

RECEIVED

MAR 12 2012

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): See Attached Exhibit A

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

Metropolitan Life Insurance Company

10801 Mastin Blvd., Suite 930

Overland Park, KS 66210

4. Name of Water Right Owner/Claimant(s) Cranney Land Company, L.L.C.5. Expiration Date of Notification Period 12/05/20326. Is this a Renewal of Request for Notification? ☒ YES ☐ NO7. Signature(s) of Security Interest holder(s) 
(and title if applicable)

Kevin J. Harshberger, Director

Metropolitan Life Insurance Company

For Office Use Only

Received by _____	Date _____	Fee <u>\$675-</u>
Received by <u>DB</u>	Date <u>3-12-2012</u>	Receipt No. <u>5032414</u>
Processed by _____	Date _____	WR _____ Date _____

EXHIBIT A

Water Rights

Water Right Number	Source	Appropriation
45-425D	Big Cottonwood Creek	0.5 CFS
45-433	Big Cottonwood Creek	2.72 CFS
45-514A	Big Cottonwood Creek	3.2 CFS
45-516	Big Cottonwood Creek	3.2 CFS
45-597	Mill Creek	1.2 CFS
45-622B	Mill Creek	5.15 CFS
45-674	Mill Creek	0.8 CFS
45-2413	Ground Water	1.02 CFS
45-2431	Ground Water	1.3 CFS
45-2432	Ground Water	6.2 CFS
45-2603	Ground Water	1.95 CFS
45-4107	Ground Water	0.2 CFS
45-4045	Ground Water	6 CFS
45-7055	Ground Water	6.04 CFS
45-7064	Ground Water	5.44 CFS
45-7150	Ground Water	6.2 CFS
45-7242	Ground Water	4.8 CFS
45-13550	Ground Water	8.14 CFS
45-13585	Ground Water	21 CFS
45-14219	Mill Creek	1.37 CFS
45-14221	Mill Creek	8.31 CFS

Water Right Number	Source	Appropriation
45-14223	Mill Creek	1.03 CFS
45-2028	Cottonwood Creek	18 CFS
45-2324	Ground Water	0.86 CFS
45-2594B	Ground Water	1.24 CFS
45-2639	Ground Water	3.48 CFS
45-7307	Ground Water	4.48 CFS

WHEN RECORDED RETURN TO:

Metropolitan Life Insurance Company
10801 Mastin Blvd., Suite 930
Overland Park, KS 66210
Attn: Director

CASSIA COUNTY
Recorded for:
LAND TITLE AND ESCROW
8:52:45 am 03-09-2012
2012-000993
No. Pages: 56 Fee: \$175.00
JOSEPH W. LARSEN
County Clerk
Deputy: VIKI

#49027

(space above reserved for recorder's use)

**MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT
AND FIXTURE FILING
(Cassia County, Idaho)**

DATED: March 1, 2012

FROM: CRANNEY LAND COMPANY, L.L.C., MORTGAGOR
an Idaho limited liability company
CRANNEY FARMS,
an Idaho general partnership
WILLARD DUANE CRANNEY, JR. and NANCY KAYE CRANNEY,
husband and wife
DOUGLAS KEITH CRANNEY and KARLA RAE CRANNEY,
husband and wife
MICHAEL WAYNE CRANNEY and KATHRYN GROVER CRANNEY,
husband and wife

1310 South 600 West
Oakley, Idaho 83346

TO: METROPOLITAN LIFE INSURANCE COMPANY MORTGAGEE
a New York corporation
10801 Mastin Blvd., Suite 930
Overland Park, Kansas 66210

Mortgagor is the owner of the real property in Cassia County, Idaho described on the attached Exhibit A.

Mortgagee has loaned or agreed to loan to Mortgagor the original principal amount of ~~TWENTY ONE MILLION AND NO/100 DOLLARS (\$21,000,000.00)~~ on certain terms and conditions. Such amount will be repayable with interest according to the terms of a promissory note (the "Note"), given to evidence such indebtedness, dated of even date herewith, under which the final payment of principal and interest pursuant to the Note will be due on December 5, 2032. The Note and any documents or instruments given in renewal, modification, substitution or addition to the Note as originally issued, are collectively referred to herein as the "Note." The Note provides that the interest rate and payment terms may be adjusted. The loan is subject to those terms and conditions contained in a Loan Agreement of even date herewith between Mortgagor, as borrower, and Mortgagee, as lender (the "Agreement").

The term "Indebtedness" as used in this Mortgage shall mean (a) the principal, interest payable and other amounts under the Note including, without limitation, prepayment premiums, (b) any future amounts that Mortgagee may in its discretion loan to Mortgagor, with interest thereon, (c) any amounts expended or advanced by Mortgagee to discharge obligations of Mortgagor or expenses incurred by Mortgagee to enforce obligations of Mortgagor, as permitted under this Mortgage, with interest thereon as provided below, (d) any amount, with interest thereon as provided in Section 13.4 below, to the extent Mortgagee specifically elects by written notice to Mortgagor to include such amounts in the Indebtedness, and (e) all other amounts owing to Mortgagee under the terms of the Note, the Agreement or this Mortgage.

To secure payment of the Indebtedness and performance of all obligations of Mortgagor under this Mortgage and the Agreement, Mortgagor hereby mortgages, conveys and assigns to Mortgagee the following, whether now owned or hereafter acquired:

- A. The real property in Cassia County, Idaho described on the attached Exhibit A, with all appurtenances and existing or future improvements (the "Real Property");
- B. All buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Real Property, including, without limitation, (i) houses, barns, sheds, warehouses, pumphouses, bunkhouses, mobile homes, modular homes, hothouses and all other buildings, (ii) potato storage equipment, grain bins, grain storage facilities and attachments used to move grain within storage facilities or maintain or modify grain quality, storage bins, metal sheds and buildings, water towers, and windmills, (iii) all towers, fences, gates and posts, (iv) all electric, water and gas lines, wiring, pipe and equipment together with meters, transformers, switch boxes, fuse panels, circuit breakers, timing devices, thermostats and control valves, (v) air conditioning and heating equipment including coils, compressors, ducts and heaters, (vi) all wall-to-wall carpet, refrigerators, stoves and other built-in equipment, and (vii) all additions, substitutions and replacements thereof now or hereafter owned by Mortgagor and located in, on or about, or used or intended to be used with or in connection with the use, operation or enjoyment of the Real Property, all of which are hereby declared and shall be deemed to be fixtures and accessions to the Real Property as

between the parties hereto and all persons claiming by, through or under them, and which shall be deemed to be a portion of the security for the indebtedness herein described and to be secured by this Mortgage;

- C. All easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, shrubs, trees and timber now or hereafter located on the Real Property or under or above the same or any part or parcel thereof, and all estates, rights, titles, interests, minerals, royalties, easements, privileges, liberties, tenements, hereditaments and appurtenances, reversion and reversions, remainder and remainders whatsoever, in any way belonging, relating or appertaining to the Real Property or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Mortgagor, including without limitation, those described on Exhibit A.
- D. All present and future income, rents, issues, profits and revenues of the Real Property from time to time accruing (including, without limitation, all payments under leases or tenancies, unearned premiums on any insurance policy carried by Mortgagor for the benefit of Mortgagee and/or the Real Property, tenant security deposits, escrow funds and all awards or payments, including interest thereon and the right to receive same, growing out of or as a result of any exercise of the right of eminent domain, including the taking of any part or all of the Real Property or payment for alteration of the grade of any road upon which said Real Property abuts, or any other injury to, taking of or decrease in the value of said Real Property to the extent of all amounts which may be owing on the indebtedness secured by this Mortgage at the date of receipt of any such award or payment by Mortgagor, and the reasonable attorneys' fees, costs and disbursements incurred by Mortgagee in connection with the collection of such award or payment), and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law or in equity, of Mortgagor of, in and to the same (the "Income"); reserving only the right to Mortgagor to collect the same as long as no default or event of default as defined in Section 11 below shall have occurred;
- E. All furnishings, fixtures (including trade fixtures), supplies, equipment and inventory used for the production of water on or transportation of water to the Real Property, or for the irrigation or drainage thereof including pumps, motors, pipes, pivots, and drip systems (but not including rolling stock or implements attached thereto), and all substitutions for, or replacements of, the foregoing, including without limitation (i) all such items that may be removed from the Real Property without a written release from Mortgagee, and (ii) the items described on attached Exhibit B.
- F. All water, water rights, ditches and ditch rights, and any permits, licenses, certificates or shares of stock evidencing any such water or ditch rights, and all

water delivery contracts, water rights purchase agreements or options to purchase water rights and any such rights acquired in the future, which entitle Mortgagor to use water for any purpose upon the Real Property, including, but not limited to the water rights listed on attached Exhibit C (the rights and interests described in this paragraph are referred to herein as the "Water Rights");

- G. All of Mortgagor's right, title and interest in all leases of or pertaining to the Real Property;
- H. All grazing leases, permits, allotments, licenses and privileges (the "Permits") covering state or federally owned lands used or operated in connection with the Real Property, together with all renewals of such Permits and any such Permits acquired in the future;
- I. All accessions, parts, or additions to and all replacements of and substitution for any of the property described in the preceding clauses; and
- J. All products of any of the property described on the preceding subparagraphs and all proceeds (including insurance proceeds) from the sale or other disposition of any of the property described in the preceding clauses; provided, that by accepting a security interest in proceeds Mortgagee does not consent to sale or other disposition of any of the foregoing.

The real and personal property described above is referred to as the "Property."

Mortgagor hereby grants to Mortgagee a security interest in the Income, the Water Rights, the Permits, and all Property constituting personal property (collectively, the "Personal Property").

This Mortgage is given and accepted on the following terms and conditions which Mortgagor will promptly and faithfully observe and perform:

1. PAYMENT AND PERFORMANCE

Mortgagor shall pay to Mortgagee promptly when due all amounts payment of which is secured by this Mortgage and shall strictly perform all obligations imposed upon Mortgagor by this Mortgage, the Agreement, and the Note.

2. POSSESSION AND MAINTENANCE OF THE PROPERTY

- 2.1 Possession. Until in default, Mortgagor may remain in possession and control of and operate and manage the Property and collect the Income from the Property.

- 2.2 Duty to Maintain. Mortgagor shall maintain the Property in good condition at all times and promptly perform all repairs and maintenance necessary to preserve its value. The Real Property shall be cultivated in accordance with good husbandry practices and all farming and ranching operations shall be conducted in such manner as to prevent deterioration of the Property, except for reasonable wear and tear from proper use. Without limiting the foregoing, Mortgagor shall operate and maintain the crops on the Property in accordance with good farming and ranching practices prevailing in Idaho.
- 2.3 Nuisance, Waste. Mortgagor shall not conduct or permit any nuisance and shall not commit or suffer any strip mining or waste on the Property.
- 2.4 Removal of Improvements. Mortgagor shall maintain and not demolish or remove any improvements from the Property without the prior written consent of Mortgagee. Mortgagee shall consent if Mortgagor makes arrangements satisfactory to Mortgagee to replace any improvement which Mortgagor proposes to remove with one of at least equal value and utility. "Improvements" shall include all existing and future buildings, structures and other fixtures and equipment now or hereafter installed in, attached to or used in connection with the Property, including but not limited to mobile homes, fences, corrals, silos, elevators, storage facilities and irrigation facilities.
- 2.5 Mortgagee's Right to Enter. Mortgagee and its agents and representatives may enter upon the Property at all reasonable times to attend to Mortgagee's interest and to inspect the Property and to inspect any and all financial and other records related to Mortgagee's operations on the Property.
- 2.6 Compliance with Governmental Requirements. Mortgagor shall promptly comply with all laws, ordinances, permits and regulations of all governmental authorities applicable to the use or occupancy of the Property. Mortgagor may contest in good faith any such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Mortgagee's interest in the Property is not jeopardized.
- 2.7 Duty to Protect. Mortgagor shall do all other acts, in addition to those set forth in this Mortgage, that are reasonably necessary to protect and preserve the security based upon the existing character and use of the Property.

