

RECEIVED

JUN 27 2014

Department of Water Resources
Eastern 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.
	29-2294 <i>OK</i>			
	29-2337 <i>OK</i>			
	29-2484 <i>OK</i>			
	29-2503 <i>OK</i>			
	29-13150 <i>OK</i>			

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

Idaho AgCredit, FLCA

PO Box 386

Rexburg ID 83440

Phone 208-356-5479

Email

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

Dirk Parkinson and Robyn Parkinson

5. Expiration Date of Notification Period

07/01/2039

6. Is this a Renewal of Request for Notification?

☐ YES☒ NO

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

Kirk Powell

Title, if applicable

*Asst. Vice Pres.***For Office Use Only**Received by *JB*

Date

6/27/2014

Receipt No.

E039986

Fee

\$125.-

Processed by AJ

Date

WR

JB

Date

7/27/2014

SUPPORT DATA

IN FILE # *29-2294*

	First American Title	Loan Policy of Title Insurance ISSUED BY First American Title Insurance Company POLICY NUMBER 5011300-495237-P
Loan Policy		

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 17 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, **FIRST AMERICAN TITLE INSURANCE COMPANY**, a California corporation (the "Company") insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13, and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.

(Covered Risks Continued on Page 2)

In Witness Whereof, First American Title Insurance Company has caused its corporate name to be hereunto affixed by its authorized officers as of Date of Policy shown in Schedule A.

First American Title Insurance Company




Dennis J. Gilmore
President



Timothy Kemp
Secretary

(This Policy is valid only when Schedules A and B are attached)

This Jacket was created electronically and constitutes an original document

Copyright 2006-2009 American Land Title Association. All rights reserved. The use of this form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

EXCLUSIONS FROM COVERAGE (Continued)

3. Defects, liens, encumbrances, adverse claims, or other matters
(a) created, suffered, assumed, or agreed to by the Insured Claimant;

(b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

(c) resulting in no loss or damage to the Insured Claimant;

(d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or

(e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.

4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.

5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.

6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is

(a) a fraudulent conveyance or fraudulent transfer, or

(b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.

7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b) or decreased by Section 10 of these Conditions.

(b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.

(c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.

(d) "Indebtedness": The obligation secured by the Insured Mortgage including one evidenced by electronic means authorized by law, and if that obligation is the payment of a debt, the Indebtedness is the sum of

(i) the amount of the principal disbursed as of Date of Policy;

(ii) the amount of the principal disbursed subsequent to Date of Policy;

(iii) the construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the Land or related to the Land that the Insured was and continued to be obligated to advance at Date of Policy and at the date of the advance;

(iv) interest on the loan;

(v) the prepayment premiums, exit fees, and other similar fees or penalties allowed by law;

(vi) the expenses of foreclosure and any other costs of enforcement;

(vii) the amounts advanced to assure compliance with laws or to protect the lien or the priority of the lien of the Insured Mortgage before the acquisition of the estate or interest in the Title;

(viii) the amounts to pay taxes and insurance; and

(ix) the reasonable amounts expended to prevent deterioration of improvements; but the Indebtedness is reduced by the total of all payments and by any amount forgiven by an Insured.

(e) "Insured": The Insured named in Schedule A.

(i) The term "Insured" also includes

(A) the owner of the Indebtedness and each successor in ownership of the Indebtedness, whether the

owner or successor owns the Indebtedness for its own account or as a trustee or other fiduciary, except a successor who is an obligor under the provisions of Section 12(c) of these Conditions;

(B) the person or Entity who has "control" of the "transferable record," if the Indebtedness is evidenced by a "transferable record," as these terms are defined by applicable electronic transactions law;

(C) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;

(D) successors to an Insured by its conversion to another kind of Entity;

(E) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title

(1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,

(2) if the grantee wholly owns the named Insured, or

(3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity;

(F) any government agency or instrumentality that is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the Indebtedness secured by the Insured Mortgage, or any part of it, whether named as an Insured or not;

(ii) With regard to (A), (B), (C), (D), and (E) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured, unless the successor acquired the Indebtedness as a purchaser for value without Knowledge of the asserted defect, lien, encumbrance, or other matter insured against by this policy.

(f) "Insured Claimant": An Insured claiming loss or damage.

(g) "Insured Mortgage": The Mortgage described in paragraph 4 of Schedule A.

(h) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

CONDITIONS (Continued)

of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

(i) To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or

(ii) To purchase the Indebtedness for the amount of the Indebtedness on the date of purchase, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of purchase and that the Company is obligated to pay.

When the Company purchases the Indebtedness, the Insured shall transfer, assign, and convey to the Company the Indebtedness and the Insured Mortgage, together with any collateral security.

Upon the exercise by the Company of either of the options provided for in subsections (a)(i) or (ii), all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in those subsections, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the least of

(i) the Amount of Insurance,

(ii) the Indebtedness,

(iii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy, or

(iv) if a government agency or instrumentality is the Insured Claimant, the amount it paid in the acquisition of the Title or the Insured Mortgage in satisfaction of its insurance contract or guaranty.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title or the lien of the Insured Mortgage, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In the event the Insured has acquired the Title in the manner described in Section 2 of these Conditions or has conveyed the Title, then the extent of liability of the Company shall continue as set forth in Section 8(a) of these Conditions.

(d) In addition to the extent of liability under (a), (b), and (c), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

(a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, or establishes the lien of the Insured Mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title or to the lien of the Insured Mortgage, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

(a) All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment. However, any payments made prior to the acquisition of Title as provided in Section 2 of these Conditions shall not reduce the Amount of Insurance afforded under this policy except to the extent that the payments reduce the Indebtedness.

(b) The voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 2 of these Conditions.

11. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

 First American Title Schedule A	Loan Policy of Title Insurance ISSUED BY First American Title Insurance Company POLICY NUMBER 5011300-495237-P
---	--

Name and Address of Title Insurance Company:

First American Title Company
223 North 15th Avenue
Pocatello, ID 83201

File No.: **495237-P**

Loan No.:

Address Reference: **19748 S. Degn Rd. Downey, ID 83234**Amount of Insurance: **\$1,010,000.00 (Bannock County) and \$700,000.00 (Fremont County)**Premium: **\$75.00 (Bannock County) and \$1,157.00 (Fremont County)**Date of Policy: **March 20, 2014 at 3:31 P.M. (Bannock County) and 3:22 P.M. (Fremont County)**

1. Name of Insured:

Idaho AgCredit, FLCA, a wholly owned subsidiary of Idaho Agricultural Credit Association, its successors and/or assigns as their interests may appear as defined in the Conditions of this policy.

2. The estate or interest in the Land that is encumbered by the Insured Mortgage is:

Fee Simple

3. Title is vested in:

BANNOCK COUNTY PROPERTY:**Dirk Parkinson and Robyn Parkinson, husband and wife****FREMONT COUNTY PROPERTY:****Rocky Gulch Farms, LLC, an Idaho limited liability company as to Tract 1: Parcels 1-6****M&B Enterprises, an Idaho Limited Partnership as to Tract 2: Parcels 1-17****M&B Enterprises, an Idaho Limited Partnership as to Tract 3: Parcels 19-20**

4. The Insured Mortgage and its assignments, if any, are described as follows:

Real Estate Mortgage dated March 18, 2014 to secure an indebtedness of \$1,710,000.00

Recorded: March 20, 2014 as Instrument No. 21403388**Mortgagor: Dirk Parkinson, aka Dirk W. Parkinson, and Robyn Parkinson, husband**

MERIDIAN COMMENCING AT THE SOUTH QUARTER CORNER OF SECTION 8, AND RUNNING THENCE NORTH 368 FEET, THENCE WEST 355 FEET, THENCE SOUTH 368 FEET, THENCE EAST 355 FEET TO THE PLACE OF BEGINNING.

ALSO EXCEPTING THEREFROM A PARCEL OF LAND LOCATED IN SECTION 8, TOWNSHIP 11 SOUTH, RANGE 37 EAST, BOISE MERIDIAN, BANNOCK COUNTY AND FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 8; THENCE NORTH 00°12'42" WEST 368.00 FEET (NORTH 368 FEET BY RECORD) ALONG THE NORTH-SOUTH CENTER SECTION LINE TO THE TRUE POINT OF BEGINNING WHICH IS A 5/8" REBAR WITH CAP LABELED HUDSON PLS 4735 SET AT THE NORTHEAST CORNER OF THAT TRACT RECORDED IN THE RECORDS OF BANNOCK COUNTY UNDER INSTRUMENT NO. 696472; THENCE SOUTH 89°47'18" WEST 355.00 FEET (WEST 355.00 FEET BY RECORD); THENCE SOUTH 00°12'42" EAST 345.22 FEET (SOUTH 368.00 FEET BY RECORD) TO A 5/8" REBAR WITH CAP SET ON THE NORTH RIGHT OF WAY LINE OF BOWMAN ROAD; THENCE SOUTH 89°25'50" WEST 81.48 FEET ALONG SAID RIGHT OF WAY LINE TO A 5/8" REBAR WITH CAP; THENCE NORTH 00°12'42" WEST 1297.33 FEET TO A 5/8" REBAR WITH A CAP SET ON A FENCE LINE; THENCE NORTH 89°25'01" EAST 436.49 FEET ALONG SAID FENCE TO A 5/8" REBAR WITH CAP SET ON THE NORTH-SOUTH CENTER SECTION LINE; THENCE SOUTH 00°12'42" EAST 954.43 FEET ALONG SAID CENTER SECTION LINE TO THE TRUE POINT OF BEGINNING

PARCEL 3:

TOWNSHIP 11 SOUTH, RANGE 37 E.B.M., BANNOCK COUNTY, IDAHO

SECTION 18: S½NE¼ AND N½SE¼

EXCEPTING THEREFROM ALL THAT PORTION OF THE ABOVE DESCRIBED PARCEL DEEDED TO THE STATE OF IDAHO, BY AND THROUGH THE IDAHO BOARD OF HIGHWAY DIRECTORS BY WARRANTY DEED RECORDED OCTOBER 14, 1969 AS INSTRUMENT NO. 464529 FOR HIGHWAY PURPOSES.

