

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

APR 17 2014

WATER RESOURCES
WESTERN REGION

RECEIVED

APR 10 2014

DEPT. OF WATER RESOURCES
SOUTHERN REGION

Notice of Security Interest in a Water Right

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

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

1.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.
	PD 65-8870			
	LV 65-12868			
	LV 65-12927			
	PD 65-17575			

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

Northwest Farm Credit Services, FLCA

815 N. College Rd, P.O. Box 5059

Twin Falls, ID 83303

Phone 208-732-1023

Email maryann.halford@northwestfcs.com

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

Scott R. Nicholson

5. Expiration Date of Notification Period

01/01/2035

6. Is this a Renewal of Request for Notification?

☐ YES

☒ NO

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

Valerie Lynn

Title, if applicable

VP Agribusiness

SUPPORT DATA

IN FILE # 65-8870

For Office Use Only

Received by DM

Date 4-10-2014

Receipt No. 5033948

Fee \$100-

Processed by AJ ✓JS

Date 6/16/14

WR _____

Date _____

COPY

Instrument # 383876
VALLEY COUNTY, CASCADE, IDAHO
03-20-2014 16:08:43 No. of Pages: 8
Recorded for: AMERITITLE CASCADE
DOUGLAS A. MILLER Fee: \$31.00
Ex-Officio Recorder Deputy: JLP
Electronically Recorded by Simplifile

After Recording Return to:
Farm Credit Services - Twin Falls
815 North College Road
PO Box 5059
Twin Falls, ID 83301-5059

**Mortgage
and Fixture Filing**

On March 10, 2014, Scott R. Nicholson, same person as Scott Nicholson and Sherrill C. Nicholson, same person as Sherri Nicholson, a married couple, hereinafter called Mortgagors, whose address is

PO Box 690
Meridian, ID 83680

grant, convey, warrant, transfer and assign to Northwest Farm Credit Services, FLCA, a corporation organized under the Farm Credit Act of 1971, as amended, hereinafter called Mortgagee, whose address is 1700 South Assembly Street, P.O. Box 2515, Spokane, Washington 99220-2515, a mortgage and security interest in property in Valley County(ies), State of Idaho, more particularly described as follows (the "Land"):

PARCEL 1

That portion of land located in the S ½ Section 11, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, lying South and West of State Highway 55

EXCEPT that portion thereof conveyed to the State of Idaho for highway purposes by deed recorded on January 14, 1931 as Instrument No. 15402

PARCEL 2

The N ½ NE ¼ and the SW ¼ NE ¼ of Section 13, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho

PARCEL 3

The E ½ NW ¼ of Section 11, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho

PARCEL 4

The W ½ NW ¼ of Section 11, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho

Mortgage
(Scott R. Nicholson/Note No. 6216314)

PARCEL 5

The SW ¼ of Section 2, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho

Save and Except:

A piece of land in the NW corner of the SW ¼ of Section 2, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, more particularly described as follows:

Starting 50 feet from the center of the county road, thence East along the North side of said quarter section, a distance 250 feet, thence South 150 feet, thence West 250 feet, thence North along the county road 150 feet to a point of beginning

AND EXCEPT that portion thereof conveyed to the State of Idaho for highway purposes by deed recorded on December 1930 as Instrument No. 15320

PARCEL 6A

That part of the North half of the Southeast quarter, Section 2, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, lying West of State Highway 15 (now known as Highway 55), more particularly described as follows:

Beginning at a stone, the Southeast corner of Section 2, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, thence North 00° 17' 20" East, 1329.14 feet along the section line to a point, the sixteenth corner, thence South 89° 28' West, 1585.33 feet along the sixteenth line to a point on the West right of way line of State Highway No. 15 and the REAL POINT OF BEGINNING; thence continuing South 89° 28' West, 1045.76 feet along the sixteenth line to a point, the sixteenth corner; thence North 00° 08' 39" East, 1328.35 feet along the North-South quarter line to a point, the center of said Section 2; thence North 89° 27' 02" East, 1102.68 feet along the quarter line to a point on the West right of way line of State Highway No. 15, thence South 03° 39' West, 579.64 feet along the West right of way line of said State Highway No. 15 to a point, thence Southerly 751.22 feet along a right of way curve to the left having a delta angle of 03° 44' 11" a radius of 11520.00 feet, a chord of 751.08 feet that bears South 01° 46' 55" West to a point, the Real Point of Beginning

PARCEL 6B

Those portions of the Northeast quarter of Section 11 and the South half of the Southeast quarter of Section 2, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, which lie West of the existing highway right-of-way as described in that certain Deed from Jack M. Kantola and Edith Kantola, his wife, the Grantors, to the United States of America, the Grantee, recorded on December 30, 1949, in the office of the Recorder of Valley County, Idaho in Book 28 of Deeds at page 13

PARCEL 7

The South ½ of the Southwest ¼ of Section 12, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho.

PARCEL 8

The Northwest ¼, the Southeast ¼ of the Northeast ¼, and the South ½ of Section 13 Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho

Except that portion thereof conveyed to the United States of America by deed recorded May 12, 1950 as Instrument No. 40977.

PARCEL 9

That portion of the North $\frac{1}{2}$ and of the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 14, Township 15 North, Range 3 East, Boise, Meridian, Valley County, Idaho, lying North and East of the railroad as described in deed recorded January 23, 1951 as Instrument No. 42076;

Except that portion thereof conveyed to the State of Idaho for highway purposes by deed recorded June 1, 1931, as Instrument No. 15777;

And Except that portion thereof conveyed to the United States of America by deed recorded May 12, 1950 as Instrument No. 40977.