- 2.8 Water Rights. All existing Water Rights benefiting the Property and options to purchase water rights shall be maintained by Mortgagor and applied to beneficial use so as to maintain the validity and priority of such rights. Mortgagor shall fully comply with, and not permit a default to occur under, any water delivery contracts used to provide water to the Real Property, and shall timely exercise all renewal or extension rights in such contracts.
- 2.9 Grazing Permits and Licensees. Mortgagor covenants and agrees to renew the Permits upon or prior to their expiration date, to execute any instrument deemed necessary by Mortgagee to effect a collateral assignment or waiver of such renewals to the Mortgagee, and to pay all fees and charges, and to perform all acts and things necessary to preserve and keep in good standing all of such Permits and all renewals thereof. Mortgagor shall take no action which would adversely affect any of such Permits or Mortgagor's preference status thereunder, and that in the event of foreclosure of this Mortgage, Mortgagor will waive all claims for preference under any such Permits upon demand from the purchaser at foreclosure sale of the Real Property, or any successor to such purchaser. Mortgagor further agrees that the lands covered by any lease, permit or privilege which Mortgagor, with the consent of Mortgagee, shall substitute for the Permits, shall be subject to the provisions of this Mortgage. Upon foreclosure and sale of the Real Property, title to the improvements held by Mortgagor on any federal or state lands covered by the Permits, together with Mortgagor's right to be paid the reasonable value thereof, shall pass free of all encumbrances other than those of the United States or the State of Idaho, to the purchaser at such sale, and the Mortgagee is hereby authorized to execute, at its option, on behalf of the Mortgagor, a bill of sale for such improvements. If title in fee simple to any of the lands covered by the Permits (or to any other lands) shall hereafter be acquired by the Mortgagor, it is understood and agreed that such lands shall, upon such acquisition, become subject to the lien of this Mortgage to the same extent as though lands had originally been included herein as part of the Real Property, and further, that all of the terms, covenants, conditions and stipulations of this Mortgage, applicable to the Real Property, shall extend and be applicable to any lands hereafter so acquired.

3. TAXES, ASSESSMENTS AND LIENS

- 3.1 Payment. Mortgagor shall pay when due all taxes and assessments levied against or on account of the Property, and all dues and assessments upon water or ditch rights or shares of stock evidencing any such right, and shall pay when due all claims for work done on or for services rendered or materials furnished to the Property. Mortgagor shall maintain the Property

free of any liens having priority over or equal to the interest of Mortgagee under this Mortgage, except for the Permitted Encumbrances (defined below) and the lien of taxes and assessments not due, except as otherwise provided in Section 3.2.

- 3.2 Right to Contest. Mortgagor may withhold payment of any tax, assessment or claim in connection with a good faith dispute over obligation to pay, so long as Mortgagee's interest in the Property is not jeopardized as determined by Mortgagee. If the Property is subjected to a lien which is not discharged within 15 days, Mortgagor shall upon demand by Mortgagee deposit with Mortgagee cash, a sufficient corporate surety bond or other security satisfactory to Mortgagee in an amount sufficient to discharge the lien plus any interest, costs, attorneys' fees or other charges that could accrue as a result of foreclosure or sale under the lien. In any contest proceedings, Mortgagor will defend itself and Mortgagee and will name Mortgagee as an additional obligee under any surety bond, and Mortgagor shall satisfy any final adverse judgment before enforcement against the Property.
- 3.3 Evidence of Payment. Mortgagor shall promptly furnish evidence of payment of taxes and assessments to Mortgagee promptly upon demand. Mortgagor shall authorize the appropriate county or district official to deliver to Mortgagee at any time a written statement of the taxes and assessments against the Property, and shall pay the expense of a tax reporting service for the Property, if required by Mortgagee.
- 3.4 Notice of Construction. Mortgagor shall notify Mortgagee at least 15 days before any work is commenced, any services are furnished or any materials are supplied to the Property if a construction lien could be asserted on account of the work, services or materials. On Mortgagee's request, Mortgagor will promptly furnish advance assurances satisfactory to Mortgagee that Mortgagor can and will pay the cost of such improvements.
- 3.5 Farm or Forest Classification. Mortgagor agrees to maintain the agricultural use or forest lands classification of the Property on the tax roll, and not to allow any act or omission which would disqualify the Property for assessment as agricultural use or forest lands.

4. PROPERTY DAMAGE INSURANCE

- 4.1 Maintenance of Insurance. Mortgagor shall carry such insurance as the Mortgagee may reasonably require. This shall include policies of fire and tornado insurance covering all improvements on the Property for at least

their insurable value, in an amount sufficient to avoid application of any coinsurance clause and with loss payable to Mortgagee, liability insurance and insurance against such other risks as may be specified by the Mortgagee. Policies shall be written in amounts, in form, on terms and with companies reasonably acceptable to Mortgagee. Mortgagor shall deliver to Mortgagee certificates of coverage from each insurer containing a stipulation that coverage will not be canceled or diminished without a minimum of 10 days' written notice to Mortgagee.

4.2 Application of Proceeds. Mortgagor shall promptly notify Mortgagee of any loss or damage to the Property. Mortgagee may make proof of loss if Mortgagor fails to do so within 15 days of the casualty. Proceeds shall be paid directly to the Mortgagee. The proceeds of any insurance on the Property shall be used first to pay the cost of collecting such proceeds, if any, and then to prepay first accrued interest and then principal of Mortgagor's Indebtedness, or, at the election of the Mortgagee, such proceeds may be used to repair or replace the damaged or destroyed improvements in a manner satisfactory to Mortgagee.

4.3 Unexpired Insurance at Sale. Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Mortgage at any foreclosure sale of the Property.

5. WARRANTIES OF MORTGAGOR

5.1 Title. Mortgagor warrants that it holds merchantable title to the Property in fee simple free of all encumbrances other than those special exceptions set forth in the title insurance policy issued to Mortgagee at closing (the "Permitted Encumbrances").

5.2 Defense of Title. Subject to the exceptions in the paragraph above, Mortgagor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Mortgagor's title or the interest of Mortgagee under this Mortgage, Mortgagor shall defend the action at its expense. If any Permitted Encumbrance is a lien, Mortgagor shall pay any sums and do any other acts necessary to prevent a default or prevent any action or condition which, with the lapse of time, the giving of notice or any other action of a creditor, would be a default or enable any creditor to declare a default or foreclose any Permitted Encumbrance which is a lien.

5.3 Other Agreements. Mortgagor represents and warrants that the borrowing evidenced by the Note and the execution and delivery of the Note, the Agreement and this Mortgage will not contravene any provision of law or

of the articles of organization or operating agreement of the Mortgagor or any other agreement binding upon Mortgagor.

- 5.4 No Litigation. Mortgagor represents and warrants that there is no litigation pending or, to the best of knowledge of its officers, members or managers, threatened against Mortgagor which will substantially adversely affect the ability of Mortgagor to perform its obligations hereunder, nor will the execution or performance of this Mortgage and the Note violate the terms of any order of any court. If such litigation is filed, Mortgagor agrees to notify Mortgagee promptly by providing Mortgagee with a copy of the summons and complaint.

6. CONDEMNATION

- 6.1 Application of Net Proceeds. If all or any part of the Property is condemned, Mortgagee may elect to require that all or any portion of the net proceeds of the condemnation be applied on the Indebtedness. The "net proceeds" shall mean the total amount available after payment of all reasonable costs, expenses and attorneys' fees necessarily paid or incurred by Mortgagor and Mortgagee in connection with the taking by condemnation. Sale of all or any part of the Property to a purchaser with the power of eminent domain in the face of a threat or the probability of the exercise of the power shall be treated as a taking by condemnation to which this section shall apply.
- 6.2 Proceedings. If any proceedings in condemnation are filed, Mortgagor shall promptly take such steps as may be necessary to defend the action and obtain the award. Mortgagee shall be entitled, at its option, to commence, appear in and prosecute in its own name, any action or proceeding, or to make any compromise or settlement, in connection with such taking or damage, and to obtain all compensation, awards or other relief therefore to which Mortgagor may be entitled.

7. IMPOSITION OF TAX BY STATE

- 7.1 State Taxes Covered. The following shall constitute state taxes to which this section applies:
- (a) A specific tax upon mortgage deeds or upon all or any part of the indebtedness secured by a mortgage.
 - (b) A specific tax on Mortgagor which the taxpayer is authorized or required to deduct from payments on the indebtedness secured by a mortgage.

- (c) A tax on a mortgage chargeable against the Mortgagee or the holder of the note secured.
- (d) A specific tax on all or any portion of the indebtedness or on payments of principal and interest made by a Mortgagor.

7.2 Remedies. If any state tax to which this section applies is enacted subsequent to the date of this Mortgage, this shall have the same effect as a default, and Mortgagee may exercise any or all of the remedies available to it in the event of a default unless the following conditions are met:

- (a) Mortgagor pays the tax or charge imposed by the state tax, and
- (b) Mortgagor pays the tax or charge within 30 days after notice from Mortgagee that the tax law has been enacted or 15 days prior to the date the tax is payable, whichever is later.

8. TRANSFER BY MORTGAGOR

8.1 Prohibition of Transfer Without Consent. Mortgagor shall not sell, lease, agree to sell or lease, assign, convey, subcontract, encumber or otherwise transfer any part or all of the Property or any interest in the Property, whether or not pursuant to existing rights of record, or any interest of more than ten percent (10%) of any entity constituting Mortgagor, without the prior written consent of Mortgagee, which consent may be withheld in Mortgagee's sole discretion. If Mortgagor or a prospective transferee applies to Mortgagee for consent to a transfer, Mortgagee may require such information as may be reasonably necessary for Mortgagee to assess the prospective transferee's prior business experience, reputation and financial ability to perform Mortgagor's obligations under this Mortgage. For the purpose of this Section 8.1, and without limiting the generality of the foregoing, the occurrence at any time of any of the following events, without Mortgagee's prior written consent, shall be deemed to be a transfer of title to the Property:

- (a) Any sale, conveyance, assignment or other transfer of, or the grant of a security interest in all or any part of the legal or equitable title to the Property;
- (b) Any lease of the Property, or portion thereof, with a term greater than one year;

- (c) Any conveyance, grant or other transfer of the legal or equitable title to the Property which occurs by operation of law, by trustees in bankruptcy, receivers or estate administrators or executors, or by or through a bankruptcy court.

Notwithstanding the foregoing, the restrictions on transfer contained herein shall not apply to the transfer by Mortgagor of its membership or partnership or interest under any will or testament or applicable law of descent, including a transfer to the heirs or descendants whether directly or indirectly, voluntarily, involuntarily or by operation of law, provided that the transferee assumes all obligations of its transferee under the Loan Documents in writing under documentation satisfactory to the Mortgagee in form and substance. With respect to each such transfer, Mortgagor shall provide Mortgagee with advance written notice of such transfers, the transfer shall not be to a plan or in violation of ERISA, the transferee shall not be a prohibited person under the USA Patriot Act, the transfer shall not cause a breach of any of the covenants set forth in the Loan Documents and Mortgagor shall provide Mortgagee copies of all documents relating to or effectuating such transfer.

- 8.2 Condition to Consent. As a condition of its consent to any transfer, Mortgagee may in its discretion impose a service charge and may increase the interest rate of the Indebtedness to such rate as Mortgagee may then determine to be its current rate on comparable new agricultural loans in the State of Idaho. Mortgagee may increase the amount of each remaining installment so that the Indebtedness will be fully paid by the original maturity date. In no event, however, shall the interest rate be increased beyond the maximum rate permitted under applicable law.
- 8.3 Effect of Consent. Consent by Mortgagee to one transfer shall not constitute a consent to other transfers or a waiver of this section. No transfer by Mortgagor shall relieve Mortgagor of liability for payment of the Indebtedness. Following a transfer, Mortgagee may agree to any extension of time for payment or modification of the terms of this Mortgage or the Note or waive any right or remedy under this Mortgage or the Note without relieving Mortgagor from liability. Mortgagor waives notice, presentment and protest with respect to the Indebtedness.

