

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

RECEIVED
 JAN 20 2009
 Department of Water Resources
 Eastern Region

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 IDWR will produce new water right number(s) for the split(s).

Water Right No(s)	Adjudication Claim No(s)	Split(s)	Water Right No(s)	Adjudication Claim No(s)	Split(s)
31-07209					
31-11706					

SUPPORT DATA
31-7209
IN FILE #

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 on file with the county Planning and Zoning or Recorder's Office).
- OR**
- D. 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 or equivalent **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) Steve Bantershaw C/O Double Arrow Farms
P.O. Box 148
Territon, Id 83450

4. New Owner/Claimant(s) C + N Family Land Investments LLC
 Name Connector (Check one): ☐ and, ☐ or, ☐ and/or

New Mailing Address P.O. Box 460

City, State and ZIP Code Tona, Id 83427

New Telephone Number (208) 523-2343 Email: Justin M@Eagle Eye Produce.com

5. Date you acquired the property

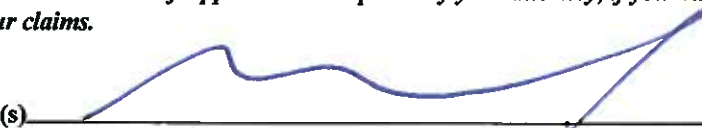
6-30-08

6. If the change in ownership affects the entire water right for each water right or adjudication claim number listed in line 1, then skip this line and go to line 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 (you may copy this page, if 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 (cubic feet per second or acre-feet per annum)	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(s) of New Owner(s) or Claimant(s)


 (title if applicable)
 (title if applicable)

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 IDWR Office Use Only:

Received by _____ Date _____
 Received by _____ Date _____
 Processed by _____ AJ Date _____

Receipt Amt. \$ 50.00
 Receipt No. 6034723
 WR _____ Date _____



BUYER/BORROWER STATEMENT
Final

Escrow Number: 3060819090TH
Escrow Officer: Tenill Harris

Title Order Number: 3060819090KB
Date: 06/30/2008 - 1:47:11PM
Closing Date: 06/30/2008

Buyer/Borrower: C & N Family Land Investments, LLC

For: Double Arrow Farms, Inc.

Property:

DESCRIPTION	DEBITS	CREDITS
TOTAL CONSIDERATION		
Deposit to Seller	1,700,000.00	
		50,000.00
PRORATIONS/ADJUSTMENTS:		
Property Tax @ 1,146.30 per 12 month(s) 1/01/2008 to 6/30/2008		568.43
Property Tax @ 1,258.26 per 12 month(s) 1/01/2008 to 6/30/2008		623.96
Property Tax @ 693.22 per 12 month(s) 1/01/2008 to 6/30/2008		343.76
TITLE CHARGES		
Deed Recording Fee: Alliance Title & Escrow Corp.	8.00	
ESCROW CHARGES TO: Alliance Title & Escrow Corp.		
Escrow Fee	200.00	
BALANCE DUE TO ESCROW		1,648,671.85
TOTALS	1,700,208.00	1,700,208.00

C & N Family Land Investments, LLC

By:

Newman Giles, Managing Member

Instrument # 369722
RIGBY, JEFFERSON, IDAHO
2008-07-11 11:20:00 No. of Pages: 13
Recorded for: ALLIANCE TITLE - RIGBY
CHRISTINE BOULTER Fee: 39.00
Ex-Officio Recorder Deputy LK.inghorn
Index To: MORTGAGE
Electronically Recorded by Simplifile

RECORDED AT REQUEST OF:

RETURN RECORDED DOCUMENT TO
RABO AGRIFINANCE, INC.
10100 TRINITY PARKWAY
SUITE 400
STOCKTON, CA 95219

ALLIANCE TITLE & EQUITABLE
3060819323 LB

Loan F-412872

IDAHO MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

THIS INSTRUMENT IS INTENDED AS A MORTGAGE AND AS A
FIXTURE FILING UNDER THE IDAHO UNIFORM COMMERCIAL CODE.
THIS INSTRUMENT IS TO BE FILED AND INDEXED AS
BOTH A MORTGAGE AND AS A FIXTURE FILING

THIS MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING ("Mortgage"), dated as of the 1st day of JULY, 2008 is made between C & N FAMILY LAND INVESTMENTS, LLC, an Idaho limited liability company whose address is 4050 EAST LINCOLN ROAD, IDAHO FALLS, IDAHO 83401, hereinafter called "Mortgagor," and RABOBANK, N.A. ("RNA"), whose address is P.O. Box 1845, El Centro, California 92244; RABO AGRIFINANCE, INC., a corporation organized and existing under the laws of Delaware ("RAF"), whose address is P.O. Box 411995, St. Louis, Missouri 63141; and COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., "Rabobank Nederland" ("RN"), whose address is 245 Park Avenue, New York, New York 10167 (RNA, RAF and RN, unless otherwise indicated, together with their successors and assigns, are hereinafter, individually or collectively, referred to as "Mortgagee") and RAF as collateral agent (the "Collateral Agent") for the Mortgagee.

WHEREAS, the Mortgagor is justly indebted to the Mortgagee in the sum of ONE MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,500,000.00) with interest, all as set forth in Mortgagor's certain Promissory Note ("Note") of even date herewith maturing JULY 1, 2023.