PARCEL 3A:

AN EASEMENT FOR RIGHT OF WAY PURPOSES ACROSS THE FOLLOWING DESCRIBED PORTION OF THE NE¼NE¼ OF SAID SECTION 18, TOWNSHIP 11 SOUTH, RANGE 37 E.B.M., BANNOCK COUNTY, IDAHO, AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 18 AND RUNNING SOUTH ALONG THE SECTION LINE BETWEEN SECTION 18 AND SECTION 17, A DISTANCE OF 1320 FEET, THENCE WEST 30 FEET, THENCE NORTH 1320 FEET, THENCE EAST 30 FEET TO THE POINT OF BEGINNING. GRANTED BY THE INSTRUMENT RECORDED IN BOOK 110 OF DEEDS, PAGE 441

PARCEL 4:

TOWNSHIP 11 SOUTH, RANGE 37 E.B.M., BANNOCK COUNTY, IDAHO

SECTION 18: LOTS 1 AND 2

EXCEPTING THEREFROM: COMMENCING AT A POINT 1310 FEET WEST OF THE SOUTHEAST CORNER OF LOT 2; AND RUNNING THENCE WEST 425 FEET TO THE CENTER LINE OF THE COUNTY ROAD; THENCE NORTH 341 FEET ALONG SAID COUNTY ROAD, THENCE EAST 425 FEET; THENCE SOUTH 341 FEET TO THE POINT OF BEGINNING.

SOUTH 0°36'01" EAST 1818.77 FEET ALONG THE EAST SIXTEENTH LINE TO THE EAST SIXTEENTH (E1/16) CORNER ON THE SOUTH BOUNDARY LINE OF SAID SECTION 16; THENCE NORTH 89°59'02" WEST 3942.39 FEET ALONG THE SOUTH BOUNDARY OF SAID SECTION 16 TO THE SOUTHWEST CORNER AND THE POINT OF BEGINNING. ALSO LESS: THAT PORTION OF THE N½NE¼SE¼ OF SAID SECTION 16, TOWNSHIP 7 NORTH, RANGE 42 EAST, BOISE MERIDIAN, FREMONT COUNTY, IDAHO, DESCRIBED BY METES AND BOUNDS AS FOLLOWS: COMMENCING AT THE EAST QUARTER (E¼) CORNER OF SAID SECTION 16, THENCE SOUTH 0°35'41" EAST 656.69 FEET ALONG THE EAST BOUNDARY LINE OF SAID SECTION 16 TO THE NORTH-SOUTH SIXTY-FOURTH (N-S 1/64) CORNER; THENCE NORTH 89°58'24" WEST 1068.37 FEET ALONG THE NORTH-SOUTH SIXTY-FOURTH LINE; THENCE NORTH 58°16'46" EAST 1247.97 FEET TO THE EAST QUARTER (E¼) CORNER OF SAID SECTION 16 AND THE POINT OF BEGINNING. ALSO LESS: THAT PORTION OF THE S½NE¼SE¼ OF SECTION 16, TOWNSHIP 7 NORTH, RANGE 42 EAST, BOISE MERIDIAN, FREMONT COUNTY, IDAHO, DESCRIBED BY METES AND BOUNDS AS FOLLOWS: COMMENCING AT THE SOUTH SIXTEENTH (S1/16) CORNER ON THE EAST BOUNDARY LINE OF SAID SECTION 16; THENCE NORTH 89°58'16" WEST 1314.26 FEET ALONG THE SOUTH SIXTEENTH LINE TO THE SOUTHEAST SIXTEENTH (SE1/16) CORNER OF SAID SECTION 16; THENCE NORTH 0°36'01" WEST 505.48 FEET ALONG THE EAST SIXTEENTH LINE OF SAID SECTION 16; THENCE NORTH 58°16'46" EAST 287.29 FEET TO A POINT ON THE NORTH-SOUTH SIXTY-FOURTH LINE OF SAID SECTION 16; THENCE SOUTH 89°58'24" EAST 1066.37 FEET ALONG THE NORTH-SOUTH SIXTY-FOURTH LINE TO THE NORTH-SOUTH SIXTY-FOURTH (N-S1/64) CORNER ON THE EAST BOUNDARY LINE OF SAID SECTION 16; THENCE SOUTH 0°35'41" EAST 656.70 FEET ALONG THE EAST BOUNDARY LINE TO THE SOUTH SIXTEENTH (S1/16) CORNER OF SAID SECTION 16 AND THE POINT OF BEGINNING.

TRACT 2:

PARCEL 1:

TOWNSHIP 7 NORTH, RANGE 42 E.B.M., FREMONT COUNTY, IDAHO
SECTION 3: SE¼SE¼

PARCEL 2:

TOWNSHIP 7 NORTH, RANGE 42 E.B.M., FREMONT COUNTY, IDAHO
SECTION 10: W½NE¼; SE¼, EXCEPT: THAT PORTION OF THE S½ OF THE SE¼ S½SE¼ AND THE N½ OF THE S½ (N½S½) OF SECTION 10, TOWNSHIP 7 NORTH, RANGE 42 E.B.M., DESCRIBED BY METES AND BOUNDS AS FOLLOWS: COMMENCING AT THE S¼ CORNER OF SAID SECTION 10; THENCE N. 0° 21'25" W., 1313.70 FEET ALONG THE NORTH-SOUTH CENTER QUARTER LINE TO THE CENTER SOUTH 1/16 (C-S1/16) CORNER; THENCE S. 89° 13'33" W., 35.00 FEET ALONG THE S 1/16TH LINE; THENCE N. 0° 21'25" W., 179.51 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 10C742; THENCE N. 89° 13'33" E., 70.00 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 10D742; THENCE S. 0° 21'25" E., 890.12 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 10E742; THENCE S. 71° 43'25" E., 1848.34 FEET TO A POINT ON THE SOUTH BOUNDARY LINE OF SAID SECTION 10; THENCE S. 89° 14'00" W., 1786.51 FEET ALONG THE SOUTH BOUNDARY LINE OF SAID SECTION 10 TO THE POINT OF BEGINNING. (SAID EXCEPTION ALSO KNOWN AS TRACT 2 OF PARCEL U.S.A. TD-17)

PARCEL 3:

TOWNSHIP 7 NORTH, RANGE 42 E.B.M., FREMONT COUNTY, IDAHO
SECTION 10: E½NE¼

PARCEL 4:

TOWNSHIP 7 NORTH, RANGE 42 E.B.M., FREMONT COUNTY, IDAHO
SECTION 10: E½NW¼; N½SW¼

PARCEL 5:

TOWNSHIP 7 NORTH, RANGE 42 E.B.M., FREMONT COUNTY, IDAHO
SECTION 11: W½NW¼

POINT ON THE N.1/16TH LINE OF SAID SECTION 15; THENCE S. 89°14'29" W., 1056.45 FEET ALONG THE N.1/16TH LINE TO THE CENTER-NORTH SIXTEENTH (C-N1/16) CORNER OF SAID SECTION 15; THENCE N. 0°35'53" W., 224.76 FEET ALONG THE NORTH-SOUTH CENTER QUARTER LINE OF SAID SECTION 15; THENCE N. 89°14'04" E., 412.50 FEET; THENCE N. 0°35'53" W., 1089.00 FEET TO A POINT ON THE NORTH BOUNDARY LINE OF SAID SECTION 15; THENCE N. 89°14'00" E., 1374.01 FEET ALONG THE NORTH BOUNDARY LINE OF SAID SECTION 15 TO THE POINT OF BEGINNING.

