N. 0°16'37" E. 550.13 feet along the West line of said SE¼SW¼; thence N. 89°26'05" E. 580.64 feet; thence S. 0°01'35" E. 550.04 feet; thence S. 89°25'44" W. 583.55 feet to the point of beginning.

#### TRACT IIA - JEFFERSON COUNTY

Township 7 North, Range 36 E.B.M., Jefferson County, Idaho

Section 9: Those parts of the E½E½ lying East of the Easterly right of way of the Union Pacific Railroad.

#### TRACT II - FREMONT COUNTY

Pivot Nos. 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 409, 410, 413, 414, 417, 418, 419, 420, 423, 424, 425 & 426, commonly known as:

Township 8 North, Range 37 E.B.M., Fremont County, Idaho

Section 17: S½.

Section 18: S½.

Section 19: ALL;

Except: Beginning at the Southwest corner of said section; and running thence East 200 feet along the South section line; thence North 200 feet; thence West 200 feet; thence South 200 feet to the point of beginning.

Also Except: Commencing at the Southeast corner of said Section 19, from which the Southwest corner of said section bears N. 89°56'43" W. 4978.43 feet, the basis of bearings for this description; thence N. 89°56'43" W. 1177.27 feet along the section line; thence N. 00°03'22" E. 535.01 feet to the Point of Beginning; thence N. 80°29'19" W. 718.48 feet parallel with the southerly line of an existing cellar known as cellar no. 81; thence N. 09°26'00" E. 114.19 feet parallel with and 200.00 feet westerly of the westerly line of said cellar; thence S. 80°29'19" E. 718.48 feet parallel with the northerly line of said cellar; thence S. 09°26'01" W. 114.19 feet parallel with and 200.00 feet easterly of the easterly line of said cellar to the point of beginning.

ALSO EXCEPT the following 25.00 feet wide ingress/egress easement, being described as 25.00 feet both sides of the following described centerline:

Commencing at the Southeast corner of Section 19, from which the Southwest corner of said section bears N. 89°56'43" W. 4978.43 feet, the basis of bearings for this description; thence N. 89°56'43" W. 1353.07 feet along the section line; thence N. 00°03'17" E. 44.92 feet to the Point of Beginning, said point being more or less the northerly right-of-way of a county road; thence N. 13°16'09" W. 22.91 feet; thence N. 04°18'39" E. 70.06 feet; thence N. 09°31'12" E. 421.43 feet to the point of terminus.

Section 20: ALL.

Section 23: E½, Less the West 600 feet of the NE¼.

Section 24: ALL.

Section 25: The E½NE¼, and all that portion of the W½NE¼ lying North and East of a line running from the N¼ corner to the Southeast corner of the SW¼NE¼.

(Yearsley Pivot Nos. 417, 418, 423 & 424, commonly known as:  
Township 8 North, Range 37 E.B.M., Fremont County, Idaho

Section 29: ALL;

Except: Commencing at the Northeast corner of said Section 29; thence N. 89°52' W. 1,284.97 feet; thence S. 1°34'38" W. 5,282.73 feet; thence S. 89°55' E. 1,454.95 feet; thence N. 0°16' W. along the section line 5,280 feet, more or less, to the point of beginning.

Also Except: Beginning at a point 1,525 feet West of the Northeast corner of said Section 29; and running thence South 300 feet; thence East 300 feet; thence North 300 feet; thence West 300 feet to the point of beginning.

Section 30: E $\frac{1}{2}$ E $\frac{1}{2}$ .

Section 31: ALL.

Section 32: ALL, Except: E $\frac{1}{2}$ E $\frac{1}{2}$ .

(Pivot Nos 435, 436, 437 and 438, commonly known as:  
Township 8 North, Range 38 E.B.M., Fremont County, Idaho

Section 19: S $\frac{1}{2}$

Section 30: N $\frac{1}{2}$ .

#### TRACT IIA - FREMONT COUNTY

Township 8 North, Range 37 E.B.M., Fremont County, Idaho

Section 32: E $\frac{1}{2}$ E $\frac{1}{2}$

#### TRACT III - CLARK COUNTY

Parcel 1:

PART I (Pivots 350,355,351,356, 358,352,344,345,328,329,346,324,325,326,327,305,318,319):  
(Munns)

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 24: Lots 3 and 4; W $\frac{1}{2}$ SE $\frac{1}{4}$ ; That portion of the SW $\frac{1}{4}$  lying East of the existing power line.

Section 25: Lots 1, 2, 3 and 4; W $\frac{1}{2}$ E $\frac{1}{2}$ ; W $\frac{1}{2}$ .