NOW, THEREFORE, THIS MORTGAGE WITNESSETH, that, to secure the payment of the principal of and interest on the Note, along with (1) payment of the entire indebtedness and other obligations evidenced by the following promissory note(s), and/or guaranty(s) executed by Mortgagor to the applicable Mortgagee or order and all modifications, amendments, replacements, substitutions, extensions and renewals thereof along with any and all agreements with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions:

Initials

A handwritten signature in black ink, consisting of a series of loops and a long, sweeping diagonal stroke extending downwards and to the right.

[X] The following additional new or existing Promissory Notes:

- Note dated _____ in the stated principal amount of _____ Dollars
- Note dated _____ in the stated principal amount of _____ Dollars

[] A guaranty or guaranties dated as of _____, guaranteeing the indebtedness of the borrowers as defined in the guaranty or guaranties.

(2) the payment of such additional loans or advances and such other debts, obligations and liabilities of every kind and character, of Mortgagor or the maker of the Note, evidenced by a promissory note, guaranty or otherwise, whether one or more, now existing or arising in the future, in favor of the applicable Mortgagee, whether direct or indirect, absolute or contingent, or originally payable to the applicable Mortgagee or any other person; PROVIDED HOWEVER, THAT, such other additional loans, advances, debts, obligations and liabilities shall be secured by this Mortgage only if the promissory note, guaranty, or other document evidencing such shall recite that it is to be secured by this Mortgage; and provided, however, if the Property includes Mortgagor's principal dwelling or is otherwise a one to four family dwelling, the Property will not secure any future loan, advance, debt, obligation or liability taken or incurred principally for personal, family or household purposes; (3) the payment of any substitute notes, renewals, reamortizations, conversion agreements and extensions of all indebtedness secured by this Mortgage; (4) payment and performance of each agreement of Mortgagor in this Mortgage; (5) payment of all sums expended or advanced by Collateral Agent or Mortgagee to protect the security of this Mortgage, said real property or said collateral, with interest thereon at the rate per annum after default or maturity set forth in said Promissory Note or any Credit Agreement (as hereinafter defined); and (6) all obligations as defined in or provided for in any Credit Agreement, and in consideration of the premises, the Mortgagor by these presents does grant, bargain, sell, convey, transfer, assign, mortgage, pledge, warrant and confirm unto the Collateral Agent and Mortgagee all the property (the "Property") hereinafter described, to wit:

- I. The following described real property ("Real Estate") located in JEFFERSON, County, Idaho and in SANTA CRUZ, County, Arizona, to wit:

See attached Exhibit "A", which is incorporated herein by reference.

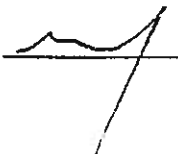
- II. Any and all fruit or nut bearing bushes, trees or vines presently or hereafter located on the above described real property. Mortgagor, Collateral Agent and Mortgagee hereby agree, acknowledge and confirm that such fruit or nut bearing bushes, trees or vines are part of the Real Estate and will remain a part of the Real Estate throughout the term of the loan made by Mortgagee to Mortgagor that is secured by this Mortgage.
- III. Certificates numbered n/a representing n/a shares of the capital stock of n/a and the water rights represented thereby (If no entries, this granting clause is inapplicable).



- IV. All water rights represented by Permit or License No's 31-7209, 31-11706, issued by the Idaho Department of Water Resources. (If no entries, this granting clause is inapplicable).
- V. All water rights represented by Claim No. n/a filed in the Snake River Basin Adjudication proceeding now pending in the District Court of the Fifth Judicial District of the State of Idaho, in and for the County of Twin Falls under Case No. n/a (If no entries, this granting clause is inapplicable).

TOGETHER WITH (1) all easements, rights-of-way and rights appurtenant to said Real Estate or used in connection therewith or as a means of access thereto; (2) all tenements, hereditaments and appurtenances thereto, including all water, water rights, and drainage rights appertaining thereto; (3) Mortgagor's interest as lessor in all leases (including, but not limited to, oil, gas and mineral leases) affecting said Real Estate; (4) all buildings, structures, improvements, fixtures, attachments, appliances, equipment, machinery and other articles now or hereafter erected on, affixed or attached to, said Real Estate which are real property, and all substitutions, replacements, additions and accessions thereof or thereto; (5) all rents, issues, profits, royalties, bonuses, income and other benefits derived from or produced by said Real Estate (subject, however, to the assignment of rents and profits to Collateral Agent or Mortgagee herein); and (6) all right, title, estate, interest, and other claim or demand, including, without limitation, all claims or demands to the proceeds of all insurance now or hereafter in effect with respect to said Real Estate, which Mortgagor now has or may hereafter acquire in said Real Estate, and all awards made for the taking by condemnation or the power of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of said Real Estate.

