

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED *DEV*

NOV 01 2012

DEPARTMENT OF
WATER RESOURCES

Notice of Change in Water Right Ownership

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column.

Water Right/Claim No.	Split?	Water Right/Claim No.	Split?	Water Right/Claim No.	Split?
96-8624	Yes ☐		Yes ☐		Yes ☐
	Yes ☐		Yes ☐		Yes ☐
	Yes ☐		Yes ☐		Yes ☐
	Yes ☐		Yes ☐		Yes ☐
	Yes ☐		Yes ☐		Yes ☐

2. Previous Owner's Name: Martin Country, Inc.
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Richard Beal
Name of each new owner as listed on the conveyance document
Laura Beal
New owner continued ☐ Name connector ☒ and ☐ or ☐ and/or
17621 SE 214th
Mailing address
Renton WA 98058
City State ZIP
425 432 9003 rbeal@lawresults.com
Telephone Email

4. If the water rights and/or adjudication claims were split, how did the division occur?
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
5. Date you acquired the water rights and/or claims listed above: October 3, 2012
6. This form must be signed and submitted with the following **REQUIRED** items:
- A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
 - Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
 - Filing fee (see instructions for further explanation):
 - \$25 per *undivided* water right.
 - \$100 per *split* water right.
 - No fee is required for pending adjudication claims.

7. Signature: Richard Beal 10/30/2012
Signature of new owner/claimant Title, if applicable Date

Signature: _____
Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by HP Date 11-1-12 Receipt No. C096173 Receipt Amt. 25.00

Approved by _____ Processed by [Signature] Date 11-19-12

152113
Return to
ATEC

Instrument # 833459
BONNER COUNTY, SANDPOINT, IDAHO
10-3-2012 03:43:36 No. of Pages: 22
Recorded for : ATEC
MARIE SCOTT Fee: 73.00
Ex-Officio Recorder Deputy
Index to: MISC

REAL ESTATE CONTRACT

1. PARTIES AND DATE. This Contract is entered into on September 17, 2012 between the Everett J Martin and Viola K Martin Joint Self-Declaration of Trust ("Seller") and Richard and Laura Beal ("Buyer").
2. SALE AND LEGAL DESCRIPTION. Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller pursuant to the terms of this Real Estate Contract and the terms of the Purchase and Sale Agreement attached as Exhibit "A" the following described real estate in Bonner County, State of Idaho:

PARCEL 1

North Half of the Southeast Quarter of the Northeast Quarter of the Southwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 2

Northwest Quarter of the Northwest Quarter of the Southeast Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 3

Southwest Quarter of the Southwest Quarter of the Northeast Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 4

South half of the Southeast Quarter of the Southeast Quarter of the Northwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 5

North half of the Southeast Quarter of the Southeast Quarter of the Northwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 6

East Half of the Southwest Quarter of the Southeast Quarter of the Northwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 7

West Half of the Southwest Quarter of the Southeast Quarter of the Northwest Quarter and the South Half of the Southwest Quarter of the Northwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho

PARCEL 8

West Half of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter and the North Half of the Southwest Quarter of the Northwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

3. **Other Included Personal Property.** That personal or other property included in the Purchase and Sale Agreement, attached as Exhibit "A" to this Real Estate Contract, is also included in the sale.

4. **Price and Payment Plan.** Buyer agrees to pay Five Hundred Forty Four Thousand Five Hundred Dollars (\$544,500.00) as the purchase price for the real and personal property described above. Buyer shall, at closing as provided in Exhibit "A," pay a down payment of One Hundred Thousand Dollars (\$100,000) to which previously paid earnest money of \$1,000 shall be applied. Buyer hereby agrees to pay the remaining sum of Four Hundred Forty Four Thousand and Five Hundred Dollars (\$444,500.00) over ten years at the rate of three (3%) percent per annum on the declining balance thereof to Seller as follows:

(a) Four Thousand Two Hundred and Ninety Two Dollars and Thirteen Cents (\$4,292.13) or more at Buyer's option on or before the first (1st) day of the month immediately following the Closing Date set forth in the Purchase and Sale Agreement (attached as Exhibit "A") from that date and a like amount or more on or before the first (1st) day of each and every month thereafter until paid in full. There shall be no prepayment penalty.

