

RECEIVED

JUN 24 2010

WATER RESOURCES
WESTERN REGION

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

Please print or type. Attach pages with additional information. Instructions are included at the end of this form.
 Incomplete forms will be returned.

1. Please list the water right number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided (under the "split" heading), if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
PD 65-8650					
PD 65-8651					
PD 65-8850					
PD 65-11324					

2. The following **REQUIRED** information must be submitted with this form:

- A. The appropriate **FILING FEE**. See instructions for fee amounts.
- B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.
- C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
PLAT OF PROPERTY or **SURVEY MAP** clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are usually attached to your deed or on file with the county).

OR

If your water right(s) and/or adjudication claim(s) is for ten or more acres of irrigation, you must submit a USDA Farm Service Agency **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the **PLAT OF PROPERTY** or **SURVEY MAP**.

3. Name and Address of Former Owner/Claimant(s) 65-8650: JoAnn and Terry Haile,
65-8651, 65-8850, 65-11324: Barnes Ventures, Inc.
4. New Owner/Claimant(s) Eagle Springs Ranch, LLC
 Name Connector (Check one): ☐ and, ☐ or, ☐ and/or
- New Mailing Address PO Box 2020
- City, State and ZIP Code Boise, ID 83701
- New Telephone Number 208-429-9596
5. Date you acquired the property September 9, 2009

SUPPORT DATA
 IN FILE # 65-8650

6. If the change in ownership affects the entire water right for each water right or adjudication claim number listed in item 1, THEN SKIP THIS ITEM AND GO TO ITEM 7. If the change in ownership divides the water right(s) among multiple owners, you must describe, in detail, your portion of each water right after the change. Fill in the appropriate spaces in the box(es) below to describe your water right(s) after the change (one water right per box, you may copy this page as necessary). If your quantity of water is greater than a proportionate split, you must attach documentation to show justification for a larger amount. If you are not sure how to identify your portion of the original water right or adjudication claim records, please contact the nearest IDWR office for assistance.

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right will not be split, skip this area and proceed to line 7)		
Water Use	Diversion Rate or Volume	Description (acres, number and type of stock, homes, etc)
Water Right and/or Adjudication Claim Number _____		
Irrigation		
Stock		
Domestic		
Other		
Totals		
Water Right and/or Adjudication Claim Number _____		
Irrigation		
Stock		
Domestic		
Other		
Totals		
Water Right and/or Adjudication Claim Number _____		
Irrigation		
Stock		
Domestic		
Other		
Totals		

For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him/her for all matters related to your claims.

7. Signature of New Owner(s) or Claimant(s)
(include title if applicable)

[Signature]
(T. ERIC QAAS, MEMBER)

IT IS IMPORTANT TO FILE THIS COMPLETED FORM AT THE APPROPRIATE IDWR OFFICE, WITH PAYMENT OF THE FILING FEE AND THE OWNERSHIP DOCUMENT(S), AS REFERRED TO IN LINE 2.

For Office Use Only			
Received by <i>[Signature]</i>	Date <u>6-24-10</u>	Fee <u>\$100</u>	
Receipted by <i>[Signature]</i>	Date <u>6-24-10</u>	Receipt No. <u>W038496</u>	
Processed by <i>[Signature]</i> AJ	Date _____	WR <i>[Signature]</i>	Date <u>6-29-10</u>

Instrument # 225067
 IDAHO CITY, BOISE COUNTY, IDAHO
 09-28-2009 10:49:23 No. of Pages: 11
 Recorded for: ALLIANCE TITLE - CW MOORE
 CONSTANCE SWEARINGEN Fee: 33.00
 Ex-Officio Recorder Deputy sgeorge
 Index To: DEEDS
 Electronically Recorded by Simplifile

4

WARRANTY DEED

Order No.: AT-5000948605SRJ

FOR VALUE RECEIVED

L.B. Industries, Inc., an Idaho Corporation, which acquired title as Barnes Ventures, Inc.,
 the grantor, does hereby grant, bargain, sell and convey unto

Eagle Springs Ranch, LLC, an Idaho limited liability company,

whose current address is

P.O. Box 2028, Boise, ID, 83701,

the grantee, the following described premises, in Boise County, Idaho, TO WIT:

SEE ATTACHED EXHIBIT A

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that it is the owner in fee simple of said premises; that they are free from all encumbrances Except: Current Year Taxes, conditions, covenants, restrictions, reservations, easements, rights and rights of way, appurtenant or of record.

And that it will warrant and defend the same from all lawful claims whatsoever.