TOWNSHIP 7 NORTH, RANGE 42 E.B.M., FREMONT COUNTY, IDAHO
SECTION 15: S½NE¼; N½S½; EXCEPT: BEGINNING AT POINT 160 RODS SOUTH OF THE NW CORNER; THENCE S. 25 RODS; THENCE E. 66 RODS; THENCE N. 25 RODS; THENCE W. 66 RODS TO POINT OF BEGINNING. ALSO EXCEPT: COMMENCING AT THE S1/16 CORNER ON THE WEST BOUNDARY LINE OF SAID SECTION 15; THENCE N. 0°35'41" W., 900.89 FEET ALONG THE WEST BOUNDARY LINE OF SAID SECTION 15; THENCE N. 89°14'58" E., 1089.00 FEET; THENCE N. 0°35'41" W., 412.50 FEET TO A POINT ON THE EAST-WEST CENTER QUARTER LINE OF SAID SECTION 15; THENCE N. 89°14'58" E., 1534.74 FEET ALONG THE EAST-WEST CENTER QUARTER LINE TO THE CENTER QUARTER (C¼) CORNER OF SAID SECTION 15; THENCE N. 0°35'53" W., 1313.76 FEET ALONG THE NORTH-SOUTH CENTER QUARTER LINE TO THE CENTER-NORTH SIXTEENTH (C-N1/16) CORNER; THENCE N. 89°14'29" E., 1056.45 FEET; THENCE S. 31°04'03" W., 2051.99 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 15D742; THENCE S. 57°26'36" E., 699.93 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 15E742; THENCE N. 81°38'23" E., 1319.75 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 15F742; THENCE S. 64°56'08" E., 833.09 FEET TO A POINT ON THE EAST BOUNDARY OF SAID SECTION 15; THENCE S. 0°36'05" E., 311.97 FEET ALONG THE EAST BOUNDARY LINE OF SAID SECTION 15 TO THE SOUTH SIXTEENTH (S1/16) CORNER; THENCE S. 89°15'26" W., 5247.64 FEET ALONG THE SOUTH SIXTEENTH LINE TO THE SOUTH SIXTEENTH (S1/16) CORNER ON THE WEST BOUNDARY LINE OF SAID SECTION 15; THE POINT OF BEGINNING.

PARCEL 13:

TOWNSHIP 7 NORTH, RANGE 42 E.B.M., FREMONT COUNTY, IDAHO
SECTION 23: NE¼NE¼

PARCEL 14:

TOWNSHIP 7 NORTH, RANGE 42 E.B.M., FREMONT COUNTY, IDAHO
SECTION 23: SE¼NE¼; EXCEPT: COMMENCING AT THE E¼ CORNER OF SAID SECTION 23; THENCE S. 89°34'30" W., 1316.13 FEET ALONG THE EAST-WEST CENTER QUARTER LINE OF SAID SECTION 23 TO THE CENTER-EAST SIXTEENTH (C-E1/16) CORNER; THENCE N. 0°27'02" W., 996.94 FEET ALONG THE EAST SIXTEENTH LINE OF SAID SECTION 23; THENCE S. 52°56'47" E., 828.06 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 23D742; THENCE S. 15°03'39" W., 250.08 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 23E742; THENCE S. 83°57'50" E., 729.81 FEET TO A POINT ON THE EAST BOUNDARY LINE, N. 0°30'26" W., 169.34 FEET FROM THE E¼ CORNER OF SAID SECTION 23; THENCE S. 0°30'26" E., 169.34 FEET TO THE E¼ CORNER OF SAID SECTION 23, THE POINT OF BEGINNING.

PARCEL 15:

TOWNSHIP 7 NORTH, RANGE 42 E.B.M., FREMONT COUNTY, IDAHO
SECTION 23: NW¼NE¼; NE¼NW¼; EXCEPT: COMMENCING AT THE W1/16 CORNER ON THE NORTH BOUNDARY LINE OF SAID SECTION 23; THENCE N. 89°33'41" E., 858.58 FEET ALONG THE NORTH BOUNDARY LINE OF SAID SECTION 23; THENCE S. 25°00'12" E., 520.07 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 23A742; THENCE S. 88°24'09" E., 1364.61 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 23B742; THENCE S. 01°38'08" W., 793.52 FEET TO A POINT ON THE NORTH SIXTEENTH LINE, N. 89°34'06" E., 2412.16 FEET FROM THE NORTHWEST SIXTEENTH (NW1/16) CORNER OF SAID SECTION 23; THENCE S. 89°34'06" W., 2412.16 FEET ALONG THE NORTH SIXTEENTH

THENCE S. 88°58'52" W., 1324.30 FEET ALONG THE SOUTH BOUNDARY LINE TO THE S¼ CORNER OF SAID SECTION 19, THE POINT OF BEGINNING. ALSO EXCEPT: COMMENCING AT THE S1/16 CORNER ON THE EAST BOUNDARY LINE OF SAID SECTION 19; THENCE S. 89°01'26" W., 1238.69 FEET ALONG THE SOUTH SIXTEENTH LINE TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 19H743, BEING S. 89°01'26" W., 85.27 FEET FROM THE SE1/16 CORNER OF SAID SECTION 19; THENCE N. 35°44'24" E., 108.03 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 19J743; THENCE N. 55°22'31" E., 1416.95 FEET TO A POINT ON THE EAST BOUNDARY LINE, N. 0°37'07" W., 871.73 FEET FROM THE S1/16 CORNER OF SAID SECTION 19; THENCE S. 0°37'07" E., 871.73 FEET ALONG THE EAST BOUNDARY LINE TO THE S1/16 CORNER ON THE EAST BOUNDARY LINE OF SAID SECTION 19, THE POINT OF BEGINNING. ALSO EXCEPT: COMMENCING AT THE S1/16 CORNER ON THE WEST BOUNDARY LINE OF SAID SECTION 19; THENCE N. 0°28'29" W., 285.38 FEET ALONG THE WEST BOUNDARY LINE OF SAID SECTION 19 TO A POINT S. 0°28'29" E., 1038.52 FEET FROM THE W¼ CORNER; THENCE S. 86°46'16" E., 458.04 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 19A743; THENCE N. 35°22'57" E. 2006.09 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 19B743; THENCE S. 45°30'58" E., 885.25 FEET TO A POINT MONUMENTED WITH A BRONZE MARKER INSCRIBED 19C743; THENCE S. 61°14'18" E., 475.60 FEET TO A POINT ON THE NORTH-SOUTH CENTER QUARTER LINE OF SAID SECTION 19, N. 0°35'23" W., 1000.48 FEET FROM THE C-S1/16 CORNER; THENCE S. 0°35'23" E., 1000.48 FEET ALONG THE NORTH-SOUTH CENTER QUARTER LINE TO THE C-S1/16 CORNER OF SAID SECTION 19; THENCE S. 89°01'26" W., 2675.72 FEET ALONG THE SOUTH SIXTEENTH LINE TO THE S1/16 CORNER ON THE WEST BOUNDARY LINE OF SAID SECTION 19, THE POINT OF BEGINNING.

TOGETHER WITH: A CONTRACT AND GRANT OF EASEMENT BETWEEN THE UNITED STATES OF AMERICA AND M & B ENTERPRISES LIMITED PARTNERSHIP, AN IDAHO LIMITED PARTNERSHIP, DATED JUNE 5, 2002, TO OPERATE AND MAINTAIN A 20 FOOT WIDE ACCESS ROAD, A 20 INCH AND A 14-INCH IRRIGATION PIPELINE, AND A PUMPING STATION.

TRACT 3:

PARCEL 19:

COMMENCING AT THE POINT WHERE THE CENTERLINE OF THE GOOD LUCK CANAL INTERSECTS THE EAST LINE OF THE W½NE¼ AND NW¼SE¼ OF SECTION 29, TOWNSHIP 7 NORTH, RANGE 41 E.B.M., FREMONT COUNTY, IDAHO, AND RUNNING THENCE NORTH 430 FEET; THENCE WEST 100 FEET; THENCE SOUTH 430 FEET; THENCE EAST 100 FEET TO THE POINT OF BEGINNING.
EXCEPT: GOOD LUCK CANAL.

ALSO: COMMENCING AT THE POINT WHERE THE CENTERLINE OF THE GOOD LUCK CANAL INTERSECTS THE EAST LINE OF THE W½NE¼ AND NW¼SE¼ OF SECTION 29, TOWNSHIP 7 NORTH, RANGE 41 E.B.M., FREMONT COUNTY, IDAHO, AND RUNNING THENCE SOUTH TO THE CENTERLINE OF THE TETON RIVER; THENCE WEST ALONG THE CENTERLINE OF THE TETON RIVER 15 FEET; THENCE NORTH TO A POINT 15 FEET WEST OF THE POINT OF BEGINNING; THENCE EAST 15 FEET TO THE POINT OF BEGINNING.

EXCEPT: GOOD LUCK CANAL.

PARCEL 20:

AN EASEMENT FOR A ROAD RIGHT-OF-WAY ACROSS THE FOLLOWING DESCRIBED PROPERTY IN FREMONT COUNTY, IDAHO: COMMENCING AT A POINT 430 FEET NORTH OF THE POINT WHERE THE CENTERLINE OF THE GOOD LUCK CANAL INTERSECTS THE EAST LINE OF THE W½NE¼ AND NW¼SE¼ OF SECTION 29, TOWNSHIP 7 NORTH, RANGE 41 E.B.M., AND RUNNING THENCE NORTH TO THE NORTH LINE OF THE W½NE¼ OF SECTION 29, TOWNSHIP 7 NORTH, RANGE 41 E.B.M.; THENCE RUNNING WEST 15 FEET; THENCE SOUTH TO A POINT 15 FEET WEST OF THE POINT OF BEGINNING; THENCE EAST 15 FEET TO THE POINT OF BEGINNING.

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

PART I

- ✓ 1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
- ✓ 2. Any facts, rights, interest, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
- ✓ 3. Easements, claims of easement or encumbrances which are not shown by the public records.
- ✓ 4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the land, and that are not shown in the public records.
- ✓ 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.
- ✓ 6. Any liens, or rights to a lien, for services, labor or materials theretofore or hereafter furnished, imposed by law and not shown by the public records.