PARCEL 10

That portion of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 15, Township 15 North, Range 3 East, Boise, Meridian, Valley County, Idaho, lying North and East of the railroad as described in deed recorded January 23, 1951 as Instrument No. 42076;

Except that portion thereof conveyed to the State of Idaho for highway purposes by deed recorded June 1, 1931, as Instrument No. 15777.

PARCEL 11

The Northwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 24, Township 15 North, Range 3 East, Boise, Meridian, Valley County, Idaho;

Except that portion thereof conveyed to the United States of America by deed recorded May 12, 1950 as Instrument No. 40977.

PARCEL 12

A portion of Tract No. 19 containing nineteen and $\frac{84}{100}$ (19.84) acres, more or less, lying and being in Sections fourteen (14) and fifteen (15), Township fifteen (15) North, Range three (3) East, Boise Meridian, Valley County, Idaho, more particularly described as follows:

A strip of land of variable width lying "X" feet on the left and "Y" feet on the right, measured at right angles to, or radially from the following described centerline:

Beginning at the point of intersection of said centerline with the South boundary line of the Northeast quarter of the Southeast quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of said Section fourteen (14), which point is located South $89^{\circ} 31'$ West a distance of 105 feet and thence North $0^{\circ} 16'$ East a distance of 1330.74 feet from the Southeast corner of said Section fourteen (14); thence, with X fifty (50) feet and Y fifty (50) feet, North $0^{\circ} 16'$ East a distance of 25.26 feet; thence along the arc of a 7° curve to the left a distance of 186.14 feet; thence with X fifty (50) feet and Y sixty (60) feet, continuing along the arc of the same 7° curve a distance of 795.76 feet; thence North $68^{\circ} 28'$ West a distance of 4,955.80 feet to the point of intersection with the West boundary line of said Section fourteen (14), which point bears South a distance of 1,358.9 feet from the Northwest corner of said Section fourteen (14); thence continuing with X fifty (50) feet and Y sixty (60) feet, North $68^{\circ} 28'$ West a distance of 2,321.14 feet; thence along the arc of a 7° curve to the right a distance of 702.3 feet to the point of intersection with the North boundary line of said Section fifteen (15), which point bears North $89^{\circ} 34'$ East a distance of 2.35 feet from the North quarter corner of said Section fifteen (15), said strip of land being included between two boundary lines parallel to said centerline and distant as aforesaid, and, extended or shortened so as to intersect the South boundary line of the Northeast quarter of the Southeast quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of said Section fourteen (14) and the West and North boundary lines of the Northwest quarter of the Northeast quarter (NW $\frac{1}{4}$ NE $\frac{1}{4}$) of said Section fifteen (15).

Excepting therefrom any portion of the above-described strip of land lying within the Northwest quarter of the Northeast quarter (NW¼NE¼) of said Section fifteen (15);

All irrigation equipment, now owned and used, in whole or in part, to irrigate the mortgaged property, together with all similar goods which may be acquired at any time, any additions, replacements, substitutions and accessions;

and including all buildings, structures, wells and other improvements now or hereafter located on the Land, including, but not limited to the fixtures (as described below), and all other equipment, machinery, appliances, goods and other articles attached to such buildings and other improvements; all fixtures (including without limitation, goods that are or become so related to the Land that an interest in them arises under the real estate law) and any additions or replacements now or hereafter located on, attached to, installed in or used in connection with the Land; all personal property, appliances, equipment and goods now or hereafter owned or possessed by Mortgagors located upon, in, or about or used in connection with the Land or improvements; all rights, rights-of-way, easements, licenses, profits, claims, demands, privileges, grazing privileges, leases, rents, issues, tenements, hereditaments, and appurtenances now owned or hereafter acquired by Mortgagors and used in connection with the Land and the improvements or as a means of access to either or both, (including without limitation all rights over the property of third persons which are related thereto, private roads, water rights and entitlements, other rights to water and other rights to receive water or water rights of every kind or nature whatsoever and howsoever evidenced, ditches and conduits and rights of way therefor, all plumbing, lighting, heating, cooling, ventilating, elevating, and irrigating apparatus, now or hereafter belonging to or used in connection therewith), all of which is hereinafter called the "Property."

The following described Note(s), Membership Agreements, security documents and any other documents or instruments signed in connection with the Note(s) and security documents and any amendments thereto are collectively called the "Loan Documents." "Advances" shall include any amounts provided under the terms of the Loan Documents and any amounts expended by Mortgagee to protect the Property or enforce its rights under the Loan Documents. This conveyance is intended to secure performance of the covenants and agreements contained herein, and in any Loan Documents, and payment of the indebtedness under the terms of the Note(s) made to the order of Mortgagee, with interest and charges as provided therein and in the Loan Documents, and any extensions, modifications or renewals thereof:

DATE OF NOTE	PRINCIPAL AMOUNT	FINAL INSTALLMENT DATE
March 10, 2014	\$900,000.00	January 1, 2034

In addition, this Mortgage is intended to secure future loans and advances made by Mortgagee, no matter how evidenced. The continuing validity and priority of this Mortgage for future loans and advances shall not be impaired by the fact that at certain times no outstanding indebtedness to Mortgagee nor commitment from Mortgagee to make future loans exist.