Dated: September 9, 2009

L.B. Industries, Inc., an Idaho corporation, as
 successor by merger to Barnes Ventures, Inc., an
 Idaho corporation

By: Jon Barnes, President

State of Idaho

County of Ada

On this 9th day of Sept, 2009, before me, a Notary Public in and for said state, personally appeared Jon Barnes, who acknowledged himself to be the President of the Corporation, and acknowledged to me that pursuant to a Resolution of the Board of Directors, that he as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the Corporation name by himself as President.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

SUE ASTLEY
 NOTARY PUBLIC
 STATE OF IDAHO

Sue Astley
 Notary Public for the State of Idaho

Commission Expires 09-03-2015
 Residing in Meridian, Idaho

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY TO BE CONVEYED AND WATER RIGHTS

65-8650: June 1, 1969 priority right for 0.02 cfs from Alder Creek for diversion to storage, and 0.5 acre-feet of storage at the small, existing pond on the east side of Alder Creek Rd and north of South Fork Road, near the sales office.

65-8651: June 1, 1900 priority right for 0.04 cfs of Ground Water for Domestic use.

65-8850: April 1, 1900 priority right for 2.57 cfs from Alder Creek for Irrigation, Aesthetic and Stockwater uses.

65-11324: September 3, 1966 priority right for 2.2 cfs from South Fork Payette River for Irrigation, Aesthetic, and Stockwater uses.

Exhibit Continues on Next Page

EXHIBIT

EXHIBIT A

PARCEL I:

A parcel of land being all of the Northeast Quarter of the Southeast Quarter of the Southeast Quarter (formerly described as the North Half of the East Half of the Southeast Quarter of the Southeast Quarter) of Section 34;
All of the North Half of the Southeast Quarter of the Southeast Quarter of the Southeast Quarter (formerly described as the North Half of the South Half of the East Half of the Southeast Quarter of the Southeast Quarter) of said Section 34;
All of the Southwest Quarter of the Southwest Quarter of Section 35;
All of the North Half of the Southeast Quarter of the Southwest Quarter of said Section 35;
All of Government Lots 5 and 6 of said Section 35; and
A portion of Government Lot 7, lying West of Alder Creek, also EXCEPT the South 660 feet of said Government 7; also in said Section 35;
All being located in Township 9 North, Range 4 East, Boise Meridian, Boise County, Idaho, more particularly described as follows:

Beginning at a Bureau of Land Management brass cap marking the section corner common to Sections 34 and 35, Township 9 North, Range 4 East, Boise Meridian, and Section 2 and 3, Township 8 North, Range 4 East, Boise Meridian, also being the REAL POINT OF BEGINNING; thence along the section line common to said Section 35 and 2

North 89°53'02" East 1118.08 feet (formerly South 89°30'00" East 1118.29 feet) to a found two inch diameter pipe marking the REAL POINT OF BEGINNING of Crosstimber Ranch Subdivision No. 1, as shown on the Official Plat, recorded as Instrument No. 161524, Records of Boise County, Idaho; thence continuing along said section line and along the North boundary of said Crosstimber Ranch Subdivision No. 1 North 89°53'02" East 210.39 feet (formerly 210.30') to an iron pin; thence leaving said section line and continuing along said Crosstimber Ranch Subdivision No. 1 boundary line the following bearings and distances;

North 0°36'38" West 635.20 feet (formerly North 0°00'24" East 635.26 feet) to an iron pin; thence

North 89°32'39" East 1327.38 feet (formerly South 89°50'03" East 1327.55 feet) to an iron pin; thence

North 0°37'48" West 16.99 feet (formerly North 0°04'57" West 17.02 feet) to an iron pin; thence

North 89°52'58" East 80.84 feet (formerly South 89°30'00" East 80.97 feet) to an iron pin marking the Northeast corner of said Crosstimber Ranch Subdivision No. 1, also being the Northwest corner of Creekside at Crosstimber Ranch Subdivision, as shown on the official plat, recorded as Instrument No. 178921, records of Boise County, Idaho; thence leaving the North boundary line of said Crosstimber Ranch Subdivision No. 1 and along the North boundary line of said Creekside at Crosstimber Ranch Subdivision North 89°52'58" East (formerly South 89°30'00" East) 390.03 feet to a point marking the intersection of the North boundary line of said Creekside at Crosstimber Ranch Subdivision and the centerline of Alder Creek, said point being witnessed by an iron pin bearing

South 89°52'58" West 15.00 feet distant from the true corner; thence leaving the North boundary line of said Creekside at Crosstiraber Ranch Subdivision and meandering along the centerline of Alder Creek the following bearings and distances;

North 5°30'07" East 181.28 feet to a point; thence

North 13°34'30" West 177.09 feet to a point; thence

North 4°41'31" East 254.56 feet to a point; thence

North 10°55'22" East 129.14 feet to a point; thence

North 29°13'05" East 214.95 feet to a point; thence

North 51°30'40" East 249.86 feet to a point; thence

North 80°23'47" East 114.44 feet to a point; thence

North 47°29'59" East 182.40 feet to a point marking the intersection of the centerline of said Alder Creek and the ordinary high water line of the left bank of the South Fork of the Payette River; thence leaving said centerline and meandering along the ordinary high water line of the left bank of said South Fork of the Payette River to the following bearings and distances:

