

RECEIVED

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DEPARTMENT OF
WATER RESOURCESSTATE 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): 36-2335, 36-7325b, 36-7325a, 36-10093, 36-4119, 36-7326, 36-8608
and 36-10069 36-10092

Adjudication Claim No(s): _____

2. The following **REQUIRED** information must be submitted with this form:A) Evidence of the security interest. This may be a copy of a **DEED of TRUST, MORTGAGE, CONTRACT OF SALE** or other legal document indicating your interest in the property and water rights or claims in question, **WITH ATTACHED LEGAL DESCRIPTION.**B) A **FEE of \$25.00 per water right** or adjudication claim.

3. Name and Mailing Address of Person or Company holding Security Interest

MetLife8717 West 110th Street, Suite 700Overland Park, KS 66210-21014. Name of Water Right Owner/Claimant(s) SOUTHFIELD DAIRY, an Idaho general Partnership5. Expiration Date of Notification Period June 10, 20236. Is this a Renewal of Request for Notification? ☐ YES ☒ NO7. Signature(s) of Security Interest holder(s) Carol Soumful
(and title if applicable) Carol Soumful**For Office Use Only**Received by WV Date 7/31/08 Fee \$200.00 (\$225.00)
Received by WV Date 7/31/08 Receipt No. 0087358
Processed by _____ AJ Date _____ WR _____ Date _____

SUPPORT DATA

IN FILE # 36-2335

MORTGAGE, SECURITY AGREEMENT
AND ASSIGNMENT OF RENTS

THIS MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS (hereinafter referred to as "Mortgage"), made this 23 day of July, 2008, by and between **Southfield Dairy, an Idaho general partnership**, whose address is 3308 South 1600 East, Wendell, Idaho 83355, herein called "Mortgagor" and **Metropolitan Life Insurance Company**, whose address is 8717 West 110th Street, Suite 700, Overland Park, Kansas 66210, herein called "Mortgagee";

WITNESSETH:

Mortgagor, for valuable consideration, the receipt of which is hereby acknowledged, and in consideration of and to secure the repayment in accordance with the terms of a promissory note of even date to it in hand paid, does hereby irrevocably GRANT, BARGAIN, SELL, CONVEY, MORTGAGE, ASSIGN, TRANSFER AND SET OVER unto Mortgagee and to its successors and assigns, all the hereinafter described real and personal property located in the County of Gooding, State of Idaho, described in Exhibit A and Exhibit B attached hereto and by this reference incorporated herein, which is herein collectively called the "Property";

TOGETHER WITH all leasehold estate, right, title and interest of Mortgagor in, to or under all leases (including all oil and gas leases) or subleases covering the Property or any portion thereof now or hereafter existing or entered into, including, without limitation, all cash or security deposits, advance rentals, and deposits or payments of similar nature;

TOGETHER WITH all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto; and all water, water rights appropriations, irrigation works, lines, pivots, drip systems, handlines, wheel lines, pumps, motors, equipment and electric panels of every kind and nature, ditches, canals, wells, franchises upon, leading to or connected with said property, in addition to any replacements, substitutions and additions thereto, and all other rights and privileges now or hereafter owned by Mortgagor, or belonging to, with, leading to, connected with, or usually had or enjoyed in connection with the Property, whether represented by shares of capital stock in any ditch or irrigation company or by actual individual ownership or otherwise appurtenant to the Property, or which may hereafter be acquired by Mortgagor, during the existence of this mortgage;

TOGETHER WITH all right, title and interest of Mortgagor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any road adjoining the Property;

TOGETHER WITH any and all buildings, structures, fences, pipelines, pipes, tanks, dams, reservoirs, pumps, pumping equipment and all other improvements and fixtures now located or hereafter erected thereon, including, but not limited to, the fixtures, attachments, equipment, grain storage facilities and attachments used to move grain within storage facilities or maintain or modify grain quality, machinery, and other articles attached to said buildings and improvements, including all milk handling, milk storage and milking equipment, all livestock

handling fixtures and other non-rolling stock necessary to run the dairy business, but not including farm machinery and vehicles (the "Improvements");