EXCEPT: Commencing at the SE corner of said Section 25; thence West a distance of approximately 1,760 feet, more or less, along the South boundary line of Section 25 to a point where a fence line crosses the South boundary line of said section; thence following the fence line in a Northeast direction to a point on the East boundary line of Section 25 a distance of approximately 700 feet, more or less, North of the SE corner of Section 25; thence South along the East boundary line of Section 25 to the SE corner of Section 25, and the point of beginning.

Section 26: All.

Section 27: E $\frac{1}{2}$ .

Section 33: NE $\frac{1}{4}$ ; E $\frac{1}{2}$ NW $\frac{1}{4}$ ; E $\frac{1}{2}$ SE $\frac{1}{4}$  lying East of the railroad; EXCEPTING THEREFROM:  
NE $\frac{1}{4}$ NE $\frac{1}{4}$  East of railroad right of way.

Section 34: All, LESS: N $\frac{1}{2}$ NW $\frac{1}{4}$ . ALSO EXCEPTING THEREFROM: E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ .

Section 35: All, EXCEPT the S. 330 feet of the S $\frac{1}{2}$  and the W. 330 feet of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ .

Township 9 North, Range 37 E.B.M., Clark County, Idaho

Section 19: Lots 3 and 4

Section 30: Lots 1, 2 and 3

(Woodfield Potato Storages)

Township 9 North, Range 35 E.B.M., Clark County, Idaho

Section 9:

Part of the S $\frac{1}{2}$  described as: Beginning at a point that is North 2381.58 feet along the Section Line and East 2569.76 feet from the Southwest corner of said Section 9, and running thence S. 86°30'09" E. 375.00 feet; thence S. 3°29'51" W. 145.00 feet; thence N. 86°30'09" W. 375.00 feet; thence N. 3°29'51" E. 145.00 feet to the Point of Beginning.

Part of the S $\frac{1}{2}$  described as: Beginning at a point that is North 2381.58 feet along the Section Line and East 2569.76 feet from the Southwest corner of said Section 9, and running thence N. 3°29'51" E. 97.53 feet; thence S. 86°30'09" E. 375.00 feet; thence S. 3°29'51" W. 97.53 feet; thence N. 86°30'09" W. 375.00 feet to the Point of Beginning.

Together with an easement for ingress and egress to the above two parcels described as: Commencing at the South end of the County road that runs approximately in a North South direction along the Section Line between Sections 4 and 5 of Township 9 North, Range 35 E.B.M., Clark County, Idaho, and continuing approximately along such Section Line on the existing unimproved road South, in a southerly direction continuing along the West Section Line of the NW $\frac{1}{4}$  of Section 9, Township 9 North, Range 35 East in a Southerly direction and then a Southeasterly direction across the SW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 9, and then in an Easterly direction approximately along the South Line of said NW $\frac{1}{4}$  of Section 9, and then in a Southeasterly direction to the above parcels, as reserved in Warranty Deed recorded July 26, 2006, as Instrument No. 51631.

(Beaver Creek Pivot 304), commonly known as:

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 28: NW $\frac{1}{4}$ ;

Also including that portion of the NW $\frac{1}{4}$ NE $\frac{1}{4}$  described as follows:

Beginning at a point that is N. 89°49' W. along the section line 1135.56 feet to the Westerly right of way line of the U.P. Railroad from the Northeast corner of said Section 28; thence N. 89°49'

W. 1511.42 feet; thence S. 0°00'40" E. 1321.74 feet; thence S. 89°49'42" E. 1593.89 feet to the Westerly right of way line of said Railroad; thence N. 3°34'54" W. along said Railroad right of way 1324.26 feet to the Point of Beginning.

**EXCEPTING THEREFROM:**

Part of the NE 1/4 of Section 28, Township 9 North, Range 36 East, B.M., Clark County, Idaho described as:

Beginning at a point on the West right-of-way line of the Union Pacific Railroad and the south line of a county road that is N. 89°55'48" W. 1135.67 feet along the North line of said Section 28 from the NE corner of said Section 28 and running thence S. 03°41'19" E. 1325.33 feet along said West right-of-way line to a point on the South line of the North 1/2 of the NE 1/4; thence N. 89°54'00" W. 416.17 feet along said South line of the North 1/2 of the NE 1/4; thence N. 00°19'20" W. 526.61 feet; thence N. 88°56'01" W. 17.03 feet; thence N. 01°34'54" W. 40.69 feet; thence N. 87°24'18" E. 16.50 feet; thence N. 01°15'43" W. 38.23 feet; thence N. 89°11'36" W. 6.32 feet; thence N. 00°20'38" E. 715.64 feet to the North line of said Section 28 and also the South line of the county road; thence S. 89°55'48" E. 338.41 feet along the section line and the south line of the county road to the point of beginning.