AND ALSO, Mortgagor, as debtor, irrevocably grants and assigns to Collateral Agent for the benefit of Mortgagee, as secured party, a security interest in all of the following collateral which is personal property now or hereafter owned by Mortgagor or in which Mortgagor now or hereafter has any rights and which is now or hereafter affixed or attached to, or produced from, or used in connection with said Real Estate, including but not limited to: All personal property described in Exhibit "B" attached hereto and made a part hereof and articles of personal or mixed property of every kind and nature whatsoever, including, without limitation, all (a) goods, including without limitation, irrigation equipment and machinery (excluding, however, automobiles, trucks, tractors, trailers, wheeled vehicles, planting and tillage equipment), watering and irrigation apparatus, pumps, motors, generators, pipes, center pivot irrigators and sprinklers, windmills, fences, fixtures, fittings, appliances, farm products, crops growing or to be grown, timber standing or to be cut, minerals or the like (including oil and gas), raw materials, inventory and work in process; (b) all water stock and water rights and, to the extent listed on the attached Exhibit "B", all investment property, including without limitation, certificated and uncertificated securities, securities entitlements, securities accounts and commodities accounts, including all stock, bonds and commodities contracts; (c) all permits and licenses used in the operation of the Real Estate and, to the extent listed on the attached Exhibit "B", general intangibles, including without limitation payment intangibles and software; (d) accounts, including without limitation all of Mortgagor's right to any payment arising out of the sale, lease or license of all kinds of tangible and intangible personal property, contract rights, general intangibles, instruments, documents, chattel paper, accounts receivable, deposits, fees, charges



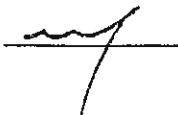
and other payments, income and cash receipts that are otherwise described in this paragraph; (e) personal property of the same general kind or class as otherwise described in this paragraph which Mortgagor may now own or hereafter acquire, wherever located, used or usable in the operation of or relating to the Real Estate; and all products and proceeds from the sale or other disposal thereof, including, without limitation, all payments under any insurance policies, substitutions and replacements, additions, accessions of or to said collateral and any indemnity, warranty or guaranty relating to any of the foregoing (all of the foregoing property shall be hereinafter collectively referred to as the "Collateral"; the Real Estate and the Collateral shall hereinafter be collectively referred to as the "Property"). PROVIDED HOWEVER, that nothing in this Mortgage shall prevent Mortgagor from obtaining secured crop financing which may include the perfection of a lien by the crop lender on the crops growing or to be grown for a period not to exceed the beginning of the next crop year. If Mortgagor exercises its right to place a single crop lien on the crops grown or to be grown on the Real Estate hereunder, such crop lien shall automatically be a superior lien to the lien on such crop created hereby without the need for any consent or subordination from Collateral Agent or Mortgagee.

TO HAVE AND TO HOLD the same unto the Collateral Agent for the benefit of Mortgagee, their successors and assigns, forever.

PROVIDED ALWAYS, that if the Mortgagor, his heirs, representatives, successors or assigns, shall pay unto the Mortgagee, its successors or assigns, the said sum of money mentioned in the notes and guaranties described above (collectively the "Note") and the interest thereon at the times and places and in the manner specified in the Note, or any credit agreement or similar document between Mortgagor and any Mortgagee (the "Credit Agreement"), and all other sums that may become due and owing to the Collateral Agent or Mortgagee pursuant to any of the terms, covenants and conditions hereof, and perform all the conditions and covenants contained in this Mortgage, then these presents and the estate hereby granted shall cease, determine and be void and shall be released by the Collateral Agent or Mortgagee at the expense of the Mortgagor, otherwise to remain in full force and effect.

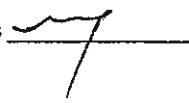
AND SUBJECT to the covenants and conditions hereinafter set forth.

FIRST. The Mortgagor hereby covenants and agrees, to the extent permitted by law, as follows: (a) to pay promptly when due the principal and interest and other sums of money provided for in the Note, the Credit Agreement and this Mortgage, or either; (b) to pay all taxes, assessments and other charges (including ditch, canal, reservoir, or other water charges, taxes or assessments) imposed by law upon the Property, the Mortgagor's interest therein, or upon the Mortgage or the Note; provided however, in the event of the passage of any law changing the laws for the taxation of mortgages or debts secured by mortgage so as to affect this Mortgage, the entire indebtedness secured hereby shall, at the option of the Collateral Agent or Mortgagee, become due and payable; (c) to keep the Property and improvements thereon in good condition and repair and not to commit or suffer waste thereof, and except as authorized in any schedule annexed hereto and forming a part hereof, neither to remove nor permit the removal of any timber, buildings, oil, gas, minerals, stone, rock, clay, fertilizer, gravel or top soil without the prior written consent of the Collateral Agent or Mortgagee; and (d) to maintain and



deliver to the Collateral Agent or Mortgagee policies of insurance against such hazards on the buildings now or hereafter located on the Property as the Collateral Agent or Mortgagee may require from time to time, in such companies and amounts and with such loss payable clauses as shall be satisfactory to the Collateral Agent or Mortgagee; in the event of loss the Collateral Agent or Mortgagee is expressly authorized to settle or compromise claims under said policies and the proceeds shall be paid to the Collateral Agent and/or Mortgagee who may apply same or any part thereof on the indebtedness secured hereby or towards the reconstruction or repair of said buildings or release same to the Mortgagor; (e) to pay any lien, claim or charge against the Real Estate which might take precedence over the lien hereof; (f) to pay on demand all legal expenses, title searches, or attorney fees reasonably incurred or paid by the Collateral Agent or Mortgagee to collect the Note or foreclose or protect the lien of the Mortgage; (g) in the event the Mortgagor shall fail to comply with the provisions of (a) through (f) above, the Collateral Agent or Mortgagee may take such action as is necessary to remedy such failure and all sums paid by the Collateral Agent or Mortgagee pursuant hereto with interest at the rate hereinafter provided shall constitute a lien upon the Property, shall be secured by this Mortgage, and shall be immediately due and repayable to the Collateral Agent or Mortgagee; (h) if the Real Estate or any portion thereof shall be taken or damaged under the power of eminent domain, the award for any property so taken or damaged (including severance damages to the remaining premises) shall be paid to the Collateral Agent or Mortgagee and applied in full or in part at the option of the Collateral Agent or Mortgagee in reduction of the indebtedness hereby secured; (i) the Collateral Agent or Mortgagee shall have the right to inspect the Property at such reasonable times as the Collateral Agent or Mortgagee may desire to determine the Mortgagor's compliance with the covenants contained in this Mortgage; (j) the Collateral Agent or Mortgagee may release from the lien hereof any part of the above described Property without requiring any consideration therefor, and (k) Mortgagor is lawfully seized of the Real Estate in fee simple, the same is free from encumbrances except as may otherwise be specifically noted herein or waived in writing by the Collateral Agent or Mortgagee, Mortgagor will execute or procure any further necessary assurances of title and does hereby warrant generally the title to the Real Estate and will forever defend the same against the claims and demands of all persons whomsoever, and his separate estate, whether vested, contingent or in expectancy, is hereby conveyed and he does hereby expressly waive, release and relinquish all rights and benefits of any homestead, dower, curtesy, appraisement, exemption and stay laws of this state. It is agreed that the interest provided for in subsection (g) above shall be at the rate set forth in the Note or any Credit Agreement for times when an event of default has occurred or the highest lawful rate permitted by contract under applicable law, whichever is lesser.