5. **Fulfillment Deed.** Upon payment of all amounts due Seller, Seller agrees to deliver to Buyer a Warranty Deed in fulfillment of this Contract. Any personal property included in the sale shall be included in the fulfillment deed.

6. **Late Charges.** If any payment on the purchase price is not made within thirty (30) days after the date it is due, Buyer agrees to pay a late charge equal to five percent (5%) of the amount of such payment.

7. **Taxes.** The Buyer assumes and agrees to pay before delinquency all taxes and assessments that may hereafter become a lien on the Property. Seller agrees to timely and promptly forward any and all tax payment information to Buyer and to forward any and all notices posted or received relating to taxes owed or due for the Property.

8. **Insurance.** Buyer agrees to maintain property insurance on the residential house and shop continuously until the contract balance is completely paid. Combined limits shall be not less than \$200,000. Buyer shall use proceeds from any loss to rebuild to pre-loss condition. If Buyer is unable to or does not rebuild, insurance proceeds shall be paid to seller as principal to reduce contract balance. This obligation

shall cease upon completion of the terms of the Real Estate Contract described in Paragraph 1 above.

9. **Prohibition on Commercial Timber Harvesting.** Buyer is prohibited from engaging in any commercial timber harvesting on the property until the purchase price is fully paid.

10. **Default and Remedies.** If Buyer fails to make any payment required hereunder promptly at the time herein required or default in the performance of any obligation set forth herein, Seller shall provide a default notice to Buyer demanding the cure of said default. Should Buyer fail to cure said default within thirty (30) days after demand, Seller may elect to declare all of Buyer's rights hereunder terminated, and upon his doing so, all payments made by the Buyer hereunder and all improvements placed upon the Property shall be forfeited to the Seller as liquidated damages, and the Seller shall have right to re-enter and take possession of the Property. No waiver by Seller of any default on the part of Buyer shall be construed as a waiver of any subsequent default.

11. **Attorneys Fees.** In the event of any action or legal proceeding commenced to enforce any of the terms and conditions herein, the prevailing party shall receive from the other a reasonable sum as attorney's fees together with costs.

12. **Notices.** All notices required or permitted to be given hereunder shall be in writing and shall be deemed upon personal service or upon mailing by United States Certified Mail, postage prepaid, return receipt requested and addressed as follows:

To Seller: Everett J Martin and Viola K Martin Joint Self-Declaration
of Trust
To be supplied at closing

To Buyer: Richard and Laura Beal
17621 SE 214th Renton, WA 98058

13. **Opportunity to Consult with Counsel.** The parties acknowledge that they have had an adequate opportunity to read and study this Agreement, to consider it, to consult with attorneys if he or she has so desired, without any form of coercion, duress, or pressure.

IN WITNESS WHEREOF, the parties have executed this instrument as of the date and year first written above.

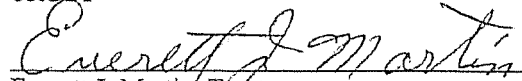
Buyer:

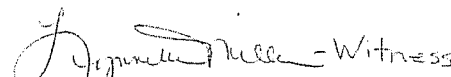


RICHARD BEAL

Seller:

EVERETT J MARTIN AND VIOLA K
MARTIN JOINT SELF-DECLARATION OF
TRUST


Everett J. Martin, Trustee

 - Witness
3 Lynette Miller

Laura A. Beal
LAURA BEAL

In presence of

[Signature]
Signature of Witness

Isaac D. Miller
Name of Witness

Seller:

EVERETT J MARTIN AND VIOLA K
MARTIN JOINT SELF-DECLARATION OF
TRUST

Viola K. Martin
Viola K. Martin, Trustee

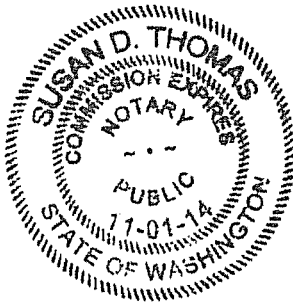
In presence of

[Signature]
Signature of Witness

Hymette Miller
Name of Witness

STATE OF Washington
COUNTY OF King) ss.