The terms of the Note(s) and Loan Documents, described above, provide that the interest rate, payment terms or amounts due may be indexed, adjusted, renewed or renegotiated.

Mortgagors and each of them REPRESENT, WARRANT, COVENANT and AGREE:

1. That they have title to the Property free from encumbrances, except as otherwise previously disclosed, they have good right and lawful authority to convey and encumber the same; they will warrant and defend the same forever against the lawful claims and demands of all persons whomsoever; and they agree this covenant shall not be extinguished by foreclosure or other transfers. Mortgagor authorizes Mortgagee to file a financing statement and any continuations thereof, describing any personal property or fixtures described herein, without further signature by Mortgagor.

Mortgage
(Scott R. Nicholson/Note No. 6216314)

2. To keep all buildings and other improvements, now or hereafter existing, in good repair, not to remove or demolish or permit the removal or demolition of any building or other improvement; to restore promptly in a good and workmanlike manner, any building or improvement, which may be damaged or destroyed; to maintain and cultivate the Property in a good and husbandlike manner, using approved methods for preserving the fertility and productivity thereof; not to change or permit change in the use of the Property; and not to do anything which would reduce the value of the Property.
3. To maintain casualty insurance, naming Mortgagee as loss payee, on all buildings and improvements, against loss or damage by fire or other risks; to maintain liability insurance; to obtain flood insurance at any time it is determined that any building or improvement is located in whole or in part within a special flood hazard area; to pay all premiums and charges on all such insurance when due; and to provide Mortgagee satisfactory evidence of such insurance upon request. All such insurance shall be in such form(s), with such company(ies) and in such amount(s) as shall be satisfactory to Mortgagee.
4. Not to apply or enter into any federal, state, local or other program, license, easement, or other agreement which limits or restricts the use of the Property, in any way, without prior written consent of Mortgagee.
5. To pay all debts and money, secured hereby, when due; to pay, when due, all taxes, assessments, rents and other charges upon the Property and to suffer no other encumbrance, charge or lien on the Property, which would be superior to this Mortgage, except as stated above.
6. To specifically assign and deliver to Mortgagee all rents, royalties, damages and payments of every kind, including without limitation insurance reimbursements and condemnation awards, at any time accruing, for any transfer, loss or seizure of the Property, any portion thereof or any rights therein; and Mortgagee may, at its option, apply such amounts in any proportion to any of the indebtedness hereby secured; and Mortgagee shall have the right to enter upon the Property to make full inspection of the Property.
7. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Property and its use, including without limitation all environmental laws; not to use or permit the use of the Property for any unlawful or objectionable purpose or for any purpose that poses an unreasonable risk of harm, or that impairs or may impair the value of the Property, or any part thereof; not to apply residue from waste water treatment facilities to the Property without prior written notice to Mortgagee; to remedy any environmental contamination or violation of environmental laws that may occur or be discovered in the future; to allow Mortgagee access to the Property to inspect its condition and to test and monitor for compliance with applicable laws (any inspections or tests made by Mortgagee shall be for Mortgagee's purposes only and shall not be construed to create any responsibility or liability on the part of Mortgagee to Mortgagors or to any other person), to forward copies of any notices received from any environmental agencies to Mortgagee; to provide Mortgagee copies of any independent test or inspection reports on the environmental status of the Property; and to indemnify and hold Mortgagee, its directors, employees, agents and its successors and assigns, harmless from and against any environmental claims of any kind, and all costs and expenses incurred in connection therewith, including, without limitation, attorney's fees.
8. That neither Mortgagors nor, to the best of the Mortgagor's knowledge, any prior owner has created or permitted conditions on the Property, which may give rise to environmental liability; no enforcement actions are pending or threatened; no underground tanks are located on the Property except as already disclosed; any such underground tanks currently or previously located on the Property do not now and never have leaked and no contaminated soil is located on the Property; and Mortgagor's representations, warranties, covenants and indemnities herein and in the Loan Documents shall survive satisfaction of the Note(s) and Loan Documents, foreclosure of this Mortgage, acceptance of a deed in lieu of foreclosure or any transfer or abandonment of the Property.

Mortgage
(Scott R. Nicholson/Note No. 6216314)

