

RECEIVED

JUN 02 2016

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

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.
	45-14339			

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

Actium Loan Management Fund LLC

Actium High Yield Loan Fund LLC

111 East Broadway, Suite 390

Salt Lake City, UT 84111

Phone 801 983 6701

Email paul@actiumpartners.com

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

Allan Ward

5. Expiration Date of Notification Period

July 1, 2017

6. Is this a Renewal of Request for Notification?

☐ YES☒ NO

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

Title, if applicable

Paul Bentley, Mgr. D/Mgr.

For Office Use Only

Received by AM Date 6-2-2016 Receipt No. 5035498 Fee \$25-

Processed by AJ _____ Date _____ WR _____ Date _____

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

CASSIA COUNTY
RECORDED FOR:
TITLEONE - BURLEY
02:46:31 PM 05-20-2016
2016-002079
NO. PAGES: 11 FEE: \$40.00
JOSEPH W. LARSEN
COUNTY CLERK
DEPUTY: CVELASQUEZ
Electronically Recorded by Simplifile

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

16271241

THIS MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made this 20th day of May, 2016, by Allan Reed Ward, also known as Allan Ward, a single man, whose address is 716 South 550 West, Burley, Idaho 83318, hereinafter "Mortgagor", in favor of Actium Loan Management LLC, a Utah limited liability company, and Actium High Yield Loan Fund LLC, a Utah limited liability company, each of whose address is 111 East Broadway, Suite 390, Salt Lake City, Utah 84111, collectively, together with their successors and assigns, hereinafter "Mortgagee".

WITNESSETH:

That Mortgagor, in consideration of a loan made by Mortgagee and received by Little Moo Cattle Company LLC, an Idaho limited liability company ("Little Moo") and guaranteed by Mortgagor, as evidenced by the Loan Agreement, Promissory Note, Guaranty and other agreements and documents entered into in conjunction therewith of even date herewith, executed by Little Moo and Mortgagor and payable to the order of Mortgagee in the principal sum of \$340,000.00 with interest as provided thereon (the "Loan Agreements"), does hereby by these presents, sell, convey and mortgage unto Mortgagee, the real property situated in the Cassia County, State of Idaho, more particularly described as set forth on Exhibit A attached hereto.

TOGETHER WITH all improvements, fixtures, tenements, hereditaments, rights, rights-of way, easements, privileges, appurtenances thereunto belonging, or in any way appertaining thereto; all rents, issues, profits, damages, royalties, revenues, benefits therefrom; all buildings, improvements, fences, fixtures, and silos (whether or not any of same are annexed thereto); all water, water rights, ditches, aqueducts, appropriations and franchises upon, leading to, connected with or had and enjoyed in connection with the aforesaid property and each and every part thereof, whether represented by shares of capital stock in any ditch or irrigation water company or by individual ownership or otherwise, or which may be acquired by the Mortgagor during the existence of this Mortgage and used in connection with said real property or any part thereof, including, without limitation, water right 45-14339. This Mortgage covers all after acquired property of the types and classes described and mentioned in this paragraph, without limitation, irrigation items, fixtures, water stock, water rights, whether now or hereafter situated, located, appurtenant to or placed on the above described real property and all substitutions, renewals or replacements of said irrigation items, etc.

All of the foregoing shall be referred to hereinafter as the "Property".

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances now or hereafter in anywise appertaining thereto, and the Mortgagor hereby binds itself, its successors and assigns, to warrant and forever defend all and

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

16271241

THIS MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made this 20th day of May, 2016, by Allan Reed Ward, also known as Allan Ward, a single man, whose address is 716 South 550 West, Burley, Idaho 83318, hereinafter "Mortgagor", in favor of Actium Loan Management LLC, a Utah limited liability company, and Actium High Yield Loan Fund LLC, a Utah limited liability company, each of whose address is 111 East Broadway, Suite 390, Salt Lake City, Utah 84111, collectively, together with their successors and assigns, hereinafter "Mortgagee".