North 8°33'22" West 185.44 feet to a point; thence

North 30°09'51" West 117.73 feet to a point; thence

North 57°38'45" West 427.63 feet to a point; thence

North 75°01'26" West 618.32 feet to a point; thence

North 68°20'35" West 420.28 feet to a point; thence

North 72°28'05" West 511.40 feet to a point; thence

South 80°17'18" West 762.73 feet to a point; thence

North 69°19'47" West 207.11 feet to a point; thence

North 59°58'59" West 265.67 feet to a point; thence

North 47°03'51" West 217.40 feet to a point; thence

North 41°17'27" West 695.39 feet to an iron pin marking the intersection of said ordinary high water line and the section line common to said Sections 34 and 35; thence leaving said ordinary high water line and along the section line common to said Section 34 and 35

South 0°23'04" East 1104.45 feet (formerly South 0°28'57" East 1104.15 feet) to an aluminum cap marking the quarter corner common to said Sections 34 and 35; thence continuing along said section line

South 0°28'13" East 1255.85 feet (formerly South 0°28'57" East 1255.90 feet) to an aluminum cap marking the South 1/16 section corner common to said Sections 34 and 35; thence leaving said section line and along the South 1/16 section line of said Section 34;

North 89°54'48" West 652.23 feet (formerly North 89°53'35" West 651.32 feet) to an iron pin marking the Northwest corner of the Northeast Quarter of the Southeast Quarter of the Southeast Quarter of said Section 34; thence leaving said South 1/16 section line and along the West boundary line of the East Half of the Southeast Quarter of the Southeast Quarter of said Section 34,

South 0°32'19" East (formerly South 0°31'43" East) 944.03 feet to an iron pin marking the Southwest corner of the North Half of the Southeast Quarter of the Southeast Quarter of the Southeast Quarter of said Section 34; thence leaving said West boundary line and along the South boundary line of the North Half of the Southeast Quarter of the Southeast Quarter of the Southeast Quarter of said Section 34,

North 89°52'51" East 651.48 feet to an iron pin on the section line common to said Sections 34 and 35, also being the Southeast corner of the North Half of the Southeast Quarter of the Southeast Quarter of the Southeast Quarter of said Section 34; thence

leaving said South boundary line and along the section line common to said Section 34 and 35, South $0^{\circ}29'41''$ East, 313.89 feet to the REAL POINT OF BEGINNING.

EXCEPTING therefrom any portion lying within the plat of Southfork Landing Subdivision Phase I according to the official Plat thereof filed October 15, 2007 as Instrument No. 216477, Boise County, Idaho.

AND FURTHER EXCEPTING any house trailer or mobile home located thereon.

AND FURTHER EXCEPTING the following described six (6) Tracts:

Tract I:

A tract of land situated in the South One Half of the North One Half and the North One Half of the South One Half all in Section 35, Township 9 North, Range 4 East, Boise Meridian, Boise County, Idaho, described as follows:

Commencing at a found aluminum cap monumenting the West One Quarter of said Section 35, from which a $5/8$ inch steel pin on the westerly line of said Section 35 at the ordinary high water line of the left bank of the South Fork of the Payette River bears North $00^{\circ}22'24''$ West a distance of 1,104.64 feet; thence following the westerly line of said Section 35, North $00^{\circ}22'24''$ West a distance of 162.17 feet to a $5/8$ inch steel pin on the northerly right-of-way line of Freedom Ranch Road; thence leaving said westerly line and following the northerly right-of-way line of said Freedom Ranch Road the following four (4) courses:

South $89^{\circ}41'45''$ East a distance of 221.18 feet to a $5/8$ inch steel pin;

266.58 feet along the arc of a circular curve to the right, said curve having a radius of 625.00 feet, a central angle of $24^{\circ}26'18''$, a cord bearing of South $77^{\circ}28'36''$ East and a chord distance of 264.56 feet to a $5/8$ inch steel pin;

South $65^{\circ}15'17''$ East a distance of 277.09 feet to a $5/8$ inch steel pin;

500.39 feet along the arc of a circular curve to the left, said curve having a radius of 1,775.00 feet, a central angle of $16^{\circ}09'08''$, a chord bearing of South $73^{\circ}20'01''$ East and a chord distance of 498.73 feet to a $5/8$ inch steel pin monumenting the southeast corner of Lot 17, Block 11 of Southfork Landing Subdivision Phase I and being the POINT OF BEGINNING.

