

STATE OF IDAHO DEPARTMENT OF
WATER RESOURCES

RECEIVED
MAY 16 2016

DEPT OF WATER RESOURCES
SOUTHERN 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.
	63-8067			
	63-10272			
	63-11513			
	63-11514			

2. The following **REQUIRED** information must be submitted with this form:

A) Evidence of the security interest. This may be a copy of a **DEED of TRUST, MORTGAGE, CONTRACT OF SALE** or other legal document indicating your interest in the property and water rights or claims in question, **WITH ATTACHED LEGAL DESCRIPTION.**

B) A **FEE** of **\$25.00** per water right or adjudication claim.

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

Metropolitan Life Insurance Company
Agricultural Investments
10801 Mastin Blvd, Ste. 930
Overland Park, KS 66210
Phone 913-338-0629

Email Kharshberger@metlife.com

4. Name of Water Right Owner/Claimant(s) Big Sky Partnership aka Big Sky Farms Limited Partnership

5. Expiration Date of Notification Period 12/01/2036

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

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

Title, if applicable

[Signature]
Director

SUPPORT DATA

IN FILE # 63-8067

For Office Use Only

Received by DM Date 5-16-2016 Receipt No. 5035456 Fee \$100-

Processed by AJ _____ Date _____ WR _____ Date _____

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

Instrument # 0000453486
ELMORE COUNTY, ID
11:25:20 AM May 13, 2016
For TITLEONE - JEROME
No. of Pages: 19 Fee: \$64.00
BARBARA STEELE, Recorder
DE, Deputy
Electronically Recorded by Simplifile

THIS INSTRUMENT PREPARED BY:

Devin P. McComb
Stoel Rives LLP
600 University Street
Suite 3600
Seattle, WA 98101-4109
(206) 386-7633

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:
Metropolitan Life Insurance Company
205 E. River Park Circle, Suite 330
Fresno, CA 93720
Attn: Loan Manager 16265731

Space above this line for Recorder's Use

Big Sky Farms
Loan No: 198242

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

THIS MORTGAGE ALSO CONSTITUTES A FINANCING STATEMENT FILED AS A FIXTURE FILING
UNDER THE UCC

SEE ARTICLE 7 FOR ADDRESS OF GRANTOR AND MORTGAGEE

This mortgage is dated as of May 12, 2016, and is by BIG SKY FARMS LIMITED PARTNERSHIP, an Idaho limited partnership ("Big Sky Farms Limited Partnership"), and MAURICE DON MCFARLAND, a/k/a Don McFarland ("Maurice Don McFarland") and CAROL LYNN MCFARLAND ("Carol Lynn McFarland"), husband and wife (Big Sky Farms Limited Partnership, Maurice Don McFarland, and Carol Lynn McFarland are herein individually and collectively, "Grantor"), to and in favor of METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation ("Mortgagee").

Mortgagee has agreed to make a loan in the original principal sum of \$4,500,000.00 to Grantor under the terms and conditions of the Promissory Note by Grantor in favor of Mortgagee dated as of the date of this mortgage (the "Note").

Each capitalized term used in this mortgage that is defined in the Note and not defined in this mortgage will have the meaning specified in the Note. This mortgage will be interpreted in accordance with the Drafting Conventions.

ARTICLE 1 – GRANT

To secure repayment of the indebtedness evidenced by the Note and payment and performance of all other Secured Obligations (defined herein), Grantor irrevocably and unconditionally mortgages, warrants, grants, bargains, sells, and conveys to Mortgagee, with right of entry and possession, all of Grantor's estate, right, title and interest which Grantor now has or may later acquire in the following, wherever located, and whether constituting real estate or personal property (individually and collectively, the "Property"): (1) the real estate and any interest in the real estate located in Elmore County, Idaho, and described in EXHIBIT A (the "Land"); (2) buildings, structures, improvements, and fixtures now or hereafter erected on, affixed or attached to the Land, including all farm products storage and handling units and equipment, and fences, gates and loading chutes (the "Improvements"); (3) (A) wells, irrigation

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Suite 3600
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and drainage pumps, motors, pipes, windmills, frost protection equipment, center pivot irrigators, sprinklers, drip line and emitters, filters, water measurement meters and control structures and other watering and irrigation equipment; and (B) all other equipment now or hereafter affixed or installed in any manner on the Land or the Improvements or used in connection with the operation of the Property (other than rolling stock and implements customarily towed) described on EXHIBIT B (the "Equipment"); (4) easements, rights-of-way, and other rights and entitlements appurtenant to the Land or used in connection with the Land or as a means of access thereto (the "Easements"); (5) other tenements, hereditaments and appurtenances to the Land; (6) rights to the use and enjoyment of water, whether surface or subsurface, whether riparian, appropriative, prescriptive or otherwise, and whether or not appurtenant, now or hereafter relating or available to the Land or Improvements or used in connection therewith: (A) water allocations, water banking rights or interests, carryover rights, supplemental water, storage and exchange rights drainage rights, distribution rights, storage rights, delivery rights, and other water-related rights or entitlements, whether available through any public or private irrigation projects, companies, districts, agencies or otherwise, together with all shares of stock evidencing any such rights or entitlements, and all voting rights and other rights and privileges that now or hereafter may exist with respect to such stock or with respect to participation, membership, or other involvement in any such projects, companies, districts, or agencies; (B) water and water inventory in storage; (C) rights under well, pump and filter sharing agreements; and (D) all easements, permits, licenses, leases, contracts, grants, reservations and any other rights and entitlements, however created, to drill, install and maintain wells, pumps and pipeline systems, or to use, appropriate, pump, extract, receive, transport, store or transfer water, including the rights described on EXHIBIT B ("Water Rights"); (7) shares, and rights under such shares, of any private water company, mutual water company, or other non-governmental entity pursuant to which Grantor or the Property may receive water, including the shares described on EXHIBIT CD (individually and collectively, the "Water Stock") and any other certificated and uncertificated securities, securities entitlements, securities accounts and commodities accounts; (8) coal, oil, gas, and other hydrocarbon substances, geothermal resources, minerals, mineral interests, royalties, overriding royalties, production payments, net profit interests and other interests and estates in, under or produced from the Land and other coal, oil, gas, geothermal, and mineral interests with which any of the foregoing interests or estates are pooled or unitized and other "as-extracted collateral" (the "Mineral Rights"); (9) timber now or hereafter standing on or cut from the Land; (10) leases, subleases, licenses and other agreements, granting a possessory interest in and to, or the right to extract, mine, reside in, sell, or use the Property, (individually and collectively, the "Leases"); (11) permits and licenses relating or pertaining to the use or enjoyment of the Property; (12) proceeds of and any unearned premiums on any insurance policies covering the Property, including the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property (the "Insurance Claims"); (13) all awards made for the taking by condemnation or the power of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Land or Improvements (the "Condemnation Awards"); (14) accessions, attachments and other additions to, substitutes or replacements for, all proceeds and products of, the Property; and (15) books, records and files relating to the Property, including computer readable memory and data and any computer software or hardware reasonably necessary to access and process such memory and data.