**Parcel 2:**

(Laird Pivots 342,343,313,314), commonly known as:

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 13: That portion of the SW¼SW¼ lying West of the easterly poles of the existing power line. The Southerly 495 feet of the NW¼SW¼ lying West of the easterly poles of the existing power line.

Section 14: S½SE¼; the Southerly 495 feet of the N½SE¼.

Section 15: That portion of the NW¼ described as follows: Starting at the NW corner of said Section 15, and running thence S. along the common section line between Sections 15 and 16 (assumed bearing = S. 0° E.) An approximate distance of 884 feet to a point in an existing corral fence separating animal corrals from an adjacent potato field with circular, rotary sprinkling system, which point is the True Point of Beginning; thence approximately S. 63° E. along an existing fence line an approximate distance of 737 feet; thence S. 53° E. along an existing fence line an approximate distance of 416 feet; thence approximately S. 32° E. an approximate distance of 525 feet to the ¼-¼ section line between the SW¼NW¼ and the SE¼NW¼ of said Section 15; thence S. along said line approximately 673 feet to the SE corner of the SW¼NW¼ of said Section 15; thence W. along the ¼ section line to the SW corner of the NW¼ of said Section 15; thence N. along the section line to the True Point of Beginning.

Section 16: That portion of the E½ of the Section lying East of the centerline of the Union Pacific Railroad tracks, described as follows: Beginning at the NE section corner of Section 16; thence S. 0°02' E. along the East Section line of said Section 16 a distance of 5288.77 feet to the SE section corner of said Section 16; thence N. 89°59'02" W. along the South line of Section 16 a

distance of 1365.41 feet to a point in the centerline of the Union Pacific Railroad right of way; thence N. 3°36'24" W. along said centerline of the Union Pacific Railroad a distance of 5310.70 feet to the North Section line of said Section 16; thence S. 89°54'17" E. a distance of 1695.85 feet to the NE corner of said Section 16 with said corner being the original Point of Beginning. EXCEPTING THEREFROM the N. 884 feet of that portion of the N½NE¼ of said Section 16 lying between the centerline of the Union Pacific Railroad Tracks and the common (North-South) Section line between Sections 16 and 15.

Section 21: That portion of the N½NE¼ lying East of railroad tracks.

Section 22: NW¼NW¼

Section 23: E½

Section 24: That portion of the W½ lying West of the Easterly poles of the existing power line.

Parcel 4: (Beaver Creek Potato Storage)

Beginning at a point that is North 203.92 feet along the Section line and N. 89°23'13" W. 2550.87 feet from the SE corner of Section 29, Township 9 North, Range 36 E.B.M., Clark County, Idaho, and running thence N. 89°23'13" W. 608.50 feet; thence N. 0°36'47" E. 333.00 feet; thence S. 89°23'13" E. 608.50 feet; thence S. 0°36'47" W. 333.00 feet to the point of beginning.

Together with a 30 foot wide access easement lying 15 feet each side of the following described center line: Beginning at a point that is North 995.30 feet along the section line and N. 89°05'25" W. 413.20 feet from the Southeast corner of Section 29, Township 9 North, Range 36 E.B.M., Clark County, Idaho, said point of beginning being on the center line of a North-South county road; and running thence N. 89°05'25" W. 2189.30 feet; thence S. 0°36'47" W. 571.84 feet to a point on the North side of the Cellar Parcel.

ADDITIONAL COLLATERAL:  
CLARK COUNTY:

(Pivot Numbers 300, 301, 301A, 302, 302A, 303), commonly known as:

Township 9 North, Range 36 E.B.M., Clark County, Idaho

Section 9: ALL, lying West of the Union Pacific Railroad right of way and South and East of Old Highway #91.

Section 16: That part of the N½ of said Section 16, lying Westerly of the centerline of the Union Pacific Railroad right of way, said centerline described as follows:

Commencing at the NE section corner of said Section 16; thence along the North line of said Section 16, N. 89°54'17" W. 1695.08 feet to a point of the centerline of said railroad right of way being the real Point of Beginning; thence along said centerline S. 03°36'24" E. 2650.85 feet, more or less, to the East-West centerline of said Section 16.