BANNOCK COUNTY EXCEPTIONS:

- ✓ 7. 2014 taxes are an accruing lien, not yet payable.
- ✓ 8. Easement for Power lines granted to Utah Power & Light Company, recorded March 7, 1945, in Book 91 of , Page 628.
- ✓ 9. Easement for Power lines granted to Utah Power & Light Company, recorded May 28, 1964, as Instrument No. 404406.
- ✓ 10. Right, title and interest of the Public in and to those portions of the above described premises lying within the bounds of roads or highways.
- ✓ 11. Provisions in deed to State of Idaho, recorded October 14, 1969, as Instrument No. 464529.
- ✓ 12. Provisions in deed to State of Idaho, recorded October 27, 1969, as Instrument No. 464845.

FREMONT COUNTY EXCEPTIONS:

- ✓ 15. Levies and assessments of Fremont-Madison Irrigation District.
- ✓ 16. Right, title and interest of the State of Idaho within the natural bed of the Teton River below the ordinary high water line, and also excepting any artificial accretions waterward of said ordinary low water line.
- ✓ 17. Rights-of-way for ditches, tunnels and telephone and transmission lines constructed by authority of the United States, as granted to the United States under provisions of Section 58-604, Idaho Code.
- ✓ 18. Exceptions and reservations contained in Deed from the State of Idaho, wherein mineral rights are reserved to the State under provisions of §§ 47-701 and 47-701A. Idaho Code.
- ✓ 19. Contract and Grant of Easement, Transmission Line, Access Road, Guy and Anchor Agreement between Grant F. Hill, Lucille H. Roberts, Althea H. Worrell, Wilma H. Smith, Lucinda H. Williams, and Carolyn H. Siddoway, granted to the United States of American, Department of Energy, Bonneville Power Administration, for a perpetual easement and right of way for electric power transmission purposes, recorded December 17, 1987, Instrument No. 404210. (W1/2SE1/4; SE1/4SE1/4 of Section 9)

Assignment of Right to use the Fall River Electric-Lower Valley Power and Light Transmission Line executed by United States of American, Department of Energy, Bonneville Power Administration to The Snake River Power Association, Inc., recorded March 12, 1991, Instrument No. 417481.

- ✓ 20. Contract and Grant of Easement/Transmission Line and Access Road Agreement between Dean Schwendiman and Shirlene Schwendiman, husband and wife and The United States of America, Department of Energy, Bonneville Power Administration, for a perpetual easement and right of way for electrical power transmission purposes, recorded December 3, 1987 Instrument No. 404085, and re-recorded March 3, 1988, Instrument No. 405016. (NW1/4SW1/4 of Section 9)

Assignment of Right to use the Fall River Electric-Lower Valley Power and Light Transmission Line executed by United States of American, Department of Energy, Bonneville Power Administration to The Snake River Power Association, Inc., recorded March 12, 1991, Instrument No. 417481.

- ✓ 21. Contract and Grant of Easement/Transmission Line and Access Road Agreement between Grant F. Hill, Lucille H. Roberts, Althea H. Worrell, Wilma H. Smith, Lucinda H. Williams and carolyn H. Siddoway and The United States of America, Department of Energy, Bonneville Power Administration, for a perpetual easement and right of way for electrical power transmission purposes, recorded May 12, 1988 Instrument No. 405771. (Affects Parcels 3-5)

Assignment of Right to use the Fall River Electric-Lower Valley Power and Light Transmission Line executed by United States of American, Department of Energy, Bonneville Power Administration to The Snake River Power Association, Inc., recorded March 12, 1991, Instrument No. 417481.

- ✓ 22. Electric Service Agreement upon the terms, conditions and provisions contained therein:
Parties: Fall River Rural Electric Cooperative, Inc. and Bob's Farms
Recorded: February 16, 1990, Instrument No. 413359 (affects Sec. 10)
- ✓ 23. Right of Way Easement for Electric line granted to Fall River Electric Cooperative, Inc. recorded as Instrument No. 341100.
(affects Section 12)
- ✓ 24. Easement for Electric line granted to Fall River Electric Cooperative, Inc. recorded as Instrument No. 350572.
(affects Sections 12 and 13)

Assigned to Idaho AgCredit, FLCA, by instrument recorded July 15, 2002, as Instrument No. 475570.

Modification Agreement recorded October 28, 2002, as Instrument No. 477532.

- ✓ 36. Mortgage dated June 3, 2002, to secure an original indebtedness of \$3,808,045.00, and any other amounts and/or obligations secured thereby.
Recorded: June 12, 2002, as Instrument No. 474953
Mortgagor: Rocky Gulch Farms General Partnership, an Idaho General Partnership, By: Dirk Parkinson, Chief Financial Partner; and Individually By: Dirk Parkinson and Robyn Parkinson, husband and wife
Mortgagee: Idaho Agricultural Credit Association

Assigned to Idaho AgCredit, FLCA, by instrument recorded July 18, 2002, as Instrument No. 475571.

Modification Agreement recorded October 28, 2002, as Instrument No. 477532.

Modification Agreement recorded July 29, 2004, as Instrument No. 489667.

Modification Agreement recorded July 29, 2004, as Instrument No. 489668.

- ✓ 37. Contract and Grant of Easement Agreement upon the terms, conditions and provisions contained therein:
Parties: The United States of America and M&B Enterprises
Recorded: November 14, 2002, Instrument No. 477819 (Sec. 23)
- ✓ 38. Contract and Grant of Easement upon the terms, conditions and provisions contained therein:
Parties: The United States of America and Rocky Gulch Farms
Recorded: June 14, 2002, Instrument No. 477820 (Sec. 15)
- ✓ 39. Easement for Electric Line right-of-way over E2SE4 Sec. 14 granted to Fall River Rural Electric Cooperative, Inc., recorded May 20, 2003, as Instrument No. 481336.
- ✓ 40. Electric Service Agreement upon the terms, conditions and provisions contained therein:
Parties: Fall River Rural Electric Cooperative, Inc. and Parkinson Seed Farm
Recorded: May 20, 2003, Instrument No. 481350 (E2SE4 Sec. 14)
- ✓ 41. Electric Service Agreement upon the terms, conditions and provisions contained therein:
Parties: Fall River Rural Electric Cooperative, Inc. and Parkinson Seed Farm
Recorded: September 22, 2004, Instrument No. 490856 (SW4NW4 Sec. 11)
- ✓ 42. Easement for Electric Line right-of-way over SE4SE4 Sec. 11 granted to Fall River Rural Electric Cooperative, Inc., recorded September 24, 2007, as Instrument No. 512693.
- ✓ 43. Easement for Electric Line right-of-way over Sec. 11 and 14 granted to Fall River Rural Electric Cooperative, Inc., recorded July 30, 2010, as Instrument No. 529674.
- ✓ 44. Electric Service Agreement upon the terms, conditions and provisions contained therein:
Parties: Fall River Rural Electric Cooperative, Inc. and Parkinson Seed Farms
Recorded: July 30, 2010, Instrument No. 529693 (Sec. 24)

	<i>First American Title</i>	Loan Policy of Title Insurance ISSUED BY First American Title Insurance Company POLICY NUMBER 5011300-495237-P
Schedule BII		

File No.: 495237-P

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:

1. Mortgage dated September 10, 2007, to secure an original indebtedness of \$300,700.00, and any other amounts and/or obligations secured thereby.
Recorded: September 20, 2007, as Instrument No. 512627
Mortgagor: M & B Enterprises Limited Partnership, an Idaho Limited Partnership, By: Dirk Parkinson, General Partner; Rocky Gulch Farms General Partnership, an Idaho General Partnership, By: Dirk Parkinson, Chief Financial Partner; and Individually By: Dirk Parkinson and Robyn Parkinson, husband and wife
Mortgagee: Idaho AgCredit, PCA

The lien of this Mortgage has been subordinated to the lien of the Mortgage noted in paragraph 4 of Schedule A above by instrument recorded May 27, 2014, as Instrument No. 548822.

2. Mortgage dated September 1, 2011, to secure an original indebtedness of \$1,004,000.00, and any other amounts and/or obligations secured thereby.
Recorded: September 16, 2011, as Instrument No. 535600
Mortgagor: M & B Enterprises Limited Partnership, an Idaho Limited Partnership, By: Dirk Parkinson, General Partner; and Parkinson Seed Farm, Inc., an Idaho Corporation, By: Dirk Parkinson, President, and Attest: Robyn Parkinson, Secretary; and Rocky Gulch Farms General Partnership, an Idaho General Partnership, By: Dirk Parkinson, Chief Financial Partner; and Individually By: Dirk Parkinson and Robyn Parkinson, husband and wife
Mortgagee: Idaho AgCredit, PCA

The lien of this Mortgage has been subordinated to the lien of the Mortgage noted in paragraph 4 of Schedule A above by instrument recorded May 27, 2014, as Instrument No. 548822.

