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JUN 23 2009

DEPARTMENT OF
WATER RESOURCES

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STATE 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): PD 47-17105
- Adjudication Claim No(s): 47-17105
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
- Bank of the Cascades
- Plaza 121 Branch
- 121 N. 9th Street, Suite 100
- Boise, ID 83702
4. Name of Water Right Owner/Claimant(s)
- Edward A. Johnson & Janice M. Johnson
5. Expiration Date of Notification Period September 12, 2018
6. Is this a Renewal of Request for Notification? ☐ YES ☒ NO
7. Signature(s) of Security Interest holder(s)
(and title if applicable)
- 
- Jeff Huhn, Vice President, Bank of the Cascades

For Office Use Only

Received by	Date	Fee
Received by <u>SR7</u>	Date <u>6-23-2009</u>	Receipt No. <u>088880</u>
Processed by <u>AJ</u>	Date	WR <u> </u> Date <u> </u>

RECORDATION REQUESTED BY:

Bank of the Cascades
Plaza 121 Branch
121 N 9th Street, Suite 100
Boise, ID 83702

TWIN FALLS COUNTY

Recorded for:

FIRST AMERICAN TITLE CO.

3:25:03 PM 09/13/2007

2007-022857

WHEN RECORDED MAIL TO:

Bank of the Cascades
Plaza 121 Branch
121 N 9th Street, Suite 100
Boise, ID 83702

No. Pages: 12 Fee: \$ 36.00

KRISTINA GLASCOCK

County Clerk

Deputy: CHIRMAN

SEND TAX NOTICES TO:

Bank of the Cascades
Plaza 121 Branch
121 N 9th Street, Suite 100
Boise, ID 83702

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

**MORTGAGE**

THIS MORTGAGE dated September 12, 2007, is made and executed between EDWARD A JOHNSON and JANICE M JOHNSON, HUSBAND AND WIFE, whose address is 12828 W LASALLE ST #100, BOISE, ID 83713 (referred to below as "Grantor") and Bank of the Cascades, whose address is 121 N 9th Street, Suite 100, Boise, ID 83702 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, grants, bargains, sells and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in TWIN FALLS County, State of Idaho:

See EXHIBIT "A", which is attached to this Mortgage and made a part of this Mortgage as if fully set forth herein.

The Real Property or its address is commonly known as BARE LAND, BUHL, ID 83316.

CROSS-COLLATERALIZATION. In addition to the Note, this Mortgage secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender; or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

REVOLVING LINE OF CREDIT. This Mortgage secures the indebtedness including, without limitation, a revolving line of credit, which obligates Lender to make advances to Grantor so long as Grantor complies with all the terms of the Note.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due and shall strictly perform all of Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property. The following provisions relate to the use of the Property or to other limitations on the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Idaho law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and reasonable attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialman's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$500.00. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor 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 Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Mortgage:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE: If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The death of Grantor, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty that Grantor would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Nonjudicial Sale. If permitted by applicable law, Lender may foreclose Grantor's interest in all or in any part of the Personal Property or the Real Property by non-judicial sale.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the Indebtedness.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time 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 at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

NOTICES. Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Governing Law. This Mortgage will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Mortgage has been accepted by Lender in the State of Idaho.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of ADA County, State of Idaho.

Joint and Several Liability. All obligations of Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each Grantor signing below is responsible for all obligations in this Mortgage.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to

demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Successors and Assigns. Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Waive Jury. All parties to this Mortgage hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Grantor 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.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means EDWARD A JOHNSON and JANICE M JOHNSON and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Default. The word "Default" means the Default set forth in this Mortgage in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

Grantor. The word "Grantor" means EDWARD A JOHNSON and JANICE M JOHNSON.

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage. Specifically, without limitation, Indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Mortgage.

Lender. The word "Lender" means Bank of the Cascades, its successors and assigns.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender.