ARTICLE 2 - ASSIGNMENT OF RENTS

Grantor irrevocably and unconditionally assigns Mortgagee all rents and other benefits derived from the Leases, and all other issues, profits, royalties, bonuses, income and other proceeds of the Property, whether now due, past due or to become due, including all prepaid rents, security deposits and other supporting obligations (collectively, the "Rents").

Notwithstanding the provisions of this Article 2, Mortgagee confers upon Grantor a revocable license to collect and retain the Rents as they become due and payable, so long as there is no Event of Default (the

"License"). If an Event of Default has occurred, Mortgagee may terminate the License without notice to or demand upon Grantor.

Subject to the License granted hereunder, Mortgagee has the right, power and authority to collect any and all Rents. Mortgagee, by its acceptance of this mortgage does not assume any duty or obligation under the Leases.

All lessees under the Leases are hereby irrevocably authorized and notified by Grantor to rely upon and to comply with (and are fully protected in so doing) any notice or demand by Mortgagee for the payment to Mortgagee of Rents, or for the performance of any of lessees' undertakings under the Leases, and lessees shall have no right or duty to inquire as to whether any Event of Default has actually occurred or is then existing hereunder. Subject to the License, Mortgagee may notify any person that the leases have been assigned to Mortgagee and that all Rents are to be paid directly to Mortgagee, whether or not Mortgagee has commenced or completed foreclosure of or taken possession of the Property.

Mortgagee may apply all amounts received by it pursuant to this assignment to pay any of the following in such order and amounts as Mortgagee deems appropriate: (1) Secured Obligations; (2) expenses of leasing, operating, maintaining and managing the Property, including without limitation, salaries, fees, commissions and wages of a managing agent and such other employees, agents or independent contractors as Mortgagee deems necessary or desirable; (3) taxes, charges, claims, assessments, any other liens, and premiums for insurance Mortgagee deems necessary or desirable; and (4) the cost of alterations, renovations, repairs or replacements, and expenses incident to taking and retaining possession of the Property.

ARTICLE 3 – SECURITY AGREEMENT/FIXTURE FILING

Grantor grants Mortgagee a security interest in and pledges and assigns to Mortgagee all of Grantor's right, title and interest in all Property to the extent and which may be characterized as personal property (the "Personalty"). Grantor authorizes Mortgagee to file any UCC financing statements required by Mortgagee, from time to time, to perfect Mortgagee's security interest in the Property.

The address adjacent to Grantor's signature below is the mailing address of Grantor as debtor under the UCC. The address for Mortgagee in Article 7 is its address as secured party under the UCC.

This mortgage constitutes a financing statement filed as a fixture filing under the UCC, covering any Property which now is or later may become a fixture attached to the Land or any Improvement. For this purpose, the "debtor" is Grantor, the "secured party" is Mortgagee and the collateral is the Property.

ARTICLE 4 – SECURED OBLIGATIONS

Grantor makes the mortgage, grant, conveyance, transfer and assignment in Article 1, makes the irrevocable and absolute assignment in Article 2, and grants the security interest under Article 3 to secure payment and performance of the following obligations (individually and collectively, the "Secured Obligations"): (1) all Obligations; (2) all obligations of Grantor under this mortgage; (3) all modifications, amendments, extensions, and renewals, however evidenced, of any of the Secured Obligations; and (4) any of the foregoing that arises after the filing of a petition by or against Grantor under an insolvency or bankruptcy proceeding.

Future Secured Obligations. The Secured Obligations include future advances made by Mortgagee for any purpose under the Loan Documents, and all other future Secured Obligations. Those future advances and other future Secured Obligations, together with interest thereon, are secured by this mortgage to the same extent as if made or incurred on the date of the execution of this mortgage, and have priority as to third persons with or without actual notice from the time this mortgage is filed for record as provided by law. The total amount of indebtedness secured by this mortgage may decrease or increase from time to time. Nothing in this Section will constitute a commitment to make additional or future advances in any amount.

General. The scheduled maturity date of the Note is December 1, 2036. All persons who have or acquire an interest in the Property will be deemed to have received notice of, and will be bound by, the terms of the Note, this mortgage and all other agreements and instruments evidencing and or securing the Loan (individually and collectively, the "Loan Documents"; provided, however, the Loan Documents specifically do not include the Unsecured Environmental Indemnity, dated as of the date hereof). The Loan Documents may include terms which permit or provide that the rate of interest on one or more of the Secured Obligations may vary from time to time. The obligations secured hereby may provide for the interest rate, payment terms, or balance due to be indexed, adjusted, renewed or renegotiated. Without limitation, the Note expressly provides that Lender may at its option change or adjust the interest rate as referenced therein. This mortgage does not secure any indebtedness, liability or obligation that is expressly stated to be unsecured.

Maximum Interest Rate. Notwithstanding any provision of this mortgage to the contrary: (1) no interest will be due on any amount due under this mortgage if, under Applicable Law, Mortgagee is not permitted to take, receive, reserve or charge interest on that amount; and (2) in all other cases, interest due on the Secured Obligations will be calculated at a rate not to exceed the Maximum Rate. If Grantor is requested by Mortgagee to pay interest on any amount secured by this mortgage at a rate greater than the Maximum Rate, the amount of interest due on that amount will be deemed the Maximum Rate and all payments in excess of the Maximum Rate will be deemed to have been principal prepayments without prepayment fee or premium, and not interest. All amounts other than interest which are charged, reserved, paid or agreed to be paid to Mortgagee for the use, forbearance, or detention of the Secured Obligations will, to the extent permitted by Applicable Law, be amortized, prorated, allocated and spread over the full stated term of the Secured Obligations, so that the rate of interest on account of the Secured Obligations does not exceed the Maximum Rate for so long as any of the Secured Obligations is outstanding.