SECOND. If the Mortgagor shall default in the payment of the Note or in the performance of any of the covenants or agreements herein or in the Note, the Credit Agreement or in any agreement collateral hereto contained, or if the then owner of the Property shall make an assignment for the benefit of creditors or shall file a petition for relief under the federal Bankruptcy Code as now or hereafter in effect, or any successor thereto, or shall be adjudicated bankrupt or insolvent, or if any receiver, liquidator or trustee shall be appointed for such then owner or any of his property, then in such event, the entire indebtedness hereby secured shall, at the option of the Collateral Agent or Mortgagee and without notice to the Mortgagor, be due and collectible at once by judicial foreclosure proceedings or as otherwise provided by law, or, when available under applicable statutes or rules of practice, by advertisement and sale, and in

Initials 

such an event this provision shall be deemed as authorizing and constituting a power of sale as mentioned in said statutes or rules; that in addition to the rights and remedies herein, the Collateral Agent or Mortgagee is hereby authorized and empowered at its option to exercise forthwith and from time to time any further rights and remedies available to the Collateral Agent or Mortgagee under the laws of the state wherein the Property is situate, such as the right to collect the rents, issues and profits, or to have a receiver appointed to collect the same.

THIRD. The following Exhibits are annexed hereto and made a part hereof Exhibit "A" Legal Description and Exhibit "B" Personal Property.

FOURTH. Mortgagor acknowledges that his/her current financial position is an important factor in Mortgagee's decision to advance the funds represented by the aforementioned Note. Mortgagor therefore has agreed, in order to provide assurance to Collateral Agent and Mortgagee with regard to Mortgagor's financial position, that it shall be an event of default for Mortgagor to allow any lien or encumbrance other than this Mortgage and the lien for taxes which are not yet due and payable to be placed on all or any part of the Real Estate and allowed to remain a lien for 30 day(s) EXCEPT a lien junior and inferior to this Mortgage may be placed on all or a part of said property in favor of N/A in a principal amount not to exceed ZERO DOLLARS (\$0) to be placed of record not later than N/A.

FIFTH. The covenants herein contained shall bind, and the benefits and advantages thereof shall inure to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. In this Mortgage, unless the context otherwise requires, words in the singular number include the plural and in the plural include the singular, and words in the masculine gender include the feminine and the neuter. Whenever the term "Mortgagor" shall include more than one person or entity, their liability hereunder shall be joint and several.

SIXTH. Mortgagor shall not suffer any waste of the Property and will not permit or conduct either the generation, treatment, storage or disposal of hazardous waste, as defined in the Resource Conservation and Recovery Act, or the disposal on the Real Estate of petroleum or any hazardous substance, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act, and will perform all remedial actions reasonably necessary as the result of the presence of any such hazardous wastes, petroleum or hazardous substances on, at or near the Real Estate. Mortgagor shall be personally liable for and agrees to indemnify, defend with counsel satisfactory to Collateral Agent and Mortgagee and hold Collateral Agent and Mortgagee harmless against any loss, damage, or liability suffered by the Collateral Agent and Mortgagee, including but not limited to attorney's fees, due to the presence of any such hazardous waste, petroleum or hazardous substance at, on or near the Real Estate, and Mortgagor shall be liable for compliance (and for costs associated therewith) with any directive or order by any governmental entity relating to the presence of any such hazardous waste, petroleum or hazardous substance on, at, or near the Real Estate. Mortgagor will deliver promptly to the Collateral Agent or Mortgagee, (i) copies of any documents received from the United States Environmental Protection Agency or any state, county or municipal environmental or health agency concerning the Mortgagor's operations upon the Real Estate; and (ii) copies of any documents submitted by the Mortgagor to the United States Environmental Protection Agency or any state, county or municipal environmental or health agency concerning its

operations on the Real Estate. Mortgagor agrees that, notwithstanding any provision to the contrary in this Mortgage, this indemnification and hold harmless shall survive the release or reconveyance of this Mortgage, whether pursuant to payment in full of the Note, or judicial or non-judicial foreclosure under this Mortgage, or otherwise.