I certify that I know or have satisfactory evidence that RICHARD BEAL signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.



Dated: Sept 17, 2012.

Susan D. Thomas
Signature of Notary Public

Susan D. Thomas
Name of Notary Public

NOTARY PUBLIC
11-01-14

My Appointment Expires:

STATE OF Washington
: ss.
COUNTY OF King)

I certify that I know or have satisfactory evidence that LAURA BEAL signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.



Dated: Sept 17, 2012.

Susan D Thomas

Signature of Notary Public

SUSAN D. THOMAS

Name of Notary Public

NOTARY PUBLIC

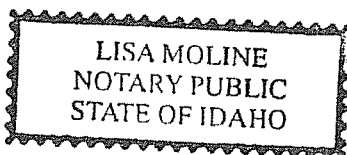
11-01-14

My Appointment Expires:

STATE OF IDAHO)
: ss.
COUNTY OF Bonner)

I certify that I know or have satisfactory evidence that EVERETT J. MARTIN signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledge it as Trustee of The Everett J Martin and Viola K. Martin Joint Self-Declaration of Trust to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 2 day of October, 2012.



[Signature]

Signature of Notary Public

Lisa Moline

Name of Notary Public

NOTARY PUBLIC

Sandpoint

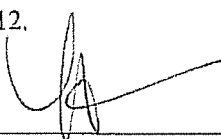
My Appointment Expires:

11-01-13

STATE OF IDAHO)
COUNTY OF Bonner) : ss.

I certify that I know or have satisfactory evidence that VIOLA K. MARTIN signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledge it as Trustee of The Everett J Martin and Viola K Martin Joint Self-Declaration of Trust to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 2 day of October, 2012.



Signature of Notary Public

Lisa Moline

Name of Notary Public
NOTARY PUBLIC

Ninepoint

My Appointment Expires: 11-9-13

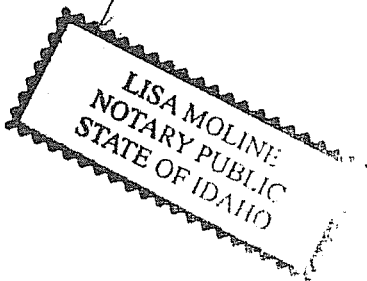
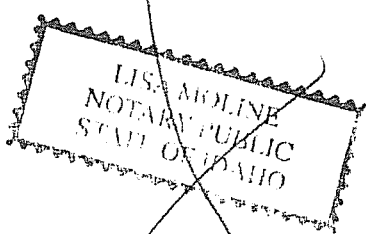


EXHIBIT "A"
Purchase and Sale Agreement

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement ("Agreement") is made and entered into as of the 10th day of August, 2012 (the "Effective Date") by and between Richard and Laura Beal ("Buyer") and Everett J Martin and Viola K Martin Joint Self-Declaration of Trust ("Seller"). The Buyers and Seller are sometimes collectively referred to herein as the "Parties" or individually as a "Party."

RECITALS

A. Seller owns certain property located in the County of Bonner, Idaho ("the Property"). The Property consists of eight (8) parcels and is more particularly described on Exhibit "A" attached hereto and by this reference incorporated herein.

B. Seller desires to sell the Property to Buyer, and Buyer desires to buy the Property, on the terms and conditions set forth below.