Recording Requested by:

WHEN RECORDED MAIL TO:

First American Title Company
495237

Loan No.: 231-004-0006496210-5541484-101

OFFICIAL RECORD BK# 977 FEE 26.00 DEPUTY DG
BANNOCK COUNTY IDAHO RECORDED AT REQUEST OF

First American Title - Pocatello

21403388

2014 Mar 20 PM 03:31:00

Electronically Recorded by SimpliFile

REAL ESTATE MORTGAGE

THIS MORTGAGE is made this March 18, 2014 between DIRK PARKINSON, aka DIRK W. PARKINSON, and ROBYN PARKINSON, husband and wife, whose address is P.O. Box 326 St. Anthony, Idaho 83445 hereinafter called "Mortgagor", and Idaho AgCredit, FLCA ("Mortgagee"), a wholly owned subsidiary of Idaho Agricultural Credit Association, a corporation, existing and operating under the Farm Credit Act of 1971, as amended, having its principal place of business at 188 W. Judicial P.O. Box 985, Blackfoot, Idaho 83221.

WITNESSETH: That Mortgagor IRREVOCABLY GRANTS, BARGAINS, SELLS, CONVEYS AND ASSIGNS unto Mortgagee together with right of entry and possession the following described real property situated in the County(ies) of Bannock, State of Idaho:

SEE ATTACHED SCHEDULE A FOR REAL ESTATE DESCRIPTION, TOGETHER WITH FIXTURES AND APPURTENANT SPRINKLER EQUIPMENT IF ANY.

TOGETHER WITH: All fixtures, including but not limited to the following: All pumps, motors, columns, tubes, shafts, bowls, panels and all electrical appurtenances, mainline, laterals, wheel lines, pivot/circle irrigation systems, risers, heads, couplers, end plugs, valves, valve openers, reducers, joints, tees and wyes, as well as all additions and replacements thereof, hereby declared appurtenant thereto and which are more particularly described on the attached Schedule A.

WATER RIGHTS:

TOGETHER WITH: Idaho Department of Water Resources Decree Number 29-2294, Priority Date November 13, 1950, for 2.09 CFS.

TOGETHER WITH: Idaho Department of Water Resources Decree Number 29-2337, Priority Date July 18, 1953, for 1.64 CFS.

TOGETHER WITH: Idaho Department of Water Resources Decree Number 29-2484, Priority Date November 4, 1963, for 2.37 CFS.

TOGETHER WITH: Idaho Department of Water Resources Decree Number 29-2503, Priority Date April 16, 1965, for 2.31 CFS.

TOGETHER WITH: Idaho Department of Water Resources Decree Number 29-13150, Priority Date April 1, 1976, for 0.3 CFS.

This real estate is offered to secure all present and future loans or advances in the name(s) of DIRK PARKINSON, aka DIRK W. PARKINSON, and ROBYN PARKINSON, husband and wife; and M & B ENTERPRISES LIMITED PARTNERSHIP, An Idaho Limited Partnership, By: DIRK PARKINSON, General Partner; and PARKINSON SEED FARM, INC., An Idaho Corporation, By: DIRK PARKINSON, President, and Attest: ROBYN PARKINSON, Secretary; and ROCKY GULCH FARMS, LIMITED LIABILITY COMPANY, An Idaho Limited Liability Company, By: DIRK PARKINSON, Managing Member, as well as any renewals or extensions thereof.

This real estate mortgage is also intended to be a fixture filing and to be indexed not only as a mortgage but also as a fixture filing.

TOGETHER WITH: all buildings, structures, equipment, fixtures (including trees, vines and shrubs) and improvements of every kind and description now or hereafter constructed or placed thereon; all standing timber and timber to be cut located thereon; all existing and future water rights, however evidenced, to the use of water for irrigation, livestock and domestic purposes, including irrigation and watering equipment and systems, ditches, laterals, conduits, and rights-of-way used to convey such water or to drain the above-described property, all of which rights are hereby made appurtenant to the property, and all pumping plants, electrical generators, wind machines, and fencing and storage tanks, now or hereafter used in connection with the property, all of which are hereby declared to be fixtures; all grazing rights, leases, permits and licenses; all oil, gas, and mineral leases, permits and rights used with the property; and all tenements, hereditaments, easements, rights-of-way and appurtenances to the property (hereafter collectively referred to as the "Property").

MORTGAGOR ABSOLUTELY AND UNCONDITIONALLY ASSIGNS, transfers, conveys and sets over to Mortgagee all the rents, royalties, issues, profits, revenue, income and other benefits of the property arising from the use or enjoyment of all or any portion thereof or from any lease, mineral lease, or agreement pertaining thereto (collectively the "Rents"); SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Mortgagor by Paragraph B.3 hereof.

FOR THE PURPOSE OF SECURING: (1) payment of the indebtedness or obligations evidenced by the following promissory note(s) and/or guaranties executed by Mortgagor and/or others to the Mortgagee at the times, in the manner and with interest as therein set forth (notes may contain variable or adjustable rate provisions):

DATE OF NOTE
March 18, 2014

MATURITY DATE
July 1, 2039

AMOUNT OF NOTE
\$1,710,000.00

Recording Requested by:

Loan No.: 231-004-0006496210-5541484-101

WHEN RECORDED MAIL TO:

First American Title Company
495237

Recorded Electronically	
ID	21403388
County	Bannock
Date	3-20-14 Time 3:31
Simplifile.com 800.460.5657	

REAL ESTATE MORTGAGE

THIS MORTGAGE is made this March 18, 2014 between DIRK PARKINSON, aka DIRK W. PARKINSON, and ROBYN PARKINSON, husband and wife, whose address is P.O. Box 326 St. Anthony, Idaho 83445 hereinafter called "Mortgagor", and Idaho AgCredit, FLCA ("Mortgagee"), a wholly owned subsidiary of Idaho Agricultural Credit Association, a corporation, existing and operating under the Farm Credit Act of 1971, as amended, having its principal place of business at 188 W. Judicial P.O. Box 985, Blackfoot, Idaho 83221.

WITNESSETH: That Mortgagor IRREVOCABLY GRANTS, BARGAINS, SELLS, CONVEYS AND ASSIGNS unto Mortgagee together with right of entry and possession the following described real property situated in the County(ies) of Bannock, State of Idaho:

SEE ATTACHED SCHEDULE A FOR REAL ESTATE DESCRIPTION, TOGETHER WITH FIXTURES AND APPURTENANT SPRINKLER EQUIPMENT IF ANY.

TOGETHER WITH: All fixtures, including but not limited to the following: All pumps, motors, columns, tubes, shafts, bowls, panels and all electrical appurtenances, mainline, laterals, wheel lines, pivot/circle irrigation systems, risers, heads, couplers, end plugs, valves, valve openers, reducers, joints, tees and wyes, as well as all additions and replacements thereof, hereby declared appurtenant thereto and which are more particularly described on the attached Schedule A.

WATER RIGHTS:

TOGETHER WITH: Idaho Department of Water Resources Decree Number 29-2294, Priority Date November 13, 1950, for 2.09 CFS.

TOGETHER WITH: Idaho Department of Water Resources Decree Number 29-2337, Priority Date July 18, 1953, for 1.64 CFS.

TOGETHER WITH: Idaho Department of Water Resources Decree Number 29-2484, Priority Date November 4, 1963, for 2.37 CFS.

TOGETHER WITH: Idaho Department of Water Resources Decree Number 29-2503, Priority Date April 16, 1965, for 2.31 CFS.

TOGETHER WITH: Idaho Department of Water Resources Decree Number 29-13150, Priority Date April 1, 1976, for 0.3 CFS.

This real estate is offered to secure all present and future loans or advances in the name(s) of DIRK PARKINSON, aka DIRK W. PARKINSON, and ROBYN PARKINSON, husband and wife; and M & B ENTERPRISES LIMITED PARTNERSHIP, An Idaho Limited Partnership, By: DIRK PARKINSON, General Partner; and PARKINSON SEED FARM, INC., An Idaho Corporation, By: DIRK PARKINSON, President, and Attest: ROBYN PARKINSON, Secretary; and ROCKY GULCH FARMS, LIMITED LIABILITY COMPANY, An Idaho Limited Liability Company, By: DIRK PARKINSON, Managing Member, as well as any renewals or extensions thereof.

This real estate mortgage is also intended to be a fixture filing and to be indexed not only as a mortgage but also as a fixture filing.

TOGETHER WITH: all buildings, structures, equipment, fixtures (including trees, vines and shrubs) and improvements of every kind and description now or hereafter constructed or placed thereon; all standing timber and timber to be cut located thereon; all existing and future water rights, however evidenced, to the use of water for irrigation, livestock and domestic purposes, including irrigation and watering equipment and systems, ditches, laterals, conduits, and rights-of-way used to convey such water or to drain the above-described property, all of which rights are hereby made appurtenant to the property, and all pumping plants, electrical generators, wind machines, and fencing and storage tanks, now or hereafter used in connection with the property, all of which are hereby declared to be fixtures; all grazing rights, leases, permits and licenses; all oil, gas, and mineral leases, permits and rights used with the property; and all tenements, hereditaments, easements, rights-of-way and appurtenances to the property (hereafter collectively referred to as the "Property").

MORTGAGOR ABSOLUTELY AND UNCONDITIONALLY ASSIGNS, transfers, conveys and sets over to Mortgagee all the rents, royalties, issues, profits, revenue, income and other benefits of the property arising from the use or enjoyment of all or any portion thereof or from any lease, mineral lease, or agreement pertaining thereto (collectively the "Rents"); SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Mortgagor by Paragraph B.3 hereof.