TOGETHER WITH, all right, title and interest in and to the timber of every kind and nature now or hereafter standing, growing, located, decked or stored upon the Property;

TOGETHER WITH, all the estate, interest, right, title, other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Mortgagor now has or may hereafter acquire in the Property, and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Mortgaged Property; and

TOGETHER WITH all rents, issues, profits, bonuses, royalties and income derived from the Property including, without limitation, those arising out of any oil, gas or mineral leases, and all the estate, right, title and interest of every nature whatsoever of the Mortgagor in and to the same. Mortgagor will execute such assignments as Mortgagee may from time to time reasonably request, which shall include, but not be limited to, assignments of rents, issues, profits, bonuses, royalties and income in reasonable form acceptable to Mortgagee. Mortgagor shall pay the cost of recording any such assignments. Mortgagee is authorized to notify any or all lessees, tenants or occupants of all or part of said Premises of the assignment of rents, issues, profits, bonuses, royalties or income made hereunder or under any such special assignments. Mortgagee shall have no personal liability for the performance of Mortgagor's covenants under any of said leases or occupancy agreements. Mortgagee shall not be liable to Mortgagor for any action taken or omitted in connection with any such leases or occupancy agreements or the operation of said Premises. Until the occurrence of a default as hereinafter provided, Mortgagor may use and occupy the Premises and receive all rents, issues, profits, bonuses, royalties and income thereof.

The entire estate, property (both real and personal) and interest hereby conveyed to Mortgagee may hereafter collectively be referred to as the "Mortgaged Property". All property except the real property may hereinafter be referred to as the "Personal Property". Personal Property does not include farm machinery, crops, vehicles or livestock.

FOR THE PURPOSE OF SECURING:

- (a) Payment of indebtedness in the total principal amount of Two Million Seven Hundred Fifty Thousand and No/100 Dollars (\$2,750,000.00), together with interest on the unpaid balance thereof, from date of funding until paid, evidenced by that certain Mortgage Note of even date herewith (the "Loan 192671 Note") with a maturity date of June 10, 2023, executed by Southfield Dairy, an Idaho general partnership; Ed Southfield and Carol Southfield, husband and wife; Edwin Southfield and Patricia Southfield, husband and wife; and Arie Roeloffs and Coralee Roeloffs, husband and wife (collectively, "Borrower"), which has been delivered to and is payable to the order of Mortgagee, and which by this reference is hereby made a part hereof, together with any and all modifications, extensions and renewals thereof; both principal and interest and all other indebtedness accruing hereunder being payable in lawful money of the United States which shall be legal tender for the payment of all debts and dues, public

and private, at the time of payment, at the office of Metropolitan Life Insurance Company, 8717 West 110th Street, Suite 700, Overland Park, Kansas 66210, or at such address as may be designated in writing by the holder. Mortgagor has offered the Mortgaged Property to Mortgagee as security to induce Mortgagee to lend to Borrower and Mortgagor acknowledges that Mortgagor benefits, directly or indirectly, from Mortgagee lending to Borrower.