SEVENTH. Mortgagor covenants and agrees to keep perfected and in good status any State of Idaho water permits or water company stock pertaining to water from all irrigation sources which is used in connection with the irrigation of the Real Estate. Mortgagor covenants and agrees to keep in good status any other existing or future water rights, licenses and/or permits which are used in connection with the irrigation of the Real Estate. Mortgagor agrees to complete appropriation and all other requirements necessary to obtain the issuance of a license for water permits issued to Mortgagor, in order that such water may legally be used and continue to be used for the irrigation of the Real Estate. Upon Mortgagor's failure to comply with the covenants and agreements set forth in this paragraph, Collateral Agent or Mortgagee, without prejudice to any other rights given herein, may at its option, either in its own name or in the name of Mortgagor, take any and all action necessary to protect and maintain the permits, licenses, water and water rights referred to herein. Mortgagor does hereby irrevocably constitute and appoint Collateral Agent and Mortgagee as Mortgagor's true and lawful agent and attorney with full power and authority, in the name of Mortgagor or otherwise, to take any and all action necessary to preserve and protect the permits, licenses, water and water rights referred to herein. Mortgagor covenants and agrees to promptly provide copies of all documents relating to such permitting and licensing process to Collateral Agent or Mortgagee.

EIGHTH. With respect to Property which may now or hereafter be characterized by law as personal property, this Mortgage shall constitute a Security Agreement between Mortgagor, Collateral Agent and Mortgagee, and, cumulative of all other rights of Collateral Agent and Mortgagee. Hereunder, Collateral Agent or Mortgagee shall have all rights conferred upon secured parties by the Uniform Commercial Code ("UCC") as in effect from time to time in the state where the Collateral is located except to the extent the UCC provides for the application of the law of the state of location of the Mortgagor in which event the UCC as in effect from time to time, in such state shall apply. This Mortgage shall be effective as a Financing Statement filed as a fixture filing from the date of its filing for record in the Real Estate Records of the county in which the Real Estate is located. Until the lien of this Mortgage is released or satisfied of record, Mortgagor authorizes Collateral Agent or Mortgagee to file one or more financing statements and continuation statements, at Mortgagor's expense, describing the Collateral, hereby ratifies any such financing statement or continuation statement previously filed by Collateral Agent or Mortgagee, and agrees, if requested by Collateral Agent or Mortgagee so to do, to execute one or more Financing Statements covering such Collateral, in the manner and form required by law and to the satisfaction of Collateral Agent or Mortgagee. On demand, Mortgagor will promptly pay all costs and expenses of filing Financing Statements, continuation statements, partial releases and termination statements deemed necessary or appropriate by Collateral Agent or Mortgagee to establish and maintain the validity and priority of the security interest of Collateral Agent and Mortgagee or any modification thereof, and all costs and expenses of any searches reasonably required by Collateral Agent or Mortgagee. Collateral Agent or Mortgagee may exercise any or all of the remedies of a secured party available to it under the UCC with respect to such Collateral, and it is expressly agreed that if upon default

Collateral Agent or Mortgagee should proceed to dispose of the Collateral in accordance with the provisions of the UCC ten (10) days' notice by Collateral Agent or Mortgagee to Mortgagor shall be deemed to be reasonable notice under any provision of the UCC requiring such notice; provided, however, that Collateral Agent or Mortgagee may at its option dispose of the Collateral in accordance with Collateral Agent's or Mortgagee's rights and remedies in respect of the Real Estate pursuant to the provisions of this Mortgage in lieu of proceeding under the UCC. Mortgagor hereby warrants, represents and covenants that (a) the Collateral will be kept on or at the Real Estate described herein and Mortgagor will not remove the Collateral from the Real Estate without the prior written consent of Collateral Agent or Mortgagee, except such portions or items of Collateral which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor; (b) Mortgagor's chief executive officer or principal residence is Mortgagor's address set forth in the first paragraph of this Mortgage; (c) Mortgagor's state of organization, if applicable, is as set forth in the first paragraph of this Mortgage; and (d) Mortgagor's exact legal name is as set forth in the first paragraph of this Mortgage.

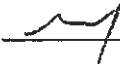
NINTH. It is understood and agreed that a material factor in inducing the Mortgagee to make this loan to the Mortgagor is the unique status of the agricultural industry and the expertise and financial strength of the Mortgagor. In the event the Mortgagor ceases to own the mortgaged property, the security for this loan is thereby deemed to be impaired. Consequently, in the event that all or any portion of the Real Estate is sold, contracted for sale, leased with the option to purchase, conveyed, alienated, transferred, or if the Mortgagor is a corporation, or a partnership, or a limited liability company more than forty-nine percent (49%) of either the corporation stock, partnership interests or member interests is sold, contracted for sale, conveyed, alienated, transferred, or otherwise disposed of, whether voluntary or involuntary, by operation of law or otherwise to persons other than owners at the date of this Mortgage and their heirs prior to the time the indebtedness secured hereby shall have been paid, then, at the option of the Collateral Agent or Mortgagee, the entire said indebtedness shall become due and payable and the Collateral Agent or Mortgagee may exercise any of its rights and remedies provided for in the Mortgage.

TENTH. Mortgagor, its successors and assigns and each of them, represent and warrant that the Property does not represent the proceeds of some form of unlawful activity under any state, federal or foreign law.