ARTICLE 5 – WARRANTY AND COVENANTS

Warranty of Title. Grantor represents and warrants that, other than the exceptions to title expressly listed on a schedule of exceptions to coverage in the final commitment for title insurance or pro forma policy of title insurance accepted by Mortgagee prior to the Closing, Big Sky Farms Limited Partnership lawfully possesses and holds fee simple title to all of the Land and Improvements; and that Grantor has the right, power and authority to mortgage, grant, convey and assign the Property. Grantor especially agrees and declares that the separate estate of each of them, whether vested, contingent or in expectancy, is hereby conveyed and shall be bound for the payment and performance of the Secured Obligations.

Water Rights. Grantor represents and warrants that the Water Rights afford the continuing, enforceable right to receive irrigation water on the Property from such sources, in such quantities and at such times and locations as has historically been available to the Property without interruption or substantially increased cost and in any event, based on current projections, sufficient to provide adequate water and/or drainage to continue the current and proposed agricultural operations on the Property

Performance of Secured Obligations/Compliance with Applicable Law. Grantor shall promptly pay and perform each Secured Obligation in accordance with its terms. Grantor shall not commit or allow any act upon or use of the Property which would violate any Applicable Law, whether now existing or later to be enacted and whether foreseen or unforeseen, or any public or private covenant, condition, restriction or equitable servitude affecting the Property.

Maintenance of Property. Grantor shall maintain and preserve all rights and privileges Grantor now has in the Property; and make any repairs, renewals or replacements to keep the Property in good working condition. Grantor shall keep the Property in good condition and repair; operate the Property, whether improved pastures, orchards, groves, grazing, timber, or crop lands, in a good and husband-like manner in accordance with accepted principles of sound agricultural and forestry practices in the area in which

the Land is located; take all reasonable precautions to control wind and water erosion; fertilize improved pastures, if any, where necessary to maintain a good stand of desirable grasses; protect orchards and timber, if any, by reasonable precautions against loss or damage by fire including the maintenance of appropriate fire breaks; and neither to remove nor permit the removal of any oil, gas, mineral, stone, rock, clay, or gravel owned by Grantor, or any timber, buildings, top soil, or fertilizer, without the prior written consent of Mortgagee.

Water Rights. Grantor shall maintain the Water Rights during the term of the Loan at a level and of a nature sufficient to provide the continuing, enforceable right to receive irrigation water on the Property from such sources, in such quantities and at such times and locations as has historically been available to the Property without interruption or substantially increased cost and in any event sufficient to provide adequate water and/or drainage to continue the current and proposed agricultural operations on the Property. All existing Water Rights benefiting or available to the Property shall be maintained in full force and effect for the benefit of the Property by Grantor and applied to beneficial use so as to maintain the validity and priority of such rights. Grantor shall fully comply with, and not permit a default to occur under any water licenses, permits or delivery contracts used to provide water to the Property, and shall timely exercise all renewal or extension rights in such contracts. Grantor shall not modify, amend or terminate any Water Rights without Mortgagee's prior written consent. Grantor shall comply with the rules, regulations and ordinances of any water district, water agency or groundwater management agency in which the Property or any portion thereof is located and pay all related fees and assessments prior to delinquency. All irrigation wells and related facilities used to deliver irrigation water to any portion of the Property shall remain physically located within the boundaries of such Property or the subject of valid, enforceable easements appurtenant to the Property and encumbered hereby. If the use of any irrigation facilities or water serving the Property requires consent or the use of other property, Grantor shall maintain in effect all requisite easements or other legally enforceable and assignable rights to use such facilities and/or water to service the Property. Grantor shall notify Mortgagee if the irrigation water supply to any portion of the Property is interrupted or subject to interruption for any reason other than temporarily for routine maintenance or repairs in a manner that does not impair the operation of the Property.

Compliance with Applicable Law Grantor shall not commit or allow any act upon or use of the Property which would violate any Applicable Law, whether now existing or later to be enacted and whether foreseen or unforeseen, or any public or private covenant, condition, restriction or equitable servitude affecting the Property.

Taxes and Assessments. Grantor shall pay prior to delinquency all taxes, levies, charges and assessments imposed by Applicable Law or any public or quasi-public authority or utility company which are (or if not paid, may become) a lien on all or part of the Property or any interest in it, and any and all intangible taxes and documentary stamp taxes determined at any time to be due on or as a result of the Secured Obligations, this mortgage or any other Loan Documents, together with any and all interest and penalties thereon (individually and collectively, "Imposition"). If after the date of this mortgage, the State of Idaho passes any law deducting from the value of Land for the purpose of taxation any lien thereon, or changing in any way the laws for the taxation of mortgages or debts secured by a mortgage for state or local purposes, or the manner of the collection of any such taxes, so as to affect this mortgage, then within 180 days after notice by Mortgagee to Grantor, Grantor shall pay all Secured Obligations. Notwithstanding the foregoing provisions of this Section, Grantor may, at its expense, contest the validity or application of any Imposition by appropriate legal proceedings promptly initiated and conducted in good faith and with due diligence, provided that: (1) Mortgagee is satisfied that neither the Property nor any part thereof or interest therein will be in danger of being sold, forfeited, or lost as a result of such contest; and (2) Grantor shall have posted a bond or furnished such other security required from time to time by Mortgagee.

Damages and Insurance and Condemnation Proceeds. Mortgagee may, at its option: (1) in its own name appear in or prosecute any action or proceeding to enforce any cause of action based on warranty,

or for damage, injury or loss to all or part of the Property, and it may make any compromise or settlement of the action or proceeding; (2) participate in any action or proceeding relating to any Condemnation Award; and (3) join Grantor in adjusting any Insurance Claim. All insurance proceeds, Condemnation Awards, and proceeds of any other claim based on warranty, or for damage, injury or loss to the Property which Grantor may receive or be entitled to must be paid to Mortgagee. Mortgagee may apply those proceeds first toward reimbursement of all of Mortgagee's costs and expenses, including Legal Fees, incurred in connection with such recovery. The balance shall, at Mortgagee's option, be applied to pay or prepay some or all of the Secured Obligations in such order and proportions as it may choose; *provided, however*, that any insurance proceeds relating to property damage shall be applied to reconstruct the damaged property or released to the Grantor for reconstruction if no Event of Default (or set of circumstances that with the passage of time or giving of notice would constitute an Event of Default) currently exists and Grantor can demonstrate to Mortgagee's reasonable satisfaction that the insurance proceeds, together with Grantor's other resources, would be sufficient to reconstruct the damaged property. GRANTOR HEREBY SPECIFICALLY, UNCONDITIONALLY AND IRREVOCABLY WAIVES ALL RIGHTS OF A PROPERTY OWNER WITH RESPECT TO ALLOCATION OF CONDEMNATION PROCEEDS BETWEEN A PROPERTY OWNER AND A LIENHOLDER.