AGREEMENT

In consideration of the mutual covenants and provisions herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller hereby agree as follows:

1. Purchase Price. The purchase price shall be Five Hundred and Forty Four Thousand Five Hundred Dollars (\$544,500.00) payable under the following terms and conditions (not including closing costs). Buyer shall pay the purchase price as follows:

- 1.1 A down payment of One Hundred Thousand Dollars (\$100,000.00). Buyers have already paid \$1,000 earnest money. The earnest money shall be applied to this down payment.
- 1.2 The remaining balance of approximately Four Hundred Forty Four Thousand Five Hundred Dollars (\$444,500.00) shall be payable to Seller in equal consecutive monthly payments to amortize the balance due pursuant to a Real Estate Contract to be negotiated prior to closing by the parties. The Real Estate Contract shall specify Seller financing of the remaining balance pursuant to the following terms: Interest shall accrue at three (3%) percent per year and shall be amortized over ten (10) years. Seller will have no prepayment penalties.

2. Items Specifically Included In This Sale. All existing fixtures and fittings that are attached to the Property, the mobile home located on the Property, and all appliances and non-sentimental furniture are included in the Purchase Price (unless excluded below), and shall be transferred free of liens.

3. **Items Specifically Excluded in This Sale.** All contents and equipment within the shop are not included in the Purchase Price. Upon the deaths of Everett and Viola Martin, Seller shall provide Buyer with a purchase price for the contents and equipment within the shop and will provide Buyer with a right of first refusal on the contents and equipment within the shop.

4. **Mineral Rights.** Any and all mineral rights appurtenant to the Property are included in and are part of the sale of this Property unless otherwise agreed to by the parties in writing.

5. **Water Rights.** Any and all water rights including but not limited to water systems, wells, springs, lakes, streams, ponds, rivers, ditches, ditch rights and the like, if any appurtenant to the Property are included in and are a part of the sale of this Property unless otherwise agreed to by the parties in writing. The parties recognize and understand that Water Right No. 96-8624 (attached as Exhibit "B") for Hellroaring Creek is currently owned by Martin Country, Inc., an Idaho corporation. Upon execution of this Agreement, Sellers agree and covenant that Martin Country, Inc., shall convey to Buyers Water Right No. 96-8624 by warranty deed in a form acceptable to Buyer.

6. **Condition of Title.** Unless otherwise specified in this Agreement, title to the Property shall be marketable at Closing. The following shall not cause the title to be unmarketable: rights, reservations, covenants, conditions and restrictions, presently of record and general to the area; and easement and encroachments, not materially affecting the value of or unduly interfering with Buyer's reasonable use of the Property. Monetary encumbrances or liens not assumed by Buyer shall be paid or discharged by Seller on or before Closing. Title shall be conveyed by Warranty Deed upon completion receipt of the Real Estate Contract described in Paragraph 1 above.

7. **Title Insurance.** On the Closing Date, Seller shall cause Title Company to insure title to the Property in the name of the Buyer, and insure Buyer from loss as a result of any liens, encumbrances, or restrictions, which insurance shall be in the amount of the purchase price of the Property, subject to the exceptions contained in the owners' policy form and the exceptions set forth therein.

8. **Closing and Possession.** This sale shall be closed on the Closing Date. "Closing" means the date on which all documents are recorded and the sale proceeds are available to the Seller. The Closing Date shall be thirty (30) days from the date this Agreement is fully executed. If the Closing Date fall on a Saturday, Sunday, legal holiday, or when the applicable recording office is closed, the Closing Date shall be the next day that is not a Saturday, Sunday, legal holiday, or day when the applicable recording office is closed. Buyer shall be entitled to possession, subject to the Right of First Use described below, at 9:00p.m. on the Closing Date.

Upon closing, Everett and Viola Martin (the "Martins") shall enjoy a Right of First Use of the Property for the remainder of their natural lives. Buyer agrees to timely enter into a Right

of First Use Agreement with the Martins acceptable to both Buyer and the Martins prior to or at the time of Closing.

9. **Consent of Beneficiaries.** Seller agrees to provide written consent of each and every beneficiary of the Joint Self-Declaration of Trust of Everett J Martin and Viola K Martin to the sale of the Property prior to the Closing Date.

10. **Hydro-Power System.** Seller shall provide to Buyer prior to closing As-Built drawings of the hydro-power system located on the Property including the location of all piping and system components.