Thence leaving said northerly right-of-way line and following the easterly line of said Lot 17, Block 11, North $08^{\circ}35'25''$ East a distance of 428.86 feet to a $5/8$ inch steel pin monumenting the northeast corner of said Lot 17, Block 11 on the ordinary high water line of the left bank of the South Fork of the Payette River; thence following said ordinary high water line the following two (2) courses:

North $80^{\circ}17'09''$ East a distance of 522.10 feet to a point;

South $72^{\circ}28'14''$ East a distance of 167.54 feet to a point;

Thence leaving said ordinary high water line, South 06°25'02" West a distance of 692.63 feet to a point on the northerly right-of-way line of Freedom Ranch Road; Thence following the northerly right-of-way line of said Freedom Ranch Road the following five (5) courses:

151.29 feet along the arc of a circular curve to the right, said curve having a radius of 475.00 feet, a central angle of 18°14'55", a chord bearing of North 71°11'25" West and a chord distance of 150.65 feet to a 5/8 inch steel pin;

North 62°03'57" West a distance of 162.75 feet to a 5/8 inch steel pin;

297.28 feet along the arc of a circular curve to the left, said curve having a radius of 825.00 feet, a central angle of 20°38'46", a chord bearing of North 72°23'20" West and a chord distance of 295.68 feet to a 5/8 inch steel pin;

North 82°42'43" West a distance of 53.28 feet to a 5/8 inch steel pin;

40.34 feet along the arc of a circular curve to the right, said curve having a radius of 1,775.00 feet, a central angle of 01°18'08" a chord bearing of North 82°03'39" West and a chord distance of 40.34 feet to the POINT OF BEGINNING.

Tract 2:

A tract of land situated in the South One Half of the North One Half and the North One Half of the South One Half all in Section 35, Township 9 North, Range 4 East, Boise Meridian, Boise County, Idaho, described as follows:

Commencing at a found aluminum cap monumenting the West One Quarter of said Section 35, from which a 5/8 inch steel pin on the westerly line of said Section 35 at the ordinary high water line of the left bank of the South Fork of the Payette River bears North 00°22'24" West a distance of 1,104.64 feet; thence following the westerly line of said Section 35, North 00°22'24" West a distance of 162.17 feet to a 5/8 inch steel pin on the northerly right-of-way line of Freedom Ranch Road; thence leaving said westerly line and following the northerly right-of-way line of said Freedom Ranch Road the following eight (8) courses:

South 89°41'45" East a distance of 221.18 feet to a 5/8 inch steel pin;

266.58 feet along the arc of a circular curve to the right, said curve having a radius of 625.00 feet, a central angle of 24°26'18", a chord bearing of South 77°28'36" East and a chord distance of 264.56 feet to a 5/8 inch steel pin;

South 65°15'27" East a distance of 277.09 feet to a 5/8 inch steel pin;

540.73 feet along the arc of a circular curve to the left, said curve having a radius of 1,775.00 feet, a central angle of 17°27'16", a chord bearing of South 73°59'05" East and a chord distance of 538.64 feet to a 5/8 inch steel pin;

South 82°42'43" East a distance of 53.28 feet to a 5/8 inch steel pin;

297.28 feet along the arc of a circular curve to the right, said curve having a radius of 825.00 feet, a central angle of 20°38'46" a chord bearing of South 72°23'20" East and a chord distance of 295.68 feet to a 5/8 inch steel pin;

South 62°03'57" East a distance of 162.75 feet to the 5/8 inch steel pin;

151.29 feet along the arc of a circular curve to the left, said curve having a radius of 475.00 feet, a central angle of 18°14'55", a chord bearing of South 71°11'25" East and a chord distance of 150.65 feet to the POINT OF BEGINNING.

Thence leaving said northerly right-of-way line, North 06°25'02" East a distance of 692.63 feet to a point on the ordinary high water line of the left bank of the South Fork of the Payette River; thence following said ordinary high water line the following two (2) courses:

South 72°28'14" East a distance of 343.86 feet to a point;

South 68°20'44" East a distance of 287.20 feet to a point;

Thence leaving said ordinary high water line, South 19°48'26" West a distance of 627.68 feet to a point on the northerly right-of-way line of Freedom Ranch road; thence following the northerly right-of-way line of said Freedom Ranch Road the following three (3) courses:

122.64 feet along the arc of a circular curve to the right, said curve having a radius of 475.00 feet, a central angle of 14°47'33", a chord bearing of North 68°40'30" West and a chord distance of 122.29 feet to a 5/8 inch steel pin;

262.47 feet along the arc of a reverse curve to the left, said curve having a radius of 495.48 feet, a central angle of 30°21'04", a chord bearing of North 76°27'16" West and a chord distance of 259.41 feet to a 5/8 inch steel pin;

93.81 feet along the arc of a reverse curve to the right, said curve having a radius of 475.00 feet, a central angle of 11°18'55", a chord bearing of North 85°58'20" West and a chord distance of 93.66 feet to the POINT OF BEGINNING.