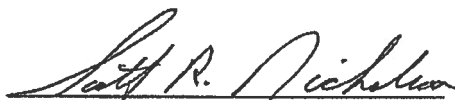
9. To perform all terms and conditions of each water or other contract, described above, if any, and to promptly pay all sums due or to become due under each contract so that no delinquency or default will occur under such contract(s); to perform all acts necessary to perfect and maintain any water permit, certificate, license or other water interest, however designated, described in or used in conjunction with the real property described above; any assignment of any such interest during the term of this Mortgage, naming Mortgagee as an assignee shall be for security purposes and shall not alter Mortgagors' obligations hereunder; and any failure of Mortgagors to perform any such obligation shall constitute an event of default.
10. That the term "Grazing Rights," as hereinafter used refers to that portion of the Property, if any, consisting of grazing leases, permits, licenses, privileges, and preferences, or any of them, which have or will be assigned, mortgaged or waived to Mortgagee, together with any additions, renewals, replacements or substitutions thereof; if any portion of the Grazing Rights is a leasehold interest in state lands, such leasehold shall be considered to be real property; such leasehold and all other real property portions of the Property constitute a single operating unit; and in the event of foreclosure, Mortgagee shall have the right to have such leasehold and the other real property sold as a unit and not in parcels; any statements and representations in any applications for Grazing Rights are true and correct; Mortgagors have received no notice that the Grazing Rights have or are to be terminated, cancelled or modified; and any termination or cancellation of any of the Grazing Rights shall constitute an event of default under this Mortgage.
11. To execute any instrument deemed necessary by the Mortgagee to assign, mortgage or waive such Grazing Rights to the Mortgagee; to pay all fees and charges, and to perform all acts and things necessary to preserve and keep in good standing the Grazing Rights; to take no action which would adversely affect the Grazing Rights; to procure renewals of the Grazing Rights upon or prior to their expiration date; to operate the lands covered by the Grazing Rights in conjunction with the other real estate portion of the Property and not to convey or attempt to convey either separately; to forward to Mortgagee copies of any notices received by Mortgagors regarding the Grazing Rights; and in the event of foreclosure of this Mortgage, to waive all claims for preference in the Grazing Rights upon demand from the purchaser of the Property at foreclosure sale, or from any successor to such purchaser.
12. That if the Property is within an irrigation block and/or subject to water service contract(s) governed by the provisions of "Federal reclamation law," and the regulations issued thereunder, Mortgagors shall comply with the terms and provisions of said laws, regulations and contracts; Mortgagors, and each of them, for themselves, their heirs, successors and assigns, hereby appoint Mortgagee their attorney-in-fact to select and designate the portion of the Property to be subject to a recordable contract, in the event Mortgagors become subject to the excess land limitation; if Mortgagors fail to comply with the terms of said law, regulations or contracts, or if the delivery of water for the irrigation of the Property is discontinued in whole or in part, Mortgagors shall be in default; in the event the Bureau of Reclamation determines that continued drainage maintenance on the Property is no longer feasible, and Mortgagors purchase other lands offered as a preference purchase right (as an adjustment for wetlands), Mortgagors shall execute a supplemental mortgage on such lands in favor of the Mortgagee; and failure to execute such mortgage on demand, shall constitute an event of default.
13. That in the event of default in any of the covenants or agreements herein, or in any of the Loan Documents, Mortgagee may, at its option perform the same, in whole or in part; any advances, including, without limitation, attorney fees or costs, paid or incurred by Mortgagee to protect or enforce its rights under the Loan Documents, in bankruptcy, appellate proceedings or otherwise, shall be payable on demand and shall become a part of the indebtedness secured by this Mortgage.
14. That the indebtedness and obligations secured by this mortgage are personal to the Mortgagors and are not assignable by Mortgagors; Mortgagee relied upon the credit of Mortgagors, the interest of Mortgagors in the Property and the financial market conditions then existing when making this loan; if Mortgagors sell, transfer or convey or contract to sell, transfer or convey the Property, or any portion thereof, or if the ownership of any corporation or partnership, owning all or any portion of the Property shall be changed either by voluntary or involuntary sale or transfer or by operation of law, without prior written consent of Mortgagee, or if Mortgagors

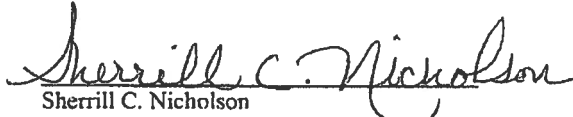
Mortgage
(Scott R. Nicholson/Note No. 6216314)

default in the payment of the indebtedness, or with respect to any warranty, covenant or agreement in the Loan Documents or if a receiver or trustee for any part of the Property is appointed, or if any proceedings under the bankruptcy or insolvency laws is commenced by or against Mortgagors, or if Mortgagors become insolvent, or if any action is commenced to foreclose or enforce a lien on any portion of the Property, then, Mortgagors shall be in default hereunder.

15. That time is of the essence and in the event of default, at Mortgagee's option, the entire indebtedness secured hereby shall forthwith become due and payable and bear interest at the rate set forth in the Loan Documents for delinquent payments; Mortgagee shall have the right to foreclose the lien of this Mortgage, to have a receiver appointed in any court proceeding; to collect any rents, issues and profits from the Property and apply them against the indebtedness hereby secured and to exercise any rights and remedies available under the Uniform Commercial Code for the state in which the property is located; and reasonable notice if required by such Code shall be five (5) days.
16. That the failure of Mortgagee to exercise any right or option provided herein, at any time shall not preclude Mortgagee from exercising any of such rights at any other time; the covenants and agreements contained herein shall be binding on and inure to the benefit of the parties and their respective heirs, successors and assigns; all rights conferred on Mortgagee are cumulative and additional to any rights conferred by law; and if any provision is found to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof and the Mortgage shall be construed as though such provision had been omitted.
17. That Mortgagors and each of them join in this instrument for the purpose of subjecting each of their right, title and interest, if any, in the Property, whether of record or otherwise and including any right to possession, to the lien of this Mortgage. All Exhibits hereto, if applicable, are incorporated herein and made a part of this Mortgage.
18. That Mortgagor warrants that Mortgagors' state of residence is the State of Idaho and Mortgagors' exact legal names are as set forth herein.
19. This Mortgage is intended to serve as a fixture filing pursuant to the terms of the applicable Uniform Commercial Code. This Mortgage is to be recorded in the real estate records of each County in which the Property is located. In that regard, Mortgagor is Debtor and Mortgagee is Secured Party.