WITNESSETH:

That Mortgagor, in consideration of a loan made by Mortgagee and received by Little Moo Cattle Company LLC, an Idaho limited liability company ("Little Moo") and guaranteed by Mortgagor, as evidenced by the Loan Agreement, Promissory Note, Guaranty and other agreements and documents entered into in conjunction therewith of even date herewith, executed by Little Moo and Mortgagor and payable to the order of Mortgagee in the principal sum of \$340,000.00 with interest as provided thereon (the "Loan Agreements"), does hereby by these presents, sell, convey and mortgage unto Mortgagee, the real property situated in the Cassia County, State of Idaho, more particularly described as set forth on Exhibit A attached hereto.

TOGETHER WITH all improvements, fixtures, tenements, hereditaments, rights, rights-of way, easements, privileges, appurtenances thereunto belonging, or in any way appertaining thereto; all rents, issues, profits, damages, royalties, revenues, benefits therefrom; all buildings, improvements, fences, fixtures, and silos (whether or not any of same are annexed thereto); all water, water rights, ditches, aqueducts, appropriations and franchises upon, leading to, connected with or had and enjoyed in connection with the aforesaid property and each and every part thereof, whether represented by shares of capital stock in any ditch or irrigation water company or by individual ownership or otherwise, or which may be acquired by the Mortgagor during the existence of this Mortgage and used in connection with said real property or any part thereof, including, without limitation, water right 45-14339. This Mortgage covers all after acquired property of the types and classes described and mentioned in this paragraph, without limitation, irrigation items, fixtures, water stock, water rights, whether now or hereafter situated, located, appurtenant to or placed on the above described real property and all substitutions, renewals or replacements of said irrigation items, etc.

All of the foregoing shall be referred to hereinafter as the "Property".

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances now or hereafter in anywise appertaining thereto, and the Mortgagor hereby binds itself, its successors and assigns, to warrant and forever defend all and

singular the Property unto the Mortgagee, its successors and assigns, against all persons now or hereafter claiming the same or any part thereof.

This Mortgage is given to secure the following:

(a) The payment of the indebtedness evidenced by the Loan Agreements, and any extension or renewal thereof, the final payment of principal and interest thereof to be finally due and payable on the 19th day of November, 2016.

(b) The performance of each agreement of Mortgagor contained in this Mortgage.

(c) The payment of all such further sums as may hereafter be loaned, advanced or expended by Mortgagee to or for the benefit of Mortgagor herein, or any or either of them, while record owner of the present interest, for any purpose, and any notes, drafts or other instruments representing such further loans, advances or expenditures, together with interest on all such sums at the rate provided therein; provided, however, that the making of such further loans, advances or expenditures shall be optional with Mortgagee, and provided, further, that it is the express intention of the parties to this Mortgage that it shall stand as continuing security until paid for all such loans, advances or expenditures, together with interest thereon.

Mortgagor hereby covenants and agrees:

1. That Mortgagor is lawfully seized of the fee simple title in and to the Property, that Mortgagor has a good right to grant and convey the same, that the lien of this Mortgage is a prior and superior lien and encumbrance on the Property, and that Mortgagor hereby warrants and will defend fee simple title thereto against the lawful claims of all persons.

2. To pay the principal amount of the Loan Agreements, with interest thereon, according to the terms thereof.

3. To pay (a) before delinquent, all taxes and assessments of every type or nature affecting said Property (including ditch, canal, reservoir, or other water charges, taxes or assessments); and (b) all other charges and encumbrances which may now or shall hereafter be, or appear to be, a lien against the Property.

4. To provide and maintain insurance covering all buildings, structures and improvements, now situated or which hereafter may be erected or placed upon the Property, against loss or damage by fire and such other hazards as Mortgagee may from time to time require and against which insurance is written, at the time of such requirement, whether or not such insurance is now written, all of such insurance to be in forms, in companies, and in sums (not less than sufficient to avoid any claim on the part of the insurers for co-insurance) satisfactory to Mortgagee, a certificate of each policy to be held by Mortgagee and to be for the benefit of and first payable in case of loss to Mortgagee; and at least thirty (30) days before the expiration of each such policy to deliver to Mortgagee a new and sufficient policy to take the place of the one so expiring;

