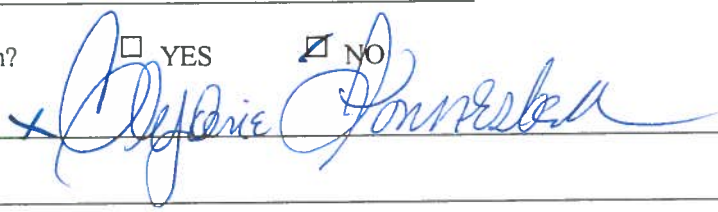


RECEIVED

NOV 26 2013

DEPT. OF WATER RESOURCES
SOUTHERN REGIONSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**Notice of Security Interest in a Water Right****And Request for Notification of a Change in Ownership or Any Proposed
Or Final Action to Amend, Transfer, or Otherwise Modify a Water Right**Please print or type. Attach pages with additional information. Instructions are on the back of this page.
Incomplete forms will be returned.

1. Water Right No(s): 45-11149 and 45-11152
Adjudication Claim No(s): _____
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
Clydine Fannesbeck
2441 West 16th Street
Burley, ID 83318
4. Name of Water Right Owner/Claimant(s) Rick D. Larson and Wendy M. Larson
5. Expiration Date of Notification Period _____
6. Is this a Renewal of Request for Notification? ☐ YES ☒ NO
7. Signature(s) of Security Interest holder(s) 
(and title if applicable)

For Office Use Only

Received by _____	Date <u>11-29-2013</u>	Fee <u>\$50-</u>	Receipt No. <u>5033668</u>
Received by <u>DM</u>	Date _____	WR _____	Date _____
Processed by _____	AJ _____		

SUPPORT DATA

IN FILE # 45-11149

Certified to be a true and exact
copy of the original document
Land Title & Escrow, Inc.
By ABm

PURCHASE MONEY MORTGAGE

CASSIA COUNTY
Recorded for:
LAND TITLE AND ESCROW
3:17:56 pm 11-21-2013
2013-005185
No. Pages: 7 Fee: \$28.00
JOSEPH W. LARSEN
County Clerk
Deputy: TPOLLARD
50729

MORTGAGE made this 20th day of November, 2013, by Rick D. Larson and Wendy M. Larson, husband and wife of Burley, Idaho ("Mortgagors") to Clydine Fonnesbeck, a married woman contracting with her sole and separate property of Burley, Idaho ("Mortgagee").

WITNESSETH:

The Mortgagors, for and in consideration of the sum of ~~One Hundred Thirty Five Thousand~~
~~(One Hundred Thirty Five Thousand)~~ and other good and valuable consideration, herein receipted for but not recited, lawful money of the United States of America, to us in hand paid, receipt whereof is hereby acknowledged, have granted, bargained, sold, conveyed, assigned, transferred, set over and mortgaged unto the Mortgagees, the successors and assigns of Mortgagees, the real estate in Cassia County, State of Idaho described as follows:

**TOWNSHIP 14 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO**

Section 24: NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$

Section 25: NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$

AND TOGETHER with all and singular the improvements thereon and all water and water rights, including but not limited to Idaho Department of Water Resources water right numbers 45-11149 and 45-11152 and all other rights and privileges owned by the Mortgagors or belonging to, or with, leading to, connected with or usually had or enjoyed in connection with the real estate or any part thereof, whether or not hereinabove expressly mentioned or described and all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining and the rents, issues and profits thereof.

TO HAVE AND TO HOLD, the foregoing described real property, fixtures, and water rights to the Mortgagees, their successors and assigns.