- (b) Performance of all obligations of Mortgagor or Borrower, as the case may be, under any loan application, commitment letter, loan agreement, mortgage, deed of trust, security agreement, financing statement, assignment, guaranty, or other agreement by Mortgagor or Borrower to or for the benefit of Mortgagee relating to the use of the loan proceeds evidenced by the Loan 192671 Note, and each agreement of Mortgagor or Borrower incorporated by reference therein or herein, or contained therein or herein (hereinafter sometimes collectively referred to as "Loan Instruments").
- (c) Payment of indebtedness (i) in the total principal amount of Five Million and No/100 Dollars (\$5,000,000.00), together with interest on the unpaid balance thereof, from the date of disbursement until paid, evidenced by that certain promissory note (the "Loan 175733 Note") from Borrower to Mortgagee dated August 12, 2003, and which by this reference is hereby made a part hereby; together with any and all modifications, extensions and renewals of the Loan 175733 Note; (ii) in the total principal amount of Five Million and No/100 Dollars (\$5,000,000.00), together with interest on the unpaid balance thereof, from the date of disbursement until paid, evidenced by that certain promissory note (the "Loan 175734 Note") from Borrower to Mortgagee dated August 12, 2003, and which by this reference is hereby made a part hereby; together with any and all modifications, extensions and renewals of the Loan 175734 Note; (iii) in the total principal amount of Sixteen Million One Hundred Thousand and No/100 Dollars (\$16,100,000.00), together with interest on the unpaid balance thereof, from the date of disbursement until paid, evidenced by that certain promissory note (the "Loan 175735 Note") from Borrower to Mortgagee dated August 12, 2003, and which by this reference is hereby made a part hereby; together with any and all modifications, extensions and renewals of the Loan 175735 Note; (iv) in the total principal amount of One Million One Hundred Seventy Thousand and No/100 Dollars (\$1,170,000.00), together with interest on the unpaid balance thereof, from the date of disbursement until paid, evidenced by that certain promissory note (the "Loan 176761 Note") from Borrower to Mortgagee dated February 18, 2005, and which by this reference is hereby made a part hereby; together with any and all modifications, extensions and renewals of the Loan 176761 Note; and (v) in the total principal amount of Five Million Seven Hundred Thousand and No/100 Dollars (\$5,700,000.00), together with interest on the unpaid balance thereof, from the date of disbursement until paid, evidenced by that certain promissory note (the "Loan 190631 Note") from Borrower to Mortgagee dated July 27, 2006, and which by this reference is hereby made a part hereby; together with any and all modifications, extensions and renewals of the Loan 190631 Note; both principal and interest and all other indebtedness accruing

hereunder being payable in lawful money of the United States which shall be legal tender for the payment of all debts and dues, public and private, at the time of payment, at the office of Metropolitan Life Insurance Company, 8717 West 110th Street, Suite 700, Overland Park, Kansas 66210, or at such address as may be designated in writing by the holder. The Loan 175733 Note, the Loan 175734 Note, the Loan 175735 Note, the Loan 176761 Note, and the Loan 190631 Note are hereinafter collectively referred to as "Other Notes". The Loan 192671 Note and the Other Notes are hereinafter collectively referred to as the "Notes".

- (d) Performance of all obligations of Mortgagor or others under any loan application, commitment letter, loan agreement, mortgage, deed of trust, security agreement, financing statement, assignment, guaranty, or other agreement by and between Mortgagor or others and Mortgagee relating to the loans evidenced by the Other Notes, and each agreement of Mortgagor or others incorporated by reference therein, or contained therein or herein (hereinafter sometimes collectively referred to as the "Other Loan Instruments").
- (e) Payment of all sums advanced by Mortgagee to protect the Mortgaged Property, with interest thereon at the rates set forth in the Loan 192671 Note.
- (f) Performance of all obligations of any guarantor of any of the obligations of Mortgagor contained in the Loan Instruments or the Other Loan Instruments or any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby or thereby.

TO PROTECT THE SECURITY OF THIS MORTGAGE, MORTGAGOR HEREBY
COVENANTS AND AGREES:

ARTICLE 1

COVENANTS AND AGREEMENTS OF MORTGAGOR

Mortgagor hereby covenants and agrees:

- 1.1 Title. That at the time of delivery hereof Mortgagor is the lawful owner of the premises hereinabove granted, and is seized of a good, marketable and indefeasible title in fee simple therein, free and clear of all encumbrances, and that Mortgagor will warrant and defend the same in the quiet and peaceful possession of the Mortgagee, its successors and assigns, forever, against the claims of all persons whomsoever, except for:
 - (a) the mortgages included in the Other Loan Instruments.
- 1.2 Payment of Secured Obligations. That Borrower has executed and delivered to Mortgagee the Notes and has agreed to pay when due the principal of, and the interest on, the indebtedness evidenced by the Notes, charges, fees and all other sums as provided in the Loan Instruments or the Other Loan Instruments, and the principal of, and interest on, any future advances secured by this Mortgage.