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

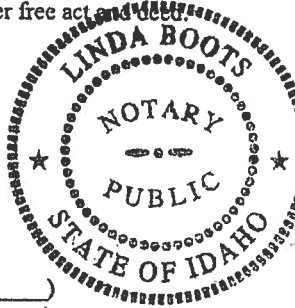

Scott R. Nicholson


Sherrill C. Nicholson

Mortgage
(Scott R. Nicholson/Note No. 6216314)

STATE OF Idaho)
)ss.
County of Ada)

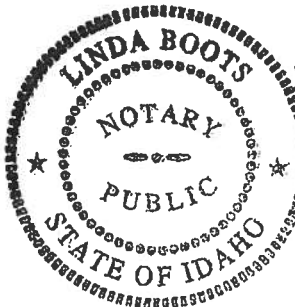
On this 16 day of March, 2014, before me personally appeared Scott R. Nicholson, known to me to be the Individual described in and who executed the within instrument, and acknowledged that he/she executed the same as his/her free act and deed.



Linda Boots
Printed name Linda Boots
Notary Public for the State of Idaho
Residing at Boise ID
My commission expires 5/31/19

STATE OF Idaho)
)ss.
County of Ada)

On this 16 day of March, 2014, before me personally appeared Sherrill C. Nicholson, known to me to be the Individual described in and who executed the within instrument, and acknowledged that he/she executed the same as his/her free act and deed.



Linda Boots
Printed name Linda Boots
Notary Public for the State of Idaho
Residing at Boise ID
My commission expires 5/31/19

COPY

Instrument # 383727
VALLEY COUNTY, CASCADE, IDAHO
03-11-2014 14:46:48 No. of Pages: 6
Recorded for: TITLEONE BOISE
DOUGLAS A. MILLER Fee: \$25.00
Ex-Officio Recorder Deputy: KMB
Electronically Recorded by Simplifile

Recording Requested by:

When recorded mail to:

Scott Nicholson
700 W. Overland Road
Meridian, Idaho 83642

0020427

WARRANTY DEED

FOR VALUABLE CONSIDERATION in hand paid, the receipt of which is hereby acknowledged, **DANIEL R. YANKE**, a single man, as to an undivided tenant-in-common one-third interest, **JILL M. STEVENS** (nee Yanke), a married woman dealing with her sole and separate property, as to an undivided tenant-in-common one-third interest, and **SUSAN L. NORBY** (nee Yanke), a married woman dealing with her sole and separate property, as to an undivided tenant-in-common one-third interest, jointly as the **GRANTORS**, do by these presents hereby grant, bargain, sell, CONVEY AND WARRANT unto **SCOTT NICHOLSON & SHERRI NICHOLSON**, husband & wife, having a mailing address of 700 W. Overland Road, Meridian, Idaho 83642, the **GRANTEE**, all that certain tract, lot, piece, and parcel of land (hereinafter referred as the "PREMISES") situated in the **County of Valley, State of Idaho**, which is more particularly described as follows:

See Exhibit "A-1" which is attached hereto and by this reference incorporated herein.

GRANTORS do hereby covenant to and with said GRANTEE, that GRANTORS are the owner in fee simple of said PREMISES; that said PREMISES are free and clear from all encumbrances, EXCEPT those to which this conveyance is expressly made subject and those made, suffered or done by GRANTEE; and that GRANTORS will forever warrant and defend the quiet and peaceable possession of said PREMISES by GRANTEE, their heirs successors and assigns against all lawful claims whatsoever.

SUBJECT TO:

1. All reservations, covenants, conditions, restrictions, dedications, easements, rights of way and agreements as appear of record or by use upon the PREMISES.
2. General taxes and assessments for the current year which constitute a lien but which are not yet due and payable.

TOGETHER with a permanent easement reserved to the Vendor, under that certain Land Purchase Contract, dated June 13, 1947, by and between the United States of America and the Idaho First National Bank, administrator with the will annexed, of the Estate of Dorothy Musser, deceased, its

WARRANTY DEED

Page 1

heirs and assigns, to use any non-flooded portion of the hereinafter described lands and premises for farming and grazing purposes whenever the said premises are not flooded by reservoir water, or only partially flooded thereby; but the said easement shall be subject to all times and subordinate to the paramount right of the United States, its successors and assigns, to use the premises for reservoir purposes and to construct and maintain a reservoir thereon and the right to enter and use the said premises for all purposes incidental to or necessary in connection with the construction and maintenance of a reservoir thereon, free from liability from damage or claims of damage to the Vendor, and after date hereof, the right of the United States, its employees, agents, contractors, successors and assigns to enter the said premises and clear the same and to remove fences and non-agricultural growth therefrom, and the exclusive right of the United States, its successors and assigns, to own and possess, use and occupy the said premises for any and all purposes, other than those expressly reserved to the Vendor, its heirs and assigns;

Said easement applies to the following lands and premises, to-wit:

Section 15: W1/2NE1/4; NW1/4; N1/2S1/2 and that part lying South and West of the right of way for the relocated McCall branch of the Union Pacific Railroad as the same is now located and constructed over and across said E1/2NE1/4; EXCEPTING THEREFROM strips of land containing 4.35 acres, more or less lying and being in that portion of the said NW1/4NE1/4 previously acquired by the United States for a right of way for the relocated McCall Branch of the Union Pacific Railroad, as described in Deed recorded in Book 22 of Deeds at page 243, records of Valley County, Idaho;

ALSO EXCEPTING all right, title and interest which the Oregon Shortline Railroad and or the Union Pacific Railroad may have in the old right of way;

AND ALSO EXCEPTING any interest the State of Idaho may have in the old right of way for Highway 15, as the same were previously located.