ALSO: That part of the S $\frac{1}{2}$  of said Section 16, lying Westerly of the centerline of the Union Pacific Railroad right of way, said centerline described as follows: Commencing at the SE section corner of said Section 16; thence along the South line of said Section 16, N. 89°59'02" W. 1365.41 feet to a point in the centerline of said railroad right of way, being the real Point of Beginning; thence along said centerline N. 03°36'24" W. 2650.85 feet, more or less, to the East-West centerline of said Section 16.

Section 21: W $\frac{1}{2}$ ; that part of the E $\frac{1}{2}$  lying West of the Union Pacific Railroad right-of-way; SE $\frac{1}{4}$ NE $\frac{1}{4}$ ; E $\frac{1}{2}$ SE $\frac{1}{4}$  lying East of the Union Pacific Railroad right-of-way.

EXCEPT from the NW $\frac{1}{4}$ NW $\frac{1}{4}$  that portion excepted in the deed from Clark County to Lawrence W. Kidd, recorded February 24, 1940, in Book 11 of Deeds at page 184, records of Clark County, Idaho, described as follows: Beginning at a point on the section line between Section 16 and 21 from which point the section corner common to Sections 16, 17, 20, and 21, Township 9 North, Range 36 E.B.M. bears due West a distance of 50 feet; thence S. 00°02' E. along the East boundary of State Highway No. 91, 1320 feet; thence East along the line common to the boundary line between the NW $\frac{1}{4}$ NW $\frac{1}{4}$  and SW $\frac{1}{4}$ NW $\frac{1}{4}$ , according to United States survey thereof, 200 feet; thence N00°02'W 1320 feet to a point on the section line between Section 16 and 21; thence due West along said section line 200 feet to the point of beginning.

ALSO EXCEPT from said NW $\frac{1}{4}$ NW $\frac{1}{4}$  that portion conveyed to Utah Power & Light Company described as follows: Beginning at a point on the North line of said section that is East 200 feet from the East right-of-way line of U.S. Highway No. 191; thence continuing along said North line, N. 89°53' E. 200 feet; thence S. 00°10' E. 300 feet; thence S. 89°53' W. 200 feet; thence N. 00°10' W. 300 feet to the point of beginning.

Section 22: S $\frac{1}{2}$ NW $\frac{1}{4}$ ; SW $\frac{1}{4}$ .

Section 27: W $\frac{1}{2}$ .

Section 28: E $\frac{1}{2}$  East of the Railroad right of way

Section 33: NE $\frac{1}{4}$ NE $\frac{1}{4}$  East of the Railroad right of way.

Section 34: N $\frac{1}{2}$ NW $\frac{1}{4}$ .

## **Exhibit B to Mortgage**

### **Water Rights:**

#### **Burke Farm Irrigation Water Rights:**

Decree 31-12012 for 1.88 CFS, priority of 11/01/1977 for 115.4 acres from a well.  
Decree 31-12014 for 2.00 CFS, priority of 02/24/1977 for 121.4 acres from a well.  
Decree 31-12011 for .33 CFS, priority of 03/02/1977 for 20.1 acres from a well.  
Decree 31-12013 for .20 CFS, priority of 11/01/1977 for 12.5 acres from a well.  
Decree 31-12015 for .17 CFS, priority of 02/24/1977 for 10.6 acres from a well.  
Decree 31-12017 for .21 CFS, priority of 06/11/1976 for 11.4 acres from a well.  
Decree 31-12019 for .03 CFS, priority of 07/15/1981 for 1.6 acres from a well.  
Decree 31-7037C for .24 CFS, priority of 06/08/1970 for 16.2 acres from a well.  
Decree 31-7038B for .31 CFS, priority of 06/08/1970 for 17.4 acres from a well.  
Decree 31-7222B for .42 CFS, priority of 03/02/1977 for 25.9 acres from a well.  
Decree 31-11980 for 1.73 CFS, priority of 01/31/1975 for 120 acres from a well.  
Decree 31-11978 for 1.79 CFS, priority of 01/31/1975 for 124 acres from a well.  
Decree 31-7158C for 1.9 CFS, priority of 01/31/1975 for 122 acres from a well.  
Decree 31-11979 for .11 CFS, priority of 01/31/1975 for 8 acres from a well.  
Decree 31-11981 for .17 CFS, priority of 01/31/1975 for 12 acres from a well.  
Decree 31-12114 for 2.03 CFS, priority of 02/24/1977 for 123.3 acres from a well.  
Decree 31-12144 for 2.03 CFS, priority of 02/24/1977 for 123.7 acres from a well.  
Decree 31-12146 for 2.03 CFS, priority of 02/24/1977 for 123.7 acres from a well.