- 1.3 Maintenance, Repair, Alterations. To keep the Mortgaged Property in good condition and repair, not to remove, demolish or substantially alter (except such alterations as may be required by laws, ordinances or regulations) any of the Improvements; to complete promptly and in good and workmanlike manner any building or other improvement which may be constructed on the Property and promptly restore in like manner any Improvement which may be damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Mortgaged Property or any part thereof; not to commit or permit any waste or deterioration of the Mortgaged Property; not to commit, suffer or permit any act to be done in or upon the Mortgaged Property in violation of any law, ordinance or regulation.
- 1.4 Required Insurance. To at all times provide, maintain and keep in force the following policies of insurance:
- (a) If Mortgagor constructs or installs improvements on the Property that were not existing on the Property on the date of this Mortgage, then Mortgagee may require that Mortgagor keep and maintain in force with respect to said improvements such of the following policies of insurance ("insurance" or "policies of insurance") as may be reasonably requested. Insurance may, in the discretion of Mortgagor, be in the form of individual policies or blanket policies covering other improvements.
 - (b) Physical hazard insurance covering the perils of fire, flood, tornado, lightning, and extended coverage in an amount equal to at least the full insurable value of the Mortgaged Property, and such additional coverage as Mortgagee may from time to time require.
 - (c) Such other insurance, and in such amounts, as may from time to time be required by Mortgagee against the same or other hazards.
 - (d) All policies of insurance required by the terms of this Mortgage shall contain an endorsement or agreement by the insurer that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Mortgagor which might otherwise result in forfeiture of said insurance and the further agreement of the insurer waiving all rights of setoff, counterclaim or deductions against Mortgagor.
- 1.5 Delivery of Policies, Payment of Premiums. That all policies of insurance shall be issued by companies and in amounts in each company satisfactory to Mortgagee. All policies of insurance shall have attached thereto a lender's loss payable endorsement for the benefit of Mortgagee in form satisfactory to Mortgagee. Mortgagor shall furnish Mortgagee copies of all policies of required insurance. All such policies shall contain a provision that such policies will not be canceled or materially amended, which term shall include any reduction in the scope or limits of coverage, without at least thirty (30) days' prior written notice

to Mortgagee. In the event Mortgagor fails to provide, maintain, keep in force or deliver and furnish to Mortgagee the policies of insurance required by this Section, Mortgagee may procure such insurance or single-interest insurance for such risks covering Mortgagee's interest, and Mortgagor will pay all premiums thereon promptly upon demand by Mortgagee, and until such payment is made by Mortgagor the amount of all such premiums together with interest thereon at the rate provided in the Loan 192671 Note shall be secured by this Mortgage.

1.6 Insurance Proceeds. That after the happening of any casualty to the Mortgaged Property or any part thereof, Mortgagor shall give prompt written notice thereof to Mortgagee.

- (a) In the event of any damage or destruction of the Improvements, Mortgagee shall have the option in its sole discretion of applying all or part of the insurance proceeds (i) to any indebtedness secured hereby and in such order as Mortgagee may determine, or (ii) to the restoration of the Improvements provided the Improvements are restored to good working condition, or (iii) to Mortgagor, provided that at Mortgagor's election, the insurance proceeds shall be applied to restoration of the Improvements if Mortgagor has had a satisfactory credit record with Mortgagee, is not then in default under the Notes or this Mortgage, and establishes to Mortgagee's reasonable satisfaction that the insurance proceeds together with Mortgagor's other resources, if required, would be sufficient to restore the Improvements to a condition satisfactory for operation of Mortgagor's dairy business.
- (b) In the event of such loss or damage, all proceeds of insurance shall be payable to Mortgagee, and Mortgagor hereby authorizes and directs any affected insurance company to make payment of such proceeds directly to Mortgagee. If the proceeds are applied to all indebtedness secured hereby, the balance of such proceeds, if any, shall be promptly paid to Mortgagor. Mortgagee is hereby authorized and empowered by Mortgagor to settle, adjust or compromise any claims for loss, damage or destruction under any policy or policies of insurance.
- (c) Except to the extent that insurance proceeds are received by Mortgagee and applied to the indebtedness secured hereby, nothing herein contained shall be deemed to excuse Mortgagor from repairing or maintaining the Mortgaged Property or restoring all damage or destruction to the Mortgaged Property, regardless of whether or not there are insurance proceeds available or whether any such proceeds are sufficient in amount, and the application or release by Mortgagee, of any insurance proceeds shall not cure or waive any default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