This is a purchase money mortgage given to secure the payment of a certain Promissory Note bearing even date herewith in the principal sum of One Hundred Thirty-Five Thousand Dollars (\$135,000.00), made, executed and delivered by the Mortgagors, as Makers to the Mortgagees, as Payees, by which said note the Mortgagors promise and agree to pay to the Mortgagees, or order of Mortgagees, the principal of the note in the sum of ~~One Hundred Thirty-Five Thousand Dollars, (\$135,000.00)~~, lawful money of the United States of America, with interest on the unpaid balance thereof, from the date hereof until paid at the rate of 1.05 percent per annum, subject to adjustment in the event of default. The last installment on the note shall be due and payable on January 10, 2016, subject to the acceleration of maturity as provided in the note and together with all costs, disbursements and attorney fees as may become due and payable thereunder. The interest and the payments may be increased or decreased in the number of periodic payments and may be extended or shortened in terms of payment by agreement of the parties without affecting priority of this mortgage.

NOW THEREFORE, if the Mortgagors shall pay all and every sum of money specified in the note, and shall in all respects fully carry out and comply with the covenants set forth and enumerated herein and in the note, this conveyance shall be void. But on the other hand, if the Mortgagors fail to pay any of the sums of money as specified, or any taxes, assessments or other charges of any nature whatsoever due or to become due on the property or in any other respect shall fail to comply with any of the covenants and agreements herein or in the note then so often as the failure of payment or breach of the covenant shall occur, or in the event of actual or impending bankruptcy or in the insolvency of the Mortgagors, or of any of the persons included in the term "Mortgagors", the Mortgagees may at any time thereafter declare the whole of the principal sum or so much thereof as at the time of such declaration

may remain unpaid, together with all unpaid principal and together with interest accrued thereon together with all sums paid by the Mortgagees under any agreement contained in the Mortgage to be at once due and payable and the Mortgagees may at any time after such failure of payment or breach of the covenant as aforesaid, proceed to foreclosure this Mortgage and to compel payment in the full amount due and payable.

The Mortgagors have covenanted, agreed, and represented, and do hereby covenant, agree and represent to and with the Mortgagees as follows:

1. The Mortgagors have valid and unencumbered title in fee simple to the real estate above described, subject only to those exceptions listed on the Warranty Deed executed by the Mortgagees to the Mortgagors simultaneously herewith, and they are the lawful owners and in possession of said real estate and that the Mortgagors have the right to convey or mortgage all of the property; the Mortgagors will not suffer or permit the property to become subject to any lien or encumbrance that shall have precedence over this mortgage; the Mortgagors do warrant and will defend the title against the Mortgagees and against all claims and demands of all persons whomsoever and that the Mortgagors will pay all such sums of money specified in the note, promptly as they become due, and all taxes, assessments and other charges that may be levied or assessed against the real estate and all taxes that may be levied or assessed against this Mortgage given by the Mortgagors in connection herewith or to the holder of this Note on account thereof when the same shall become due and payable.

2. In the event suit is instituted to foreclosure this Mortgage, the Mortgagees may recover as attorney fees such sum as the court may adjudge reasonable in addition to costs and disbursements allowed by law or by court rule together with the costs of title evidence used in the proceeding covering the property.

3. In the event suit is instituted for foreclosure, the Mortgagees, shall, as a matter of right, and without regard to sufficiency of the security or the waste or danger of misapplication of any of the properties of the Mortgagors, be entitled forthwith to have a receiver appointed of all of the property herein mortgaged, and the Mortgagors hereby expressly consent to the appointment of a receiver by any court of competent jurisdiction and expressly stipulate, covenant and agree that such receiver may remain in possession and control of the mortgaged property until the final determination of such suit or proceeding.

4. In the event the Mortgagees become a party plaintiff or defendant in any suit or legal proceeding in relation to the property described or referred to or the lien or security interest created by this mortgage, the Mortgagors agree to pay on demand all attorney fees paid or incurred by the Mortgagees in connection with the suit or proceeding, including any expenses paid or incurred in procuring evidence of title and searching the records for such purpose of litigation.

5. Mortgagees may release for such consideration, or none, as it may require, any portion of the mortgaged property without in anywise impairing or affecting the liens and the priorities herein provided for in this mortgage compared to any subordinate lienholder, as to the remainder of the security.