it is agreed that in the event of a loss, the amount collected under any policy of insurance on the Property may, at the option of Mortgagee, be applied by Mortgagee upon any indebtedness and or obligation secured hereby, and in such order or manner as Mortgagee may determine; or said amount or any portion thereof, at the option of Mortgagee, either may be used in replacing or restoring the improvements partially or totally destroyed to a condition satisfactory to Mortgagee, or be released to Mortgagor in either of which events, Mortgagee shall not be obligated to see to the proper application thereof; nor shall the amount so released or used be deemed a payment of any indebtedness secured hereby. Such application, use and/or release shall not cure or waive any default. Mortgagor hereby appoints Mortgagee irrevocable attorney of Mortgagor to assign each such policy in the event of the foreclosure of this Mortgage or other transfer of the title to the Property in extinguishment, in whole or in part, of the debt secured hereby.

5. To keep fences, buildings, irrigation facilities and other improvements on the Property in good condition and repair, and not to commit or permit waste or strip thereof; not to remove nor permit the removal of any timber, oil, gas, minerals, stone, rock, clay, fertilizer, gravel or topsoil without the prior written consent of Mortgagee; not to remove or demolish, nor alter or impair the design or structural character of any building, fixture, equipment, fence, canal, well or other improvements now or hereafter situated upon the Property, without the prior written consent of Mortgagee; not to change the point of diversion or place of usage of any water rights which are appurtenant to the Property; not to abandon or cause the forfeiture of any water rights which are appurtenant to the Property; and not to do or permit any other act or thing that will damage the Property or cause the same to depreciate in value.

6. That Mortgagor's interests in any and all leases, rents, issues and profits of the Property and Mortgagor's interests in all agreements, licenses and permits affecting the Property are hereby assigned to Mortgagee as further security for the payment of the indebtedness and performance of the obligations, covenants, promises and agreements secured hereby. So long as Mortgagor is not in default in the payment of any indebtedness secured hereby or in the performance of any Mortgagor's agreements contained in the Loan Agreements and herein, Mortgagor may collect such rents, issues and profits. In case default be made in the payment of any indebtedness secured hereby or in the performance of any of Mortgagor's agreements contained in the Loan Agreements and herein, Mortgagee shall be entitled at any time without notice, in its sole discretion, either by its agents, attorneys, employees, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, to enter upon and take possession of the Property or any part thereof, and to do and perform any act that Mortgagee may deem necessary or proper to conserve the value thereof, and to collect and receive all rents, issues and profits thereof, including those past due and unpaid as well as those accruing thereafter. Mortgagor further agrees that Mortgagee may also take possession of, and use any and all personal property contained in the Property and used by Mortgagor in the operation, rental or leasing of the Property, or any part thereof. Mortgagee may, at its option, apply all such rents, issues and profits collected or received by it in the manner heretofore specified in respect of insurance as

provided in this Mortgage. The expense (including receiver's fees, if any, and compensation to any agent appointed by Mortgagee, and counsel fees and costs and disbursements) incurred in taking possession and effecting such collection, shall be deemed a portion of the expense of this Mortgage secured hereby. Neither the entering upon and taking possession of the Property nor the collection of such rents, issues and profits and the application or release thereof as aforesaid, shall cure or waive any default. Said rents, issues and profits may be applied upon any indebtedness and/or obligation secured hereby in such order or manner as Mortgagee may desire or determine.

7. That all money and awards payable as damages and/or compensation for the taking of title to or possession of, or for damage to any portion of the Property by reason of any condemnation, eminent domain, change of grade, or other proceeding shall, at the option of Mortgagee, be paid to Mortgagee, and such moneys and awards are hereby assigned to Mortgagee, and judgment therefor shall be entered in favor of Mortgagee, and when paid shall be used, at its option, toward the payment of any indebtedness or obligation secured hereby in such order or manner as Mortgagee may desire or determine, or shall be used at its option, for payment of taxes, assessments, repairs or other items for the payment of which this Mortgage is given as security, whether the same be then due or not, and in such order or manner as Mortgagee may determine, and any amount not so used shall be released by Mortgagee to Mortgagor. Such application or release shall not cure or waive any default or foreclosure proceedings. In the event Mortgagee deems it necessary to appear or answer in any condemnation action, hearing or proceeding, Mortgagor shall pay all legal expenses in connection therewith, including but not limited to attorney fees and court costs, and until so paid, such expenses, with interest at the rate of twelve percent (12%) per annum or the highest lawful rate permitted by contract under applicable law, whichever is lesser, shall be added to the indebtedness and obligations secured hereby in such manner or order as Mortgagee may desire or determine, having the benefit of the lien created hereby as a part thereof and of its priority.

8. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Property, and not to suffer or permit any act to be done in or upon the Property in violation thereof.

9. That upon Mortgagor's failure to comply with the covenants and agreements contained in this Mortgage, Mortgagee, without prejudice to any rights given herein, may make advances to perform the same in behalf of Mortgagor, and Mortgagor hereby agrees to repay all sums so advanced, on demand, with interest from the date advanced at the rate of twenty-four percent (24%) per annum or the highest lawful rate permitted by contract under applicable law, whichever is lesser, and all sums so advanced with interest as aforesaid until paid by Mortgagor, shall be immediately due and payable and be added to and become a part of any indebtedness or obligation secured hereby in such manner or order as Mortgagee may desire or determine having the benefit of the lien hereby created as a part thereof, and of its priority, but no such advances shall be deemed to relieve Mortgagor from any default hereunder or impair any right or remedy consequent thereon, and the exercise of the rights to make advances granted in this paragraph shall be optional with Mortgagee and not obligatory, and Mortgagee shall not in any case be liable to

Mortgagor for failure to exercise any such right.

10. That if any action or proceeding be commenced to which action or proceeding the Mortgagee is made a party by reason of the execution of this Mortgage or the note which it secures, or in which the Mortgagee deems it necessary to appear or answer in order to uphold the lien of this Mortgage or the priority thereof or the possession of the Property, or otherwise to protect its interests or security hereunder, all sums paid or incurred by Mortgagee for attorney fees and other expenses in such action or proceeding shall be repaid by Mortgagor, together with interest thereon from date of payment by Mortgagee, at the rate of twenty-four percent (24%) per annum or the highest lawful rate permitted by contract under applicable law, whichever is lesser, and all such sums and the interest thereon shall be immediately due and payable and be added to and become a part of any indebtedness or obligation secured hereby in such manner or order as Mortgagee may desire or determine, and be secured hereby, having the benefit of the lien hereby created and of its priority.

11. That acceptance by Mortgagee of any sum in payment or part payment, of any indebtedness secured hereby, after the same is due or after foreclosure proceedings are filed, shall not constitute a waiver of the right to require prompt payment when due, of all other sums so secured, nor shall such acceptance cure or waive any remaining default or invalidate any foreclosure proceedings for any such remaining default, or prejudice any of the rights of Mortgagee under this Mortgage.

12. That Mortgagor hereby assigns and transfers as additional security to Mortgagee all damages, royalties and revenues of every kind, nature and description whatsoever that Mortgagor may be entitled to receive from any person, company or corporation owning or having or hereafter acquiring a right to the oil, gas or mineral rights and reservations of the Property, with the right in Mortgagee to receive and receipt therefor and apply the same to said indebtedness either before or after any default hereunder, and in such order or manner as Mortgagee may require or determine; and Mortgagee may demand, sue for and recover any such payments, but shall not be required to do so.

13. That without affecting the liability of any other person liable for the payment of any obligation herein mentioned, and without affecting the lien or charge of this Mortgage, or the priority thereof upon any property not then or theretofore released as security, for the full amount of all unpaid obligations, Mortgagee may from time to time and without notice: release any person so liable, extend the maturity or alter any of the terms of such obligation, or grant other indulgences, release or cause to be released at any time at Mortgagee's option any parcel or portion or all of the Property, take or release any other or additional security for any obligations herein mentioned, and/or make composition or other arrangements with debtors in relation thereto. If Mortgagee at any time holds any additional security for any obligations secured hereby, it may enforce the sale thereof or otherwise realize upon the same at its option, either before or concurrently therewith or after a sale is made hereunder. In the event that the ownership of the Property or any part thereof, becomes vested in a person or entity other than Mortgagor, Mortgagee may deal with such successor or successors in interest with reference to this

Mortgage and the debt secured hereby in the same manner as with Mortgagor, without in any way diluting or discharging Mortgagor's liability hereunder, or upon the debt secured hereby.