FOR THE PURPOSE OF SECURING: (1) payment of the indebtedness or obligations evidenced by the following promissory note(s) and/or guaranties executed by Mortgagor and/or others to the Mortgagee at the times, in the manner and with interest as therein set forth (notes may contain variable or adjustable rate provisions):

<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>AMOUNT OF NOTE</u>
March 18, 2014	July 1, 2039	\$1,710,000.00

(2) the payment of such additional loans or advances, including advances under a revolving line of credit, with interest thereon, as hereafter may be made to Mortgagor, or Mortgagor's successors or assigns, and/or to parties whose obligation Mortgagor is guaranteeing, evidenced by a promissory note or otherwise and any obligations evidenced by any guaranties executed by Mortgagor in favor of Mortgagee; PROVIDED HOWEVER, THAT, such additional loans, advances, guaranty obligations shall be secured by this Mortgage only if the promissory note, guaranty, or other document evidencing such loans or advances shall recite that it is to be secured by this Mortgage; (3) the payment of any substitute notes, renewals, reamortizations, and extensions of all indebtedness secured by this Mortgage; (4) the performance of every obligation and agreement of Mortgagor whether contained or incorporated by reference in this Mortgage, or contained in any loan document or guaranty executed by Mortgagor in favor of Mortgagee, with respect to any loan, advance, or guaranty secured by this Mortgage; and (5) the payment of all sums expended or advanced by Mortgagee under or pursuant to the terms of this Mortgage, together with interest thereon as herein provided. The continuing validity and priority of this Mortgage as security for future loans, advances or guaranties shall not be impaired by the fact that at certain times hereafter there may exist no outstanding indebtedness from Mortgagor to Mortgagee or no commitment to make loans or advances.

A. TO PROTECT THE SECURITY OF THIS MORTGAGE, MORTGAGOR AGREES:

1. To use loan proceeds solely for the purposes set forth in the loan application(s) or agreements; to comply with the Farm Credit Act of 1971, as amended, and/or the regulations of the Farm Credit Administration, now existing or as hereafter amended.

2. To keep the Property in good condition, working order and repair; care for the Property in accordance with standards of good husbandry and to keep all trees, vines and crops on said land properly cultivated, irrigated, fertilized, sprayed, and fumigated; not to remove, destroy or suffer the removal or destruction of any building, fence, canal, well or other improvements or fixtures thereon; not to remove, replace or alter any horticultural or viticultural tree, vine or shrub planted thereon without the prior written consent of Mortgagee, except in the ordinary course of business; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon; to comply with all laws, covenants and restrictions affecting the Property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon the Property in violation of law; to do all other acts which from the character or use of the Property may be reasonably necessary, the specific enumerations herein not excluding the general; to observe and perform all obligations of Mortgagor under any lease of the Property.

3. To provide, maintain and deliver to Mortgagee fire and all other types of insurance of the type and in amounts as Mortgagee may require, with loss payable clauses solely in favor of Mortgagee. In the event of loss, the insurance proceeds, or any part thereof, may be applied by Mortgagee, at its option, to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In the event that the Mortgagor shall fail to provide satisfactory hazard insurance, Mortgagee may procure, on Mortgagor's behalf, insurance in favor of Mortgagee alone. If insurance cannot be secured by Mortgagor to provide the required coverage, such inability shall constitute an event of default hereunder.

4. To appear in and litigate any action or proceeding purporting to affect the security hereof, the title to the Property, or the rights or powers of Mortgagee; Mortgagee may appear in and litigate any such action or proceedings, including any bankruptcy, partition or condemnation proceeding, affecting the Property, or Mortgagee's interest therein, in which event Mortgagor agrees to pay all costs and expenses thereof, including attorney's fees and costs of securing evidence of title.

5. To pay on or before the due date all taxes and assessments affecting the Property, including all assessments upon water company stock and all rents, assessments and charges for water, appurtenant to or used in connection with the Property; to pay, when due, all encumbrances, charges, and liens, on the Property or any part thereof, which at any time appear to be prior or superior hereto.

6. In case of any suit to foreclose this Mortgage or to collect any charge arising out of the debt hereby secured, or of any suit which the Mortgagee may deem necessary to prosecute or defend to effect or protect the lien herein, including any proceeding in bankruptcy, or if Mortgagee retains an attorney to advise Mortgagee in connection with this Mortgage or any other agreement related to the indebtedness secured by this Mortgage, Mortgagor agrees to pay a reasonable sum as attorney's fees and all costs and legal expenses in connection with said suit, and further agrees to pay the reasonable costs of searching the records and abstracting or insuring the title, and such sums, costs and expenses shall be secured hereby and shall be included in any decree of foreclosure. The fees and costs described herein and elsewhere in this Mortgage shall be in addition to those set forth in the loan agreement or any other written agreement between Mortgagor and Mortgagee.

7. Should Mortgagor fail to make any payment or to do any act as provided for in this Mortgage, then Mortgagee, but without obligation to do so and without notice to or demand upon Mortgagor and without releasing Mortgagor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the Property, Mortgagee being authorized to enter upon the Property for such purposes; commence, appear in and litigate any action or proceeding purporting to affect the security hereof or the rights or powers of Mortgagee, including any bankruptcy proceeding affecting the Property; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefore, including attorney's, accountant's, appraisal, and environmental fees, and costs of securing evidence of title, and all amounts so expended shall be obligations of Mortgagor secured by this Mortgage. Nothing contained herein shall prohibit Mortgagee from entering the Property, at a reasonable time and upon reasonable notice to Mortgagor, without incurring or assuming any obligations or liabilities whatsoever, for the sole purpose of inspecting the Property.

8. To pay immediately and without demand all sums expended by Mortgagee pursuant to the provisions hereof, with interest from date of expenditure at the same rate as is provided for in the note or notes secured by this Mortgage. In the event that such sums are not immediately paid, they shall be added, along with the appropriate amount of capital stock or participation certificates, to the principal balance of the indebtedness secured hereby and shall accrue interest as herein set forth. All such sums shall be secured hereby.

9. Environmental Representations, Warranties and Covenants.

(a) Except as disclosed in writing to Mortgagee, or except as otherwise provided in any loan agreement between Mortgagee and Mortgagor which specifically refers to the Property, to the best knowledge of Mortgagor after due inquiry, Mortgagor hereby further represents, warrants and covenants as follows:

(i) No pollutants, contaminants (including oil or other petroleum products), toxic or hazardous substances, or solid or hazardous wastes, as such terms are defined under any federal, state or local Environmental Law, regulation or ordinance (hereinafter "Contaminants") have been, are being or will be generated, manufactured, produced, stored, disposed of, discharged, released, threatened to be released, or otherwise allowed to migrate or escape on, under or from the Property in such quantities or concentrations as would violate any federal, state or local Environmental Law, regulation or ordinance or as would require Mortgagor to report such condition to any governmental authority or to undertake removal or remedial action to clean up such contaminants;

(ii) No Contaminants are located on, in or under any property located adjacent to the Property in such quantities or concentrations as would constitute a violation of any Environmental Law or as would require the owner of the adjacent property to report such condition to any governmental authority or to undertake removal or remedial action to clean up such Contaminants;

(iii) Neither the Property, nor any portion thereof, nor any adjacent property or portion thereof, has been or is proposed to be listed under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601, et seq.), or any analogous state law. Mortgagor shall immediately notify Mortgagee if Mortgagor acquires any information concerning the listing or proposed listing of the Property or any adjacent property and shall provide Mortgagee with any documents in Mortgagor's possession relative thereto;

(iv) No hazardous wastes, as defined under the Federal Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et seq.), or any analogous state law ("Hazardous Wastes"), have been, are being or will be stored or treated in surface impoundments or other structures or facilities located on the property that are partially or entirely below the ground surface;

(v) No litigation, investigation, administrative order, consent order, agreements, or other action, proceeding or settlement (hereinafter "Action") has previously been brought, is now pending, or to the best knowledge of Mortgagor threatened against or anticipated by Mortgagor, with respect to Mortgagor's use or management of Hazardous Materials or Hazardous Wastes or the environmental condition of the Property, including any underlying groundwater. Upon learning thereof, Mortgagor shall immediately notify Mortgagee of any such Action or threatened Action and provide Mortgagee with copies of all documentation relative thereto; and

(vi) Except as disclosed in writing to Mortgagee, no underground tanks, wells (except domestic water wells), septic tanks, ponds, pits or any other storage tanks ("Tanks") (whether currently in use or abandoned) are or were located on or under the Property and no Tanks are or were serving the Property described herein. With respect to any Tanks disclosed in writing to Mortgagee, Mortgagor shall comply with all federal, state and local laws, regulations and ordinances and any requirements of city or county fire departments, applicable to the maintenance and use of such Tanks, including, without limitation, Title 40 of the Code of Federal Regulations Part 112.

(b) Nothing herein shall be deemed to prohibit Mortgagor from (i) using, handling or storing hazardous materials or substances, as defined under any federal, state or local law, regulation or ordinance ("Hazardous Materials") or (ii) storing or treating non-hazardous wastes, so long as such activities are carried out (a) in a good and husbandlike manner in the ordinary course of business, and (b) in compliance with all applicable environmental laws, regulations, permits, orders or other requirements.