#### **Yearsley Farm Irrigation Water Rights:**

Decree 31-12204 for 3.61 CFS, priority of 04/15/1958 for 242.8 acres from wells.  
Decree 31-12130 for 2.07 CFS, priority of 09/18/1973 for 241.9 acres from wells.  
Decree 31-12132 for 2.04 CFS, priority of 10/25/1954 for 184.2 acres from wells.  
Decree 31-12134 for .76 CFS, priority of 02/20/1959 for 61.6 acres from wells.

#### **Quality Pack Farm Water Rights:**

Decree 31-11909 for 8.54 CFS, priority of 07/07/1969 for 478.4 acres from wells.  
Decree 31-12028 for 4.48 CFS, priority of 06/08/1970 for 250.8 acres from a well.  
Decree 31-12036 for 7.36 CFS, priority of 06/08/1970 for 409.9 acres from wells.  
Decree 31-7220F for 1.42 CFS, priority of 03/10/1977 for 137.1 acres from a well.  
Decree 31-12080 for 1.68 CFS, priority of 02/27/1978 for 105.6 acres from a well.  
Decree 31-12082 for 2.02 CFS, priority of 02/27/1978 for 123.3 acres from a well.  
Decree 31-11961 for 4.21 CFS, priority of 05/02/1963 for 249.0 acres from a well.  
Decree 31-12078 for 1.72 CFS, priority of 02/27/1978 for 101.6 acres from a well.  
Decree 31-12084 for 1.96 CFS, priority of 02/27/1978 for 123.3 acres from a well.

Decree 31-7370A for .44 CFS, priority of 08/17/1981 for 22.0 acres from a well.  
Decree 31-11933 for 1.86 CFS, priority of 08/17/1981 for 120.9 acres from a well.  
Decree 31-11957 for .34 CFS, priority of 08/17/1981 for 84.8 acres from a well.  
Decree 31-11958 for .20 CFS, priority of 08/17/1981 for 14 acres from a well.  
Decree 31-11959 for 1.83 CFS, priority of 08/17/1981 for 126 acres from a well.  
Decree 31-11960 for .41 CFS, priority of 08/17/1981 for 84.8 acres from a well.  
Decree 31-11962 for .57 CFS, priority of 05/02/1963 for 84.8 acres from a well.  
Decree 31-11996 for 1.43 CFS, priority of 08/17/1981 for 95.0 acres from a well.

**Weaver Farm Irrigation Water Rights:**

Decree 31-12110 for 5.46 CFS, priority of 01/08/1973 for 291 acres from wells.  
Decree 31-11780 for 4.35 CFS, priority of 01/08/1973 for 217.5 acres from a well.  
Decree 31-11782 for 2.92 CFS, priority of 12/22/1978 for 146.0 acres from a well.  
Decree 31-12056 for 5.72 CFS, priority of 01/08/1973 for 305.00 acres from wells.  
Decree 31-2426E for .79 CFS, priority of 08/11/1966 for 47.1 acres from a well.  
Decree 35-12112 for 2.78 CFS, priority of 01/08/1973 for 139 acres from wells.  
Decree 31-12058 for 3.52 CFS, priority of 01/08/1973 for 280.7 acres from wells.

**Munns South Farm Irrigation Water Rights:**

Decree 31-11779 for 2.57 CFS, priority of 02/17/1969 for 197.4 acres from wells.  
Decree 31-7369E for 2.63 CFS, priority of 08/12/1981 for 185.1 acres from a well.  
Decree 31-11800 for .23 CFS, priority of 04/23/1983 for 15.8 acres from a well.  
Decree 31-11802 for 2.2 CFS, priority of 04/23/1983 for 143.6 acres from a well.  
Decree 31-11804 for .38 CFS, priority of 04/23/1983 for 24.7 acres from a well.  
Decree 31-12308 for 2.5 CFS, priority of 10/26/1944 for 125.0 acres from a well.  
Decree 31-7034AD for 2.7 CFS, priority of 05/11/1970 for 184.0 acres from a well.  
Decree 31-11739 for .27 CFS, priority of 07/29/1971 for 13.7 acres from a well.  
Decree 31-12086 for 2.45 CFS, priority of 08/12/1981 for 175.1 acres from a well.  
Decree 31-11925 for 2.19 CFS, priority of 04/23/1983 for 142.9 acres from a well.  
Decree 31-11791 for .02 CFS, priority of 11/12/1976 for 1.4 acres from a well.  
Decree 31-11793 for .10 CFS, priority of 08/12/1981 for 7 acres from a well.  
Decree 31-11795 for .13 CFS, priority of 04/23/1983 for 8.6 acres from a well.  
Decree 31-11797 for .04 CFS, priority of 08/12/1981 for 2.6 acres from a well.  
Decree 31-11910 for .8 CFS, priority of 07/07/1969 for 44.6 acres from a well.  
Decree 31-11912 for .27 CFS, priority of 08/12/1981 for 17.6 acres from a well.  
Decree 31-11990 for .05 CFS, priority of 11/12/1976 for 3.1 acres from a well.  
Decree 31-11993 for .46 CFS, priority of 03/05/1980 for 31 acres from a well.  
Decree 31-11995 for .10 CFS, priority of 01/08/1973 for 5 acres from a well.