Note. The word "Note" means the promissory note dated September 12, 2007, in the original principal amount of \$1,625,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The maturity date of this Mortgage is September 12, 2008. NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property, together with all acccessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

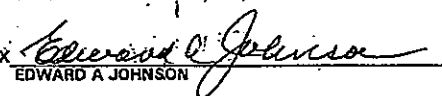
Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

x 
EDWARD A JOHNSON

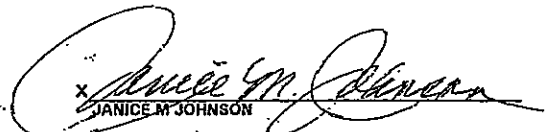
x 
JANICE M JOHNSON

EXHIBIT A

LEGAL DESCRIPTION:

PARCEL NO. 1:

Township 8 South, Range 14 East of the Boise Meridian, Twin Falls County, Idaho,

SECTION 29: SE $\frac{1}{4}$ SE $\frac{1}{4}$,

SECTION 32: E $\frac{1}{2}$ NE $\frac{1}{4}$,

EXCEPT a parcel of land in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 29 and NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 32 described as follows:

COMMENCING at the Quarter Corner common to Section 32 and 33, Township 8 South, Range 14 East of the Boise Meridian;

Thence on a bearing of North 0° 03'41" West a distance of 1955.72 feet along the East boundary of Section 32 to the REAL POINT OF BEGINNING;

Thence from the Real Point of Beginning on a bearing of North 87° 01'46" West a distance of 425.98 feet;

Thence on a bearing of North 2° 38'30" East a distance of 853.00 feet;

Thence on a bearing of South 87° 21'27" East a distance of 385.58 feet to the East boundary of Section 29;

Thence along the East boundary of Section 29 on a bearing of South 0° 03'53" East a distance of 171.50 feet to the Section Corner common to Sections 28, 29, 32 and 33;

Thence from said Section Corner and along the East boundary of Section 32 on a bearing of South 0° 03'41" East a distance of 684.89 feet to the REAL POINT OF BEGINNING.

AND EXCEPT that portion of the said E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 32 described as follows:

COMMENCING at the East quarter corner of said Section 32 said point being the REAL POINT OF BEGINNING: Then Northwesterly along the centerline of a county road the following courses and distances: North 17° 13'05" West 31.00 feet; North 24° 00'19" West 72.15 feet; North 30° 29'06" West 72.47 feet; North 35° 18'31" West 642.11 feet; North 42° 49'47" West 99.47 feet; North 41° 30'35" West 367.37 feet; North 44° 10'45" West 155.66 feet; North 50° 16'42" West 239.92 feet; North 68° 47'01" West 288.38 feet to a point on the Westerly boundary of the E $\frac{1}{2}$ NE $\frac{1}{4}$; Then South 0° 01'41" West 1401.70 feet along the Westerly boundary of the E $\frac{1}{2}$ NE $\frac{1}{4}$ to the Southwest corner thereof; Then North 89° 53'50" East 1320.05 feet along the Southerly boundary of the E $\frac{1}{2}$ NE $\frac{1}{4}$ to the REAL POINT OF BEGINNING.

ALSO EXCEPTING: That portion of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 32, more particularly described as follows:

Beginning at the Southeast corner of said SE $\frac{1}{4}$ NE $\frac{1}{4}$;

Thence South 89°39'11" West a distance of 229.00 feet along the Southerly boundary of said SE $\frac{1}{4}$ NE $\frac{1}{4}$;

Thence North 23°34'33" West a distance of 211.18 feet;

Thence North 25°11'51" East a distance of 200.59 feet to the center of a county road;

Thence Southerly along the center of said county road the following courses and distances: South 35°18'32" East a distance of 264.31 feet;

Thence South 30°29'06" East a distance of 72.47 feet;
Thence South 24°00'19" East a distance of 72.15 feet;
Thence South 17°13'05" East a distance of 31.00 feet to The Point of Beginning.

PARCEL NO. 2:

Township 8 South, Range 14 East of the Boise Meridian, Twin Falls County, Idaho,

SECTION 33: All of Lot 2,

EXCEPT that portion in the Southeast corner described as follows:

BEGINNING at a point "D" which lies North 0° 04" West, 1,321.5 feet and South 89° 45' East, 1,021.2 feet of the quarter stone on the West side of Section 33 Township 8 South, Range 14 EBM. Said point "D" being on the South Boundary line of Lot 2.
Commencing at the fore stated point "D";
Thence North 5° 28' East 246.00 feet to a point "E";
Thence North 80° 08' East 253 feet to a point "F" on the Snake River bank;
Thence South 10° 17' West 294 feet to a point "G";
Thence North 89° 45' West 221 feet to the point "D" of commencement.