Tract 3:

A tract of land situated in the South One Half of the North One Half and the North One Half of the South One Half all in Section 35, Township 9 North, Range 4 East, Boise Meridian, Boise County, Idaho, described as follows:

Commencing at a found aluminum cap monumenting the West One Quarter of said Section 35, from which a 5/8 inch steel pin on the westerly line of said Section 35 at the ordinary high water line of the left bank of the South Fork of the Payette River bears North 00°22'24" West a distance of 1,104.64 feet; thence following the westerly line of said Section 35, North 00°22'24" West a distance of 162.17 feet to a 5/8 inch steel pin on the northerly right-of-way line of Freedom Ranch Road; thence leaving said westerly line and following the northerly right-of-way line of said Freedom Ranch Road the following ten (10) courses:

South 89°41'45" East a distance of 221.18 feet to a 5/8 inch steel pin;

266.58 feet along the arc of a circular curve to the right, said curve having a radius of 625.00 feet, a central angle of 24°26'18", a chord bearing of South 77°28'36" East and a chord distance of 264.56 feet to a 5/8 inch steel pin;

South 65°15'27" East a distance of 277.09 feet to a 5/8 inch steel pin;

540.73 feet along the arc of a circular curve to the left, said curve having a radius of 1,775.00 feet, a central angle of 17°27'16", a chord bearing of South 73°59'05" East and a chord distance of 538.64 feet to a 5/8 inch steel pin;

South 82°42'43" East a distance of 53.28 feet to a 5/8 inch steel pin;

297.28 feet along the arc of a circular curve to the right, said curve having a radius of 825.00 feet, a central angle of 20°38'46" a chord bearing of South 72°23'20" East and a chord distance of 295.68 feet to a 5/8 inch steel pin;

South 62°03'57" East a distance of 162.75 feet to the 5/8 inch steel pin;

245.10 feet following the arc of a circular curve to the left, said curve having a radius of 475.00 feet, a central angle of 29°33'51", a chord bearing of South 76°50'53" East and a chord distance of 242.39 feet to a 5/8 inch steel pin;

262.47 feet along the arc of a reverse curve to the right, said curve having a radius of 495.48 feet, a central angle of 30°21'04", a chord bearing of South 76°27'16" East and a chord distance of 259.41 feet to a 5/8 inch steel pin;

122.64 feet along the arc of a reverse curve to the left, said curve having a radius of 475.00 feet, a central angle of 14°47'33", a chord bearing of South 68°40'30" East and a chord distance of 122.29 feet to the POINT OF BEGINNING.

Thence leaving said northerly right-of-way line, North 19°48'26" East a distance of 627.68 feet to a point on the ordinary high water line of the left bank of the South Fork of the Payette River; thence following said ordinary high water line the following two (2) courses:

South 68°20'44" East a distance of 133.08 feet to a point;

South 75°01'35" East a distance of 28.76 feet to a point;

Thence leaving said ordinary high water line, South 11°24'40" West a distance of 568.27 feet to a point on the northerly right-of-way line of Freedom Ranch Road; thence following the northerly right-of-way line of said Freedom Ranch Road the following two (2) courses;

North 86°34'50" West a distance of 166.03 feet to a 5/8 inch steel pin;

87.12 feet along the arc of a circular curve to the right, said curve having a radius of 475.00 feet, a central angle of $10^{\circ}30'33''$, a chord bearing of North $81^{\circ}19'33''$ West and a chord distance of 87.00 feet to the POINT OF BEGINNING.

Tract 4:

A tract of land situated in the South One Half of the North One Half and the North One Half of the South One Half all in Section 35, Township 9 North, Range 4 East, Boise Meridian, Boise County, Idaho, described as follows:

Commencing at a found aluminum cap monumenting the West One Quarter of said Section 35, from which a 5/8 inch steel pin on the westerly line of said Section 35 at the ordinary high water line of the left bank of the South Fork of the Payette River bears North $00^{\circ}22'24''$ West a distance of 1,104.64 feet; thence following the westerly line of said Section 35, North $00^{\circ}22'24''$ West a distance of 162.17 feet to a 5/8 inch steel pin on the northerly right-of-way line of Freedom Ranch Road; thence leaving said westerly line and following the northerly right-of-way line of said Freedom Ranch Road the following Eleven (11) courses:

South $89^{\circ}41'45''$ East a distance of 221.18 feet to a 5/8 inch steel pin;

266.58 feet along the arc of a circular curve to the right, said curve having a radius of 625.00 feet, a central angle of $24^{\circ}26'18''$, a cord bearing of South $77^{\circ}28'36''$ East and a chord distance of 264.56 feet to a 5/8 inch steel pin;

South $65^{\circ}15'27''$ East a distance of 277.09 feet to a 5/8 inch steel pin;

540.73 feet along the arc of a circular curve to the left, said curve having a radius of 1,775.00 feet, a central angle of $17^{\circ}27'16''$, a chord bearing of South $73^{\circ}59'05''$ East and a chord distance of 538.64 feet to a 5/8 inch steel pin;

South $82^{\circ}42'43''$ East a distance of 53.28 feet to a 5/8 inch steel pin;

297.28 feet along the arc of a circular curve to the right, said curve having a radius of 825.00 feet, a central angle of $20^{\circ}38'46''$ a chord bearing of South $72^{\circ}23'20''$ East and a chord distance of 295.68 feet to a 5/8 inch steel pin;