Decree 31-11997 for .05 CFS, priority of 05/11/1970 for 4.0 acres from a well.  
 License 31-74398 for .84 CFS, priority of 07/27/1985 for 41.8 acres from a well.  
 Decree 31-11991 for .26 CFS, priority of 11/12/1976 for 16.3 acres from a well.  
 Decree 31-7034Z for 1.78 CFS, priority of 05/11/1970 for 121.0 acres from a well.  
 Decree 31-11996 for 1.61 CFS, priority of 05/11/1970 for 120.0 acres from a well.  
 Decree 31-7034AF for 1.79 CFS, priority of 05/11/1970 for 121.0 acres from a well.  
 Decree 31-7034C for 1.67 CFS, priority of 05/11/1970 for 114.0 acres from a well.  
 Decree 31-7034W for 2.41 CFS, priority of 05/11/1970 for 164.0 acres from a well.  
 Decree 31-7034V for 1.8 CFS, priority of 05/11/1970 for 122.0 acres from a well.  
 Decree 31-2301A for 3.62 CFS, priority of 04/23/1951 for 181.0 acres from a well.  
 Decree 31-7034AB for .94 CFS, priority of 05/11/1970 for 63.0 acres from a well.  
 Decree 31-7034X for 1.83 CFS, priority of 05/11/1970 for 124.0 acres from a well.  
 Decree 31-11799 for .01 CFS, priority of 04/28/1983 for .7 acres from a well.  
 Decree 31-1181 for .13 CFS, priority of 04/23/1983 for 8.4 acres from a well.  
 Decree 31-11803 for .02 CFS, priority of 04/23/1983 for 1.3 acres from a well.  
 Decree 31-11932 for .08 CFS, priority of 08/12/1981 for 5.0 acres from a well.  
 Decree 31-11934 for .51 CFS, priority of 08/17/1981 for 33.1 acres from a well.  
 Decree 31-7034Y for 3.96 CFS, priority of 05/11/1970 for 269.0 acres from a well.  
 Decree 31-7302A for 4.4 CFS, priority of 06/23/1978 for 269.0 acres from a well.  
 Decree 31-12338 for 1.65 CFS, priority of 06/20/1969 for 124 acres from a well.  
 Decree 31-7034AE for 1.54 CFS, priority of 05/11/1970 for 122 acres from a well.

**Munns North Farm Irrigation Water Rights:**

Decree 31-12108 for 2.86 CFS, priority of 05/10/1978 for 220.3 acres from a well.  
 Decree 31-12128 for 3.16 CFS, priority of 05/10/1978 for 220.3 acres from a well.  
 Decree 31-7627A for 2.63 CFS, priority of 08/12/1981 for 171.0 acres from a well.  
 Decree 31-7635A for 1.86 CFS, priority of 04/23/1983 for 121.6 acres from a well.  
 Decree 31-11915 for .01 CFS, priority of 04/23/1983 for 1.3 acres from a well.  
 Decree 31-11916 for .01 CFS, priority of 04/23/1983 for .1 acres from a well.  
 Decree 31-11918 for .1 CFS, priority of 07/29/1971 for 6.5 acres from a well.  
 Decree 31-11920 for .08 CFS, priority of 07/29/1971 for 5.3 acres from a well.  
 Decree 31-11922 for .17 CFS, priority of 07/29/1971 for 10.5 acres from a well.  
 Decree 31-11924 for .25 CFS, priority of 08/12/1981 for 18 acres from a well.  
 Decree 31-11926 for .04 CFS, priority of 04/23/1983 for 2.5 acres from a well.  
 Decree 31-11928 for .20 CFS, priority of 04/23/1983 for 13.7 acres from a well.  
 Decree 31-11930 for .28 CFS, priority of 08/12/1981 for 18 acres from a well.  
 Decree 31-7220C for 1.08 CFS, priority of 03/10/1977 for 104.1 acres from a well.  
 Decree 31-7220D for 1.08 CFS, priority of 03/10/1977 for 104.1 acres from a well.