9. SECURITY AGREEMENT; SECURITY INTEREST; ASSIGNMENT OF LEASES

- 9.1 Security Agreement. This instrument shall constitute a security agreement with respect to the Personal Property and fixtures.

- 9.2 Security Interest. Upon request by Mortgagee, Mortgagor shall execute financing statements and take whatever other action is requested by Mortgagee to perfect and continue Mortgagee's security interest in the Personal Property and fixtures. Mortgagor hereby appoints Mortgagee as Mortgagor's attorney in fact for the purpose of executing any documents necessary to perfect or continue the security interest granted therein, and authorizes Mortgagee to file such financing statements as Mortgagee deems appropriate to perfect its security interest in the Personal Property and fixtures. Mortgagee may file copies or reproductions of this Mortgage as a financing statement at any time without further authorization from Mortgagor. Mortgagor will reimburse Mortgagee for all expenses incurred in perfecting or continuing this security interest. Upon default, Mortgagor shall assemble the personal property and make it available to Mortgagee within three days after receipt of written demand from Mortgagee.
- 9.3 Fixture Filing. This instrument constitutes a financing statement filed as a fixture filing in the Official Records of the County Recorder of the County in which the Real Property is located with respect to any and all fixtures included in the term Property as used herein and with respect to any goods or other personal property that may now be or hereafter become fixtures. The Mortgagor is the record owner of the Property.

Name and address of Mortgagee (Secured Party) from whom information may be obtained:

Metropolitan Life Insurance Company
Agricultural Investments
10801 Mastin Blvd., Suite 930
Overland Park, KS 66210

Mailing address of Mortgagor (Debtor):

Cranney Land Company, L.L.C.
Cranney Farms
Willard Duane Cranney
Nancy Kaye Cranney
Douglas Keith Cranney
Karla Rae Cranney
Michael Wayne Cranney
Kathryn Grover Cranney
1310 South 600 West
Oakley, ID 83346

9.4 Assignment of Leases.

9.4.1 As additional collateral and to further secure the Indebtedness and other obligations of Mortgagor, Mortgagor does hereby absolutely, presently and irrevocably assign, grant, transfer, and convey to Mortgagee, its successors and assigns, the Income, and all of Mortgagor's right, title, and interest in, to, and under all leases, subleases, tenant contracts, rental agreements, franchise agreements, management contracts, construction contracts and other contracts, licenses and permits, map approvals and conditional use permits, whether written or oral, now or hereafter affecting or benefitting all or any part of the Property or the use thereof, and any agreement for the use or occupancy of all or any part of said Property or any adjoining property used for the benefit of the Property which may have been made heretofore or which may be made hereafter, including any and all extensions, renewals, and modifications of the foregoing and all extensions, renewals, and modifications of the foregoing and guaranties of the performance or obligations of any tenants thereunder, and all other arrangements of any sort resulting in the payment of money to Mortgagor or in Mortgagor becoming entitled to the payment of money for the use of the Property or any other property or assets benefitting the Property or any part thereof whether such user or occupier is tenant, invitee, or licensee (all of the foregoing hereafter referred to collectively as the "Leases" and individually as a "Lease", and said tenants, invitees, and licensees are hereafter referred to collectively as "Tenants" and individually as "Tenant" as the context requires), which Leases cover all or portions of the Property or adjoining property used for the benefit of the Property; together with all of Mortgagor's right, title, and interest in and to all income, rents, issues, royalties, receivables, profits, rights and benefits and all Tenants' security and other similar deposits derived with respect to the Leases and with respect to the Property, including, without limitation, all base and minimum rents, percentage rents, additional rents, payments in lieu of rent, expense contributions, and other similar such payments and the right to collect the same as they become due, it being the intention of the parties hereto to establish an absolute transfer and assignment of all of the Leases and the Income to Mortgagee, and not just to create a security interest.

9.4.2 Mortgagor hereby represents, warrants, and agrees as follows:

- (a) Mortgagor is the sole holder of the landlord's interest under the Leases, is entitled to receive the Income under the Leases and from the Property, and has the full right to sell, assign, transfer, and set over the same and to grant to and confer upon Mortgagee the rights, interests, powers and authorities herein granted and conferred;

- (b) Mortgagor has made no pledge or assignment of the Leases or Income, other than to Mortgagee, and Mortgagor shall not, after the date hereof, make or permit any such pledge or assignment.

9.4.3 Mortgagor shall authorize and direct, and does hereby authorize and direct, each and every present and future Tenant of the whole or any part of the Property to pay all rental to Mortgagee from and after the date of receipt of written demand from Mortgagee to do so. Although this Mortgage constitutes an absolute, present and current assignment of all Income, as long as no event of default as described in Section 11 on the part of the Mortgagor shall have occurred, Mortgagee shall not demand that such Income be paid directly to Mortgagee, and Mortgagor shall have a license to collect, but not more than one (1) month prior to the due date thereof, all such Income from the Property (including, without limitation, all rental payments under the Leases).

9.4.4 As additional collateral and to further secure the Indebtedness and other obligations of Mortgagor, Mortgagor does hereby absolutely, presently and irrevocably assign, grant, transfer, and convey to Mortgagee, its successors and assigns, all of Mortgagee's right, title, and interest in, to, and under all franchise agreements, spreading agreements, management contracts, construction contracts, water production contracts, wastewater discharge permits and contracts, well site agreements, well sharing and use agreements, equipment leases, insurance policies, general intangibles and other contracts, licenses and permits map approvals and conditional use permits, whether written or oral, now or hereafter affecting or benefitting all or any part of the Property or the use thereof or adjoining property used for the benefit of the Property, which may have been made heretofore or which may be made hereafter, including any and all extensions, renewals, and modifications of the foregoing and guaranties of the performance or obligations of any obligors thereunder (all of the foregoing hereafter referred to collectively as the "Contracts" and individually as a "Contract" as the context requires); together with all of Mortgagee's right, title, and interest in and to all income, issues, royalties, profits, rights and benefits derived with respect to the Contracts and with respect to the Property, and the right to collect the same as they become due. The foregoing collateral assignment encompasses the right, after the occurrence and during the continuation of an event of default, to (a) terminate any of the Contracts, (b) perform or compel performance and otherwise exercise all remedies under the Contracts, and (c) collect and receive all sums which may become due Mortgagee or which Mortgagee may now or shall hereafter become entitled to demand or claim, under the Contracts.

10. RELEASE ON FULL PERFORMANCE

If all of the Indebtedness is paid when due and Mortgagor otherwise performs all the obligations imposed upon Mortgagor under this Mortgage, Mortgagee shall, if requested, execute and deliver to Mortgagor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file. The reconveyance and filing fees shall be paid by Mortgagor.

11. DEFAULT

The following shall constitute events of default:

- (a) Failure of Mortgagor to pay, or cause to be paid, any portion of the Indebtedness when it is due.
- (b) Failure of Mortgagor within the time required by this Mortgage to make any payment for taxes, assessments, insurance, or any other payment necessary to prevent filing or discharge of any lien.
- (c) Transfer (either voluntarily or by operation of law) as defined in Section 8 above, of any part or interest in the Property without the prior written consent of Mortgagee, except as expressly permitted herein.
- (d) Dissolution, termination of existence, insolvency on a balance sheet basis or business failure of Mortgagor; the commencement by Mortgagor of a voluntary case under the federal bankruptcy laws or under any other federal or state law relating to insolvency or debtor's relief; the entry of a decree or order for relief against Mortgagor in an involuntary case under federal or state law relating to insolvency or debtor's relief; the appointment or the consent by Mortgagor to the appointment of a receiver, trustee or custodian of Mortgagor or of any of Mortgagor's property; an assignment for the benefit of creditors by Mortgagor; the making or suffering by Mortgagor of a fraudulent transfer under applicable federal or state law; concealment by Mortgagor of any of its property in fraud of creditors; the making or suffering by Mortgagor of a preference within the meaning of the federal bankruptcy law; the imposition of a lien through legal proceedings or distraint upon any of the property of Mortgagor which is not discharged or bonded in the manner permitted by Section 3.2 above; or Mortgagor's failure generally to pay its debts as such debts become due. The events of default in this paragraph shall apply and refer to Mortgagor and to each of the individuals or entities which are collectively referred to as "Mortgagor."
- (e) Failure of Mortgagor to perform any other obligation under this Mortgage or the Agreement within 10 days after receipt of written notice from Mortgagee specifying the nature of the default or, if the default cannot be

cured within 10 days, failure within such time to commence and pursue curative action with reasonable diligence, but in no event shall the period for cure exceed 90 days. No notice of default and no opportunity to cure shall be required if during the prior 12 months Mortgagee has already sent a notice to Mortgagor concerning default in performance of the same obligation.

- (f) Any representation or warranty of Mortgagor contained herein or in the Agreement proving to be untrue or misleading in any material respect.
- (g) The occurrence of a default or event of default under any mortgage, security agreement, encumbrance, tax lien or assessment or other security instrument encumbering all or any portion of the Property.

12. RIGHTS AND REMEDIES ON DEFAULT

12.1 Remedies. Upon the occurrence of any event of default and at any time thereafter, Mortgagee may exercise any one or more of the following rights and remedies:

- (a) Mortgagee may declare the entire Indebtedness immediately due and payable.
- (b) Mortgagee may obtain a decree foreclosing Mortgagor's interest in all or any part of the Property. If permitted by applicable law, Mortgagee may foreclose Mortgagor's interest in all or any part of the Property by nonjudicial sale.
- (c) If permitted by applicable law, Mortgagee may obtain a judgment against Mortgagor for any deficiency remaining in the Indebtedness due to Mortgagee after application of all amounts received from the exercise of the rights provided in this section.
- (d) With respect to all or any part of the Property that constitutes personalty, may exercise the rights and remedies of a secured party under the Uniform Commercial Code. Mortgagee shall have the option of proceeding as to the Real Property and all or some of the personal property, separately or together, in accordance with the unified sale procedures of the Uniform Commercial Code.
- (e) Mortgagee shall have the right, without notice to Mortgagor, to take possession of the Property and collect the Income, including amounts past due and unpaid, and apply the net proceeds, over and above Mortgagee's costs, against the Indebtedness. In furtherance

of this right, Mortgagee may require any tenant or other user to make payments of rent or use fees directly to Mortgagee. If the Income is collected by Mortgagee, then Mortgagor irrevocably designates Mortgagee as Mortgagor's attorney in fact to endorse instruments received in payment thereof in the name of Mortgagor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Mortgagee in response to Mortgagee's demand shall satisfy the obligation for which the payments are made, whether or not any proper grounds for the demand existed. Mortgagee may exercise its rights under this paragraph either in person, by agent or through a receiver.

- (f) Mortgagee shall have the right to have a receiver appointed to take possession of any or all of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, to collect the Income from the Property and to apply the proceeds, over and above cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Mortgagee's right to the appointment of a receiver shall exist whether or not apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Mortgagee shall not disqualify a person from serving as a receiver.
- (g) In the event Mortgagor remains in possession of the Property after the Property is sold as provided above or Mortgagee otherwise becomes entitled to possession of the Property upon default of Mortgagor, Mortgagor shall become a tenant at will of Mortgagee or the purchaser of the Property and shall pay a reasonable rental for use of the Property while in Mortgagor's possession.
- (h) Mortgagee shall have any other right or remedy provided in this Mortgage, the Note, the Agreement, or any other instrument delivered by Mortgagor in connection therewith, or available at law, in equity or otherwise, whether or not specified herein.