AND EXCEPT a parcel of land located in Lot 2 and being more specifically described as follows:

COMMENCING at the West quarter corner of Section 33, Township 8 South, Range 14 EBM from which the Southwest section corner of said Section 33 bears South 0° 03'00" East 2641.88 feet;
Then North 0° 03'00" West 1102.16 feet;
Then North 51° 29'18" East 1405.86 feet; Then South 50° 22'22" East 165.60 feet to the Southwest property corner, said point being the REAL POINT OF BEGINNING;
Then North 3° 22'53" East 271.48 feet;
Then South 84° 50'56" East 351.71 feet to the high water mark of the Westerly bank of the Snake River;
Then Southerly along the Westerly bank of the Snake River the following two courses and distances;
South 41° 00'55" East 74.27 feet;
South 34° 51'47" West 245.07 feet;
Then North 86° 18'57" West 275.53 feet to the REAL POINT OF BEGINNING.

AND EXCEPT:

A parcel of land in said Lot 2, described as follows:

COMMENCING at the West Quarter Corner of Section 33, Township 8 South, Range 14 East of the Boise Meridian;
Thence on a bearing of North 0° 03'41" West a distance of 2090.61 feet along the West boundary of said Section 33 to the REAL POINT OF BEGINNING;
Thence from this Real Point of Beginning and continuing along said West boundary of Section 33 on a bearing of North 0° 03'41" West a distance of 550.00 feet to the Section Corner common to Sections 28, 29, 32 and 33;
Thence from said Section Corner and along the North boundary of Section 33 on a bearing of South 89° 56'54" East a distance of 1652.67 feet to a Meander Corner on the Westerly bank of the Snake River;
Thence along the approximate mean high water line of the Snake River the following courses and

distances:

South 22° 25'16" East, 148.92 feet; South 5° 07'28" East, 85.90 feet; South 15° 38'29" East, 142.71 feet; South 56° 25'25" West, 146.91 feet; South 24° 07'41" West, 93.52 feet;
Thence departing from said approximate mean high water line on a bearing of North 84° 52'12" West a distance of 351.71 feet;
Thence on a bearing of South 3° 21'37" West a distance of 53.94 feet;
Thence on a bearing of North 89° 56'54" West a distance of 1240.94 feet to the REAL POINT OF BEGINNING.

SECTION 33: All of Lot 3

EXCEPT the Eastern part described as follows:

FROM THE quarter corner common to Sections 32 and 33, Township 8 South, Range 14 EBM bearing South 89° 45' East 815 feet on the quarter section line common to Lots 3 and 6 lies a point "A". Also from the point "A" there is a spike driven in a ten-inch diameter Deciduous Tree bearing South 40° 25' West 111 feet.
Commencing from the above designated point "A" which is on the South boundary line of Lot 3 said Township and Range;
Thence North 2° 49' East 491 feet to a point "B" where a galvanized nail is driven approximately in the middle atop a high boulder; Thence North 17° 11' East 703.5 feet to a point "C";
Thence North 5° 28' East 148.6 feet to a point "D";
Thence South 89° 45' East 221 feet along the North boundary line of Lot 3 said Township and Range to a point "G";
Thence South 10° 17' West along the Snake River 169 feet to a point "H";
Thence South 16° 17' West 170 feet to a point "I";
Thence South 3° 58' West 250 feet to a point "J";
Thence South 8° 56' East 156 feet to a point "K" this said Point "K" being 9.3 feet East on the Northeast corner of the North Line extended on the Banbury building proper;
Thence South 1° 56' East 300 feet to a point "L";
Thence South 7° 06' East 205 feet to a point "M";
Thence South 0° 50' West 68.4 feet to a point "N";
Thence North 89° 45' West 433 feet along the quarter line of fore stated Section to the Point "A" of commencement.