1.7 Assignment of Policies Upon Foreclosure. That in the event of foreclosure of this Mortgage or other transfer of title or assignment of the Mortgaged Property in

extinguishment, in whole or in part, of the debt secured hereby, all right, title and interest of Mortgagor in and to all policies of insurance required by this Section shall inure to the benefit of and pass to the successor in interest to Mortgagor or the purchaser or grantee of the Mortgaged Property.

1.8 Indemnification; Subrogation; Waiver of Offset:

- (a) If Mortgagee is made a party defendant to any litigation concerning this Mortgage or the Mortgaged Property or any part thereof or interest therein (unless Mortgagee is made a party defendant incident to its act or omission), or the occupancy thereof by Mortgagor, then Mortgagor shall indemnify, defend and hold Mortgagee harmless from all liability by reason of said litigation, including reasonable attorney's fees and expenses incurred by Mortgagee in any such litigation, whether or not any such litigation is prosecuted to judgment. If Mortgagee commences an action against Mortgagor to enforce any of the terms hereof or because of the breach by Mortgagor of any of the terms hereof, or for the recovery of any sum secured hereby, Mortgagor shall pay to Mortgagee reasonable attorney's fees and expenses, and the right to such attorney's fees and expenses shall be deemed to have accrued on the commencement of such action, and shall be enforceable whether or not such action is prosecuted to judgment. If Mortgagor breaches any term of this Mortgage, Mortgagee may employ an attorney or attorneys to protect its rights hereunder, and in the event of such employment following any breach by Mortgagor, Mortgagor shall pay Mortgagee reasonable attorney's fees and expenses incurred by Mortgagee, whether or not an action is actually commenced against Mortgagor by reason of breach.
- (b) Mortgagor waives any and all right to claim or recover against Mortgagee, its officers, employees, agents and representatives, for loss of or damage to Mortgagor, the Mortgaged Property, Mortgagor's property or the property of others under Mortgagor's control from any cause insured against or required to be insured against by the provisions of this Mortgage.
- (c) All sums payable by Mortgagor hereunder shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Mortgagor hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Mortgaged Property or any part thereof; (ii) any restriction or prevention of or interference with any use of the Mortgaged Property or any part thereof; (iii) any title defect or encumbrance or any eviction from the Property or the Improvements or any part thereof by title paramount or otherwise; (iv) subject to provisions of applicable law, any bankruptcy, insolvency, reorganization,

composition, adjustment, dissolution, liquidation or other like proceeding relating to Mortgagee, or any action taken with respect to this Mortgage by any trustee or receiver of Mortgagee, or by any court, in any such proceeding; (v) any claim which Mortgagor has or might have against Mortgagee; (vi) any default or failure on the part of Mortgagee to perform or comply with any of the terms hereof or of any other agreement with Mortgagor; or (vii) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Mortgagor shall have notice or knowledge of any of the foregoing. Except as expressly provided herein, and except as otherwise prohibited by applicable law, Mortgagor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any sum secured hereby and payable by Mortgagor.

1.9 Taxes and Impositions.

- (a) Mortgagor agrees to pay, prior to delinquency, all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever ("Impositions"); provided, however, that if, by law, any such Imposition is payable, or may at the option of the taxpayer be paid, in installments, Mortgagor may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.
- (b) Mortgagor covenants to furnish Mortgagee within forty-five (45) days after the date upon which any such Imposition is due and payable by Mortgagor, official receipts of the appropriate taxing authority, or other proof satisfactory to Mortgagee, evidencing the payments thereof.
- (c) Mortgagor shall have the right before any delinquency occurs to contest or object to the amount or validity of any such Imposition by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying or extending Mortgagor's covenant to pay any such Imposition at the time and in the manner provided in this Section.