Site Visits, Observation and Testing. Mortgagee and its agents and representatives may enter and visit the Property at any reasonable time for the purposes of observing it, performing appraisals, taking and removing soil or groundwater samples, and conducting tests on any part of it, as provided in the Unsecured Environmental Agreement, by Mortgagee in favor of Lender and dated as of even date hereof, and otherwise to determine Grantor's compliance with this mortgage.

Prohibited Transfers. Grantor agrees that a material factor in Mortgagee's decision to enter into the Loan Documents is the expertise, financial status and other characteristics of Grantor. Grantor shall not make or permit any Prohibited Transfer. Upon any Prohibited Transfer Mortgagee may declare all Secured Obligations to be due and payable immediately. "Prohibited Transfer" means: (1) any sale, contract to sell, conveyance, encumbrance, pledge, mortgage, or other transfer of all or any material part or interest of the Property, whether voluntary, involuntary, by operation of law or otherwise; *provided*, however, Grantor may sell or dispose of fixtures and equipment in the ordinary course of their business so long as such items are replaced with items of equal or greater value and utility; (2) if Grantor is a corporation, any transfer or transfers of shares of more than ten percent (or such other portion, if any, permitted under the Note) of the voting power or the direct or indirect beneficial ownership of Grantor, on a cumulative basis, or any dissolution of the corporation; (3) if Grantor is a partnership, withdrawal or removal of any general partner, dissolution of the partnership under Applicable Law, or any transfer or transfers of more than ten percent (or such other portion, if any, permitted under the Note) of the partnership interests, on a cumulative basis, other than to another Grantor; (4) if Grantor is a limited liability company, withdrawal or removal of any manager or managing member, termination of the limited liability company or any transfer or transfers of more than ten percent (or such other portion, if any, permitted under the Note) of the voting power or the ownership of the economic interest in the Grantor, on a cumulative basis; or (5) if Grantor is a trust, withdrawal or removal of any trustee or revocation of the trust.

Prohibited Transfer Rate. If there is a Prohibited Transfer, Mortgagee may deem the principal balance of the Loan and, to the extent permitted by Applicable Law, all other Obligations, increase at the Contract Rate by 2.00% per annum, retroactive to the date of the Prohibited Transfer. Mortgagee's rights under this Section are an option available to Mortgagee, and unless elected by Mortgagee, a Prohibited Transfer will constitute an Event of Default and all Obligations will bear interest at the Default Rate.

Compensation and Reimbursement of Costs and Expenses. Grantor shall pay (1) for any services rendered in connection with this mortgage; (2) all of Mortgagee's costs and expenses incurred in rendering any such services; and (3) all costs, expenses and other advances incurred or made by Mortgagee in an effort to enforce the terms of this mortgage or protect the Property, whether any lawsuit

is filed or not, including any bankruptcy or other voluntary or involuntary proceeding, in or out of court, or in defending any action or proceeding arising under or relating to this mortgage, including Legal Fees, and costs of any Foreclosure Sale. If Mortgagee chooses to dispose of Property through more than one Foreclosure Sale, Grantor must pay all costs, expenses or other advances incurred by Mortgagee in each of those Foreclosure Sales.

Indemnification. GRANTOR SHALL INDEMNIFY MORTGAGEE AGAINST AND SHALL HOLD MORTGAGEE HARMLESS FROM ALL LOSSES, DAMAGES, LIABILITIES, CLAIMS, CAUSES OF ACTION, JUDGMENTS, COURT COSTS, LEGAL FEES, COST OF EVIDENCE OF TITLE, COST OF EVIDENCE OF VALUE, AND OTHER COSTS AND EXPENSES WHICH MORTGAGEE MAY SUFFER OR INCUR: (1) IN PERFORMING ANY ACT REQUIRED OR PERMITTED BY THIS MORTGAGE OR ANY OF THE OTHER LOAN DOCUMENTS OR BY LAW; (2) BECAUSE OF ANY FAILURE OF GRANTOR TO PAY OR PERFORM ANY OF THE SECURED OBLIGATIONS; OR (3) BECAUSE OF ANY ALLEGED OBLIGATION OF OR UNDERTAKING BY MORTGAGEE TO PERFORM OR DISCHARGE ANY OF THE REPRESENTATIONS, WARRANTIES, CONDITIONS, COVENANTS OR OTHER OBLIGATIONS IN ANY DOCUMENT RELATING TO THE PROPERTY (OTHER THAN SUCH WARRANTIES, CONDITIONS, COVENANTS OR OTHER OBLIGATIONS IN THE LOAN DOCUMENTS); EXCEPT THAT GRANTOR SHALL HAVE NO OBLIGATION TO MORTGAGEE UNDER THIS SECTION WITH RESPECT TO LOSSES RESULTING FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF MORTGAGEE AS DETERMINED BY A COURT OF COMPETENT JURISDICTION. THIS AGREEMENT BY GRANTOR TO INDEMNIFY MORTGAGEE SURVIVES THE RELEASE AND CANCELLATION OF ANY OR ALL OF THE SECURED OBLIGATIONS AND THE FULL OR PARTIAL RELEASE OF THIS MORTGAGE.

Payments Due Under This Mortgage. Grantor must pay all obligations to pay money arising under this mortgage immediately upon demand by Mortgagee. Each such obligation shall bear interest from the date the obligation arises at the Default Rate.

ARTICLE 6 – EVENTS OF DEFAULT AND REMEDIES

Events of Default. The following each shall be an event of default under this mortgage (an "Event of Default"): (1) an Event of Default; (2) a Prohibited Transfer; (3) if Grantor is in default beyond applicable notice and grace periods under any other mortgage, deed of trust, deed to secure debt or other security agreement covering any part of the Property, whether it be superior or junior in lien to this mortgage; (4) for more than ten days after notice from Mortgagee, Grantor is in default under any term, covenant or condition of this mortgage not separately described as an Event of Default, which can be cured by the payment of a sum of money; or (5) for 30 days after notice from Mortgagee, Grantor is in default under any term, covenant or condition of this mortgage not separately described as an Event of Default; provided that if: (A) it is reasonably certain that the default cannot be cured by Grantor within that 30 day period; and (B) Grantor has commenced curing that default within that 30 day period and thereafter diligently and expeditiously proceeds to cure that default, then that 30 day period shall be extended for so long as reasonably required by Grantor in the exercise of due diligence to cure that default, up to a maximum of 90 days after the notice to Grantor of the Event of Default.