PARCEL NO. 3:

A parcel of land consisting of portions of: Sections 31 and 32 Township 8 South, Range 14 East of the Boise Meridian, Twin Falls County, Idaho, being described as follows:

Township 8 South, Range 14 East of the Boise Meridian,

Section 31: The SW¼SE¼; NW¼SE¼; E½SE¼ and that portion of the SW¼NE¼ described as follows:

COMMENCING at the Northeast corner said Section 31;
Then South 89° 07'36" West 2606.83 feet along the Northerly Boundary of said Section 31;
Then South 0° 11'15" West 1312.88 feet to the Northwest corner of the SW¼NE¼ said Section 31;
Then South 0° 11'15" West 344.25 feet to the REAL POINT OF BEGINNING;
Then North 75° 32'53" East 169.23 feet;
Then South 87° 52'07" East 75.00 feet;

Then North 50° 17'06" East 490.10 feet to a point on the Northerly Boundary of said SW¼NE¼;
Then North 89° 13'17" East 694.84 feet along the Northerly Boundary of said SW¼NE¼ to the
Northeast corner thereof;
Then South 0° 05'02" East 1314.96 feet along the Easterly Boundary of said SW¼NE¼ to the
Southeast corner thereof;
Then South 89° 18'58" West 1315.78 feet along the Southerly Boundary of said SW¼NE¼ to the
Southwest corner thereof;
Then North 0° 11'15" East 968.63 feet along the Westerly Boundary of said SW¼NE¼ to the REAL
POINT OF BEGINNING.

Township 8 South, Range 14 East of the Boise Meridian, Twin Falls County, Idaho,

SECTION 32: All of the N½SW¼; E½NW¼; W½NE¼;

AND

A portion of the W½NW¼ being specifically described as follows:

COMMENCING at the Northwest corner said Section 32;
Then North 89° 23'17" East 193.16 feet along the Northerly boundary of said Section 32 to the
centerline of a County Road (old U.S. 30) said point being the REAL POINT OF BEGINNING;
Then Southerly along the centerline of the County road (old U.S. 30) the following courses and
distances: South 3° 19'50" West 1180.74 feet to the point of curvature;
Then 227.95 feet along a curve to the right having a central angle of 59° 21'54" and a radius of
220.00 feet; a long chord bearing and distance of South 33° 00'47" West 217.88 feet to a point on
the Westerly boundary of said Section 32;
Then South 0° 14'47" East 1274.67 feet along the Westerly boundary of said Section 32 to the
West quarter corner thereof;
Then North 89° 53'50" East 1327.46 feet along the Southerly boundary of the W½NW¼ to the
Southeast corner thereof;
Then North 0° 04'08" West 2645.93 feet along the Easterly boundary of the W½NW¼ to the
Northeast corner thereof;
Then South 89° 23'17" West 1142.52 feet along the Northerly boundary of said Section 32 to the
REAL POINT OF BEGINNING.

AND

A portion of the E½NE¼ being specifically described as follows:

COMMENCING at the East quarter corner of said Section 32 said point being the REAL POINT OF
BEGINNING;
Then Northwesterly along the centerline of a county road the following courses and distances:
North 17° 13'05" West 31.00 feet; North 24° 00'19" West 72.15 feet; North 30° 29'06" West 72.47
feet; North 35° 18'31" West 642.11 feet; North 42° 49'47" West 99.47 feet; North 41° 30'35" West
367.37 feet; North 44° 10'45" West 155.66 feet; North 50° 16'42" West 239.92 feet; North 68°
47'01" West 288.38 feet to a point on the Westerly boundary of the E½NE¼;
Then South 0° 01'41" West 1401.70 feet along the Westerly boundary of the E½NE¼ to the
Southwest corner thereof;
Then North 89° 53'50" East 1320.05 feet along the Southerly boundary of the E½NE¼ to the
REAL POINT OF BEGINNING.