All in Valley County, Idaho.

TOGETHER, with all and singular, the tenements, hereditaments, and appurtenances thereto belonging, or in anywise appertaining and the reversion and the reversions, remainder and remainders, rents, issues, and profits thereof.

TO HAVE AND TO HOLD the said PREMISES, with its appurtenances unto the said GRANTEE, their heirs and assigns forever.

IN WITNESS WHEREOF, the GRANTORS have caused these presents to be signed on the dates set forth below.

GRANTORS:

Daniel R. Yanke

Daniel R. Yanke
Daniel R. Yanke

Date: 3-7-14

Jill M. Stevens

Jill M. Stevens
Jill M. Stevens

Date: 3/6/14

Susan L. Norby

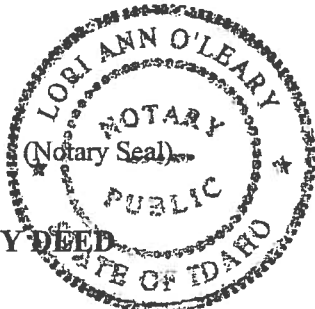
Susan L. Norby
Susan L. Norby

Date: 3/6/14

State of Idaho)
)ss.
County of Ada)

On this 14 day of March 2014, before me, the undersigned Notary Public in and for said state, personally appeared **DANIEL R. YANKE**, as a ~~Member and Co-Manger of~~ DSJ, LLC, an Idaho limited liability company, the ~~limited liability company which executed the foregoing document~~ as Grantor, known to me or identified to me to be the person whose name is subscribed to the foregoing, and acknowledged to me that he executed the same ~~for and on behalf of the limited liability company and in its name.~~

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.



NOTARY PUBLIC FOR IDAHO

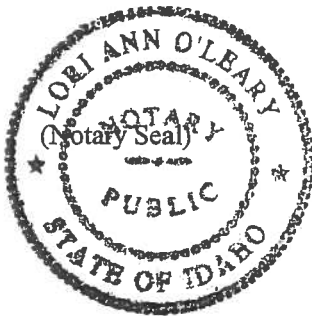
Commission Expires: 7/12/2019

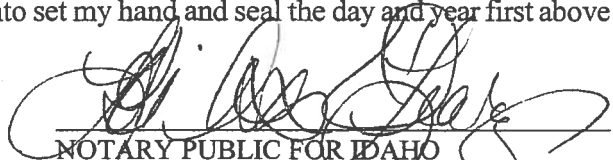
WARRANTY DEED

State of Idaho)
)ss.
County of Ada)

On this 6th day of March 2014, before me, the undersigned Notary Public in and for said state, personally appeared **JILL M. STEVENS**, who executed the foregoing document as Grantor, known to me or identified to me to be the person whose name is subscribed to the foregoing, and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.




NOTARY PUBLIC FOR IDAHO
Commission Expires: 7/12/2019

State of Idaho)
)ss.
County of Ada)

On this 6th day of March 2014, before me, the undersigned Notary Public in and for said state, personally appeared **SUSAN L. NORBY**, who executed the foregoing document as Grantor, known to me or identified to me to be the person whose name is subscribed to the foregoing, and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.



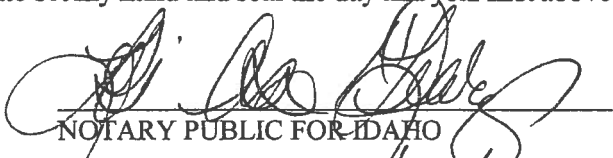

NOTARY PUBLIC FOR IDAHO
Commission Expires: 7/12/2019

EXHIBIT "A-1"

PARCEL 7

The South $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of Section 12, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho.

PARCEL 8

The Northwest $\frac{1}{4}$, the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$, and the South $\frac{1}{2}$ of Section 13 Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho
Except that portion thereof conveyed to the United States of America by deed recorded May 12, 1950 as Instrument No. 40977.

PARCEL 9

That portion of the North $\frac{1}{2}$ and of the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 14, Township 15 North, Range 3 East, Boise, Meridian, Valley County, Idaho, lying North and East of the railroad as described in deed recorded January 23, 1951 as Instrument No. 42076;

Except that portion thereof conveyed to the State of Idaho for highway purposes by deed recorded June 1, 1931, as Instrument No. 15777;

And Except that portion thereof conveyed to the United States of America by deed recorded May 12, 1950 as Instrument No. 40977.

PARCEL 10

That portion of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 15, Township 15 North, Range 3 East, Boise, Meridian, Valley County, Idaho, lying North and East of the railroad as described in deed recorded January 23, 1951 as Instrument No. 42076;

Except that portion thereof conveyed to the State of Idaho for highway purposes by deed recorded June 1, 1931, as Instrument No. 15777.

PARCEL 11

The Northwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 24, Township 15 North, Range 3 East, Boise, Meridian, Valley County, Idaho;

Except that portion thereof conveyed to the United States of America by deed recorded May 12, 1950 as Instrument No. 40977.