Remedies. At any time after an Event of Default, Mortgagee may invoke any and all of the rights and remedies described below. All of such rights and remedies are cumulative, and the exercise of any one or more of them does not constitute an election of remedies.

Acceleration. Mortgagee may declare any or all of the Secured Obligations to be due and payable immediately.

Receiver. Mortgagee may, to the extent permitted by Applicable Law, make an application to any court of competent jurisdiction, and obtain appointment of, a receiver, trustee, liquidator or conservator of the Property, without giving bond, and without regard for the adequacy of the security for the Secured

Obligations and without regard for the solvency of Grantor, any Guarantor, or of any Person liable for the payment of the Secured Obligations. GRANTOR HEREBY CONSENTS TO THE APPOINTMENT OF A RECEIVER, TRUSTEE, LIQUIDATOR OR CONSERVATOR OF THE PROPERTY IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION; AND AGREES TO NOT OPPOSE SUCH APPOINTMENT.

Entry. To the extent permitted by Applicable Law, Mortgagee, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Property, and may also do any and all other things in connection with those actions that Mortgagee may consider necessary and appropriate to protect the security of this mortgage. Such other things may include: taking and possessing all of Grantor's or the then owner's books and records; entering into, enforcing, modifying, or canceling leases on such terms and conditions as Mortgagee may consider proper; obtaining and evicting tenants; fixing or modifying rents; collecting and receiving any payment of money owing to Grantor; completing any unfinished construction; and/or contracting for and making repairs and alterations. If Mortgagee so requests, Grantor will assemble all of the Property that has been removed from the Land and make all of it available to Mortgagee at the site of the Land. GRANTOR HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS MORTGAGEE AS GRANTOR'S ATTORNEY-IN-FACT TO PERFORM SUCH ACTS AND EXECUTE SUCH DOCUMENTS AS MORTGAGEE CONSIDERS APPROPRIATE IN CONNECTION WITH TAKING THESE MEASURES, INCLUDING ENDORSEMENT OF GRANTOR'S NAME ON ANY INSTRUMENTS. Regardless of any provision of this mortgage or the other Loan Documents, Mortgagee shall not be considered to have accepted any property other than cash or immediately available funds in satisfaction of any obligation of Grantor to Mortgagee, unless Mortgagee has given express written notice of its election of that remedy in accordance with the UCC.

Cure; Protection of Security. Mortgagee may cure any breach or default of Grantor, and if it chooses to do so in connection with any such cure, Mortgagee may also enter the Property and/or do any and all other things which it considers necessary or appropriate to protect the security of this mortgage. Such other things may include: (1) appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Mortgagee under, this mortgage; (2) paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Mortgagee's judgment is or may be senior in priority to this mortgage, such judgment of Mortgagee to be conclusive as among the parties to this mortgage; (3) obtaining insurance and/or paying any premiums or charges for insurance required to be carried under the Note; (4) otherwise caring for and protecting any and all of the Property; and/or (5) employing counsel, accountants, contractors and other appropriate persons to assist Mortgagee. Mortgagee may take any of the actions permitted under this Article either with or without giving notice to any person. Notwithstanding the foregoing, in no event will Mortgagee have any obligation to take any of the actions set forth in this Section.

Uniform Commercial Code Remedies. Mortgagee may exercise any or all of the remedies granted to a secured party under the UCC. To the extent that Applicable Law imposes the duty on Mortgagee to exercise remedies in a commercially reasonable manner, Grantor acknowledges and agrees that it is not commercially unreasonable for Mortgagee to: (1) fail to incur expenses reasonably deemed significant by Mortgagee to prepare the Personalty for disposition or to fail to complete raw material or work in process into finished goods or other finished products for disposition; (2) fail to exercise collection remedies against account debtors or other persons obligated on the Personalty (directly or through the use of collection specialists), or to fail to remove liens, encumbrances or adverse claims against the Personalty; (3) advertise dispositions of the Personalty through publications or media of general circulation, whether or not the Personalty is of a specialized nature; (4) contact Persons for expressions of interest in acquiring all or any portion of the Personalty; (5) hire professional auctioneers to assist in the disposition of the Personalty, whether or not the Personalty is of a specialized nature; (6) dispose of the Personalty by utilizing Internet sites that provide for or are reasonably capable of the auction of assets of the types included in the Personalty; (7) dispose of the Personalty in wholesale rather than retail markets; (8)

disclaim disposition warranties; (9) purchase insurance or credit enhancements to insure Mortgagee against risks of loss, collection or disposition of the Personalty or to provide to Mortgagee a guaranteed return from the collection or disposition of the Personalty; or (10) sell any Personalty jointly with any of the Property or to sell any Personalty in a sale separate from a sale of any of the Property. Grantor acknowledges that the purpose of this Section is to provide a non-exhaustive indication of what actions or omissions by Mortgagee would fulfill Mortgagee's duties under the UCC in Mortgagee's exercise of remedies against the Personalty, and that other actions or omissions by Mortgagee shall not be deemed to fail to fulfill such duties solely on account of not being expressly included or indicated in this Section.

Judicial Action. Mortgagee may bring an action in any court of competent jurisdiction to foreclose this mortgage in the manner provided under Applicable Law for the foreclosure of mortgages on real property or to obtain specific enforcement of any of the covenants or agreements of this mortgage.

Sales of Personal Property. Mortgagee may elect to treat as Personalty any Property which is intangible or which can be severed from the Land or Improvements without causing structural damage. If it chooses to do so, Mortgagee may dispose of any Personalty separately from the sale of real property, in any manner permitted by Article 9 of the UCC, including any public or private sale, or in any manner permitted by any other Applicable Law. Any proceeds of any such disposition shall not cure any Event of Default or reinstate any Secured Obligation.

Single or Multiple Foreclosure Sales. If the Property consists of more than one lot, parcel or item of property, in connection with any sale of the Property described in or permitted under this Article, Mortgagee may: (1) designate the order in which the lots, parcels and/or items shall be sold or disposed of or offered for sale or disposition; and (2) elect to dispose of the lots, parcels and/or items through a single consolidated sale or disposition to be held or made in connection with judicial proceedings, or by virtue of a judgment and decree of foreclosure and sale; or through two or more such sales or dispositions; or in any other manner Mortgagee may deem to be in its best interests (any such sale or disposition, a "Foreclosure Sale"). If it chooses to have more than one Foreclosure Sale, Mortgagee at its option may cause the Foreclosure Sales to be held simultaneously or successively, on the same day, or on such different days and at such different times and in such order as it may deem to be in its best interests. No Foreclosure Sale will terminate or affect the liens of this mortgage on any part of the Property which has not been sold, until all of the Secured Obligations have been paid in full.