EXCEPT any portion thereof lying within the right of way of U.S. Highway 30, including strip of land 135.0 feet wide, being 60.0 feet on the Northeasterly side and 75.0 feet on the Southwesterly side of the following described center line of highway as surveyed and shown on the official plat of U.S. Highway No. 30 Project No. F-236 (5) Highway Survey on file in the office of the Department of Highways of the State of Idaho and lying over and across the SW $\frac{1}{4}$ NW $\frac{1}{4}$ and N $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 32, Beginning at Station 1054+49 of the said highway survey, which station is a point on circular curvature approximately 1810.0 feet South from the Northwest corner of Section 32;
Thence 840.3 feet with a 1° 30' curve left, said curve having a central angle of 27° 54' to Station 1062+89.3 which station is a point of spiral curvature;
Thence 250.0 feet with a spiral curve left, said curve having a central angle of 1° 52'30" to Station 1065+39 which station is a point of tangent;
Thence South 58° 31' East on tangent 66.6 feet to Station 1066+05.9 which station is a point of spiral curvature;
Thence 400.00 feet with a spiral curve right, said curve having a central angle of 8° 00' to Station 1070+05.9 which station is a point circular curvature;
Thence 1392.1 feet with a 4 00' curve right, said curve having a central angle of 63° 15' to Station 1083+98, which station is a point of circular curvature approximately 1320.0 feet North and 872.0 feet East from the South Quarter corner of Section 32,

ALSO EXCEPTING:

Additional irregular strips of land adjacent and contiguous to and on both side of the above described right of way as follows: On the Northeasterly side, being 30.0 feet wide at the West line of said Section 32, continuing 30.0 feet wide to Station 1064+00 widening to 115.0 feet wide at Station 1065+00 continuing 115.0 feet wide to Station 1066+05.9 and tapering to 0.0 feet wide at Station 1067+00 on the Southwesterly side being 0.0 feet wide at Station 1070+05.9 and widening to 15.0 feet wide at Station 1071+00 and continuing 15.0 feet wide to the South line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 32. A strip of land approximately 30.0 feet wide and approximately 150.0 feet in length, being approximately 75.0 feet on the Westerly side and approximately No. 1035+85 of highways as surveyed and shown on the official plat of U.S. Highway No. 30 Project No. F-2361 (5) Highway Survey on file in the office of the Department of Highways of the State of Idaho and lying over and across a portion of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 31.

EXCEPTING from the W $\frac{1}{2}$ of NW $\frac{1}{4}$ of said Section 32 the following:

COMMENCING at the Northwest corner of said Section 32, from which the West one quarter (W $\frac{1}{4}$) corner bears S. 00° 14'47" E. 2634.12 feet;
Thence South 00° 14'47" East along the West Boundary of the NW $\frac{1}{4}$ of Section 32 for a distance of 1359.40 feet to a point on the centerline of Old Highway U.S. 30, said point being on the arc of a curve and being THE TRUE POINT OF BEGINNING;
Thence Northeasterly along the centerline of Old Highway U.S. 30 on the arc of the curve left for a distance of 227.94 feet to the point of tangent, said arc having a radius of 220.0 feet and a long chord bearing and distance of North 33° 00'45" East 217.88 feet;
Thence North 03° 19'50" East along the center line of Old Highway U.S. 30 for a distance of 254.74 feet to the intersection with the centerline of an existing county road, said intersection being the point of curve of a curve left of the existing county road;
Thence Southeasterly along the centerline of the existing county road on the arc of a curve left for a distance of 593.46 feet to the point of tangent, said arc having a radius of 365.5 feet and a long chord bearing and distance of South 43° 11'05" East 530.38 feet;
Thence South 89° 42'00" East along the centerline of the existing county road and a distance of 174.10 feet;

Thence leaving the centerline of the existing county road on a bearing of South 39° 26' 00" West for a distance of 436.04 feet; Thence North 89° 02' 00" West for a distance of 365.45 feet to a point on the West Boundary of the NW¼ of Section 32;
Thence North 00° 14' 47" West along the West Boundary of the NW¼ of Section 32 for a distance of 281.11 feet to THE TRUE POINT OF BEGINNING.

PARCEL NO. 4:

Together with an Easement for Public Utilities and Landscaping 10 feet wide adjacent, parallel to and South of Banbury Road lying within the NE¼ of NE¼ of Section 31 and within the NW¼ of NW¼ of Section 32, Township 8 South, Range 14 East, Boise Meridian, Twin Falls County, Idaho.