11. **Vendor/Maintenance Company Notebook.** Seller shall provide to Buyer prior to closing a true and correct copy of the vendor/maintenance company notebook for the Property.

12. **Operator's Manual.** Seller shall provide to Buyer prior to closing a videography of Everett Martin describing the system components, use, operation, and maintenance of the Property, Buyer to be responsible for videography.

13. **Representations and Warranties.** Seller represents and warrants to Buyer as follows:

(a) That at the date of execution of the Agreement and at the Closing Date, Seller, and any person signing on behalf of Seller, has, and shall have, full power, authority, and competency to execute this Agreement and to perform all of Seller's obligations hereunder.

(b) There are no oral commitments, agreements or understandings of any kind or nature whatsoever materially affecting the Property, and no written commitments or agreements of any kind or nature whatsoever materially affecting the Property except as have been disclosed in writing to Buyer.

(c) There is no claim, suit, demand or litigation (including any condemnation or eminent domain proceeding) pending or to the best of Seller's knowledge threatened with respect to the Property.

(d) There are no code violations in relation to the Property or any structure located on the Property to the best of Seller's knowledge.

14. **Seller's Right of First Refusal.** Buyer agrees to not sell or enter into any agreement to sell during the term of the Real Estate Contract referenced in Paragraph 1 above, any separate portion of the Property. Should Buyer decide to sell the entirety of the Property to a third party during the term of the Real Estate Contract referenced in Paragraph 1 above, before Buyer may sell the Property, Buyer shall first offer to sell the Property or applicable portion of the Property to Seller on the same terms and conditions as are offered by the third party. Seller shall have thirty (30) days during which to accept said offer. If Seller does not accept said offer within said period, Buyer shall be free to accept the third-party offer.

15. **Insurance.** Buyer agrees to keep the residential house and the shop presently erected on the Property continuously insured pursuant to a Two Hundred Thousand Dollars (\$200,000.00) Replacement Cost Insurance Policy. Seller shall be the sole beneficiary of the policy. This obligation shall cease upon completion of the terms of the Real Estate Contract described in Paragraph 1 above.

16. **Easement Agreement with Tom and Gale Taylor.** This Agreement is subject to the entry of an easement for ingress and egress over the thirty (30) acre strip of property owned by Tom and Gale Taylor benefitting the Property or that portion of the Property necessary to meet the needs of Buyer.

17. **Access over Benson Property.** This Agreement is subject to the existence of an easement for ingress and egress benefitting any portion of the Property to the five acre parcel identified as SAC 5250 on the diagram attached as Exhibit "C" to this Agreement.

18. **Seller's Property Condition Disclosure Form.** Buyer hereby waives any requirement set forth in Title 55, Chapter 25 of Idaho Code requiring Seller to provide the "Seller's Property Condition Disclosure Form."

19. **Waiver.** If any requirement set forth in this Agreement is not met on the Closing Date, the party for whose benefit such requirement exists may waive the requirement that the requirement or requirements be met by completing this transaction, or such party may terminate the Agreement without any further liability.

20. **Default and Remedies.**

20.1 **Seller's Remedies.** If Buyer defaults in performing any of the Buyer's obligations under the terms of this Agreement for any reason, other than Seller's default, Seller may: (i) terminate this Agreement and receive any earnest money as liquidated damages; (ii) enforce the specific performance of this Agreement against Buyer; or (iii) bring suit for damages.

20.2 **Buyer's Remedies.** If Seller defaults in performing any of Seller's obligations under the terms of this Agreement for any reason, other than Buyer's default, Buyer may be entitled to the return of any earnest money and may pursue any remedy available at law or in equity and may, at its option, pursue one or more of the following: (i) enforce specific performance of this Agreement against Seller; (ii) terminate this Agreement by written notice to the Seller; or (iii) bring suit for damages.

21. **Miscellaneous.**

21.1 **Entire Agreement.** There are no verbal or other agreements between the parties with respect to the Property except as expressly set forth in this Agreement. This Agreement is the entire agreement of the parties with respect to the purchase and sale of the Property with the exception of the Real Estate Contract described in Paragraph 1 above. This Agreement shall not be modified except by a written instrument executed by the parties subsequent to the date of this Agreement.