Decree 31-11792 for .2 CFS, priority of 11/12/1976 for 12.7 acres from a well.  
 Decree 31-11794 for .75 CFS, priority of 08/12/1981 for 52.4 acres from a well.  
 Decree 31-11798 for .29 CFS, priority of 08/21/1981 for 18.6 acres from a well.  
 Decree 31-11913 for 1.16 CFS, priority of 04/23/1983 for 79.7 acres from a well.  
 Decree 31-11914 for .03 CFS, priority of 04/23/1983 for 2.3 acres from a well.  
 Decree 31-12150 for .61 CFS, priority of 07/07/1969 for 34.1 acres from a well.  
 Decree 31-2365E for .62 CFS, priority of 04/18/1958 for 44.4 acres from a well.  
 Decree 31-2374B for .18 CFS, priority of 02/20/1959 for 14.8 acres from a well.  
 Decree 31-2405B for .22 CFS, priority of 05/02/1963 for 13.2 acres from a well.  
 Decree 31-7044B for .21 CFS, priority of 01/11/1971 for 10.8 acres from a well.  
 Decree 31-7177B for .13 CFS, priority of 01/02/1976 for 7.2 acres from a well.  
 Decree 31-11923 for 1.42 CFS, priority of 08/12/1981 for 101.0 acres from a well.  
 Decree 31-11929 for 1.54 CFS, priority of 08/12/1981 for 101.1 acres from a well.  
 Decree 31-11931 for 3.1 CFS, priority of 08/12/1981 for 202.0 acres from a well.  
 Decree 31-7610A for .28 CFS, priority of 04/23/1983 for 148.2 acres from a well.  
 Decree 31-7612A for .51 CFS, priority of 05/02/1978 for 148.2 acres from a well.  
 Decree 31-7621A for .57 CFS, priority of 04/23/1983 for 148.2 acres from a well.  
 Decree 31-7638A for .76 CFS, priority of 03/29/1984 for 148.2 acres from a well.  
 Decree 31-11911 for 2.25 CFS, priority of 08/12/1981 for 147.8 acres from a well.  
 Decree 31-7603 for .75 CFS, priority of 03/29/1984 for 43.2 acres from a well.  
 Decree 31-7607 for .95 CFS, priority of 03/29/1984 for 49.2 acres from a well.  
 Decree 31-7608 for .38 CFS, priority of 06/01/1987 for 44.7 acres from a well.  
 Decree 31-7613 for .57 CFS, priority of 05/02/1978 for 29.3 acres from a well.  
 Decree 31-7616 for .37 CFS, priority of 05/02/1978 for 44.7 acres from a well.  
 Decree 31-12205 for .07 CFS, priority of 04/18/1958 for 4.8 acres from a well.  
 Decree 31-12207 for .08 CFS, priority of 03/09/1970 for 4.2 acres from a well.  
 Decree 31-12209 for .32 CFS, priority of 01/22/1971 for 17.6 acres from a well.  
 Decree 31-12211 for .15 CFS, priority of 06/11/1976 for 11.0 acres from a well.  
 Decree 31-12213 for .08 CFS, priority of 09/03/1977 for 4.6 acres from a well.  
 Decree 31-7369F for 1.73 CFS, priority of 08/12/1981 for 120.5 acres from a well.  
 Decree 31-2301B for .38 CFS, priority of 04/23/1951 for 19.0 acres from a well.  
 Decree 31-7034AA for 1.28 CFS, priority of 05/11/1970 for 104.0 acres from a well.  
 Decree 31-7302B for 1.01 CFS, priority of 06/23/1978 for 62.0 acres from a well.  
 Decree 31-7615A for .35 CFS, priority of 06/01/1987 for 44.8 acres from a well.  
 Decree 31-7618A for .37 CFS, priority of 05/02/1978 for 44.8 acres from a well.  
 Decree 31-7620A for .52 CFS, priority of 04/23/1983 for 34.3 acres from a well.  
 Decree 31-7622A for .57 CFS, priority of 04/23/1983 for 41.2 acres from a well.  
 Decree 31-7052P for .81 CFS, priority of 07/29/1971 for 40.4 acres from a well.