ELEVENTH. Mortgagor, its successors and assigns and each of them, represent and warrant that either:

(a) The Property does not contain and will not be cultivated to grow any variety of perennial crops, or plants, vines, trees, nuts and/or fruit that produce crops in more than one crop year (hereinafter "Permanent Plantings") that is or may be subject to intellectual property rights under U.S. or foreign patent, copyright or trademark laws, the Plant Variety Protection Act or similar laws or subject to license from the holder of any such intellectual property rights (all of the foregoing being hereinafter referred to as "IP Rights"); or

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Initials 

(b) To the extent the Property does contain or in the future is cultivated to grow any variety of Permanent Plantings that is or may be subject to IP Rights, Mortgagor represents and warrants that Mortgagor is or shall be the owner of such IP Rights free and clear of any claim, right, title, interest or lien of any other person, Mortgagor has or shall notify Mortgagee in writing of the existence of such IP Rights and Mortgagor does hereby, has or shall grant Mortgagee a security interest in and a lien upon all of Mortgagor's right, title and interest in, to and under, whether now owned or hereafter created in IP Rights, all cash and non-cash proceeds and products of the IP Rights and all causes of action, past, present and future for infringement, misappropriation or dilution of any of the IP Rights or unfair competition regarding the same.

TWELFTH. CROSS DEFAULT. This Mortgage or Deed of Trust (hereinafter referred to as Mortgage) is given in connection with a loan which Mortgagee has made to Mortgagor secured by one or more mortgage or deed of trust on property located in the states of IDAHO and ARIZONA. Upon (a) the occurrence of a default under this Mortgage or any of the other documents or instruments relating hereto (the "Loan Documents"), or (b) the occurrence of a default under any of the other mortgages, deeds of trust or similar instruments or instruments relating thereto (collectively the "Other Loan Documents"), then in any such event, Mortgagee may declare all of the principal, interest and other sums which may be outstanding under the Note, Mortgage the Loan Documents or the Other Loan Documents (collectively, the "Indebtedness") to be immediately due and payable without further demand, and Mortgagee may exercise any and all rights and remedies provided in any of this Mortgage, the Loan Documents or any Other Loan Documents, whether or not Mortgagee exercises its right to accelerate the Indebtedness secured by this Mortgage, the Loan Documents or the Other Loan Documents.

The Total Property (which shall be the "Property" as that term is defined herein, together with the "Property," as that term is defined in the Other Loan Documents) shall secure to Mortgagee the payment of the Indebtedness and the performance of the covenants and agreements set forth in this Mortgage, the Loan Documents and the Other Loan Documents, all of which are secured to Mortgagee by this Mortgage without apportionment or allocation of any part or portion of the Property and without apportionment or allocation of any part or portion of the Total Property.

In addition to the rights and remedies provided to Mortgagee elsewhere in this Mortgage, upon the breach of any covenant or agreement of this Mortgage, the Loan Documents or the Other Loan Documents, Mortgagee shall be allowed to enforce the payment of the Indebtedness and performance of the obligations hereunder, and to exercise all of the rights, remedies and powers provided under this Mortgage or any of the Loan Documents and the Other Loan Documents, or any of them, or under any provision of law, in one or more proceedings, whether contemporaneous, consecutive or both, to be determined by Mortgagee in its sole and absolute discretion. Mortgagee may enforce its rights against any one or more parcels of the Total Property in such order and manner as Mortgagee may elect in its sole and absolute discretion. The enforcement of this Mortgage, the Loan Documents or the Other Loan Documents, or any of them against any one or more parcel of the Total Property, whether by court action, power of sale, or otherwise, shall not constitute an election of remedies, and shall not prejudice or in any way limit or preclude the enforcement of this Mortgage, the Loan

Documents or any of the Other Loan Documents, or any of them, through one or more additional proceedings. No judgment obtained by Mortgagee in any one or more enforcement proceedings shall merge the debt secured hereby into such judgment, and all of such debt which shall remain unpaid shall be a continuing obligation of Mortgagor, not merged into any such judgment. This Mortgage shall secure to Mortgagee the repayment of any amount which Mortgagor may owe to Mortgagee, including without limitation the amount of any judgment, together with any interest thereon, which may be rendered in connection with the enforcement of the Note secured hereby, the Loan Documents or any of the Other Loan Documents. Mortgagor waives and relinquishes any and all rights it may have, whether at law or equity, to require Mortgagee to proceed to enforce or exercise any rights, powers or remedies Mortgagee may have under this Mortgage, the Loan Documents or any of the Other Loan Documents in any particular manner or order or in any particular state or county. Mortgagee may bring any action or proceeding, including without limitation foreclosure through judicial proceedings or by power of sale in state or federal courts, and such proceeding may relate to all or any part of the Total Property without regard to the fact that any one or more prior or contemporaneous proceeding has been commenced elsewhere with respect to the same or any other part of the Total Property.

Any release of this Mortgage with respect to any one parcel of the Total Property shall not in any event prevent or impair Mortgagee from enforcing all of its rights and remedies with respect to any other parcel of the Total Property. Mortgagor shall pay Mortgagee's reasonable costs incurred in releasing this Mortgage.

Mortgagee shall have the right to determine the order in which any or all of the Total Property shall be subjected to the remedies provided in this Mortgage, the Loan Documents or any of the Other Loan Documents or applicable law. Mortgagee shall have the right to determine the order in which any of the Indebtedness is satisfied from the proceeds realized upon the exercise of such remedies. Mortgagor and any party who now has or may in the future have a security or other interest in any of the Total Property waives any and all right to require the marshaling of assets or to require that any of the Total Property be sold in the inverse order of alienation, or that any of the Total Property be sold in parcels, or as an entirety, or in any combination, in connection with the exercise of any of the remedies permitted by applicable law, this Mortgage or any of the Loan Documents and/or the Other Loan Documents.