CONTINUED ON NEXT PAGE

PARCEL 12

A portion of Tract No. 19 containing nineteen and 84/100 (19.84) acres, more or less, lying and being in Sections fourteen (14) and fifteen (15), Township fifteen (15) North, Range three (3) East, Boise Meridian, Valley County, Idaho, more particularly described as follows:

A strip of land of variable width lying "X" feet on the left and "Y" feet on the right, measured at right angles to, or radially from the following described centerline: Beginning at the point of intersection of said centerline with the South boundary line of the Northeast quarter of the Southeast quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of said Section fourteen (14), which point is located South 89° 31' West a distance of 105 feet and thence North 0° 16' East a distance of 1330.74 feet from the Southeast corner of said Section fourteen (14); thence, with X fifty (50) feet and Y fifty (50) feet, North 0° 16' East a distance of 25.26 feet; thence along the arc of a 7° curve to the left a distance of 186.14 feet; thence with X fifty (50) feet and Y sixty (60) feet, continuing along the arc of the same 7° curve a distance of 795.76 feet; thence North 68° 28' West a distance of 4,955.80 feet to the point of intersection with the West boundary line of said Section fourteen (14), which point bears South a distance of 1,358.9 feet from the Northwest corner of said Section fourteen (14); thence continuing with X fifty (50) feet and Y sixty (60) feet, North 68° 28' West a distance of 2,321.14 feet; thence along the arc of a 7° curve to the right a distance of 702.3 feet to the point of intersection with the North boundary line of said Section fifteen (15), which point bears North 89° 34' East a distance of 2.35 feet from the North quarter corner of said Section fifteen (15), said strip of land being included between two boundary lines parallel to said centerline and distant as aforesaid, and, extended or shortened so as to intersect the South boundary line of the Northeast quarter of the Southeast quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of said Section fourteen (14) and the West and North boundary lines of the Northwest quarter of the Northeast quarter (NW $\frac{1}{4}$ NE $\frac{1}{4}$) of said Section fifteen (15).

Excepting therefrom any portion of the above-described strip of land lying within the Northwest quarter of the Northeast quarter (NW $\frac{1}{4}$ NE $\frac{1}{4}$) of said Section fifteen (15)

COPY

Instrument # 383728
VALLEY COUNTY, CASCADE, IDAHO
03-11-2014 14:46:48 No. of Pages: 6
Recorded for: TITLEONE BOISE
DOUGLAS A. MILLER Fee: \$22.00
Ex-Officio Recorder Deputy: KMB
Electronically Recorded by Simplifile

Recording Requested by:

When recorded mail to:

Scott Nicholson
700 W. Overland Road
Meridian, Idaho 83642

0020427

WARRANTY DEED

FOR VALUABLE CONSIDERATION in hand paid, the receipt of which is hereby acknowledged, **DSJ, LLC**, an Idaho limited liability company, the **GRANTOR**, does by these presents hereby grant, bargain, sell, CONVEY AND WARRANT unto **SCOTT NICHOLSON & SHERRI NICHOLSON**, husband & wife, having a mailing address of 700 W. Overland Road, Meridian, Idaho 83642, the **GRANTEE**, all that certain tract, lot, piece, and parcel of land (hereinafter referred as the "PREMISES") situated in the **County of Valley**, State of Idaho, which is more particularly described as follows:

See Exhibit "A" which is attached hereto and by this reference incorporated herein.

GRANTOR does hereby covenant to and with said GRANTEE, that GRANTOR is the owner in fee simple of said PREMISES; that said PREMISES are free and clear from all encumbrances, EXCEPT those to which this conveyance is expressly made subject and those made, suffered or done by GRANTEE; and that GRANTOR will forever warrant and defend the quiet and peaceable possession of said PREMISES by GRANTEE, their heirs successors and assigns against all lawful claims whatsoever.

SUBJECT TO:

1. All reservations, covenants, conditions, restrictions, dedications, easements, rights of way and agreements as appear of record or by use upon the PREMISES.
2. General taxes and assessments for the current year which constitute a lien but which are not yet due and payable.

TOGETHER, with all and singular, the tenements, hereditaments, and appurtenances thereto belonging, or in anywise appertaining and the reversion and the reversions, remainder and remainders, rents, issues, and profits thereof.

TO HAVE AND TO HOLD the said PREMISES, with its appurtenances unto the said GRANTEE, their heirs and assigns forever.

WARRANTY DEED

Page 1

IN WITNESS WHEREOF, the GRANTOR has caused these presents to be signed by a duly authorized representative of the GRANTOR on the dates set forth below.

GRANTOR:

DSJ, LLC, an Idaho limited liability company

By: *Daniel R. Yanke*
Daniel R. Yanke, ~~Manager~~ and Co-Manager
Member 

Date: 3-7-14

By: *Jill M. Stevens*
Jill M. Stevens, ~~Manager~~ and Co-Manager
Member 

Date: 3/6/14

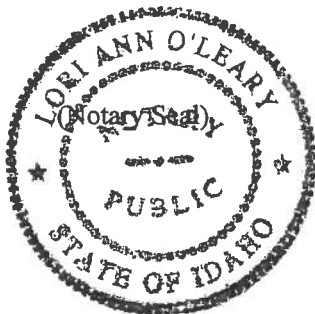
By: *Susan L. Norby*
Susan L. Norby, ~~Manager~~ and Co-Manager
Member 

Date: 3/6/14

State of Idaho)
)ss.
County of Ada)

On this 7th day of March 2014, before me, the undersigned Notary Public in and for said state, personally appeared **DANIEL R. YANKE**, as a Member and Co-Manger of DSJ, LLC, an Idaho limited liability company, the limited liability company which executed the foregoing document as Grantor, known to me or identified to me to be the person whose name is subscribed to the foregoing, and acknowledged to me that he executed the same for and on behalf of the limited liability company and in its name.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