South $62^{\circ}03'57''$ East a distance of 162.75 feet to the 5/8 inch steel pin;

245.10 feet following the arc of a circular curve to the left, said curve having a radius of 475.00 feet, a central angle of $29^{\circ}33'51''$, a chord bearing of South $76^{\circ}50'53''$ East and a chord distance of 242.39 feet to a 5/8 inch steel pin;

262.47 feet along the arc of a reverse curve to the right, said curve having a radius of 495.48 feet, a central angle of $30^{\circ}21'04''$, a chord bearing of South $76^{\circ}27'16''$ East and a chord distance of 259.41 feet to a 5/8 inch steel pin;

209.76 feet along the arc of a circular curve to the left, said curve having a radius of 475.00 feet, a central angle of 25°18'06", a chord bearing of South 73°55'47" East and a chord distance of 208.06 feet to a 5/8 inch steel pin;

South 86°34'50" East a distance of 166.03 feet to the POINT OF BEGINNING.

Thence leaving said northerly right-of-way line, North 11°24'40" East a distance of 568.27 feet to a point on the ordinary high water line of the left bank of the South Fork of the Payette River;

Thence following said ordinary high water line, South 75°01'35" East a distance of 225.69 feet to a point;

Thence leaving said ordinary high water line, South 11°34'03" West a distance of 522.82 feet to a point on the northerly right-of-way line of Freedom Ranch Road; thence following the northerly right-of-way line of said Freedom Ranch Road, North 86°34'50" West a distance of 226.02 feet to the POINT OF BEGINNING.

Tract 5:

A tract of land situated in the South One Half of the North One Half and the North One Half of the South One Half all in Section 35, Township 9 North, Range 4 East, Boise Meridian, Boise County, Idaho, described as follows:

Commencing at a found aluminum cap monumenting the West One Quarter of said Section 35, from which a 5/8 inch steel pin on the westerly line of said Section 35 at the ordinary high water line of the left bank of the South Fork of the Payette River bears North 00°22'24" West a distance of 1,104.64 feet; thence following the westerly line of said Section 35, North 00°22'24" West a distance of 162.17 feet to a 5/8 inch steel pin on the northerly right-of-way line of Freedom Ranch Road; thence leaving said westerly line and following the northerly right-of-way line of said Freedom Ranch Road the following eleven (11) courses:

South 89°41'45" East a distance of 221.18 feet to a 5/8 inch steel pin;

266.58 feet along the arc of a circular curve to the right, said curve having a radius of 625.00 feet, a central angle of 24°26'18", a cord bearing of South 77°28'36" East and a chord distance of 264.56 feet to a 5/8 inch steel pin;

South 65°15'27" East a distance of 277.09 feet to a 5/8 inch steel pin;

540.73 feet along the arc of a circular curve to the left, said curve having a radius of 1,775.00 feet, a central angle of 17°27'16", a chord bearing of South 73°59'05" East and a chord distance of 538.64 feet to a 5/8 inch steel pin;

South 82°42'43" East a distance of 53.28 feet to a 5/8 inch steel pin;

297.28 feet along the arc of a circular curve to the right, said curve having a radius of 825.00 feet, a central angle of 20°38'46" a chord bearing of South 72°23'20" East and a chord distance of 295.68 feet to a 5/8 inch steel pin;

South 62°03'57" East a distance of 162.75 feet to the 5/8 inch steel pin;

245.10 feet following the arc of a circular curve to the left, said curve having a radius of 475.00 feet, a central angle of 29°33'51", a chord bearing of South 76°50'53" East and a chord distance of 242.39 feet to a 5/8 inch steel pin;

262.47 feet along the arc of a reverse curve to the right, said curve having a radius of 495.48 feet, a central angle of 30°21'04", a chord bearing of South 76°27'16" East and a chord distance of 259.41 feet to a 5/8 inch steel pin;

209.76 feet along the arc of a circular curve to the left, said curve having a radius of 475.00 feet, a central angle of 25°18'06", a chord bearing of South 73°55'47" East and a chord distance of 208.06 feet to a 5/8 inch steel pin;

South 86°34'50" East a distance of 392.06 feet to the POINT OF BEGINNING.

Thence leaving said northerly right-of-way line, North 11°34'03" East a distance of 522.82 feet to a point on the ordinary high water line of the left bank of the South Fork of the Payette River; thence following said ordinary high water line, South 75°01'35" East, a distance of 345.15 feet to a point on the westerly right-of-way line of Alder Creek Road; thence leaving said ordinary high water line and following the westerly right-of-way line of said Alder Creek Road the following three (3) courses:

South 46°27'31" West a distance of 76.25 feet to a point;

326.75 feet following the arc of a circular curve to the left, said curve having a radius of 483.00 feet, a central angle of 38°45'39", a chord bearing of South 27°04'42" West and a chord distance of 320.56 feet to a point;

South 7°41'52" West a distance of 99.35 feet to a 5/8 inch steel pin on the northerly right-of-way line of Freedom Ranch Road;

Thence leaving said westerly right-of-way line and following the northerly right-of-way line of said Freedom Ranch Road, North 86°34'50" West a distance of 224.17 feet to the POINT OF BEGINNING.