Additional Rights. In addition to the rights and powers given to Mortgagee under this mortgage, Mortgagee shall have all such other rights both in law and equity for collection of the indebtedness secured hereby as it would have but for this mortgage.

Credit Bids. At any Foreclosure Sale, any person, including Grantor or Mortgagee, may bid for and acquire the Property or any part of it to the extent permitted by then Applicable Law. Instead of paying cash for that property, Mortgagee may settle for the purchase price by crediting the sales price of the property against the following obligations: first, the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Grantor is obligated to reimburse Mortgagee; and second, all other Secured Obligations in any order and proportions as Mortgagee may choose.

Application of Foreclosure Sale Proceeds, Rents and Other Sums. Mortgagee shall apply the proceeds of any Foreclosure Sale to pay (or reimburse Mortgagee for payment of) the Secured Obligations in any order and proportions as Mortgagee may choose, with the surplus, if any, to be paid over to Grantor. Mortgagee has no liability for any funds which it does not actually receive.

Waivers. To the extent any Grantor may be deemed a guarantor of any other Grantor's obligations to Mortgagee despite Mortgagee's and Grantor's intent that all parties comprising "Grantor" are co-obligors and not guarantors under the Loan, each Grantor waives: (1) any right to require Mortgagee to proceed against Grantor, proceed against or exhaust any security held from Grantor, or pursue any other remedy

in Mortgagee's power to pursue; (2) any defense based on any legal disability of Grantor, any discharge or limitation of the liability of Grantor to Mortgagee, whether consensual or arising by operation of law or any bankruptcy, reorganization, receivership, insolvency, or debtor-relief proceeding, or from any other cause, or any claim that Grantor's obligations exceed or are more burdensome than those of Grantor; (3) all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of acceptance of this mortgage and of the existence, creation, or incurring of new or additional indebtedness of Grantor, and demands and notices of every kind; (4) any defense based on or arising out of any defense that Grantor may have to the payment or performance of the Secured Obligations or any part of it; and (5) until the Secured Obligations have been paid and performed in full, all rights of subrogation, reimbursement, indemnification and contribution (contractual, statutory or otherwise), including any claim or right of subrogation under the Bankruptcy Code (Title 11 of the U.S. Code) or any successor statute, all rights to enforce any remedy that Mortgagee may have against Grantor, and all rights to participate in any security now or later to be held by Mortgagee for the Secured Obligations. To the extent permitted by Applicable Law, Grantor waives all rights and defenses that Grantor may have because the Secured Obligations may be secured by real property other than the Property hereby encumbered. This is an unconditional and irrevocable waiver of any rights and defenses Grantor may have because the Secured Obligations may be secured by real property other than the Property. To the extent permitted by Applicable Law, Grantor waives any right or defense it may have at law or equity, to a fair market value hearing or action to determine a deficiency judgment after a foreclosure of any real property other than the Property hereby encumbered. No provision or waiver in this mortgage shall be construed as limiting the generality of any other provision or waiver contained in this mortgage.

Information. Grantor is solely responsible for keeping informed of Grantor's financial condition and business operations and all other circumstances affecting Grantor's ability to pay and perform its obligations to Mortgagee, and agrees that Mortgagee will have no duty to disclose to Grantor any information which Mortgagee may receive about Grantor's financial condition, business operations, or any other circumstances bearing on its ability to perform.

No Mortgagee in Possession. Neither the enforcement of any of the remedies under this Article, the assignment of the Rents and Leases under Article 2, the security interests under Article 3, nor any other remedies afforded to Mortgagee under the Loan Documents, at law or in equity shall cause Mortgagee to be deemed or construed to be a mortgagee in possession of the Property, to obligate Mortgagee to lease the Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise.

ARTICLE 7 – MISCELLANEOUS

Notices. All notices, approvals, consents, and other communications, under this mortgage ("Notices") must be in writing and mailed or delivered to the address specified herein. All Notices will be deemed to be given or made upon the earlier to occur of: (1) actual receipt by the intended recipient; or (2) (A) if delivered by hand or by courier, upon delivery; or (B) if delivered by mail, four Business Days after deposit in the U.S. mail, properly addressed, postage prepaid; except that notices and other communications to Lender will not be effective until actually received by Lender. Notices must be mailed or delivered, if to Grantor, to the address adjacent Grantor's signature below; if to Mortgagee, to Metropolitan Life Insurance Company, Agricultural Investments, 10801 Mastin Blvd., Ste 930, Overland Park, KS 66210, Attn: SSU Director, with a carbon copy to Metropolitan Life Insurance Company, Agricultural Investments, 10801 Mastin Blvd, Ste. 120, Overland Park, KS 66210, Attn: Director, CRO.

Entire Agreement. This mortgage and the other Loan Documents collectively: (1) represent the sum of the understandings and agreements between Mortgagee and Grantor concerning this credit; (2) replace any prior oral or written agreements between Mortgagee and Grantor concerning this credit; and (3) are

intended by Mortgagee and Grantor as the final, complete and exclusive statement of the terms agreed to by them.

No Waiver or Cure. Each waiver by Mortgagee must be in writing, and no waiver is to be construed as a continuing waiver. No waiver is to be implied from any delay or failure by Mortgagee to take action on account of any default of Grantor. Consent by Mortgagee to any act or omission by Grantor must not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Mortgagee's consent to be obtained in any future or other instance. The exercise by Mortgagee of any right or remedy under this mortgage or the other Loan Documents or under Applicable Law, shall not: cure or waive a breach, Event of Default or notice of default under this mortgage or invalidate any act performed pursuant to any such default or notice; or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and all other defaults under the Loan Documents, have been cured); or impair the security of this mortgage; or prejudice Mortgagee or any receiver appointed in accordance with this mortgage, in the exercise of any right or remedy afforded any of them under this mortgage; or be construed as an affirmation by Mortgagee of any tenancy, lease or option, or a subordination of the lien of this mortgage.

Merger. No merger shall occur as a result of Mortgagee's acquiring any other estate in or any other lien on the Property.

Waiver of Dower, Homestead, and Distributive Share. Grantor relinquishes all right of dower, if any, and waives all right of homestead exemption and distributive share in and to the Property. Grantor waives any right of exemption as to the Property.