COUNTERPARTS. This Mortgage and the other mortgages which are included in the Other Loan Documents are being executed in counterparts for concurrent recording in the county in which any parcel of the Total Property which this loan secures is located. All of the counterparts shall in all respects be deemed to be original documents, and only one such counterpart need be deposited, produced or introduced in making proof thereof or in any proceeding, whether judicial or nonjudicial, where production, deposit or introduction of this Mortgage is necessary or desirable, except to the extent that local law requires the production of the original Mortgage as a prerequisite to the enforcement of Mortgagee's rights thereunder.

If the lien of this Mortgage, the Loan Documents or any other of the Loan Documents is invalid or unenforceable as to any parcel of the Total Property, the unsecured or partially secured portion of the Indebtedness secured by this Mortgage, the Loan Documents or any

Exhibit "A"

Legal Description

Tract 1: Idaho Property

Township 5 North, Range 35 East of the Boise Meridian, Jefferson County, Idaho.

Section 4:

Lot 2

Lot 3

West Half of Southeast Quarter

East Half of Southwest Quarter

Section 8:

South Half of Northeast Quarter

Southeast Quarter

Southeast Quarter of Northwest Quarter

East Half of Southwest Quarter

Section 9:

Northwest Quarter of Northeast Quarter

Northeast Quarter of Northwest Quarter

Southwest Quarter of Northwest Quarter

West Half of Southwest Quarter

Excepting Therefrom: Beginning at the South Quarter Corner of said Section 9; thence South 89°33'14" West for a distance of 1292.42 feet to the corner of a fence bearing North and East; thence North 02°02'52" East along said fence line for a distance of 936.03 feet to the true point of beginning; thence North 28°58'24" West for a distance of 388.28 feet; thence North 26°08'19" West for a distance of 320.05 feet; thence North 16°00'22" East for a distance of 502.34 feet; thence South 89°51'48" East for a distance of 176.10 feet to a fence line bearing North and South; thence South 00°44'49" East for a distance of 1109.54 feet to the true point of beginning.

Tract 2: Arizona Property

Lot 1 in Block 809 of Rio Rico South Park Extension, a subdivision of Santa Cruz County, Arizona, according to the map or plat thereof of record in the office of the County Recorder of Santa Cruz County, Arizona, in Book 4 of Maps and Plats at page 8 thereof.

Initials

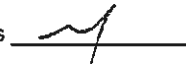


Exhibit "B"

Personal Property

WATER RIGHTS:

All water rights represented by Permit or License No. 31-7209 and 31-11706 from the Idaho Department of Water Resources.

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Initials



Instrument # 369488
RIGBY, JEFFERSON, IDAHO
2008-07-01 04:40:00 No. of Pages: 2
Recorded for: ALLIANCE TITLE - RIGBY
CHRISTINE BOULTER Fee: 6.00
Ex-Officio Recorder Deputy LKinghorn
Index To: CORPORATION DEED
Electronically Recorded by Simplifile

ALLIANCE TITLE & ECOMFLOW CORP

CORPORATION DEED

Order No. 3060819090KB

For Value Received

Double Arrow Farms, Inc., an Idaho Corporation
a corporation duly organized and existing under the laws of the State of Idaho, Grantor,
does hereby Grant, Bargain, Sell and convey unto
C & N Family Land Investments, LLC, an Idaho Limited Liability Company
whose current address is:

PO Box 460 Tona, ID 83427

the following described real estate, to-wit:

Tract 1: Idaho Property

Township 5 North, Range 35 East of the Boise Meridian, Jefferson County, Idaho.

Section 4: Lot 2

Lot 3

West Half of Southeast Quarter

East Half of Southwest Quarter

Section 8: South Half of Northeast Quarter

Southeast Quarter

Southeast Quarter of Northwest Quarter

East Half of Southwest Quarter

Section 9: Northwest Quarter of Northeast Quarter

Northeast Quarter of Northwest Quarter

Southwest Quarter of Northwest Quarter

West Half of Southwest Quarter

Excepting Therefrom: Beginning at the South Quarter Corner of said Section 9; thence South 89°33'14" West for a distance of 1292.42 feet to the corner of a fence bearing North and East; thence North 02°02'52" East along said fence line for a distance of 936.03 feet to the true point of beginning; thence North 28°58'24" West for a distance of 388.28 feet; thence North 26°08'19" West for a distance of 320.05 feet; thence North 16°00'22" East for a distance of 502.34 feet; thence South 89°51'48" East for a distance of 176.10 feet to a fence line bearing North and South; thence South 00°44'49" East for a distance of 1109.54 feet to the true point of beginning.

Tract 2: Arizona Property

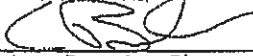
~~Lot 1 in Block 889 of Rio Rico South Industrial Park Extension, a subdivision of Santa Cruz County, Arizona, according to the map or plat thereof of record in the office of the County Recorder of Santa Cruz County, Arizona, in Book of Maps and Plats as page 8 thereof.~~

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee(s), heirs and assigns forever. And the Grantor does hereby covenant to and with the Grantee(s), that it is the owner of said premises; that they are free from all encumbrances EXCEPT: current year taxes, conditions, covenants, restrictions, reservations, emements, rights and rights of way, apparent or of record.