14. That Mortgagee shall be subrogated for further security to the lien, although released of record, of any and all encumbrances paid out of the proceeds of the loan secured by this Mortgage. This Mortgage creates a continuing lien to secure the full and final payment of the Loan Agreements and the performance of all the other obligations imposed hereby and hereafter arising.

15. That Mortgagee is authorized by itself, its agents or workmen, to enter at any time upon the Property and the improvements thereon situated for the purpose of inspecting the same, and for the purpose of performing any of the acts it is authorized to perform under the terms of this Mortgage.

16. That if any provisions hereof should be held unenforceable or void, then such provision shall be deemed separable from the remaining provisions and shall in no way affect the validity of this Mortgage.

17. If Mortgagor sells or agrees to sell, conveys or agrees to convey, leases or agrees to lease, transfers or disposes of or agrees to transfer or dispose of, or further encumbers the Property, or any part thereof, without the written consent of Mortgagee being first obtained, which consent may be withheld in Mortgagee's sole and absolute discretion, or any of the foregoing is accomplished by operation of law, then Mortgagee shall have the right, at its option, to declare all sums secured hereby immediately due and payable.

18. Mortgagor covenants and agrees that, without the prior written consent of Mortgagee, Mortgagor will not create or initiate, vote for, or in any other manner foster, join in or consent to the creation of, or the inclusion of the Property or any part thereof within the boundaries of any irrigation, levy, drainage or other improvement district (except school or road districts), under which any such district has or will have the power to issue bonds or other evidences of indebtedness and/or the power to make assessments against the Property. If a default occurs under the terms of this paragraph, then all sums secured hereby shall, at Mortgagee's option and without notice, become immediately due and payable.

19. This Mortgage shall constitute a security agreement between Mortgagor and Mortgagee, and, cumulative with all other rights of Mortgagee hereunder, Mortgagee shall have all of the rights conferred upon secured parties by the Idaho Uniform Commercial Code, as amended, as to such personal property. This Mortgage, as a financing statement, covers the following types of property: goods that are or are to become fixtures to the real property described herein. It is intended that as to those goods and the proceeds thereof, this Mortgage shall be effective as a financing statement recorded as a fixture filing from the date of its recording in the real property records of the county in which the Property is located. Until the lien of this Mortgage is released or satisfied of record, Mortgagor hereby authorizes Mortgagee to file and/or record any

financing statements, amendments or other instruments which Mortgagee from time to time may reasonably require to perfect, continue or enforce the security interest of Mortgagee hereunder or the priority thereof. On demand, Mortgagor will promptly pay all costs and expenses of filing such instruments and all costs and expenses of any searches reasonably required by Mortgagee. Mortgagee may exercise any or all of the remedies of a secured party available to it under the Idaho Uniform Commercial Code, as amended, with respect to such personal property, and it is expressly agreed that if upon default Mortgagee should proceed to dispose of the collateral in accordance with the provisions of the Idaho Uniform Commercial Code, as amended, ten (10) days notice by Mortgagee to Mortgagor shall be deemed to be reasonable notice under any provision of the Idaho Uniform Commercial Code, as amended, requiring such notice; provided, however, that Mortgagee may at its option dispose of the collateral in accordance with Mortgagee's rights and remedies in respect of the Property pursuant to the provisions of this Mortgage in lieu of proceeding under the Idaho Uniform Commercial Code, as amended.

20. That this Mortgage shall be construed according to the laws of the State of Idaho.

21. Mortgagor agrees that upon request of Mortgagee from time to time that Mortgagor will execute, acknowledge and deliver all such additional instruments and further assurance of title and will do or cause or be done all such further acts and things as may reasonably be necessary fully to effectuate the intent of this Mortgage.

22. The failure of Mortgagee to insist upon the strict performance of any of the covenants or agreements of Mortgagor contained in this Mortgage, or the delay by Mortgagee in the enforcement of any of its remedies herein upon any default of Mortgagor, shall never constitute a waiver of any requirement or obligation of Mortgagor or right or remedy of Mortgagee contained in or based upon said covenants or agreements.