Waiver of Marshalling. Grantor waives all rights, legal and equitable, it may now or hereafter have to require marshalling of assets or to require upon foreclosure sales of assets in a particular order. Each successor and assign of Grantor, including any holder of a lien subordinate to this mortgage, by acceptance of its interest or lien agrees that it shall be bound by the above waiver, as if it had given the waiver itself.

Waiver of Certain Other Laws. To extent permitted by Applicable Law, Grantor shall not at any time insist upon, plead, claim or take the benefit or advantage of any Applicable Law providing for appraisal, valuation, stay, extension, equity or redemption, any statutory or common law right of redemption, and all other exemptions, and Grantor, for Grantor, and its representatives, successors and assigns, and for any and all persons ever claiming any interest in the Property, to the extent permitted by law, hereby waives and releases all rights of redemption (including, without limitation, any common law or statutory right of redemption), and all other exceptions, as well as valuation, appraisal, stay of execution, or notice of election to mature or declare due the whole of the Secured Obligations in the event of foreclosure of the lien created by this mortgage. WITHOUT LIMITATION, IF THE UNDERSIGNED GRANTOR, OR ANY OF THEM, IS A CORPORATION, GRANTOR HEREBY RELEASES AND WAIVES ANY AND ALL RIGHTS OF REDEMPTION FROM SALE UNDER ANY JUDGMENT OF FORECLOSURE AND EACH OF THE ITEMS WAIVED AND RELEASED ABOVE, ON BEHALF OF GRANTOR, AND EACH AND EVERY PERSON ACQUIRING ANY INTEREST IN OR TITLE TO THE PROPERTY, SUBSEQUENT TO THE DATE OF THIS MORTGAGE, AND ON BEHALF OF ALL OF THE PERSONS TO THE EXTENT PERMITTED BY APPLICABLE LAW OF THE STATE OF IDAHO.

Joint and Several Obligations. If Grantor consists of more than one Person, each Grantor (1) acknowledges and undertakes, together with the other Grantors, joint and several liability for the indebtedness, liabilities and obligations of Grantor under this mortgage; (2) acknowledges that this mortgage is the independent and several obligation of each Grantor and may be enforced against each Grantor separately, whether or not enforcement of any right or remedy hereunder has been sought against any other Grantor; and (3) agrees that its liability hereunder and under any other Loan Document shall be absolute, unconditional, continuing and irrevocable. GRANTOR EXPRESSLY WAIVES ANY REQUIREMENT THAT MORTGAGEE EXHAUST ANY RIGHT, POWER OR REMEDY TO PROCEED

AGAINST THE OTHER GRANTOR UNDER THIS MORTGAGE, OR ANY OTHER LOAN DOCUMENTS, OR AGAINST ANY OTHER PERSON UNDER ANY GUARANTY OF, OR SECURITY FOR, ANY OF THE SECURED OBLIGATIONS.

Governing Law/Jurisdiction and Venue. This mortgage shall be governed exclusively by the laws of the State of Idaho without regard or reference to its conflict of laws principles.

General. This mortgage may not be amended, changed, modified, altered or terminated without the prior written consent of Mortgagee. This mortgage may be executed in counterparts, each of which will be an original and all of which together are deemed one and the same instrument. Mortgagee is authorized to execute any other documents or take any other actions necessary to effectuate this mortgage and the consummation of the transactions contemplated herein. Time is of the essence of this mortgage. Each Party has participated in negotiating and drafting this mortgage, so if an ambiguity or a question of intent or interpretation arises, this mortgage is to be construed as if the parties had drafted it jointly, as opposed to being construed against a Party because it was responsible for drafting one or more provisions of this mortgage. When all Secured Obligations have been paid in full, Mortgagee shall execute and deliver to Grantor, a release of the Property from the Lien of this mortgage. Headings and captions are provided for convenience only and do not affect the meaning of the text which follows.

Effect of Modification. The interest rate, payment terms and/or balance due on the loan may be, inter alia, indexed, adjusted, renewed or renegotiated and the lien of this mortgage herein granted shall not be affected as provided in Idaho Code Section 45-116.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

[SIGNATURE PAGE TO MORTGAGE]

GRANTOR BY EXECUTION AND DELIVERY OF THIS MORTGAGE TO MORTGAGEE, AND MORTGAGEE, BY ACCEPTANCE HEREOF, TO THE EXTENT PERMITTED BY APPLICABLE LAW (1) COVENANT AND AGREE NOT TO ELECT A TRIAL BY JURY IN ANY ACTION OR PROCEEDING FOR THE RESOLUTION OF ANY CONTROVERSY OR CLAIM THAT ARISES OUT OF OR RELATES TO: (A) THIS MORTGAGE; OR (B) ANY LOAN DOCUMENT, WHETHER ARISING IN CONTRACT, TORT OR BY STATUTE (INDIVIDUALLY AND COLLECTIVELY, A "CONTROVERSY OR CLAIM"); AND (2) WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY CONTROVERSY OR CLAIM TO THE EXTENT SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THE PROVISIONS OF THIS SECTION ARE GIVEN KNOWINGLY AND VOLUNTARILY; AND ARE A MATERIAL INDUCEMENT FOR MORTGAGEE ENTERING INTO THE NOTE AND OTHER LOAN DOCUMENTS.

Grantor is executing this mortgage effective as of the day and year first written above.

GRANTOR

Address for notices:
2112 Highway 25
Eden, Idaho 83325

BIG SKY FARMS LIMITED PARTNERSHIP, an
Idaho limited partnership

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

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

Address for notices:
2112 Highway 25
Eden, Idaho 83325

Don McFarland
MAURICE DON MCFARLAND a/k/a Don
McFarland

Address for notices:
2112 Highway 25
Eden, Idaho 83325

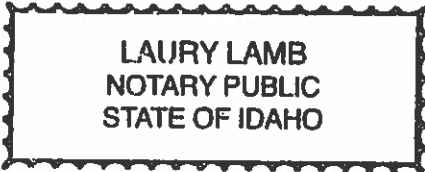
Carol Lynn McFarland
CAROL LYNN MCFARLAND

[ACKNOWLEDGEMENTS OF MORTGAGE ON FOLLOWING PAGE]

[ACKNOWLEDGEMENTS OF MORTGAGE]

STATE OF IDAHO)
)ss.
COUNTY OF Jerome)