IN WITNESS WHEREOF, the Grantor, pursuant to a resolution of its Board of Directors has caused its corporate name to be hereunto subscribed by its President and its corporate seal to be affixed by its Secretary this June 30, 2008.

By:

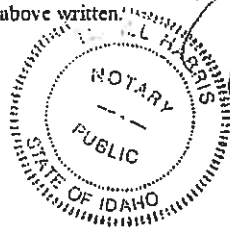
Double Arrow Farms, Inc.

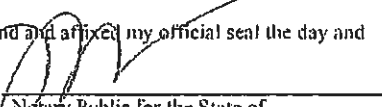

By: Lanny Burtenshaw, Director

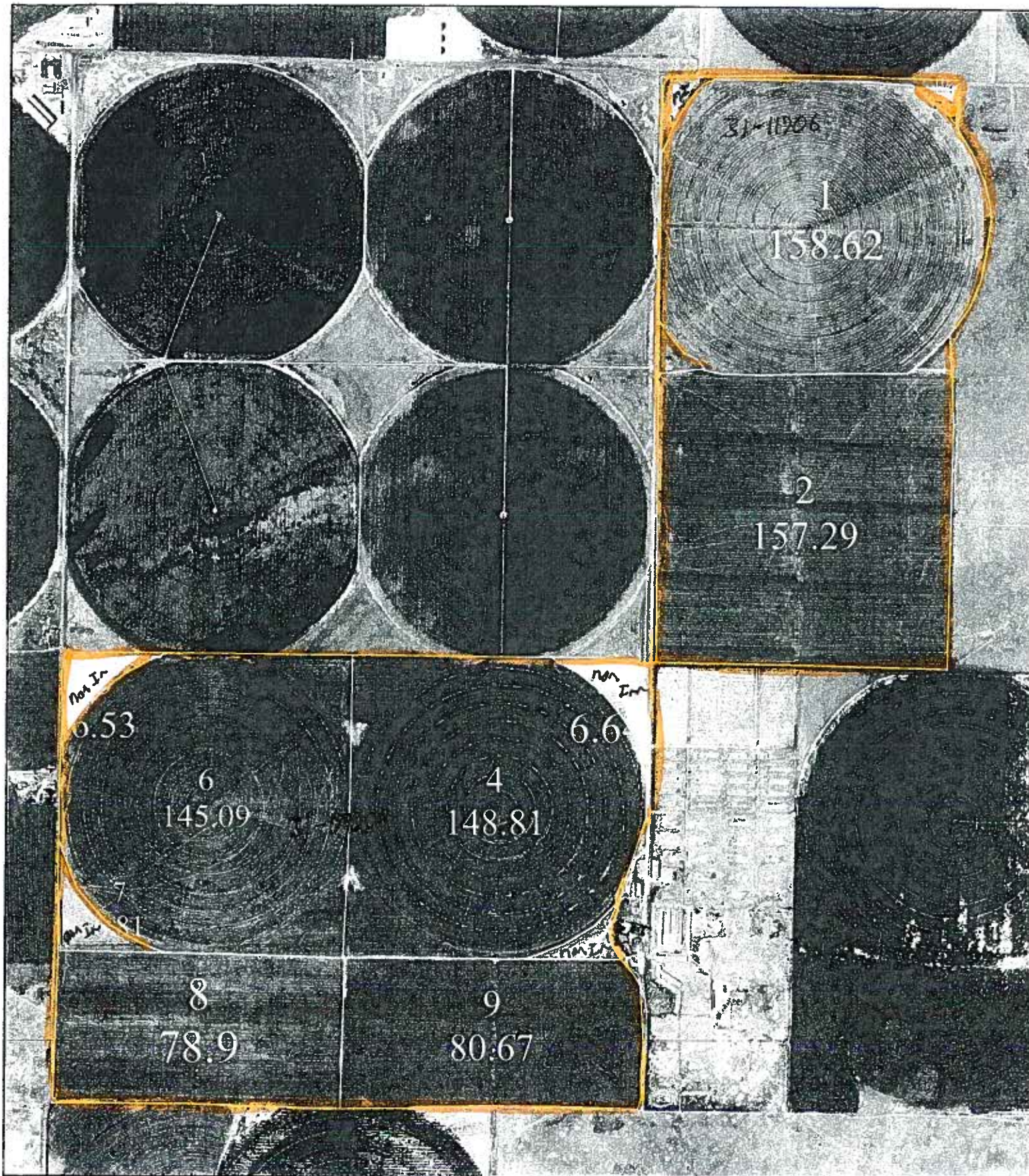
State of Idaho
County of Jefferson ss.

On this 30th day of June, 2008, before me, a Notary Public in and for said state, personally appeared Lanny Burtenshaw known to me to be the Director of the Corporation, and acknowledged to me that pursuant to a Resolution of the Board of Directors, he/she executed the foregoing in said Corporation name.

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




Notary Public for the State of
Residing at: Residing in Jefferson County
Commission Expires: Commission Expires: 06-13-09



United States Department of Agriculture
Farm Service Agency

Jefferson County, Idaho



July 25, 2008

Farm: 4021
Tract 10112
C & N Family Land Invest. LLC
4,8,9-9-35

Disclaimer: Wetland identifiers do not represent the size, shape or specific determination of the area. Refer to your original determination (CPA-026 and