Tract 6:

A tract of land situated in the South 1/2 of Section 35, Township 9 North, Range 4 East, Boise Meridian, Boise County, Idaho, described as follows:

Commencing at a found brass cap monumenting the southwest corner of said Section 35, thence following the southerly line of the Southwest 1/4 of said Section 35, North 89°52'53" East a distance of 1,328.49 feet to a found 5/8 inch steel pin monumenting the Southeast corner of the Southwest 1/4 of the Southwest 1/4 of said Section 35 and being on the westerly line of Creekside at Crosstimmer Ranch Subdivision; thence leaving said

southerly line and following the westerly line of said Subdivision, North 00°36'47" West a distance of 635.20 feet to a found 5/8 inch steel pin monumenting the northwest corner of said Subdivision; thence leaving said westerly line and following the northerly line of said Subdivision, North 89°31'40" East a distance of 1,184.50 feet to a point; thence leaving said northerly line, North 0°28'20" West a distance of 502.63 feet to the POINT OF BEGINNING.

Thence 93.75 feet along the arc of a circular curve to the left, said curve having a radius of 175.00 feet, a central angle of 30°41'38", a chord bearing of North 08°44'39" West and a chord distance of 92.63 feet to a point; thence North 24°05'28" West a distance of 7.51 feet to a point; thence North 65°54'32" East a distance of 274.11 feet to a point; thence South 09°19'41" East a distance of 233.99 feet to a point hereinafter referred to as POINT "A"; thence North 85°39'19" West a distance of 271.79 feet to the POINT OF BEGINNING.

TOGETHER WITH a 14 foot wide ingress and egress easement being 7 feet on each side of the following described centerline:

Commencing at a point previously referred to as POINT "A", thence North 85°39'19" West a distance of 67.10 feet to the POINT OF BEGINNING.
Thence 117.14 feet along the arc of a non-tangent curve to the right, said curve having a radius of 82.00 feet, a central angle of 81°51'01", a chord bearing of South 14°42'31" West and a chord distance of 107.43 feet; thence 94.97 feet along the arc of a non-tangent curve to the left, said curve having a radius of 132.31 feet, a central angle of 41°09'36", a chord bearing South 35°03'13" West and a chord distance of 92.95 feet to a point; thence 96.75 feet along the arc of a compound curve to the left, said curve having a radius of 47.00 feet, a central angle of 117°56'49", a chord bearing of South 44°12'03" East and a chord distance of 80.55 feet to a point; thence North 76°49'32" East a distance of 159.26 feet to a point; thence South 19°51'26" East a distance of 22.36 feet to a point on the Westerly right-of-way line of Alder Creek Road and the POINT OF TERMINUS.

PARCEL II:

The following Lots lying within the plat of Southfork Landing Subdivision Phase I according to the official Plat thereof filed October 15, 2007 as Instrument No. 216477, Boise County, Idaho.

Lots 11 through 42, 57, Block 7;
Lots 14 through 26, Block 8;
Lots 1 through 32, Block 9;
Lots 1 through 17, Block 10;
Lots 16 & 17, Block 11;
Lot 1, Block 12

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement"), dated September 4, 2009, is made by and between L.B. INDUSTRIES, INC., an Idaho corporation, as successor by merger to Barnes Ventures, Inc., an Idaho corporation ("Seller"), EAGLE SPRINGS RANCH, LLC, an Idaho limited liability company ("Buyer") and SOUTHFORK LANDING, INC., an Idaho corporation ("SFI").

RECITALS

A. Seller owns certain real property located in Boise County, State of Idaho, more particularly described on Exhibit A attached hereto and in Section 1 below ("Property").

B. Seller, Buyer and SFI are parties to that certain Infrastructure Development Agreement dated February 28, 2006, relating to the Property ("Development Agreement").

C. Seller and Buyer are parties to those certain loan agreements, promissory notes and mortgages with R.E. Loans, LLC, a California limited liability company and Mortgage Fund '08, LLC, a Delaware limited liability company, secured by the Property, as more specifically identified in Section 2 below (collectively the "Financing Documents").

D. Seller has agreed to sell to Buyer, and Buyer has agreed to purchase from Seller, substantially all of the Property on the terms and conditions contained herein, including the release of Seller from all obligations under the Development Agreement and Financing Documents.