21.2 Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Idaho.

21.3 Time. Time is of the essence of this Agreement and every provision herein contained.

21.4 Attorneys' Fees. In the event any action or legal proceeding is commenced to enforce any of the terms and conditions hereof or to terminate this Agreement, the prevailing party shall receive from the other a reasonable sum as attorney's fees together with costs.

21.5 Non-Merger. The terms and provisions of this Agreement (including Seller's representations and warranties) shall not merge in, but shall survive, the closing of the transaction contemplated herein.

21.7 Counterparts. This Agreement may be executed in any number of counterparts, all of which together shall constitute one agreement binding on the parties hereto.

21.8 Notices. All notices required or permitted to be given hereunder shall be in writing and shall be deemed upon personal service or upon mailing by United States Certified Mail, postage prepaid, return receipt requested and addressed as follows:

To Seller: Everett J Martin and Viola K Martin Joint Self-Declaration of Trust
To be supplied at closing

To Buyer: Richard and Laura Beal
17621 SE 214th Renton, WA 98058

21.9 Opportunity to Consult with Counsel. The parties acknowledge that they have had an adequate opportunity to read and study this Agreement, to consider it, to consult with attorneys if he or she has so desired, without any form of coercion, duress, or pressure.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first written above.

Added: No commercial timber harvesting (logging) may occur until this purchase contract is completed or property purchase is paid in full. EJM RTB LAB

Buyer:

Richard Beal

RICHARD BEAL

Laura A. Beal

LAURA BEAL

Seller:

EVERETT J MARTIN AND VIOLA K
MARTIN JOINT SELF-DECLARATION OF
TRUST

Everett J. Martin
Everett J. Martin, Trustee

In presence of

Therese Miller
Signature of Witness

Therese Miller
Name of Witness

EVERETT J MARTIN AND VIOLA K
MARTIN JOINT SELF-DECLARATION OF
TRUST

Viola K. Martin
Viola K. Martin, Trustee

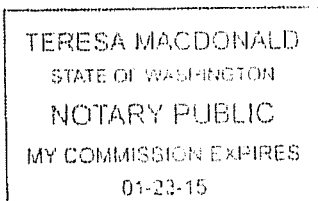
In presence of

Therese Miller
Signature of Witness

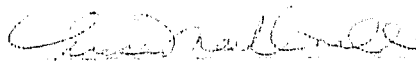
Therese Miller
Name of Witness

STATE OF Washington)
 : ss.
COUNTY OF King)

I certify that I know or have satisfactory evidence that RICHARD BEAL signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.



Dated: August 3, 2012.



Signature of Notary Public

Teresa MacDonald

Name of Notary Public

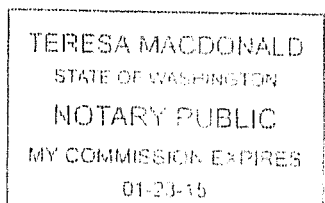
NOTARY PUBLIC

01-23-15

My Appointment Expires:

STATE OF Washington)
 : ss.
COUNTY OF King)

I certify that I know or have satisfactory evidence that LAURA BEAL signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.



Dated: August 3, 2012.



Signature of Notary Public

Teresa MacDonald

Name of Notary Public

NOTARY PUBLIC

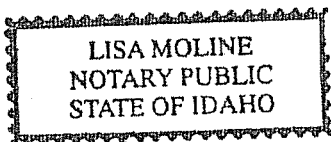
01-23-15

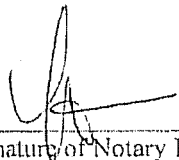
My Appointment Expires:

STATE OF IDAHO)
) ss.
COUNTY OF Bonner)

I certify that I know or have satisfactory evidence that EVERETT J. MARTIN signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledge it as Trustee of The Everett J Martin and Viola K Martin Joint Self-Declaration of Trust to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 10 day of August, 2012.