6. In the event of default the Mortgagors further agree, upon request of the Mortgagees, to assign to the Mortgagees, as additional and collateral security for the payment of the indebtedness hereby secured, any and all leases of the mortgaged property, or any part thereof, hereinafter made, and that no such lease shall be assigned to any party other than the Mortgagees without first obtaining the written consent of the Mortgagees to such assignment.

7. In the event of default, Mortgagors, will irrevocably assign and transfer to Mortgagees any and all moneys, payments and proceeds and benefits due or to become due the Mortgagors from or in connection with any government agricultural or conservation program of whatsoever kind and nature. The Mortgagors agree that they will not conduct any operations on the premises that will in any way impair the mortgaged property for agricultural program benefits.

8. The Mortgagors agree to do all things necessary to perfect and file for water rights on the property under the adjudication process now in effect in the State of Idaho on said water rights appurtenant or claimed regarding the property. The Mortgagors will give to the Mortgagees such assurances as may be reasonably required from time to time during the term of this mortgage that the water rights have been perfected and all acts have been done as may be required by the adjudication process.

9. In the event any part of the property herein described is condemned or taken by any governmental entity, any award made therein to any person or persons shall be paid to the Mortgagees and the Mortgagees shall have the option of applying such award or any part of it to any obligation secured hereby and releasing any balance not so applied to the person or persons to whom such award is made.

10. Mortgagors shall pay all real estate taxes, levies and assessments that may be taxed, levied and assessed against the property during the term of this mortgage. If the Mortgagor shall fail to make such payments the Mortgagees may do so and any sums so advanced shall be secured by this mortgage together with interest thereon at the rate of TWELVE percent, (12%) per annum.

11. This is a purchase money mortgage to be construed according to the laws of the State of Idaho.

12. The Mortgagors shall keep the mortgaged property free and clear of all liens and encumbrances without the written consent of the Mortgagees.

13. Time is of the essence of this mortgage.

14. This mortgage shall be binding upon the Mortgagors, the heirs, successors and assigns of Mortgagors.

15. The Mortgagees are relying on the credit of the Mortgagors and their ability to maintain and pay for this security, and therefore, in the event that the Mortgagors sell, transfer, assign or convey or otherwise hypothecate the security, the unpaid balance and all accrued interest of the Note secured hereby shall at once, without notice become immediately due and payable even though the time of maturity has not arrived.

16. The Mortgagors shall not allow any deposits to be made on the real estate of any toxic waste substance or hazardous substance as the same are defined by law.

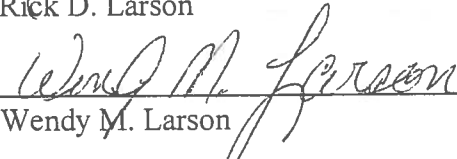
17. The lien of this mortgage shall not be affected by the renegotiation or adjustment of the interest rate or the number of periodic payments to be made in accordance with Idaho Code 45-116.

18. The Mortgagors agree to keep the property in good condition and repair, free from weeds and debris and will so maintain the premises during the duration of this Mortgage.

19. The Mortgagors agree to maintain fire insurance on the improvements on the property in an amount of their replacement value with the proceeds payable to the Mortgagees as their interest may appear.

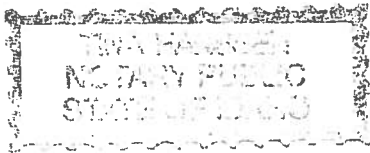
IN WITNESS WHEREOF, the Mortgagors have executed this Purchase Money Mortgage the
day and year first above written.

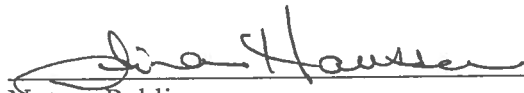

Rick D. Larson


Wendy M. Larson

STATE OF IDAHO)
) ss.
COUNTY OF CASSIA)

On this 20th day of November, 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared Rick D. Larson and Wendy M. Larson, known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.




Notary Public
Residing at: Lupat, ID
My Commission expires: **My Commission
Expires 5/7/15**