12.2 Rights of Receiver or Mortgagee-in-Possession. Upon taking possession of all or any part of the Property, the receiver or Mortgagee may:

- (a) Use, operate, manage, control and conduct business on the Property, including grazing of livestock and harvesting and selling crops, and make expenditures for all maintenance and improvements as in its judgment are proper;

- (b) Collect the Income from the Property and apply such sums to the expenses of use, operation and management;
- (c) At Mortgagee's option, complete any construction in progress on the Property, and in that connection pay bills, borrow funds, employ contractors and make any changes in plans or specifications as Mortgagee deems appropriate; and
- (d) Cancel or terminate any lease or agreement for any cause for which Mortgagor would be entitled to cancel the same, elect to disaffirm any lease or agreement subordinate to the lien of this Mortgage and extend or modify any lease and make any new leases on any portion of the Property.

If the revenues produced by the Property are insufficient to pay expenses, the receiver may borrow, from Mortgagee (if Mortgagee, in its sole discretion, agrees to lend) or otherwise, or Mortgagee may borrow or advance such sums as the receiver or Mortgagee may deem necessary for the purposes stated in this paragraph. The amounts borrowed or advanced shall bear interest from the date of expenditure until repaid at the same interest rate as provided in Section 13.4 below. Such sums shall become a part of the Indebtedness secured by this Mortgage and shall be payable by Mortgagor on demand.

12.3 Sale of the Property. In exercising its rights and remedies, Mortgagee may cause all or any part of the Property to be sold as a whole or in parcels, and certain portions of the Property may be sold without selling other portions. Mortgagee may bid at any public sale on all or any portion of the property.

12.4 Notice of Sale. Mortgagee shall give Mortgagor reasonable notice of the time and place of any public sale of any personal property or of the time after which any private sale or other disposition of the personal property is to be made. Reasonable notice shall mean notice given at least 10 days prior to the time of the sale or disposition.

12.5 Waiver; Election of Remedies. A waiver by either party of a breach of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. Election by Mortgagee to pursue any remedy shall not exclude pursuit of any other remedy, and all remedies of Mortgagee under this Mortgage are cumulative and not exclusive. An election to make expenditures or to take action to perform an obligation of Mortgagor shall not affect Mortgagee's right to declare a default and exercise its remedies under this Mortgage.

12.6 Attorneys' Fees; Expenses. In the event suit or action is instituted to enforce any of the terms of this Mortgage, the prevailing party shall be entitled to recover its reasonable attorneys' fees in exercising any of its remedies hereunder, including nonjudicial

foreclosure or requested relief from the automatic stay in bankruptcy proceedings, otherwise at trial, on any appeal and on any petition for review, in addition to all other sums provided by law. Whether or not any court action is involved, all reasonable expenses incurred by Mortgagee that are necessary at any time in Mortgagee's opinion for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the same interest rate as provided in Section 13.4 below. Expenses covered by this paragraph include (without limitation) the cost of searching records and obtaining title reports, surveyors' reports, attorneys' fees and title insurance. Any expenses covered by this section shall be a lien on the Property prior to any right, title or interest in or claim upon the Property attaching or accruing subsequent to the lien of this Mortgage, and shall be added to the principal amount intended to be secured hereby.

13. MISCELLANEOUS

13.1 Time of Essence. Time is of the essence of this Mortgage.

13.2 Binding upon Successors and Assigns. Subject to the limitations stated in this Mortgage on transfer of Mortgagor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns.

13.3 Security Agreement. In construing this Mortgage, the term "Mortgage" shall encompass the term "security agreement" when the instrument is being construed with respect to any personal property.

13.4 Expenditure by Mortgagee. If Mortgagor fails to comply with any provision of this Mortgage, Mortgagee may elect to take the required action on Mortgagor's behalf, and any amount that Mortgagee expends in so doing shall be added to the Indebtedness. Amounts so added shall be payable on demand with interest from the date of expenditure at the Default Interest Rate (as specified in the Note), but not in any event at a rate higher than the maximum rate permitted at law. Such action by Mortgagee shall not constitute a cure or waiver of the default or any other right or remedy which Mortgagee may have on account of Mortgagor's default.

13.5 Notices. Any notice under this Mortgage shall be in writing and shall be effective when either delivered in person or, if mailed, shall be deemed effective when deposited as registered or certified mail, postage prepaid, addressed to the party at the address stated in this Mortgage. Any party may change its address for notices by written notice to the other.

13.6 Modification or Extension of Indebtedness; Release of Obligors. The taking by Mortgagor of any additional security, the release of any person now or hereafter liable for the repayment of the Indebtedness, or any extension of the time of payment of the Indebtedness or the renewal thereof, shall not diminish the effectiveness of this Mortgage or the lien of this Mortgage and shall not affect or impair the liability of any maker, surety or endorser for the payment of the Indebtedness.

13.7 Release of Security. Mortgagee shall have the right to release, with or without consideration or credit on the Indebtedness secured, any part of the Property. Without regard to the existence of any junior encumbrance and without the consent of such junior encumbrance, and such release shall have no further effect upon the rank, lien or estate conveyed of this Mortgage.

13.8 Waiver of Marshalling. Mortgagor expressly waives, to the full extent permitted by law, and relinquishes any right to claim a marshalling of assets in respect to the Property, or any part thereof, in the event of the foreclosure or other enforcement of this Mortgage.

13.9 Invalid Provisions to Affect No Others. If any of the provisions contained in the Note or this Mortgage shall be invalid, illegal or unenforceable in any respect, the validity of the remaining provisions in this Mortgage and the Note shall not be affected thereby.

13.10 Changes in Writing. This Mortgage and any of its terms may only be changed, waived, discharged or terminated by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. Any agreement subsequently made by Mortgagor or Mortgagee relating to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.

13.11 Applicable Law. This Mortgage has been executed and delivered to Mortgagee in the State of Idaho. The law of the State of Idaho shall be applicable for the purpose of construing and determining the validity of this Mortgage and, to the fullest extent permitted by the law of any state in which any of the Property is located, determining the rights and remedies of Mortgagee on default.

13.12 Joint and Several Liability. If Mortgagor consists of more than one person or entity, the obligations imposed upon Mortgagor under this Mortgage shall be joint and several.

13.13 Assignment of Oil, Gas and Mineral Income. Mortgagor hereby presently assigns and transfers to Mortgagee the Income and all sums payable to them under any and all oil, gas and mineral leases relating to the Real Property now negotiated or to be negotiated. However, these assigned payments shall continue to be paid to Mortgagor unless and until the Mortgagee gives written notice of a default by the Mortgagor under the terms of this Mortgage or the Note of even date herewith. Once this written notice has been given by the Mortgagee, the Mortgagee is entitled to receive any such payments. If any such default is timely cured, all assigned payments shall continue to be paid to the Mortgagor.

13.14 Exhibits. The following exhibits are attached hereto and made a part hereof as fully as if set forth herein:

Exhibit A Legal Description

Exhibit B Equipment
Exhibit C Water Rights

13.15 Counterparts. This Mortgage may be executed in any number of counterparts, each of which, when so executed and delivered shall be deemed to be an original and all of which together shall constitute on and the same instrument.

13.16. Waiver of Homestead Exemption. Mortgagor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Idaho as to all Indebtedness secured by this Mortgage.

13.17. Effect of Modification. The interest rate, payment terms and/or balance due on the loan may be, *inter alia*, indexed, adjusted, renewed or renegotiated and the lien of this Mortgage herein granted shall not be affected as provided in Idaho Code Section 45-116.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be duly executed as of the day and year first written above.

MORTGAGOR:

CRANNEY LAND COMPANY, L.L.C.,
an Idaho limited liability company

By: Michael W. Cranney
Michael W. Cranney, Its Member

By: Willard D. Cranney
Willard D. Cranney, Its Member

By: Douglas K. Cranney
Douglas K. Cranney, Its Member

[Signatures continue on the following page.]

CRANNEY FARMS,
an Idaho general partnership

By: Willard D. Cranney
Willard D. Cranney, Its Partner

By: Michael W. Cranney
Michael W. Cranney, Its Partner

By: Douglas K. Cranney
Douglas K. Cranney, Its Partner

By: Arden Cranney
Arden Cranney, Its Partner

By: Ryan Cranney
Ryan Cranney, Its Partner

By: Tyler Cranney
Tyler Cranney, Its Partner

[Signatures continue on the following page.]

Willard Duane Cranney Jr
WILLARD DUANE CRANNEY, JR.

Nancy Kay Cranney
NANCY KAYE CRANNEY

Douglas Keith Cranney
DOUGLAS KEITH CRANNEY

Karla Rae Cranney
KARLA RAE CRANNEY

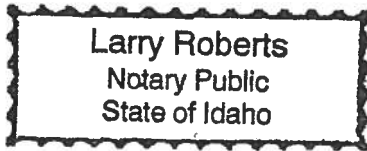
Michael Wayne Cranney
MICHAEL WAYNE CRANNEY

Kathryn Grover Cranney
KATHRYN GROVER CRANNEY

ACKNOWLEDGMENTS

STATE OF IDAHO)
COUNTY OF Cassia)ss.

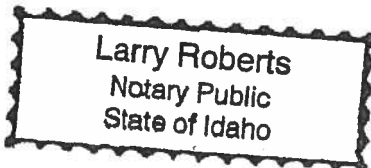
On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared MICHAEL W. CRANNEY, known or identified to me to be the member of the limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

STATE OF IDAHO)
COUNTY OF Cassia)ss.

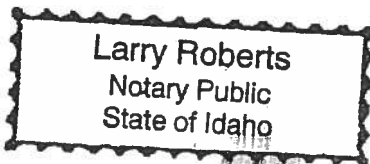
On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared WILLARD D. CRANNEY, known or identified to me to be the member of the limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

STATE OF IDAHO)
COUNTY OF Cassia)ss.

On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared DOUGLAS K. CRANNEY, known or identified to me to be the member of the limited liability company that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.

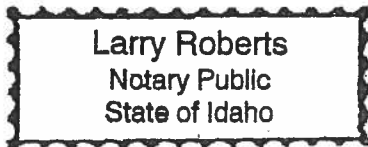


Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

ACKNOWLEDGMENTS

STATE OF IDAHO)
COUNTY OF Cassia)ss.

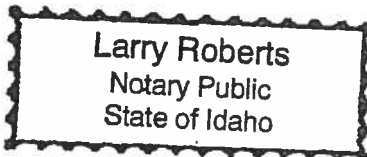
On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared WILLARD D. CRANNEY, known or identified to me to be partner of the general partnership that executed the above instrument or the person who executed the instrument on behalf of said general partnership and acknowledged to me that such general partnership executed the same.



Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

STATE OF IDAHO)
COUNTY OF Cassia)ss.

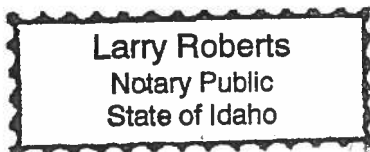
On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared MICHAEL W. CRANNEY, known or identified to me to be partner of the general partnership that executed the above instrument or the person who executed the instrument on behalf of said general partnership and acknowledged to me that such general partnership executed the same.



Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

STATE OF IDAHO)
COUNTY OF Cassia)ss.

On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared DOUGLAS K. CRANNEY, known or identified to me to be partner of the general partnership that executed the above instrument or the person who executed the instrument on behalf of said general partnership and acknowledged to me that such general partnership executed the same.

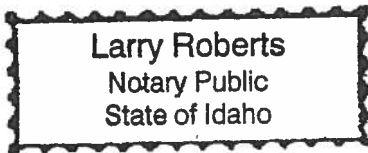


Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

ACKNOWLEDGMENTS

STATE OF IDAHO)
COUNTY OF Cassia)ss.

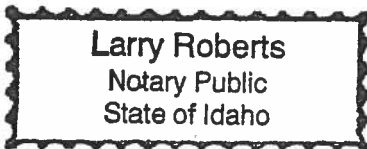
On March 5th, 2012, before me, Larry Roberts, a Notary Public, personally appeared ARDEN CRANNEY, known or identified to me to be partner of the general partnership that executed the above instrument or the person who executed the instrument on behalf of said general partnership and acknowledged to me that such general partnership executed the same.



Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6.30.15

STATE OF IDAHO)
COUNTY OF Cassia)ss.

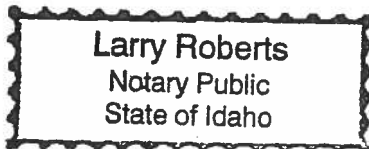
On March 5th, 2012, before me, Larry Roberts, a Notary Public, personally appeared RYAN CRANNEY, known or identified to me to be partner of the general partnership that executed the above instrument or the person who executed the instrument on behalf of said general partnership and acknowledged to me that such general partnership executed the same.



Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6.30.15

STATE OF IDAHO)
COUNTY OF Cassia)ss.

On March 5th, 2012, before me, Larry Roberts, a Notary Public, personally appeared TYLER CRANNEY, known or identified to me to be partner of the general partnership that executed the above instrument or the person who executed the instrument on behalf of said general partnership and acknowledged to me that such general partnership executed the same.

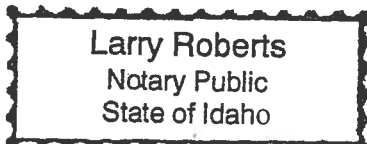


Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6.30.15

ACKNOWLEDGMENTS

STATE OF IDAHO)
COUNTY OF Cassia)ss.

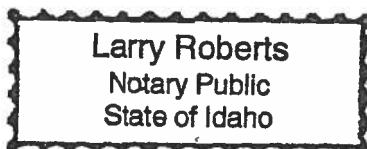
On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared WILLARD DUANE CRANNEY, JR., known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.



Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

STATE OF IDAHO)
COUNTY OF Cassia)ss.

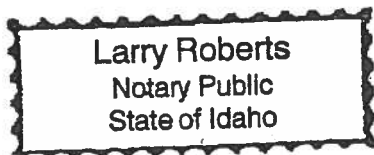
On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared NANCY KAYE CRANNEY, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.



Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

STATE OF IDAHO)
COUNTY OF Cassia)ss.

On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared DOUGLAS KEITH CRANNEY, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

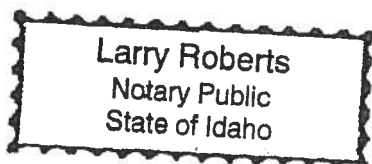


Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

ACKNOWLEDGMENTS

STATE OF IDAHO)
COUNTY OF Cassia)ss.

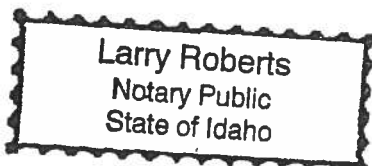
On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared KARLA RAE CRANNEY, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.



Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

STATE OF IDAHO)
COUNTY OF Cassia)ss.

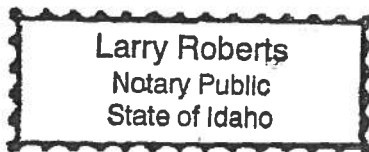
On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared MICHAEL WAYNE CRANNEY, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.



Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

STATE OF IDAHO)
COUNTY OF Cassia)ss.

On March 2, 2012, before me, Larry Roberts, a Notary Public, personally appeared KATHRYN GROVER CRANNEY, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.



Larry Roberts
Notary Public for Idaho
Printed Name: Larry Roberts
Commission Expires: 6-30-15

**EXHIBIT A
TO
MORTGAGE**

Legal Description

The following real property situated in Cassia County, Idaho:

TRACT A

PARCEL NO. 1:

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 26: S $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SE $\frac{1}{4}$

Section 27: NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$

PARCEL NO 2:

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 34: E $\frac{1}{2}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$, ALSO Tax No. 4144, described as follows:

Tax No. 4144: The South 1716 feet of the NW $\frac{1}{4}$ of said Section 34, lying East of the West right-of-way boundary line of the East Canal of the Oakley Canal Company.

EXCEPTING THEREFROM the following described tract:

Commencing at a point 54 rods North and 2 rods East of the Southwest corner of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 34;
Thence running East 34 rods;
Thence North 22 rods and 11 $\frac{1}{2}$ feet;
Thence West 34 rods;
Thence South 22 rods and 11 $\frac{1}{2}$ feet to the Point of Beginning.

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

Section 3: That part of the S $\frac{1}{2}$ NE $\frac{1}{4}$ lying East of Birch Creek Road; Lot 1 and Tax No. 451 and tax No. 464, described as follows:

Tax No. 451:

Beginning 49.5 feet South and 676.5 feet East of the Northwest corner of the NE¼ of said Section 3;

Running thence South 597.44 feet;

Thence East 214.5 feet;

Thence North 597.69 feet;

Thence West 214.5 feet to the Point of Beginning,

EXCEPT that part deeded as County road right-of-way.

Tax No. 464:

Beginning at a point 49.5 feet South of the Northeast corner of the NW¼NE¼ of said Section 3;

Thence South 598.2 feet;

Thence West 214.5 feet;

Thence North 382.94 feet;

Thence East 107 feet;

Thence North 215 feet;

Thence East 107.5 feet to the Point of Beginning.

PARCEL NO. 3:

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 34: Commencing at a point 54 rods North and 2 rods East of the Southwest corner of the SE¼SW¼ of said Section 34;

Thence running East 34 rods;

Thence North 22 rods and 11½ feet;

Thence West 34 rods;

Thence South 22 rods and 11½ feet to the Point of Beginning.

PARCEL NO. 4:

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 27: SW¼, **SAVE AND EXCEPT** the following described:

Beginning at the Southwest corner of Section 27, said corner marked by a 5/8 inch rebar with a 3 inch aluminum cap on top which point shall be the True Point of Beginning;

Thence North 00°07'56" East for a distance of 327.62 feet;

Thence North 00°07'56" East for a distance of 14.20 feet to a ½ inch rebar;

Thence North 00°07'56" East for a distance of 315.81 feet to the Northwest corner of the S½S½SW¼;

Thence North 00°07'28" East for a distance of 32.37 feet to a ½ inch rebar;
Thence South 89°02'52" East for a distance of 199.61 feet to a ½ inch rebar;
Thence South 00°26'11" East for a distance of 31.68 feet;
Thence South 89°14'47" East for a distance of 2480.06 feet to the Northeast corner of the S½S½SW¼;
Thence South 00°04'26" West for a distance of 657.21 feet to the South ¼ corner;
Thence North 89°15'20" West for a distance of 2072.21 feet;
Thence North 89°15'20" West for a distance of 608.43 feet to the Point of Beginning;

PARCEL NO. 5:

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 34: Part of the N½NW¼, more particularly described as follows:

Beginning 245 feet East of Northwest corner of said Section 34;
Thence South for 495 feet;
Thence East for 365.5 feet;
Thence South for 429 feet to a point that is located 1716 feet North of the South boundary line of the NW¼ of said Section 34;
Thence East 1559.5 feet, more or less, to the point that is located 470 feet West of the East boundary line of the NW¼ of said Section 34;
Thence North for 924 feet, more or less, to the North boundary line of the NW¼ of said Section 34;
Thence West along said North boundary line for 1925 feet to Point of Beginning, 245 feet from Northwest corner of said Section 34.

EXCEPTING THEREFROM the following described tract:

Commencing at the Northwest corner of said Section 34, marked by a 5/8 inch rebar and aluminum cap, and running thence along the North line thereof South 89°15'15" East 245.00 feet to a ½ inch rebar marking the Northwest corner of that real property conveyed from Barry R. Matthews and Martha Matthews to H. Dutch Robinson and Karen Robinson by the Warranty Deed recorded December 30, 1999 as Instrument No. 266654, Cassia County records, said ½ inch rebar being the True Point of Beginning;
Thence along the West line of said land of Robinson South 0°17'38" West 495.00 feet to a ½ inch rebar set on the North line of that real property conveyed to James T. Hunter and Becky K. Hunter by the Quitclaim Deed recorded December 14, 2001 as Instrument No. 278704, Cassia County records;
Thence along the North line of said lands of Hunter South 89°15'15" East 365.50 feet to a ½ inch rebar at the Northeast corner thereof;
Thence leaving last said North line North 0°17'38" East 495.00 feet to a ½ inch rebar set on the North line of said Section 34;

Thence along last said North line North 89°15'15" West 365.50 feet to the True Point of Beginning.

PARCEL NO. 6:

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

Section 3: Tax No. 455 described as follows:

Beginning 49½ feet South and 214.5 feet West of the Northeast corner of the
NW¼NE¼, of said Section 3;
Running Thence South 597.94 feet, plus or minus to the Southwest corner of Tax No.
464;
Thence West 214.5 feet;
Thence North 597.69 feet, plus or minus to the Northeast corner of Tax No. 451;
Thence East 214.5 feet to the Point of Beginning.

PARCEL NO. 7:

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 27: Part of the S½S½SW¼, more particularly described as follows:

Beginning at the South quarter corner of Section 27, said corner marked by a U.S.
BLM iron pipe with brass cap on top which shall be the Point of Beginning;
Thence North 89°15'20" West along the south line of Section 27 for a distance of
2072.21 feet;
Thence North 00°08'47" East for a distance of 24.99 feet to a ½ inch rebar;
Thence North 00°08'47" East for a distance of 68.88 feet to a ½ inch rebar;
Thence North 58°37'26" West for a distance of 474.07 feet to a ½ inch rebar;
Thence North 00°26'11" West (North 00°25'08" East, rec.) for a distance of 322.20
feet to the north line of the S½S½SW¼;
Thence South 89°14'47" East along said line for a distance of 2480.06 feet to a 5/8
inch rebar at the Northeast corner of the S½S½SW¼;
Thence South 00°04'26" West along the east line of the S½S½SW¼ for a distance of
657.21 feet to the Point of Beginning.

TRACT B

PARCEL NO. 1:

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 5: Lot 3, SE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$ and NE $\frac{1}{4}$ SW $\frac{1}{4}$

PARCEL NO. 2:

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 5: Part of Lot 4 and SW $\frac{1}{4}$ NW $\frac{1}{4}$, more particularly described as follows:

Beginning at the Southwest corner of the NW $\frac{1}{4}$ of said Section 5; Running thence North 167.76 rods; Thence East 80 rods; Thence South 167.76 rods; Thence West to the Point of Beginning.

SAVE AND EXCEPT the following described tracts:

Tract No. 1:

Commencing at the Northwest corner of said Section 5;
Running Thence South 1,000 feet;
Thence East 230 feet;
Thence North 700 feet; Thence West 55 feet; Thence Northeast approximately 322.8 feet to a point 300 feet East of the Point of Beginning;
Thence West 300 feet to the Point of Beginning.

Tract No. 2:

Beginning at the W $\frac{1}{4}$ section corner of said Section 5, said corner marked by a 5/8 inch rebar with a 3 inch aluminum cap on top which shall be the Point of Beginning;
Thence North 00°22'30" West along the West section line for a distance of 235.00 feet;
Thence South 88°51'12" East for a distance of 38.00 feet to a ½ inch rebar;
Thence South 88°51'12" East for a distance of 518.09 feet to a ½ inch rebar;
Thence South 00°22'30" East for a distance of 210.00 feet to a ½ inch rebar;
Thence South 00°22'30" East for a distance of 25.00 feet to the South line of the SW $\frac{1}{4}$ NW $\frac{1}{4}$;
Thence North 88°51'12" West along said line for a distance of 556.09 feet to the Point of Beginning.

PARCEL NO. 3:

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Loan No. 195457

Cranney Land Company, L.L.C.