(c) In the event that Mortgagor is in breach of any of its representations, warranties or covenants as set forth above, Mortgagor, at its sole expense, shall take all action required, including environmental cleanup of the Property, to comply with the representations, warranties and covenants herein or applicable legal requirements and, in any event, shall take all action deemed necessary by appropriate governmental authorities. Mortgagee shall have the right, but not the obligation, to advise appropriate governmental authorities of any environmental condition on or affecting the Property that constitutes or may constitute a breach of Mortgagor's obligations hereunder.

(d) Mortgagor and its successors and assigns shall indemnify, defend, protect, and hold harmless Mortgagee, its directors, officers, employees, agents, shareholders, successors and assigns and their officers, employees or agents, from and against any and all claims, suits, damages, liens, losses, liabilities, interest, judgments, response and cleanup costs, demands, actions, causes of action, injuries, administrative proceedings and orders, consent agreements and orders, penalties, costs and expenses (including any fees and expenses incurred in enforcing this indemnity, any out-of-pocket litigation costs and the reasonable fees and expenses of counsel) of any kind whatsoever ("Claims") paid, incurred or suffered by, or asserted against Mortgagee, including but not limited to Claims arising out of loss of life, injury to persons, trespass or damage to or contamination of property or natural resources, or injury to business, in connection with or arising out of the activities of Mortgagor on the Property, Mortgagor's predecessors in interest, third parties who have been invited, permitted or trespassed on the Property, or parties in a contractual relationship with Mortgagor, or any of them, or which directly or indirectly arise out of or result from or in any way connected with the Property, whether or not caused by Mortgagor or within the control of Mortgagor, including without limitation: (i) the presence, use, generation, treatment, storage, disposal, release, threatened release, or discharge of any Hazardous Material or Contaminant at or from the Property and/or the cleanup of Hazardous Materials or Contaminants within, on or under the Property; (ii) Mortgagor's breach of any of the representations, warranties and covenants contained herein; and (iii) Mortgagor's violation or alleged violation of any applicable Environmental Law, regulation or ordinance.

(e) Mortgagor's representations, warranties, covenants and indemnities contained herein shall survive the occurrence of any event whatsoever, including without limitation the payoff of any promissory note(s) secured hereby, the release or foreclosure of this Mortgage, the acceptance by Mortgagee of a deed in lieu of foreclosure, or any transfer or abandonment of the Property.

(f) The term "Environmental Law" shall mean any federal, state or local law, statute, ordinance, or regulation, now in effect or hereinafter enacted, pertaining to health, industrial hygiene, or the environmental conditions on, under or about the Property, including but not limited to enactments requiring the removal or containment of asbestos-containing materials in private buildings.

(g) Mortgagor shall permit, or cause any tenant of Mortgagor to permit, Mortgagee or its agents, or independent contractors to enter and inspect the Property at any reasonable time for purposes of determining, as Mortgagee deems necessary or desirable: (i) the existence, location and nature of any Hazardous Materials or Hazardous Wastes on, under or about the Property, (ii) the existence, location, nature, magnitude and spread of any Hazardous Materials or Hazardous Waste that has been spilled, disposed of, discharged or released on, under or about the Property, or (iii) whether or not Mortgagor and any tenant of Mortgagor is in compliance with applicable Environmental Law. If Mortgagor or its tenants fail to comply fully with the terms of this subdivision (g), Mortgagee may obtain affirmative injunctive relief to compel such compliance.

10. Grazing Rights. If any portion of the Property described in this Mortgage is used by Mortgagor as the basis for obtaining grazing permits or other grazing rights issued by any governmental agency, including without limitations the Forest Service, U.S. Department of Agriculture or the Bureau of Land Management, U.S. Department of Interior, Mortgagor covenants and agrees as follows:

(a) Said grazing permits or other rights are in good standing and have not been modified, reduced or limited in any other respect, except as fully disclosed in writing to Mortgagee;

(b) Mortgagor will perform all obligations imposed as a requirement of exercise of said grazing permits or other rights and will comply with all laws, rules and regulations applicable thereto;

(c) Mortgagor will take such timely action as may be required to cause the renewal or reissuance of said grazing permits or other rights from time to time as they expire during the term thereof. Mortgagor agrees and acknowledges that the failure to renew or cause the reissuance of any said permits for any reason, whether the result of an act or omission of Mortgagor or for reasons beyond Mortgagor's control, is an event of default hereunder and Mortgagee shall have the right to exercise the rights hereinafter set forth in this Mortgage; and

(d) Mortgagor agrees to pay all fees, charges, rents or other payments accruing under said permits or any renewals thereof prior to delinquency. In the event Mortgagor fails to pay any such payment, the amount unpaid shall become a part of the indebtedness secured by this Mortgage and shall be immediately due and payable.

B. IT IS MUTUALLY AGREED THAT:

1. Any award of damages in connection with any taking or condemnation or injury to the Property by reason of public use, or for damages resulting from private trespass or injury to the Property, is absolutely and unconditionally assigned and shall be paid to Mortgagee, under the terms and conditions of this Mortgage pertaining to Rents. Upon receipt of such money Mortgagee may apply the same on the indebtedness secured hereby. Mortgagor agrees to execute such further documents as may be required to effect the assignments herein made as Mortgagee may require.

2. At any time, without affecting the liability of any person for the payment of the indebtedness secured hereby, and without otherwise affecting the security hereof, Mortgagee may (a) consent to or join in the making of any map or plat of the Property; (b) grant any easement or create any restriction thereof; (c) subordinate this Mortgage; (d) extend or modify the term of the loan or loans secured hereby; and (e) release without warranty, all or any part of the Property.

3. Prior to any default by Mortgagor in the payment, observance, performance and discharge of any condition, obligation, covenant, or agreement of Mortgagee contained herein, Mortgagor may, for collection and distribution purposes only, collect and receive the Rents as they come due and payable; the Rents are to be applied by Mortgagor to the payment of the principal and interest and all other sums due or payable on any promissory note or guaranty secured by this Mortgage and to the payment of all other sums payable under this Mortgage and, thereafter, so long as the aforesaid has occurred, the balance shall be distributed to the account of Mortgagor. Upon any such default, Mortgagee may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Property or any part thereof, in his own name, sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Mortgagee may determine; also perform such acts of repair, cultivation, irrigation or protection, as may be necessary or proper to conserve the value of the Property; also lease the same or any part thereof for such rental, term, and upon such conditions as its judgment may dictate; also prepare for harvest, remove, and sell any crops that may be growing upon the Property, and apply the proceeds thereof upon the indebtedness secured hereby.

4. The entering upon and taking possession of the Property, the collection of such rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking of or damage to the Property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

5. Upon default by Mortgagor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Mortgagee and in accordance with applicable state law. In the event of default, Mortgagee may employ counsel to enforce payment of the obligations secured hereby, may foreclose and, if applicable, sell the Property by advertisement and sale, and in accordance with other applicable state law, and may exercise such other rights and remedies granted by law and equity, which rights and remedies shall be cumulative and not exclusive. Mortgagee may resort to and realize upon the security hereunder and any other real or personal property security now or hereafter held by Mortgagee for the obligations secured hereby in such order and manner as Mortgagee may, in its sole discretion, determine. Resort to any or all such security may be taken concurrently or successively and in one or several consolidated or independent judicial actions or lawful nonjudicial proceedings, or both. If the obligation secured by this Mortgage is also secured by personal property, fixtures or crops, Mortgagee may enforce its security interest in the personal property, fixtures and crops and its lien under this Mortgage in any manner and in any order or sequence permitted by applicable law. All remedies are cumulative and none are exclusive; no election by Mortgagee to pursue one remedy or item of collateral shall be deemed to be a release or waiver of any other item of collateral or a release or modification of the liability of Mortgagor or any guarantor to pay and perform in full all obligations to Mortgagee. The procedures governing the enforcement by Mortgagee of its foreclosure and provisional remedies against Mortgagor shall be governed by the laws of the state in which the Property is located. Nothing contained herein shall be construed to provide that the substantive law of the state in which the Property is located shall apply to Mortgagee's rights and Mortgagor's obligations hereunder or under the promissory note(s) or guaranties described herein, which are and shall continue to be governed by the substantive law of the state in which the promissory note(s) or guaranties were executed.

6. The failure on the part of the Mortgagee to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Mortgagee of any default shall not constitute a waiver of any other subsequent defaults. Subsequent acceptance of any payment by the holder hereof shall not be deemed a waiver of any default by Mortgagor, or of Mortgagee's rights hereunder as the result of any sale, agreement to sell, conveyance, or alienation, regardless of holder's knowledge of such default, sale, agreement to sell, conveyance, or alienation at the time of acceptance of such payment.

7. This Mortgage applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Mortgagee shall mean the holder and owner of any note secured hereby; or, if the note has been pledged, the pledgee thereof. In this Mortgage, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. All obligations of Mortgagor hereunder are joint and several.

8.(a) In the event the herein-described Property, or any part thereof, or any interest therein, is sold, agreed to be sold, conveyed, alienated or transferred, including any water transfer as defined in subsection (b) below, by Mortgagor, or by operation of law or otherwise, except by inheritance, without Mortgagee's prior written consent, all obligations secured hereby, irrespective of the maturity dates, at the option of the holder hereof, and without demand or notice, shall immediately become due and payable. Failure to exercise such option shall not constitute a waiver of the right to exercise this option in the event of subsequent sale, agreement to sell, conveyance or alienation.