Signature of Notary Public

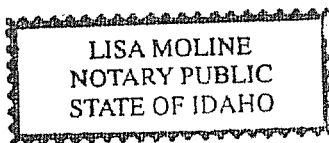
Name of Notary Public
NOTARY PUBLIC

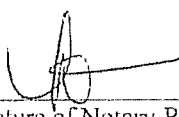
My Appointment Expires: 11-9-13

STATE OF IDAHO)
) ss.
COUNTY OF Bonner)

I certify that I know or have satisfactory evidence that VIOLA K. MARTIN signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledge it as Trustee of The Everett J Martin and Viola K Martin Joint Self-Declaration of Trust to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 10 day of August, 2012.





Signature of Notary Public

Name of Notary Public
NOTARY PUBLIC

My Appointment Expires: 11-9-13

EXHIBIT A
Legal Descriptions

PARCEL 1

North Half of the Southeast Quarter of the Northeast Quarter of the Southwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 2

Northwest Quarter of the Northwest Quarter of the Southeast Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 3

Southwest Quarter of the Southwest Quarter of the Northeast Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 4

South half of the Southeast Quarter of the Southeast Quarter of the Northwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 5

North half of the Southeast Quarter of the Southeast Quarter of the Northwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 6

East Half of the Southwest Quarter of the Southeast Quarter of the Northwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 7

West Half of the Southwest Quarter of the Southeast Quarter of the Northwest Quarter and the South Half of the Southwest Quarter of the Northwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

PARCEL 8

West Half of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter and the North Half of the Southwest Quarter of the Northwest Quarter of Section 3, Township 59 North, Range 2 West, Boise Meridian, Bonner County, Idaho.

EXHIBIT B

Water Right No. 96-8624

State of Idaho
Department of Water Resources

Water Right License

WATER RIGHT NO. 96-08624

Priority: October 23, 1990

Maximum Diversion Rate:

2.02 CFS

Maximum Diversion Volume:

1459.9 AF

This is to certify, that MARTIN COUNTRY INC

4000 PACK RIVER RD

SANDPOINT ID 83864

has complied with the terms and conditions of the permit, issued pursuant to Application for Permit dated October 23, 1990; and has submitted Proof of Beneficial Use on October 26, 1995. An examination indicates that the works have a diversion capacity of 2.020 cfs of water from:

HELLROARING CREEK

tributary to PACK RIVER

source, and a water right has been established as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>	<u>ANNUAL VOLUME</u>
IRRIGATION	03/15 to 11/15	0.12 CFS	18.0 AF
POWER	01/01 to 12/31	2.00 CFS	1445.4 AF
DOMESTIC	01/01 to 12/31	0.04 CFS	1.2 AF
RECREATION STORAGE	01/01 to 12/31		0.9 AF
FIRE PROTECTION	01/01 to 12/31	2.02 CFS	
DIVERSION TO STORAGE	01/01 to 12/31	0.12 CFS	
Totals		2.02 CFS	1459.9 AF

LOCATION OF POINT(S) OF DIVERSION:

SWNW , Sec. 3, Township 59N, Range 02W
SENW , Sec. 3, Township 59N, Range 02W
BONNER County

PLACE OF USE: IRRIGATION

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>	<u>ACRES</u>	<u>ACRES</u>	<u>ACRES</u>	<u>TOTAL</u>
59N	02W	3	SWNE	6		6