71249831.1 0053564-00062

Exhibit A

Section 6: That part of the E½NE¼, more particularly described as follows:

Beginning at a point 24 rods West of the Northeast corner of the NE¼ of said Section 6;

Thence running West 56 rods;

Thence South 167.76 rods;

Thence East 40 rods;

Thence North 40 rods;

Thence East 40 rods;

Thence North 107.76 rods;

Thence West 24 rods;

Thence North 20 rods to the Point of Beginning;

EXCEPTING THEREFROM, the following described tracts:

Tract No. 1:

Beginning at the Northeast section corner of said Section 6, said corner marked by a 5/8 inch rebar; Thence South 00°22'48" East along the East section line for a distance of 330.00 feet to a ½ inch rebar which shall be the Point of Beginning;

Thence South 00°22'48" East continuing along said line for a distance of 576.30 feet to a ½ inch rebar;

Thence along a non-tangent curve to the left for a distance of 691.18 feet to a ½ inch rebar; said curve having a radius of 1384.00 feet and a central angle of 28°36'50" and a long chord bearing of North 31°48'24" West for a distance of 684.02 feet;

Thence South 89°11'41" East for a distance of 356.73 feet to the Point of Beginning.

Tract No. 2:

Beginning at the E¼ section corner of said Section 6, said corner marked by a 5/8 inch rebar with a 3 inch aluminum cap on top; Thence North 00°22'48" West along the East section line for a distance of 798.35 feet to a ½ inch rebar which shall be the Point of Beginning;

Thence North 88°53'40" West for a distance of 836.74 feet to a ½ inch rebar;

Thence North 00°22'48" West for a distance of 437.82 feet to a ½ inch rebar;

Thence South 88°53'40" East for a distance of 836.74 feet to a ½ inch rebar on the East line of Section 6;

Thence South 00°22'48" East along the East line of Section 6 for a distance of 437.82 feet to the Point of Beginning.

PARCEL NO. 4:

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,

Loan No. 195457

Cranney Land Company, L.L.C.

71249831.1 0053564-00062

Exhibit A

CASSIA COUNTY, IDAHO

Section 6: Part of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, more particularly described as follows:

Beginning at the E $\frac{1}{4}$ section corner of said Section 6, said corner marked by a 5/8 inch rebar with a 3 inch aluminum cap on top; Thence North 88°40'38" West along the South line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ for a distance of 662.38 feet to the Southwest corner of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ marked by a ½ inch rebar; Thence North 00°20'15" West along the West line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ for a distance of 176.13 feet to a ½ inch rebar which shall be the Point of Beginning; Thence North 00°20'15" West continuing along said line for a distance of 468.86 feet to the Northwest corner of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ marked by a ½ inch rebar; Thence South 88°28'35" East along the North line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ for a distance of 481.32 feet to a ½ inch rebar; Thence along a non-tangent curve to the right for a distance of 667.66 feet to the Point of Beginning, said curve having a radius of 1356.16 feet and a central angle of 28°12'28" and a long chord bearing of South 46°22'10" West for a distance of 660.94 feet.

PARCEL NO. 5:

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 9: That part of the E½SE¼, more particularly described as follows:

Beginning at the Southeast corner of the SE¼ of said Section 9;
Thence North 160 rods;
Thence West 63 rods;
Thence South 160 rods;
Thence East 63 rods to the Point of Beginning.

EXCEPTING THEREFROM the following described tract:

Beginning at the Southeast corner of Section 9, said corner marked by a 5/8 inch rebar with a 3 inch cap on top; Thence North 89°17'27" West along the south line of Section 9 for a distance of 81.47 feet to the Point of Beginning; Thence North 89°17'27" West along the south line of Section 9 for a distance of 330.00 feet; Thence North 00°12'32" East for a distance of 25.63 feet to a ½ inch rebar; Thence North 00°12'32" East for a distance of 238.37 feet to a ½ inch rebar; Thence South 89°17'27" East for a distance of 330.00 feet to a ½ inch rebar; Thence South 00°12'32" West for a distance of 239.17 feet to a ½ inch rebar; Thence South 00°12'32" West for a distance of 24.83 feet to the Point of Beginning.

PARCEL NO. 6

TOWNSHIP 13 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 9: Part of the S $\frac{1}{2}$ SW $\frac{1}{4}$, more particularly described as follows:

Beginning at the Southwest section corner of said Section 9, said corner marked by a 5/8 inch rebar with a 3 inch aluminum cap on top which shall be the Point of Beginning;
Thence North 00°06'49" East along the West section line for a distance of 1314.73 feet to the Northwest corner of the S $\frac{1}{2}$ SW $\frac{1}{4}$ marked by a 5/8 inch rebar;
Thence South 89°34'04" East along said line for a distance of 1657.64 feet to a 1/2 inch rebar;
Thence South 00°06'49" West for a distance of 1285.36 feet to a 1/2 inch rebar;
Thence South 00°06'49" West for a distance of 27.80 feet to the South section line;
Thence North 89°37'18" West along said line for a distance of 1657.63 feet to the Point of Beginning.

PARCEL NO. 7:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 29: Part of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 29 more particularly described as follows:

Beginning at the South quarter section corner of said Section 29, said corner marked by a 3 inch Cassia County survey cap; thence North 89°55'30" East along section line for 197.29 feet to a P.K. Nail which shall be the Point of Beginning;
Thence North 0°11'29" West for 940.55 feet to a 1/2 inch rebar;
Thence South 26°28'33" East for 1,050.07 feet to a P.K. Nail on section line;
Thence South 89°55'30" West along section line for 465.00 feet to The Point of Beginning.

PARCEL NO. 8:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

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

Beginning at the North quarter section corner of said Section 32, said corner marked by a railroad spike; thence North 89°55'30" East along section line for 272.81 feet to a P.K. Nail which shall be the Point of Beginning;

Thence North 89°55'30" East along said section line for 908.43 feet to a P.K. Nail;
Thence South 61°47'36" West for 599.23 feet to a ½ inch rebar;
Thence South 42°42'49" West for 554.65 feet to a ½ inch rebar;
Thence North 0°20'32" West for 689.59 feet to the Point of Beginning.

PARCEL NO. 9:

TOWNSHIP 13 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 1: N½

PARCEL NO. 10:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 17: NE¼, NW¼, E½SW¼ and SE¼

Section 19: S½NE¼ and SE¼ **EXCEPT** the following described tract:

Beginning at the Southeast corner of Section 19, said corner marked by a U.S. Government brass cap; Thence North 88°43'00" West along section line for 52.56 feet to a P.K. Nail in the centerline of a county road which shall be the Point of Beginning;
Thence North 88°43'00" West along said section line for 276.04 feet to a ½" rebar;
Thence North 0°29'00" West for 308.38 feet to a ½" rebar;
Thence South 88°43'00" East for 289.24 feet to a P.K. Nail in the centerline of a county road;
Thence South 1°58'14" West along said county road centerline for 308.26 feet to the Point of Beginning.

PARCEL NO. 11:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 17: W½SW¼

PARCEL NO. 12:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 19: N½NE¼ of said Section 19, **EXCEPTING THEREFROM** the following described parcel:

Loan No. 195457

Cranney Land Company, L.L.C.

71249831.1 0053564-00062

Exhibit A

Beginning at the Northeast corner of said Section 19;
Thence South 0°29' East 64 feet;
Thence North 89°04' West 100 feet;
Thence North 0°29' West 64 feet;
Thence South 89°04' East 100 feet to the Point of Beginning.

PARCEL NO. 13:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 19: Lot 1 and the NE¼NW¼

PARCEL NO. 14:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 32: Part of the NW¼NW¼, more particularly described as follows:

Beginning at the Northwest corner of said Section 32, said corner marked by a 5/8 inch rebar; thence South 88°54'12" East along section line for 45.48 feet to a P.K. Nail in the center of a county road which shall be the Point of Beginning; Thence South 88°54'12" East along section line for 778.26 feet to a P.K. Nail; Thence South 44°47'32" West for 1047.63 feet to a P.K. Nail in the center of a county road; Thence North 0°24'33" West along said county road for 397.31 feet to a P.K. Nail; Thence North 5°52'50" West along said county road for 362.97 feet to the Point of Beginning.

EXCEPTING THEREFROM the following described tract:

Beginning at the Northwest corner of said Section 32, said corner marked by a 5/8 inch rebar with a 3 inch Cassia County Survey cap on top; Thence South 88°59'08" East (South 88°54'12" East rec.) along the North Section line for a distance of 45.36 feet (45.48 feet rec.) to a P.K. nail which shall be the Point of Beginning; Thence South 88°59'08" East (South 88°54'12" East rec.) continuing along said line for a distance of 282.78 feet to a ½ inch rebar; Thence South 00°35'54" East for a distance of 199.00 feet to a ½ inch rebar; Thence North 89°12'55" West for a distance of 263.88 feet to a ½ inch rebar; Thence North 05°58'16" West (North 05°52'50" West rec.) for a distance of 201.48 feet to the Point of Beginning.

PARCEL NO. 15:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 31 & 32: Part of the NE¼ of Section 31 and part of the NW¼ of Section 32, more particularly described as follows:

Beginning at the Northeast corner of said Section 31, said corner marked by a 5/8 inch rebar which shall be the Point of Beginning;
Thence South 88°54'12" East along section line for 45.48 feet to a P.K. Nail in the center of a county road; Thence South 5°52'50" East along said county road for 362.97 feet to a P.K. Nail;
Thence South 0°24'33" East along said county road for 397.31 feet to a P.K. Nail;
Thence North 57°14'02" West for 93.91 feet to a point on section line;
Thence North 57°14'02" West for 831.51 feet to a ½ inch rebar;
Thence North 66°16'48" West for 679.49 feet to a ½ inch rebar on section line;
Thence South 89°20'54" East along section line for 1314.85 feet to the Point of Beginning.

EXCEPTING THEREFROM the following described tract:

Beginning at the Northeast corner of Section 31, said corner marked by a 5/8 inch rebar with a 3 inch aluminum cap on top; Thence South 89°00'15" East along the north line of Section 32 for a distance of 45.41 feet (45.48 feet, rec.) to a p.k. nail with washer on the centerline of the 600 West Road;
Thence South 05°58'53" East (South 5°52'50" East, rec.) along said centerline for a distance of 320.60 feet to the Point of Beginning;
Thence South 05°58'53" East (South 5°52'50" East, rec.) along the centerline of the 600 West Road for a distance of 42.30 feet to a p.k. nail with washer;
Thence South 00°30'31" East (South 0°24'33" West, rec.) along said centerline for a distance of 96.18 feet;

Thence North 87°04'38" West for a distance of 27.05 feet to a ½ inch rebar;
Thence North 87°04'38" West for a distance of 303.19 feet to a ½ inch rebar;
Thence North 03°06'51" East for a distance of 128.07 feet to a ½ inch rebar;
Thence South 88°50'04" East for a distance of 291.55 feet to a ½ inch rebar;
Thence South 88°50'04" East for a distance of 26.10 feet to the Point of Beginning.

PARCEL NO. 16:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 29 & 30: Part of the SE¼ of Section 30 and part of the SW¼ of Section 29, more particularly described as follows:

Beginning at the Southeast corner of said Section 30, said corner marked by a 5/8 inch rebar; thence North 0°31'06" East along the section line for 1138.98 feet to a point which point shall be known as the True Point of Beginning;
Thence North 89°43'20" West for 25.49 feet to a P.K. Nail on the center of a county road;
Thence North 0°01'14" West along said county road for 195.32 feet to a P.K. Nail;
Thence South 89°30'02" East for 27.33 feet to a point on section line;
Thence South 89°30'02" East for 158.92 feet to a ½ inch rebar;
Thence South 2°01'23" East for 194.75 feet to a ½ inch rebar;
Thence North 89°43'20" West for 167.56 feet to the Point of Beginning.

PARCEL NO. 17:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 29 & 30: Part of the SE¼SE¼ of Section 30 and part of the SW¼SW¼ of Section 29, more particularly described as follows:

Beginning at the Southeast corner of said Section 30, said corner marked by a 5/8 inch rebar which point shall be known as the True Point of Beginning;
Thence North 89°20'54" West along section line for 231.83 feet to a ½ inch rebar;
Thence North 0°32'34" West for 669.14 feet to a ½ inch rebar;
Thence North 89°43'28" East for 223.14 feet to a P.K. Nail in the center of a county road;
Thence South 0°02'14" East along said county road for 362.71 feet to a P.K. Nail;
Thence South 10°59'02" East along said county road for 88.72 feet to a point on section line;
Thence South 10°59'02" East along said county road for 288.07 feet to a P.K. Nail on the South line of said Section 29;
Thence North 88°54'12" West along said section line for 45.48 feet to the Point of Beginning.