SCHEDULE A
REAL ESTATE DESCRIPTION TOGETHER WITH FIXTURES AND APPURTENANT SPRINKLER EQUIPMENT IF ANY FOR
MORTGAGE DATED March 18, 2014

Dirk Parkinson
Loan No. 231-004-0006496210-5541484-101

REAL ESTATE DESCRIPTION:
DOWNEY FARM:

PARCEL 1:

TOWNSHIP 11 SOUTH, RANGE 37 EAST, BOISE MERIDIAN, BANNOCK COUNTY, IDAHO.

SECTION 7: NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$

EXCEPTING THEREFROM A TRACT OF LAND IN THE NW $\frac{1}{4}$ SE $\frac{1}{4}$; SECTION 7, TOWNSHIP 11 SOUTH, RANGE 37 EAST, BOISE MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID NW $\frac{1}{4}$ SE $\frac{1}{4}$; THENCE NORTH ALONG THE WEST LINE OF SAID NW $\frac{1}{4}$ SE $\frac{1}{4}$ 109 FEET; THENCE EAST 400 FEET; THENCE SOUTH 109 FEET, MORE OR LESS, TO THE SOUTH LINE OF SAID NW $\frac{1}{4}$ SE $\frac{1}{4}$; THENCE WEST ALONG SAID SOUTH LINE 400 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM ALL THAT PORTION OF THE ABOVE DESCRIBED PARCEL DEEDED TO THE STATE OF IDAHO, BY AND THROUGH THE IDAHO BOARD OF HIGHWAY DIRECTORS BY WARRANTY DEED RECORDED OCTOBER 27, 1969 AS INSTRUMENT NO. 464845 FOR HIGHWAY PURPOSES.

PARCEL 2:

TOWNSHIP 11 SOUTH, RANGE 37 EAST, BOISE MERIDIAN, BANNOCK COUNTY, IDAHO.

SECTION 8: SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$

EXCEPTING THEREFROM ALL THAT PORTION OF THE ABOVE DESCRIBED PARCEL DEEDED TO THE STATE OF IDAHO, BY AND THROUGH THE IDAHO BOARD OF HIGHWAY DIRECTORS BY WARRANTY DEED RECORDED OCTOBER 27, 1969 AS INSTRUMENT NO. 464845 FOR HIGHWAY PURPOSES.

ALSO EXCEPTING THEREFROM TOWNSHIP 11 SOUTH, RANGE 37 EAST, OF THE BOISE MERIDIAN COMMENCING AT THE SOUTH QUARTER CORNER OF SECTION 8, AND RUNNING THENCE NORTH 368 FEET, THENCE WEST 355 FEET, THENCE SOUTH 368 FEET, THENCE EAST 355 FEET TO THE PLACE OF BEGINNING.

ALSO EXCEPTING THEREFROM A PARCEL OF LAND LOCATED IN SECTION 8, TOWNSHIP 11 SOUTH, RANGE 37 EAST, BOISE MERIDIAN, BANNOCK COUNTY AND FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 8; THENCE NORTH 00°12'42" WEST 368.00 FEET (NORTH 368 FEET BY RECORD) ALONG THE NORTH-SOUTH CENTER SECTION LINE TO THE TRUE POINT OF BEGINNING WHICH IS A 5/8" REBAR WITH CAP LABELED HUDSON PLS 4735 SET AT THE NORTHEAST CORNER OF THAT TRACT RECORDED IN THE RECORDS OF BANNOCK COUNTY UNDER INSTRUMENT NO. 696472; THENCE SOUTH 89°47'18" WEST 355.00 FEET (WEST 355.00 FEET BY RECORD); THENCE SOUTH 00°12'42" EAST 345.22 FEET (SOUTH 368.00 FEET BY RECORD) TO A 5/8" REBAR WITH CAP SET ON THE NORTH RIGHT OF WAY LINE OF BOWMAN ROAD; THENCE SOUTH 89°25'50" WEST 81.48 FEET ALONG SAID RIGHT OF WAY LINE TO A 5/8" REBAR WITH CAP; THENCE NORTH 00°12'42" WEST 1297.33 FEET TO A 5/8" REBAR WITH A CAP SET ON A FENCE LINE; THENCE NORTH 89°25'01" EAST 436.49 FEET ALONG SAID FENCE TO A 5/8" REBAR WITH CAP SET ON THE NORTH-SOUTH CENTER SECTION LINE; THENCE SOUTH 00°12'42" EAST 954.43 FEET ALONG SAID CENTER SECTION LINE TO THE TRUE POINT OF BEGINNING.

PARCEL 3:

TOWNSHIP 11 SOUTH, RANGE 37 E.B.M., BANNOCK COUNTY, IDAHO.

SECTION 18: S $\frac{1}{2}$ NE $\frac{1}{4}$ AND N $\frac{1}{2}$ SE $\frac{1}{4}$

EXCEPTING THEREFROM ALL THAT PORTION OF THE ABOVE DESCRIBED PARCEL DEEDED TO THE STATE OF IDAHO, BY AND THROUGH THE IDAHO BOARD OF HIGHWAY DIRECTORS BY WARRANTY DEED RECORDED OCTOBER 14, 1969 AS INSTRUMENT NO. 464529 FOR HIGHWAY PURPOSES.

PARCEL 3A:

AN EASEMENT FOR RIGHT OF WAY PURPOSES ACROSS THE FOLLOWING DESCRIBED PORTION OF THE NE $\frac{1}{4}$ NE $\frac{1}{4}$ OF SAID SECTION 18, TOWNSHIP 11 SOUTH, RANGE 37 E.B.M., BANNOCK COUNTY, IDAHO, AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 18 AND RUNNING SOUTH ALONG THE SECTION LINE BETWEEN SECTION 18 AND SECTION 17, A DISTANCE OF 1320 FEET, THENCE WEST 30 FEET, THENCE NORTH 1320 FEET, THENCE EAST 30 FEET TO THE POINT OF BEGINNING. GRANTED BY THE INSTRUMENT RECORDED IN BOOK 110 OF DEEDS, PAGE 441.

PARCEL 4:

TOWNSHIP 11 SOUTH, RANGE 37 E.B.M., BANNOCK COUNTY, IDAHO.

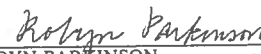
SECTION 18: LOTS 1 AND 2

EXCEPTING THEREFROM: COMMENCING AT A POINT 1310 FEET WEST OF THE SOUTHEAST CORNER OF LOT 2; AND RUNNING THENCE WEST 425 FEET TO THE CENTER LINE OF THE COUNTY ROAD; THENCE NORTH 341 FEET ALONG SAID COUNTY ROAD, THENCE EAST 425 FEET; THENCE SOUTH 341 FEET TO THE POINT OF BEGINNING.

FIXTURE AND/OR SPRINKLER EQUIPMENT DESCRIPTION:
All irrigation equipment and mainline not limited to the following:

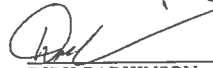
- 2 - 7 Tower Zimmatic Pivots
- 2 - 8 Tower Valley Pivots
- 9 - Wheelines
- All Corner Handlines
- 1 - 125 hp Motor and Pump
- 2 - 50 hp Motors and Pumps

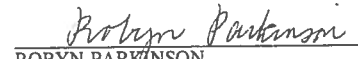

DIRK PARKINSON


ROBYN PARKINSON

(b) A water transfer is any transfer, assignment, sale, exchange, gift, encumbrance, pledge, hypothecation, alienation, grant of option to purchase, or other disposition of, directly, indirectly or in trust, voluntarily or involuntarily, by operation of law or otherwise, or the entry into a binding agreement to do any of the foregoing with respect to all or any part of (i) the groundwater on, under, pumped from or otherwise available to the Property, (ii) Mortgagor's right to remove and extract any such groundwater including any permits, rights or licenses granted by any governmental authority or agency and any rights granted or created by any easement, covenant, agreement or contract with any person or entity, (iii) any rights to which the Property is entitled with respect to surface water, whether such right is appropriative, riparian, prescriptive or otherwise and whether or not pursuant to permit or other governmental authorization, or the right to store any such water, (iv) any water, water right, water allocation, distribution right, delivery right, water storage right, water allocation, or other water-related entitlement appurtenant or otherwise applicable to the Property by virtue of the Property's being situated within the boundaries of any district, agency, or other governmental entity or within the boundaries of any private water company, mutual water company, or other non-governmental entity, or (v) any shares (or any rights under such shares) of any private water company, mutual water company, or other non-governmental entity pursuant to which Mortgagor or the Property may receive any rights.

9. In the event any one or more of the provisions contained in this Mortgage or in any promissory note(s) hereby secured shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Mortgage or said promissory note(s), but this Mortgage and said promissory note(s) shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.


DIRK PARKINSON


ROBYN PARKINSON

ACKNOWLEDGMENT.
STATE OF IDAHO

County of Madison)
) ss.

On this 20th day of March, 2014, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Dirk Parkinson and Robyn Parkinson, husband and wife, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they 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 the State of Idaho

Residing at Rigby

My Commission Expires: 4-27-2019