23. All moneys payable to the present and subsequent owners of the Property covered by this Mortgage by the owners of any mineral interests or rights in the Property as compensation for disturbing the surface or interfering with the use of the Property are hereby assigned to Mortgagee and Mortgagor will, upon request by the Mortgagee, make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning the aforesaid moneys to Mortgagee free, clear and discharged of any and all encumbrances of any kind or nature whatsoever and Mortgagee at its option is hereby authorized, directed and empowered to collect and receive such moneys and to give proper receipts and acquittance therefor, and may, at the election of Mortgagee, use the same in any one or more of the following ways: (a) apply the same or any part thereof upon the indebtedness secured hereby, whether such indebtedness may be matured or unmatured, in such order or manner as Mortgagee may require or determine, (b) use the same or any part thereof to fulfill any of the covenants contained herein as Mortgagee may determine, (c) use the same or any part thereof to replace or restore the Property to a condition satisfactory to Mortgagee, or (d) release the same to Mortgagor.

NOW THEREFORE, if the Loan Agreements are well and truly paid in accordance with its terms and if all of the covenants and agreements herein contained are kept and performed, then, and in that case only, this Mortgage shall be null and void, and shall be released in due form at the expense of Mortgagor; otherwise, it shall remain in full force and effect.

But if default be made in the payment of the Loan Agreements, or any part thereof, or in the terms, covenants or agreements of the Loan Agreements or of this Mortgage, or if any proceedings be instituted or process issued by or against Mortgagor under any bankruptcy or insolvency laws or to place the Property or any part thereof in the custody or control of any court through its receiver or other officer, which proceedings are not set aside, dismissed or revoked within thirty (30) days, or if Mortgagor or any of them, is dissolved or forfeits its corporate franchise or makes any assignment for the benefit of creditors, or is declared a bankrupt, or if by or with the consent or at the instance of Mortgagor proceedings to extend the time of the indebtedness or any obligation secured hereby or to change the terms thereof or of this Mortgage be instituted under any bankruptcy or insolvency law, or if the Property or any part thereof are placed in the custody or control of any receiver or other officer of a court, Mortgagee may, at its option and without notice, require Mortgagor to assign to Mortgagee all water rights and water claims appurtenant to the Property and declare the whole of the principal remaining unpaid and accrued interest immediately due and payable and Mortgagee may at its option, institute proceedings for the collection at law or in equity of all indebtedness due under the provisions of the Loan Agreements and of this Mortgage; and upon any such default Mortgagee may immediately cause this Mortgage to be foreclosed in the manner prescribed by law, and, upon the commencement of foreclosure proceedings shall be entitled to have a receiver appointed, whether the Property is homestead or not and without proof of any other grounds for his appointment than said default, to take possession and charge of the Property during the pendency of said foreclosure proceedings and during the redemption period, to rent the same and receive and collect the rents, issues and profits thereof, under direction of the court, any amount so collected by such receiver shall be applied under direction of the court upon the costs and expenses of receivership, expense of insurance on the improvements, expenses of management, expenses of repairs and maintenance, taxes, assessments and on the Mortgaged indebtedness. The Property may be sold in one parcel as an entirety, or in such parcels, manner or order as Mortgagee in its sole discretion may elect, and Mortgagee shall have the right and option to bid at any foreclosure sale and if it is the successful bidder and acquires the Property, such bid shall be credited against the entire claim of Mortgagee. If the security for the Loan Agreements covers both real and personal property, Mortgagee may proceed under the provisions of the Uniform Commercial Code as adopted in Idaho as to the personal property, or Mortgagee may proceed as to both real and personal property in accordance with its rights and remedies in respect of the Property, in which case the Uniform Commercial Code provisions shall not apply.

Mortgagor hereby agrees in the event of foreclosure or other action by Mortgagee to enforce this Mortgage, to pay such reasonable attorney fees as are authorized by law,

including any and all attorney fees incident to any litigation relating to or affecting the amount due under the Loan Agreements or this Mortgage by any action or participation in, or in connection with, a case or proceeding under the Bankruptcy Code, or any successor statute thereto, together with the costs of title insurance and all court costs, which fees and costs are also secured hereby.