Decree 31-7606 for .45 CFS, priority of 03/29/1984 for 33.2 acres from a well.  
Decree 31-7609 for .11 CFS, priority of 04/23/1983 for 24.2 acres from a well.  
Decree 31-7611 for .21 CFS, priority of 05/02/1978 for 24.2 acres from a well.  
Decree 31-7629 for .24 CFS, priority of 04/23/1983 for 16.2 acres from a well.

**Beaver Creek East Irrigation Water Rights:**

Decree 31-11784 for 5.68 CFS, priority of 07/29/1976 for 381.8 acres from a well.  
Decree 31-12183 for .34 CFS, priority of 08/20/1978 for 17.0 acres from a well.  
Decree 31-12185 for .13 CFS, priority of 10/10/1973 for 17.0 acres from a well.  
Decree 31-12187 for .17 CFS, priority of 06/14/1974 for 17.0 acres from a well.

Decree 31-7127 for 6.24 CFS, priority of 07/25/1974 for 320 acres from wells.  
Decree 31-7202B for 2.42 CFS, priority of 07/29/1976 for 121 acres from wells.  
License 31-7423 for .2 CFS, priority of 04/25/1984 for 36 acres from wells.  
Decree 31-7630 for .78 CFS, priority of 04/23/1983 for 53.8 acres from wells.  
Decree 31-12105 for .27 CFS, priority of 04/03/1969 for 20.6 acres from wells.

Decree 31-12107 for .2 CFS, priority of 02/20/1974 for 10.7 acres from wells.  
Decree 31-12109 for .14 CFS, priority of 05/10/1978 for 10.7 acres from wells.  
Decree 31-12111 for .54 CFS, priority of 01/08/1979 for 29.0 acres from wells.  
Decree 31-12113 for .24 CFS, priority of 01/08/1973 for 12 acres from wells.  
Decree 31-12115 for .14 CFS, priority of 02/28/1977 for 8.7 acres from wells.  
Decree 31-12117 for .24 CFS, priority of 11/12/1976 for 15.0 acres from wells.  
Decree 31-12118 for .18 CFS, priority of 01/02/1976 for 10 acres from wells.  
License 31-12121 for .20 CFS, priority of 07/27/1985 for 10.0 acres from wells.  
Decree 31-12123 for .16 CFS, priority of 05/11/1970 for 10.9 acres from wells.  
Decree 31-12125 for .16 CFS, priority of 05/11/1970 for 10.9 acres from wells.  
Decree 31-12127 for .39 CFS, priority of 08/11/1966 for 22.3 acres from wells.  
Decree 31-12129 for .07 CFS, priority of 05/10/1978 for 4.7 acres from wells.  
Decree 31-12131 for .12 CFS, priority of 09/18/1973 for 14.1 acres from wells.  
Decree 31-12133 for .12 CFS, priority of 10/25/1954 for 10.7 acres from wells.  
Decree 31-12135 for .04 CFS, priority of 02/20/1959 for 3.6 acres from wells.  
Decree 31-12143 for .38 CFS, priority of 02/20/1974 for 19.0 acres from wells.  
Decree 31-12145 for .14 CFS, priority of 02/24/1977 for 8.3 acres from wells.  
Decree 31-12147 for .14 CFS, priority of 02/24/1977 for 8.3 acres from wells.  
Decree 31-12149 for .10 CFS, priority of 01/02/1976 for 5.5 acres from wells.

Decree 31-12151 for .05 CFS, priority of 07/07/1969 for 2.9 acres from wells.  
Decree 31-12171 for .13 CFS, priority of 03/11/1982 for 9.5 acres from wells.  
Decree 31-12172 for .08 CFS, priority of 03/11/1982 for 6.0 acres from wells.  
Decree 31-12189 for .06 CFS, priority of 01/24/1975 for 4.0 acres from wells.  
Decree 31-12191 for .26 CFS, priority of 03/18/1974 for 15.0 acres from wells.  
Decree 31-72208 for 1.26 CFS, priority of 03/10/1977 for 122 acres from a well.

**Beaver Creek West Cellar:**

Decree 31-12200 for .04 CFS, priority of 02/17/1969 for Domestic Use from a well.

Water License 31-7651 for .66 CFS, priority of 08/28/1997 for industrial use.  
Decree 31-7370F for .27 CFS, priority of 08/17/1981 for 18 acres from a well.  
Decree 31-7627B for .39 CFS, priority of 08/12/1981 for 95 acres from a well.

### **Exhibit C to Mortgage**

#### **Permitted Exceptions:**

As set forth in Schedule B of the pro forma title insurance policy issued by First American Title Insurance Policy Number 719760.