NOW, THEREFORE, the parties agree as follows:

1. **Property Description.** Seller shall sell and convey to Buyer good and marketable title to the real property described on Exhibit A attached hereto, together with any and all water right (including, but not limited to those set forth on Exhibit A), buildings, easements, appurtenances, rights, privileges and improvements thereunto belonging or appurtenant thereto (all of the foregoing being hereinafter referred to collectively as the "Property"), upon and subject to the terms and conditions set forth in this Agreement. Seller is retaining, and the definition of "Property" for purposes of this Agreement shall exclude the real property described on Exhibit B attached hereto ("Retained Parcels"). Further, Seller shall retain the right to utilize the domestic wells currently located on the Retained Parcels, but shall abandon the domestic wells in accordance with the Southfork Landing Conditions for Approval established by Boise County upon availability of domestic water to the Retained Parcels.

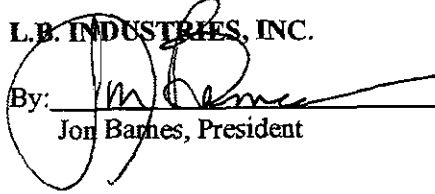
2. **Consideration.** As consideration for transfer of the Property, Buyer shall (a)

Seller of all obligations under the documents listed on Exhibit C attached hereto (collectively the "Financing Documents").

learned by Buyer and SLI or their principals and officers from and after the date hereof or on acts or omissions which occur from and after the date hereof. Buyer and SLI covenant and agree to provide written acknowledgment from its principals and officers of the obligations of this Section 17(j)(ii).

SELLER :

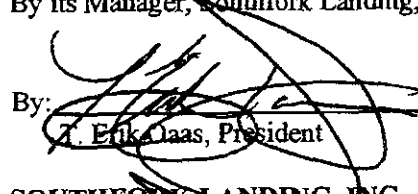
L.B. INDUSTRIES, INC.

By: 

Jon Barnes, President

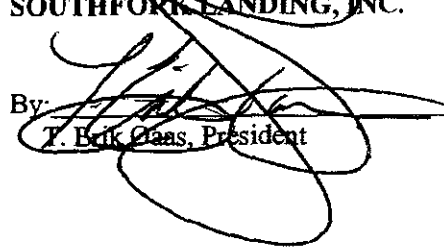
BUYER :

EAGLE SPRINGS RANCH, LLC,
By its Manager, Southfork Landing, Inc.

By: 

T. Erik Gaas, President

SOUTHFORK LANDING, INC.

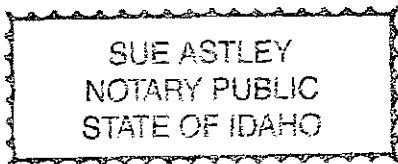
By: 

T. Erik Gaas, President

STATE OF IDAHO)
)
) SS.
COUNTY OF ADA)

On this 9th day of Sept., 2009, before me, the undersigned Notary Public in and for said State, personally appeared JON BARNES, known or identified to me to be the President of L.B. INDUSTRIES, INC., the Idaho corporation that executed the foregoing instrument and the person whose name is subscribed to the within instrument, and acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

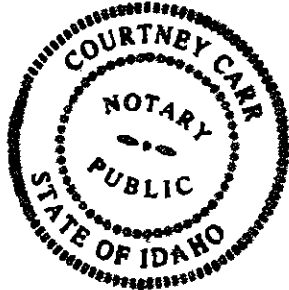


Sue Astley
NOTARY PUBLIC, State of Idaho
Commission Expires 09-03-2015
Residing at _____
Commission expires: _____
Residing in Meridian, Idaho

STATE OF IDAHO)
)
) SS.
COUNTY OF ADA)

On this 10th day of September, 2009, before me, the undersigned Notary Public in and for said State, personally appeared T. ERIK OAAS, known or identified to me to be the President of SOUTHFORK LANDING, INC., the Idaho corporation that executed the foregoing instrument as the manager of EAGLE SPRINGS RANCH, LLC, an Idaho limited liability company, and the person whose name is subscribed to the within instrument, and acknowledged to me that said company executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

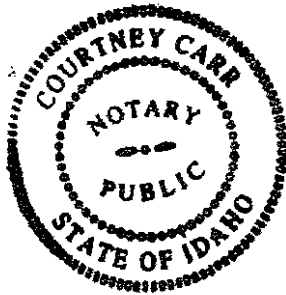


Courtney Carr
NOTARY PUBLIC, State of Idaho
Residing at _____ Comm. Expires: Nov. 22, 2010
Commission expires: _____
Residing in Boise, Idaho

STATE OF IDAHO)
 ss.
COUNTY OF ADA)

On this 10th day of September, 2009, before me, the undersigned Notary Public in and for said State, personally appeared T. ERIK OAAS, known or identified to me to be the President of SOUTHFORK LANDING, INC., the Idaho corporation that executed the foregoing instrument and the person whose name is subscribed to the within instrument, and acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Courtney Carr
NOTARY PUBLIC, State of Idaho
Residing at _____
Commission expires: Comm. Expires: Nov. 22, 2010
Residing in Boise, Idaho