PARCEL NO. 18:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 32: NW¼, **EXCEPTING THEREFROM** the following described tracts:

TRACT NO. 1:

Loan No. 195457

Cranney Land Company, L.L.C.

71249831.1 0053564-00062

Exhibit A

Beginning at the Northwest corner of said Section 32, said corner marked by a 5/8 inch rebar; thence South 88°54'12" East along section line for 45.48 feet to a P.K. Nail in the center of a county road which shall be the Point of Beginning; Thence South 88°54'12" East along section line for 778.26 feet to a P.K. Nail; Thence South 44°47'32" West for 1047.63 feet to a P.K. Nail in the center of a county road; Thence North 0°24'33" West along said county road for 397.31 feet to a P.K. Nail; Thence North 5°52'50" West along said county road for 362.97 feet to the Point of Beginning.

TRACT NO. 2:

Beginning at the Northeast corner of Section 31, said corner marked by a 5/8 inch rebar which shall be the Point of Beginning; Thence South 88°54'12" East along section line for 45.48 feet to a P.K. Nail in the center of a county road; Thence South 5°52'50" East along said county road for 362.97 feet to a P.K. Nail; Thence South 0°24'33" East along said county road for 397.31 feet to a P.K. Nail; Thence North 57°14'02" West for 93.91 feet to a point on section line; Thence North 57°14'02" West for 831.51 feet to a ½ inch rebar; Thence North 66°16'48" West for 679.49 feet to a ½ inch rebar on section line; Thence South 89°20'54" East along section line for 1314.85 feet to the Point of Beginning.

PARCEL NO. 19:

TOWNSHIP 12 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 36: S½

PARCEL NO. 20:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 29: SW¼

Section 30: S½SE¼ and NE¼SE¼

EXCEPTING THEREFROM the following described tracts:

Tract No. 1:

Beginning at the Southeast corner of said Section 30, said corner marked by a 5/8 inch rebar; thence North 0°31'06" East along the section line for 1138.98 feet to a point which point shall be known as the True Point of Beginning;
Thence North 89°43'20" West for 25.49 feet to a P.K. Nail on the center of a county road;
Thence North 0°01'14" West along said county road for 195.32 feet to a P.K. Nail;
Thence South 89°30'02" East for 27.33 feet to a point on section line;
Thence South 89°30'02" East for 158.92 feet to a ½ inch rebar;
Thence South 2°01'23" East for 194.75 feet to a ½ inch rebar;
Thence North 89°43'20" West for 167.56 feet to the Point of Beginning.

Tract No. 2:

Beginning at the Southeast corner of said Section 30, said corner marked by a 5/8 inch rebar which point shall be known as the True Point of Beginning;
Thence North 89°20'54" West along section line for 231.83 feet to a ½ inch rebar;
Thence North 0°32'34" West for 669.14 feet to a ½ inch rebar;
Thence North 89°43'28" East for 223.14 feet to a P.K. Nail in the center of a county road;
Thence South 0°02'14" East along said county road for 362.71 feet to a P.K. Nail;
Thence South 10°59'02" East along said county road for 88.72 feet to a point on section line;
Thence South 10°59'02" East along said county road for 288.07 feet to a P.K. Nail on the South line of said Section 29;
Thence North 88°54'12" West along said section line for 45.48 feet to the Point of Beginning.

PARCEL NO. 21:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 31: Lots 3 and 4, E½NW¼ and the NE¼, **EXCEPTING THEREFROM** the following described tracts:

Tract No. 1:

Beginning at the Southeast corner of the SE¼NE¼ of said Section 31, which point shall be the True Point of Beginning;
Thence North 89°13'48" West along the quarter section line for 361.5 feet to a point;
Thence North 0°18' West for 361.5 feet to a point;
Thence South 89°13'48" East for 361.5 feet to a point on the section line;
Thence South 0°18' East for 361.5 feet to the True Point of Beginning.

Tract No. 2:

Beginning at the Northeast corner of said Section 31, said corner marked by a 5/8 inch rebar which shall be the Point of Beginning;
Thence South 88°54'12" East along section line for 45.48 feet to a P.K. Nail in the center of a county road; Thence South 5°52'50" East along said county road for 362.97 feet to a P.K. Nail;
Thence South 0°24'33" East along said county road for 397.31 feet to a P.K. Nail;
Thence North 57°14'02" West for 93.91 feet to a point on section line;
Thence North 57°14'02" West for 831.51 feet to a ½ inch rebar;
Thence North 66°16'48" West for 679.49 feet to a ½ inch rebar on section line;
Thence South 89°20'54" East along section line for 1314.85 feet to the Point of Beginning.

PARCEL NO. 22:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 30: NW¼SE¼

PARCEL NO. 23:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 20: W½

PARCEL NO. 24:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 29: NW¼

PARCEL NO. 25:

TOWNSHIP 12 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 14: All **EXCEPT** the NE¼NE¼

Section 15: All

Section 16: All

PARCEL NO. 26:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,

Loan No. 195457

Cranney Land Company, L.L.C.

71249831.1 0053564-00062

Exhibit A

CASSIA COUNTY, IDAHO

Section 28: SW¼ **EXCEPT** Highway right-of-way and **EXCEPTING** the following described tracts:

Tract No. 1:

Beginning at a point that is North 0°44' East along the quarter section line of said Section 28, a distance of 2687.76 feet; thence South 87°32' West a distance of 616.54 feet from the South quarter corner of said Section 28, which is the True Point of Beginning;

Thence South 1°21'30" West a distance of 277.19 feet;

Thence North 88°38'30" West a distance of 166.40 feet;

Thence North 30°49'56" West a distance of 339.45 feet;

Thence North 1°21'30" East a distance of 518.86 feet;

Thence South 88°38'30" East a distance of 347.24 feet;

Thence South 1°21'30" West a distance of 528.94 feet to the True Point of Beginning.

Tract No. 2:

Beginning at the South quarter section corner of said Section 28, said corner marked by a ½ inch rebar;

Thence North 0°44'00" East along the quarter section line for 2046.17 feet to a point;

Thence North 48°33'28" West for 7.80 feet to a ½ inch rebar on the West right-of-way of State Highway No. 27;

Thence North 0°28'43" West along said right-of-way for 33.16 feet to a ½ inch rebar which shall be the Point of Beginning;

Thence North 49°46'34" West for 756.25 feet to a ½ inch rebar;

Thence North 1°13'08" East for 306.00 feet to a ½ inch rebar;

Thence North 2°59'33" West for 309.26 feet to a ½ inch rebar;

Thence North 1°05'29" East for 438.02 feet to a ½ inch rebar;

Thence North 88°38'59" East for 565.89 feet to a ½ inch rebar;

Thence South 0°28'42" East for 496.59 feet to a ½ inch rebar at State Highway Station P.C. 400+16.80;

Thence South 0°28'42" East along the West right-of-way of State Highway No. 27 for 1057.88 feet to the Point of Beginning

PARCEL NO. 27:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 29: NE¼ and the SE¼ **EXCEPT** Railroad right-of-way and **EXCEPT** the following described tract:

Beginning at the South quarter section corner of said Section 29, said corner marked by a 3 inch Cassia County survey cap; thence North 89°55'30" East along section line for 197.29 feet to a P.K. Nail which shall be the Point of Beginning;
Thence North 0°11'29" West for 940.55 feet to a ½ inch rebar;
Thence South 26°28'33" East for 1,050.07 feet to a P.K. Nail on section line;
Thence South 89°55'30" West along section line for 465.00 feet to The Point of Beginning.

PARCEL NO. 28:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 32: NE¼ **EXCEPT** Railroad right-of-way and **EXCEPT** the following described tracts:

Tract No. 1:

Beginning at a point on Section line North 89°36' West for 94.3 feet from the Northeast corner of the NE¼NE¼ of said Section 32, which shall be the True Point of Beginning;
Thence South 0°24' West for 208.7 feet to a point;
Thence North 89°36' West for 208.7 feet to a point;
Thence North 0°24' East for 208.7 feet to a point on Section line;
Thence South 89°36' East for 208.7 feet along said section line to the True Point of Beginning.

Tract No. 2:

Beginning at the North quarter section corner of said Section 32, said corner marked by a railroad spike; thence North 89°55'30" East along section line for 272.81 feet to a P.K. Nail which shall be the Point of Beginning;
Thence North 89°55'30" East along said section line for 908.43 feet to a P.K. Nail;
Thence South 61°47'36" West for 599.23 feet to a ½ inch rebar;
Thence South 42°42'49" West for 554.65 feet to a ½ inch rebar;
Thence North 0°20'32" West for 689.59 feet to the Point of Beginning.

PARCEL NO. 29:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 33: NW¼ **EXCEPT** Highway right-of-way.

PARCEL NO. 30:

TOWNSHIP 12 SOUTH, RANGE 22 EAST OF THE BOISE MERIDIAN,

CASSIA COUNTY, IDAHO

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

Beginning 140 feet East of the Northwest corner of the SW $\frac{1}{4}$ of said Section 32;
Thence East 465 feet;
Thence South 465 feet;
Thence West 465 feet;
Thence North 465 feet to the Point of Beginning.

PARCEL NO. 31:

Easement for the benefit of Parcels 10, 12 and 23 executed by Cranney Brothers, a partnership of Willard Cranney, Jr., Michael Cranney and Douglas Cranney; Harold Cranney and Kerma Cranney, husband and wife; and Kent Woodhouse and Diane Woodhouse, husband and wife; J. Allen Woodhouse, a/k/a Jay Allen Woodhouse and Renae Woodhouse, husband and wife; and Kirk Woodhouse and Mary Ann Woodhouse, husband and wife and Cranney Farms, Inc., an Idaho corporation dated June 18, 1980 and recorded July 25, 1980 as Instrument No. 127854, for a permanent and perpetual easement and right of way in which to construct, reconstruct, operate, remove, repair, and maintain an underground irrigation pipeline for the conveyance of water in , over, across, and through the following described real property, situated, lying and being in the County of Cassia, State of Idaho, to wit:

Easement for irrigation purposes 30 feet wide lying within Sections 24, 25 and 36, Township 12 South, Range 21 East of the Boise Meridian, Cassia County, Idaho, more particularly described as follows:

Beginning at a point 30 feet North and 30 feet West of the Southwest corner of the NW $\frac{1}{4}$ NW $\frac{1}{4}$, being the True Point of Beginning;
Thence said 30 foot wide easement runs South 0°25' East parallel to the West boundary of said Section 19 for 1,347.36 feet to a point 30 feet West of the West quarter corner of said Section 19;
Thence South 0°33' East parallel to the West boundary of said Section 19 for 2634.72 feet to a point 30 feet West of the Southwest corner of said Section 19;
Thence South 0°42' West parallel to the West boundary of Section 30, Township 12 South, Range 22 East of the Boise Meridian, for 2660.46 feet to a point 30 feet West of the West Quarter corner of said Section 30;
Thence South 0°42' West parallel to the West boundary of said Section 30 for 2183.98 feet, more or less to a point where said easement will no longer run parallel to said Westerly boundary of Township 12 South, Range 22 East of the Boise Meridian. Said easement will run parallel with the concrete irrigation ditch, having a 15 foot easement on each side of the centerline of said concrete ditch;
Thence said easement shall continue to run in a Southerly direction, parallel to said irrigation ditch, and shall terminate at the intersection of said ditch and irrigation canal.

PARCEL NO. 32:

Pipeline Easement executed by WM. H. Wells and Edith Gay Wells aka Bill Wells and Gae Wells, husband and wife, and H. Dutch Robinson aka Howard Robinson and Karen Robinson, husband and wife, to Cranney Land Company, L.L.C., dated February 20, 2012 and recorded February 29, 2012 as Instrument No. 2012-000884, records of Cassia County, Idaho, for the benefit of Parcel Nos. 2, 3, and 5 in Tract A, over and across the N1/2S1/2 of Section 35, Township 13 South, Range 22 East Boise Meridian.