Total number of acres irrigated: 6

PLACE OF USE: POWER

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>	
59N	02W	3	SENW

PLACE OF USE: DOMESTIC

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>		
59N	02W	3	SWNE	SENW

PLACE OF USE: RECREATION STORAGE

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>	
59N	02W	3	SWNE

State of Idaho
Department of Water Resources

Water Right License

WATER RIGHT NO. 96-08624

PLACE OF USE: FIRE PROTECTIONTWN RGE SEC

59N 02W 3

SWNE

SENE

CONDITIONS OF APPROVAL AND REMARKS

1. The maximum diversion volume is defined as the maximum allowable volume of water that may be diverted annually from the source under this right. The use of water confirmed by this right is limited to the amount that can actually be beneficially used. The maximum diversion volume may be adjusted to more accurately describe the beneficial use or to implement accepted standards of diversion and use efficiency.
2. This water right is appurtenant to the described place of use.
3. This right is subject to all prior water rights and may be forfeited by five years of non-use.
4. Modifications to or variance from this license shall be made within the limits of Section 42-222, Idaho Code, or the applicable Idaho law.
5. This right does not constitute Idaho Public Utilities Commission or Federal Energy Regulatory Commission approval that may be required.
6. The water right confirmed in this license for hydropower purposes shall be junior and subordinate to all rights to the use of water, other than hydropower, within the State of Idaho that are initiated later in time than the priority of this license and shall not give rise to any right or claim against any future rights to the use of water, other than hydropower, within the State of Idaho initiated later in time than the priority of this license.
7. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.0 afa per acre at the field headgate for irrigation of the lands above.
8. Diversion of water under this right shall not reduce or impede the free flow of Pack River which is necessary for fish spawning and aquatic habitat.
9. The diversion and use of water for hydropower purposes under this license is subject to review by the Director on or after November 1, 2005. Upon appropriate findings relative to the interest of the public, the Director may cancel all or any part of the use authorized herein and may revise, delete or add conditions under which the right may be exercised.
10. Domestic use is for 2 homes and does not include lawn, garden, landscape, or other types of irrigation.
11. Recreation storage is for a private fishing pond.

State of Idaho
Department of Water Resources

Water Right License

WATER RIGHT NO. 96-08624

This license is issued pursuant to the provisions of Section 42-219, Idaho Code,
Witness the seal and signature of the Director, affixed at Boise, this 24th
day of July, 1992.

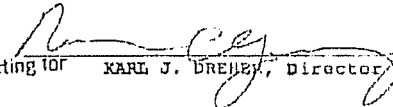
Acting for  KARL J. DREHER, Director

EXHIBIT C

Five Acre Parcel Identified as SAC 5250 on Diagram

1997

BOUNDARY

1594.227

39.0

COUNTY

00561

Thenson

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Ten's Gate

10

State of Idaho
Department of Water Resources
Water Right License

WATER RIGHT NO. 96-08624

Priority: October 23, 1990

Maximum Diversion Rate: 2.02 CFS
Maximum Diversion Volume: 1459.9 AF

This is to certify, that MARTIN COUNTRY INC
4000 PACK RIVER RD
SANDPOINT ID 83864

has complied with the terms and conditions
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FIRE PROTECTION	01/01 to 12/31	2.02 CFS	
DIVERSION TO STORAGE	01/01 to 12/31	0.12 CFS	
	Totals	2.02 CFS	1459.9 AF

LOCATION OF POINT(S) OF DIVERSION:

SWNW , Sec. 3, Township 59N, Range 02W
SENW , Sec. 3, Township 59N, Range 02W
BONNER County

PLACE OF USE: IRRIGATION

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>	<u>ACRES</u>	<u>ACRES</u>	<u>ACRES</u>	<u>TOTAL</u>
59N	02W	3	SWNE	6		6

Total number of acres irrigated: 6

PLACE OF USE: POWER

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>
59N	02W	3

SENW

PLACE OF USE: DOMESTIC

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>
59N	02W	3

SWNE SENW

PLACE OF USE: RECREATION STORAGE

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>
59N	02W	3

SWNE

State of Idaho
Department of Water Resources
Water Right License

WATER RIGHT NO. 96-08624

PLACE OF USE: FIRE PROTECTION

TWN RGE SEC

59N 02W 3

SWNE

SENE

CONDITIONS OF APPROVAL AND REMARKS

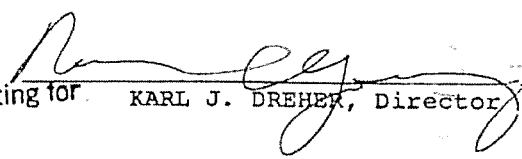
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Acting for. KARL J. DREHER, Director