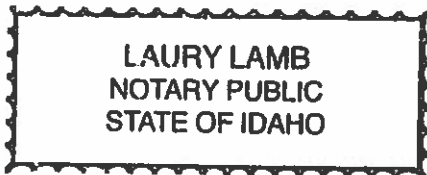
On May 12, 2016, before me, the undersigned, a Notary Public, personally appeared Maurice Don McFarland, known or identified to me (or proved to me on the oath of _____), to be one of the partners in the partnership of Big Sky Farms Limited Partnership, an Idaho limited partnership, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Laurie Lamb
Notary Public for Idaho
Printed Name: Laurie Lamb
Commission Expires: 4/2/2022
Residing: Jerome, ID

STATE OF IDAHO)
)ss.
COUNTY OF Jerome)

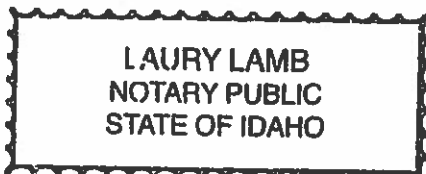
On May 12, 2016, before me, the undersigned, a Notary Public, personally appeared Carol Lynn McFarland, known or identified to me (or proved to me on the oath of _____), to be one of the partners in the partnership of Big Sky Farms Limited Partnership, an Idaho limited partnership, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Laurie Lamb
Notary Public for Idaho
Printed Name: Laurie Lamb
Commission Expires: 4/2/2022
Residing: Jerome, ID

STATE OF IDAHO)
)ss.
COUNTY OF Jerome)

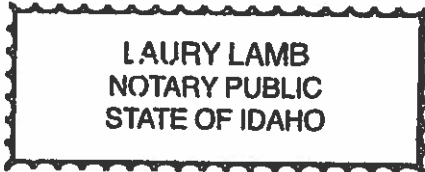
On May 12, 2016, before me, the undersigned, a Notary Public, personally appeared Maurice Don McFarland, known or identified to me (or proved to me on the oath of Don McFarland), to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.



Laurie Lamb
Notary Public for Idaho
Printed Name: Laurie Lamb
Commission Expires: 4/2/2022
Residing: Jerome, ID

STATE OF IDAHO)
)ss.
COUNTY OF Jerome)

On May 12, 2016, before me, the undersigned, a Notary Public, personally appeared Carol Lynn McFarland, known or identified to me (or proved to me on the oath of Don McFarland), to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.





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

EXHIBIT A

Big Sky Farms
Loan No: 198242

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

Legal Description of Real Estate

Elmore County, Idaho

Tract I:

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

Section 27: S1/2N1/2SE1/4; S1/2SE1/4, SW1/4
Section 28: SE1/4SE1/4; SW1/4SW1/4
Section 32: S1/2S1/2
Section 33: E1/2, E1/2W1/2; SW1/4SW1/4
Section 34: All

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

Section 3: U.S. Government Lots 1, 2, 3 and 4, S1/2N1/2; N1/2SE1/4; SW1/4
less tax U.S. Government Lot 1
Section 4: All
Section 5: All LESS SW1/4NW1/4 AND Less W1/2SW1/4
Section 8: N1/2NE1/4
Section 9: NW1/4NE1/4; N1/2NW1/4

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

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

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

thence continuing from the real point of beginning

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

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

South 0°04' East a distance of 1,000 feet to a steel pin on the South Section line of said Section 3, thence North 89°51' West along the South Section line of said Section 3 a distance of 1,742.4 feet, more or less to the Real Point of Beginning.

Tract II:

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

Exhibit A-1

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

Section 32:

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

Section 33:

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

Exhibit A-2

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

EXHIBIT B

Big Sky Farms
Loan No: 198242

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

LIST OF SPECIFIC WATER RIGHTS

Notes	Type	Main	Sequence	Suffix	Applc Stat	Status	Priority Date	Div. Rate (cfs)	Source	Water Use	Owner
	WR	63	8067		Decreed Active		3/6/1975		5.49 GROUND WATER	IRRIGATION	BIG SKY PARTNERSHIP
	WR	63	10272		License Active		10/25/1984		LITTLE CAMAS CREEK	IRRIGATION FROM STORAGE, IRRIGATION STORAGE	BIG SKY PARTNERSHIP
1	WR	63	11513		License Active		3/14/1993		9.68 GROUND WATER	DIVERSION TO STORAGE, IRRIGATION, IRRIGATION FROM STORAGE, IRRIGATION STORAGE	BIG SKY PARTNERSHIP
2	WR	63	11514		License Active		5/10/1991		9.68 GROUND WATER	IRRIGATION	BIG SKY PARTNERSHIP

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

Mountain Home Irrigation District

29.5 Shares

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

Exhibit B-1

EXHIBIT C

Big Sky Farms
Loan No: 198242

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

LIST OF SPECIFIC WATER SHARES

IRRIGATION DISTRICT	NUMBER OF SHARES
Mountain Home Irrigation District	29.5
TOTAL SHARES:	29.5

Exhibit D-1

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



State of Idaho

DEPARTMENT OF WATER RESOURCES

Southern Region • 650 Addison Ave W, Suite 500 • Twin Falls, Idaho 83301-5858

Phone: (208) 736-3033 • Fax: (208) 736-3037 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

May 26, 2016

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

Re: Notice of Security Interest in a Water Right for Water Rights 63-8067, 63-10272,
63-11513 and 63-11514

Dear Party Holding Security Interest:

The Department of Water Resources acknowledges receipt of the Notice of Security Interest in a Water Right you recently submitted on the above water rights. The Department has modified its records to reflect the security interest and has enclosed a computer-generated report for your records.

Please note that as of July 1, 1996, water right owners are required to report any change of water right ownership and any change of mailing address of the owners of a water right to the Department. Notice of the change must be provided to the Department within 120 days of the change. Change reporting forms are available from any office of the Department or on the Department's website.

Please feel free to contact this office with any questions you may have.

Sincerely,

Trish Fawcett
Technical Records Specialist

Enclosures

Cc: Big Sky Partnership
TitleOne (16265731)



RECEIVED
MAY 16 2016
DEPT OF WATER RESOURCES
SOUTHERN REGION

16265731
Jerome

May 13, 2016

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

RE: Notice of Security Interest
Big Sky Farms Partnership

Dear Trish:

Enclosed, please find the following in connection with the above referenced transaction:

- Check No. 3206 in the amount of \$100.00
- Notice of Security Interest in Water Right
- Copy of the recorded Mortgage, Instrument No. 453486, Elmore County, ID

If you have any questions regarding this matter, please do not hesitate to contact this office at 208-324-3357.

Sincerely,

Laury Lamb
llamb@titleonecorp.com