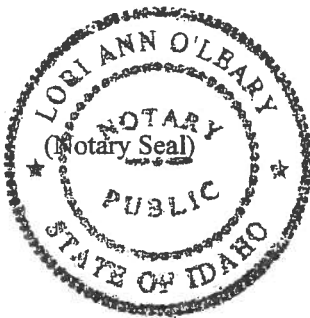


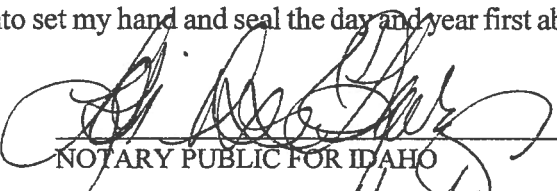
Lori Ann O'Leary
NOTARY PUBLIC FOR IDAHO
Commission Expires: 7/12/2019

State of Idaho)
)ss.
County of Ada)

On this 6th day of March 2014, before me, the undersigned Notary Public in and for said state, personally appeared **JILL M. STEVENS**, as a Member and Co-Manger of DSJ, LLC, an Idaho limited liability company, the limited liability company which executed the foregoing document as Grantor, known to me or identified to me to be the person whose name is subscribed to the foregoing, and acknowledged to me that she executed the same for and on behalf of the limited liability company and in its name.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

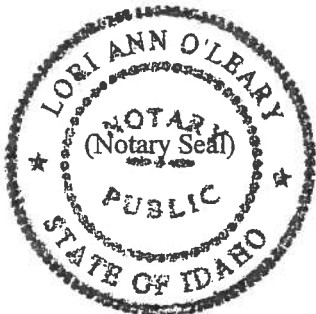



NOTARY PUBLIC FOR IDAHO
Commission Expires: 7/12/2019

State of Idaho)
)ss.
County of Ada)

On this 6th day of March 2014, before me, the undersigned Notary Public in and for said state, personally appeared **SUSAN L. NORBY**, as a Member and Co-Manger of DSJ, LLC, an Idaho limited liability company, the limited liability company which executed the foregoing document as Grantor, known to me or identified to me to be the person whose name is subscribed to the foregoing, and acknowledged to me that she executed the same for and on behalf of the limited liability company and in its name.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.



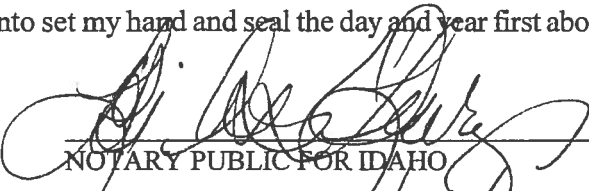

NOTARY PUBLIC FOR IDAHO
Commission Expires: 7/12/2019

EXHIBIT A

PARCEL 1

That portion of land located in the S ½ Section 11, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, lying South and West of State Highway 55

EXCEPT that portion thereof conveyed to the State of Idaho for highway purposes by deed recorded on January 14, 1931 as Instrument No. 15402

PARCEL 2

The N ½ NE ¼ and the SW ¼ NE ¼ of Section 13, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho

PARCEL 3

The E ½ NW ¼ of Section 11, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho

PARCEL 4

The W ½ NW ¼ of Section 11, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho

PARCEL 5

The SW ¼ of Section 2, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho

Save and Except:

**A piece of land in the NW corner of the SW ¼ of Section 2, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, more particularly described as follows:
Starting 50 feet from the center of the county road, thence East along the North side of said quarter section, a distance 250 feet, thence South 150 feet, thence West 250 feet, thence North along the county road 150 feet to a point of beginning**

AND EXCEPT that portion thereof conveyed to the State of Idaho for highway purposes by deed recorded on December 1930 as Instrument No. 15320

CONTINUED ON NEXT PAGE

PARCEL 6A

That part of the North half of the Southeast quarter, Section 2, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, lying West of State Highway 15 (now known as Highway 55), more particularly described as follows:

Beginning at a stone, the Southeast corner of Section 2, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, thence North 00° 17' 20" East, 1329.14 feet along the section line to a point, the sixteenth corner, thence South 89° 28' West, 1585.33 feet along the sixteenth line to a point on the West right of way line of State Highway No. 15 and the REAL POINT OF BEGINNING; thence continuing South 89° 28' West, 1045.76 feet along the sixteenth line to a point, the sixteenth corner; thence North 00° 08' 39" East, 1328.35 feet along the North-South quarter line to a point, the center of said Section 2; thence North 89° 27' 02" East, 1102.68 feet along the quarter line to a point on the West right of way line of State Highway No. 15, thence South 03° 39' West, 579.64 feet along the West right of way line of said State Highway No. 15 to a point, thence Southerly 751.22 feet along a right of way curve to the left having a delta angle of 03° 44' 11" a radius of 11520.00 feet, a chord of 751.08 feet that bears South 01° 46' 55" West to a point, the Real Point of Beginning

PARCEL 6B

Those portions of the Northeast quarter of Section 11 and the South half of the Southeast quarter of Section 2, Township 15 North, Range 3 East, Boise Meridian, Valley County, Idaho, which lie West of the existing highway right-of-way as described in that certain Deed from Jack M. Kantola and Edith Kantola, his wife, the Grantors, to the United States of America, the Grantee, recorded on December 30, 1949, in the office of the Recorder of Valley County, Idaho in Book 28 of Deeds at page 13