PARCEL NO. 33:

State of Idaho Term Easement No. 6549 by and between the State of Idaho, Department of Lands, acting through the State Board of Land Commissioners and Howard Dutch Robinson, dated February 9, 2007 and recorded February 22, 2007 as Instrument No. 314043, records of Cassia County, Idaho.

Assignment of State of Idaho Easement No. 6549 from Howard Dutch Robinson to PKD Properties, L.C., dated January 31, 2011 and recorded March 11, 2011 as Instrument No. 2011-001066, records of Cassia County, Idaho.

Assignment of State of Idaho Easement No. 6549 from PKD Properties, L.C., an Idaho Limited Liability Company to Cranney Land Company, L.L.C., dated February 28, 2012.

**EXHIBIT B
TO
MORTGAGE**

Equipment

LOCATION	DESCRIPTION	SERIAL NUMBER
TRACT 1	300hp GE Motor	DRJ425147
	Winthroath DWT	8960
	125hp US Motor	C9456-01-454-84-10852
	Aurora centrifugal pump	74-14996
TRACT 1	200HP US MOTOR	1160052
	VERTILINE PUMP	37771544
	75HP BOOSTER	BBJ209472
	LAYNE BOWLER PUMP	D12732
TRACT 1	300HP MOTOR	0DJ370508
	UNKNOWN	UNKNOWN
	300HP US MOTOR	1778518
	VERTILINE PUMP	26447
	125HP MARATHON BOOSTER	HD-96385-142-3
	AURORA PUMP	73-4678
TRACT 1	125HP GE BOOSTER	DKJ410110
	VERTILINE	73-08156
TRACT 1	125HP US MOTOR	1324216
	VERTILINE	D7935
	400HP US MOTOR	1020063
	100HP GE BOOSTER	SXJ517130
	JOHNSTON VERTICAL	SK6276XC19A
	LAYNE PUMP	31303
TRACT 1	75HP GE BOOSTER	ODJ320508
	LAYNE BOWLER PUMP	44634
TRACT 1	150HP MOTOR	DKJ403171
	LAYNE BOWLER PUMP	51568
TRACT 1	75HP US BOOSTER	3770999
	LAYNE BOWLER PUMP	51569
	125HP GE BOOSTER	GFK731107

Loan No. 195457

Cranney Land Company, L.L.C.

71249831 | 0053564-00062

Exhibit B

LOCATION	DESCRIPTION	SERIAL NUMBER
	AURORA PUMP	UNKNOWN
TRACT 1	350HP GE MOTOR	EJJ502013
	AURORA VERTILINE PUMP	37570233
	125HP MARATHON BOOSTER	MC189530-12/19-01
	CORNELL PUMP	10578913.50 TC00117
TRACT 1	500HP GE MOTOR	JMJ922022
	LAYNE BOWLER PUMP	UNKNOWN
TRACT 2	50hp US Electric Motor	C0298042914-0011R-06
	Cornell Centrifugal Pump	1106781200
TRACT 2	250hp US Motor	HC1024008
	Aurora vertiline DWT	8670716
TRACT 2	100hp US Electric Motor	1149031
	Layne Bowler DWT	18633
TRACT 2	300hp GE Motor	5K6287XH16B
	Layne Bowler DWT	27685
	150hp Motor unknown make	unknown
	Aurora centrifugal pump	76-12631-2
TRACT 2	400hp GE Motor	MMJ1222013
	Layne Bowler DWT	unknown
	125hp Lincoln Electric Motor	12279301
	Aurora centrifugal pump	7714432-2
TRACT 2	350hp GE Motor	BNJ223011
	Aurora vertiline DWT	3X370833
	75hp Baldor Motor	20604030178
	Cornell Centrifugal Pump	1424561350
TRACT 2	GE Motor unknown hp	unknown
	Welline short coupled pump	46013
	50hp Marathon Motor	P4069DDL
	Cornell Centrifugal Pump	1174011050DEG-13

Pivots

LOCATION	MAKE	SERIAL NUMBER
TRACT 1	unable to obtain	
	unable to obtain	
	unable to obtain	
	ZIMMATIC	L54983
	ZIMMATIC	L54933

Loan No. 195457
Cranney Land Company, L L C
71249831.1 0053564-00062

Exhibit B

LOCATION	MAKE	SERIAL NUMBER
	ZIMMATIC	L57294
	unable to obtain	P23884
	ZIMMATIC	L57301
	RAINCAT	2123
	unable to obtain	
	WADE RAIN	243N90198
	ZIMMATIC	L54960
	RAINCAT	2116
	RAINCAT	0297-C14378
	RAINCAT	2201
	GIFFORD HILL	12160-100678
	GIFFORD HILL	12161-100978
	VALLEY	UNKNOWN
	unable to obtain	
	unable to obtain	
	unable to obtain	
	ZIMMATIC	L73247
	unable to obtain	
	unable to obtain	
	RAINCAT	UNKNOWN
	Zimmatic	L91957
	Zimmatic	L80665
	Zimmatic	L80461
	Zimmatic	L80263
	Zimmatic	L80262
	Zimmatic	L80167
	Zimmatic	L80196
TRACT 2	ZIMMATIC	L34008
	ZIMMATIC	L37480
	ZIMMATIC	L37937
	ZIMMATIC	L40624
	ZIMMATIC	L34007
	ZIMMATIC	L32038
	ZIMMATIC	L32050
	ZIMMATIC	L32019
	ZIMMATIC	L40630
	ZIMMATIC	L34009
	ZIMMATIC	L37472
	ZIMMATIC	L32411
	Zimmatic	L80665
	unknown 3-tower	

Loan No. 195457
Cranney Land Company, L.L.C.
71249831.1 0053564-00062

Exhibit B

LOCATION	MAKE	SERIAL NUMBER
	unknown 3-tower	
	unknown 3-tower	
	unknown 4-tower	
TRACT 3	75 hp GE motor	JNJ914367
	Centrifugal pump	0074769
<i>NW1/4 Section 5</i>	8-tower Zimmatic Pivot	P64922 11-829 9/ECN 21156
	1200 Joints Solid Set Line	
	50 hp US Motor	RKA697-01641-R2091422
	250 hp GE	5K6316XC6A
	75 hp	D010105634-002R-07
	Centrifugal pump	11539-1350
<i>SW1/4 Section 5</i>	8-tower Zimmatic Pivot	P19834 P/N11-4956 6/ECN 15038
TRACT 4		
<i>SW1/4 Section 9</i>		
<i>This pivot is jointly owned by Cranney Ranches and Smith</i>	9-tower Reinke Pivot	P/N11-829 9/ECN-21156
TRACT 5	75hp US motor	862904
	Centrifugal pump	2668851
	50hp US	933451
	50hp US	R6231-05341
<i>This pivot is jointly owned by Woodhouse and Smith</i>	7-tower Zimmatic Pivot	P48905 PN11-8297 3ECN14595
TRACT 6		
	Zimmatic 7-Tower Pivot	
	Valley 7-Tower Pivot	
	Valley 10-Tower Pivot	
	Zimmatic 7-Tower Pivot	
	Valley Pivot	
	Valley 1/2 Circle Pivot	
	Zimmatic 1/2 Circle Pivot	
	3- Wheel Lines	
	1-Wheel Line	
	44 Joints of 3" Handline	
	4 Valve Openers	

Wells

TRACT	MAKE	SERIAL NUMBER
TRACT 6		
<i>Well #1</i>	250hp US Electric Motor	#11416972
<i>NE1/4 Section 3</i>	60hp Marathon	#92712-4730-7
<i>Well #2</i>	Cornell Booster	#58795
<i>NE1/4 Section 3</i>	Peerless Pump	None
	Booster 75hp GE	#R6326-790
	350hp US	#9541-13387-018717
	50hp Johnson Pump G6 w/Peerless Pump	#R-6326-790

Together with all main and hand lines, valve openers, end plugs, risers, stems, sprinkler birds, wiring switch panels, shafting, hoses, tubing, bowls, suction pipe, cones, reducers, above and below ground pipe, etc. pertaining to the above listed irrigation equipment.

**EXHIBIT C
TO
MORTGAGE**

Water Rights

Water Right Number	Source	Appropriation
45-425D	Big Cottonwood Creek	0.5 CFS
45-433	Big Cottonwood Creek	2.72 CFS
45-514A	Big Cottonwood Creek	3.2 CFS
45-516	Big Cottonwood Creek	3.2 CFS
45-597	Mill Creek	1.2 CFS
45-622B	Mill Creek	5.15 CFS
45-674	Mill Creek	0.8 CFS
45-2413	Ground Water	1.02 CFS
45-2431	Ground Water	1.3 CFS
45-2432	Ground Water	6.2 CFS
45-2603	Ground Water	1.95 CFS
45-4107	Ground Water	0.2 CFS
45-4045	Ground Water	6 CFS
45-7055	Ground Water	6.04 CFS
45-7064	Ground Water	5.44 CFS
45-7150	Ground Water	6.2 CFS
45-7242	Ground Water	4.8 CFS
45-13550	Ground Water	8.14 CFS
45-13585	Ground Water	21 CFS

Loan No. 195457

Cranney Land Company, L.L.C.

71249831.1 0053564-00062

Exhibit C

Water Right Number	Source	Appropriation
45-14219	Mill Creek	1.37 CFS
45-14221	Mill Creek	8.31 CFS
45-14223	Mill Creek	1.03 CFS
45-2028	Cottonwood Creek	18 CFS
45-2324	Ground Water	0.86 CFS
45-2594B	Ground Water	1.24 CFS
45-2639	Ground Water	3.48 CFS
45-7307	Ground Water	4.48 CFS

Split Water Rights

New Water Right Number	Prior Water Right Number	Source	Appropriation
45-14378	45-14218	Mill Creek	0.31 CFS
45-14380	45-14220	Mill Creek	1.24 CFS
45-14382	45-14222	Mill Creek	0.11 CFS
45-14384	45-88	Birch Creek	0.42 CFS
45-14386	45-14144	Ground Water	2.57 CFS
45-14388	45-14156	Ground Water	1.69 CFS
45-14390	45-14157	Ground Water	0.76 CFS
45-14392	45-14158	Ground Water	4.67 CFS

[This Exhibit C continues on the following page.]

All right title and interest in and to the following:

- That certain Well Agreement with Easement dated August 16, 2007, recorded August 20, 2007 in the Official Records of Cassia County, Idaho as Instrument No. 2007-317710.
- That certain Water Rotation Agreement dated September 10, 1992, recorded May 27, 1993 in the Official Records of Cassia County, Idaho as Instrument No. 224804.
- That certain Agreement dated April 3, 1963, recorded January 2, 1964 in the Official Records of Cassia County, Idaho as Instrument No. 16250.



Land Title and Escrow, Inc.

Focused on Service, Positioned for the Future

March 9, 2012

RECEIVED

MAR 12 2012

DEPT. OF WATER RESOURCES
SOUTHERN REGION

Trish Fawcett
Idaho Dept. of Water Resources
1341 Fillmore Street, Suite 200
Twin Falls, ID 83301

RE: File No. 49027 - Cranney Land Company, L.L.C.

Dear Trish:

Enclosed with this letter please find the following:

1. An original executed Notice of Security Interest in a Water Right.
2. Land Title and Escrow's trust account check no. 26540 payable to Idaho Department of Water Resources in the amount of \$675.00 for the water transfer fees.

Please make the necessary changes to indicate the new owner as Metropolitan Life Insurance Company for future water assessments and notices. Please send a receipted copy to this office.

Should you have any questions concerning this letter, please do not hesitate to contact me.

Very truly yours,
Land Title and Escrow, Inc.

Nancy Garrett
Administrative Assistant

/nrg
enc.

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