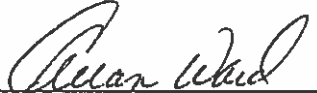
Except as otherwise provided in this Mortgage, the terms Mortgagor and Mortgagee wherever used in this instrument shall be construed to include successors and assigns where the context may require or permit and the covenants and agreements herein contained shall bind and inure to the benefit of Mortgagor and Mortgagee and their successors and assigns, and the terms Mortgagor and Mortgagee shall include singular and plural, regardless of gender.

Notwithstanding any provision herein or in the aforesaid note, the total liability for payments in the nature of interest shall not exceed the limits now imposed by usury laws of Idaho.

[remainder of page intentionally left blank; signature page follows]

WITNESS the hand of the undersigned Mortgagor as of the date first written above.

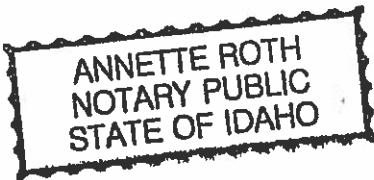
MORTGAGOR:


Allan Ward

STATE OF IDAHO)
)ss.
County of Cassia)

On this 20th day of May, 2016, before me, the undersigned, a notary public, in and for said State, personally appeared Allan Ward, known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.



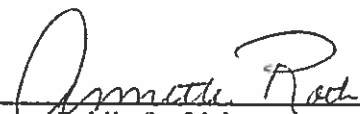

Notary Public for Idaho
Residing at: Rupai Ad
My Commission Expires: 8-4-2017

EXHIBIT A
LEGAL DESCRIPTION

PARCEL NO. 1:
TOWNSHIP 11 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 32: SE $\frac{1}{4}$ NW $\frac{1}{4}$

PARCEL NO. 2:
TOWNSHIP 11 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 32: Part of the NE $\frac{1}{4}$ SW $\frac{1}{4}$, more particularly described as follows:

Beginning at the S $\frac{1}{4}$ section corner of said Section 32, said corner marked by a U.S. General Land Office iron pipe with brass cap on top;
Thence North 00°05'50" East along the East line of the SW $\frac{1}{4}$ for a distance of 1793.97 feet to the Point of Beginning;
Thence North 39°31'21" West for a distance of 24.15 feet to a $\frac{1}{2}$ inch rebar;
Thence North 39°31'21" West for a distance of 1087.89 feet to a $\frac{1}{2}$ inch rebar on the North line of the SW $\frac{1}{4}$;
Thence North 89°47'30" East along said line for a distance of 709.15 feet to the Center $\frac{1}{4}$ section corner marked by a 5/8 inch rebar;
Thence South 00°05'50" West along the East line of the SW $\frac{1}{4}$ for a distance of 860.38 feet to the Point of Beginning.



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

June 10, 2016

ACTIUM LOAN MANAGEMENT FUND LLC
ACTIUM HIGH YIELD LOAN FUND LLC
111 E BROADWAY STE 390
SALT LAKE CITY UT 84111

Re: Notice of Security Interest in a Water Right for Water Right 45-14339 / Allan Ward

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,

A handwritten signature in cursive script, reading 'Trish Fawcett', is written in dark ink.

Trish Fawcett
Technical Records Specialist

Enclosures

Cc: Allan Ward
TitleOne (16271241)



RECEIVED

JUN 02 2016

DEPT OF WATER RESOURCES
SOUTHERN REGION

May 31, 2016

Trish Fawcett
ID Dept. of Water Resources
650 Addison Avenue West, Suite 500
Twin Falls, ID 83301

RE: TitleOne File No. 16271241

Dear Trish:

Enclosed with this letter please find the following:

1. The original executed Notice of Security Interest in a Water Right to Actium Loan Management Fund LLC and Actium High Yield Loan Fund LLC.
2. A copy of the Mortgage, Assignment Of Rents, Security Agreement and Fixture Filing.
3. Land Title and Escrow, Inc. dba TitleOne's check no. 6299 payable to the Idaho Department of Water Resources in the amount of \$25.00 for the filing fee.

Please send make the necessary changes in the records and return a receipted copy to this office.

Should you have any questions, or if TitleOne may be of further assistance, please do not hesitate to contact this office.

Very truly yours,
TITLEONE

Nancy Garrett
Administrative Assistant

AR/nrg
Enc.