1.10 Power and Utilities. To pay when due all power and utility charges which are incurred by Mortgagor for the benefit of the Mortgaged Property or which may become a charge or lien against the Mortgaged Property.

1.11 Actions by Mortgagee to Preserve Mortgaged Property. That should Mortgagor fail to make any payment or to do any act as and in the manner provided in any of the Loan Instruments, Mortgagee, in its own discretion, without obligation so to do and without notice to or demand upon Mortgagor and without releasing Mortgagor from any obligation, may reasonably make or do the same in such manner and to such extent as it may deem necessary to protect the security hereof.

Mortgagor shall, immediately upon demand therefor by Mortgagee, pay all reasonable costs and expenses incurred by Mortgagee in connection with the exercise by Mortgagee of the foregoing rights, including without limitation costs of evidence of title, court costs, appraisals, surveys and attorney's fees.

That in the event Mortgagee is called upon to pay any sums of money to protect this Mortgage and the Notes secured hereby as aforesaid, all monies advanced or due hereunder shall become immediately due and payable, together with interest at a rate as is set forth in the Loan 192671 Note for delayed or default interest.

- 1.12 Survival of Warranties. To fully and faithfully satisfy and perform the obligations of Mortgagor contained in the Mortgagor's loan application, any of the Loan Instruments or any of the Other Loan Instruments. All representations, warranties and covenants of Mortgagor contained therein shall survive the close of escrow and funding of the loan evidenced by the Loan 192671 Note and shall remain continuing obligations, warranties and representations of Mortgagor during any time when any portion of the obligations secured by this Mortgage remain outstanding.
- 1.13 Eminent Domain. That should the Mortgaged Property, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner ("Condemnation"), or should Mortgagor receive any notice or other information regarding such proceeding, Mortgagor shall give prompt written notice thereof to Mortgagee.
- (a) Mortgagee shall be entitled to all compensation, awards and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name any action or proceedings. Mortgagee shall also be entitled to make any compromise or settlement in connection with such taking or damage. All such compensation, awards, damages, rights of action and proceeds awarded to Mortgagor (the "Proceeds") are hereby assigned to Mortgagee and Mortgagor agrees to execute such further assignments of the Proceeds as Mortgagee may require.
- (b) In the event any portion of the Mortgaged Property is so taken or damaged, Mortgagee shall have the option, in its sole and absolute discretion, to apply all such Proceeds, after deducting therefrom all costs and expenses (regardless of the particular nature thereof and whether incurred with or without suit), including attorney's fees, incurred by it in connection with such Proceeds, upon any indebtedness secured hereby and in such order as Mortgagee may determine, or to apply all such Proceeds, after such deductions, to the restoration of the Mortgaged Property upon such conditions as Mortgagee may determine. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

- 1.14 Additional Security. That in the event Mortgagee at any time holds additional security for any of the obligations secured hereby, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before or concurrently herewith or after a sale is made hereunder.
- 1.15 Successors and Assigns. That this Mortgage applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Mortgagee" shall mean the owner and holder of the Notes, whether or not named as Mortgagee herein. In this Mortgage, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- 1.16 Inspections. That Mortgagee, or its agents, representatives or workmen, upon giving reasonable notice to Mortgagor, are authorized to enter at any reasonable time upon or in any part of the Mortgaged Property for the purpose of inspecting the same and for the purpose of performing any of the acts it is authorized to perform under the terms of any of the Loan Instruments or any of the Other Loan Instruments.
- 1.17 Liens. To pay and promptly discharge, at Mortgagor's cost and expense, all liens, encumbrances and charges upon the Mortgaged Property, or any part thereof or interest therein. Mortgagor shall have the right to contest in good faith the validity of any such lien, encumbrance or charge, provided Mortgagor shall first deposit with Mortgagee a bond or other security satisfactory to Mortgagee in such amounts as Mortgagee shall reasonably require, but not more than one and one-half (150%) of the amount of the claim, and provided further that Mortgagor shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged. If Mortgagor shall fail to discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Mortgagee, Mortgagee may, but shall not be obligated to, discharge the same, either by paying the amount claimed to be due, or by procuring the discharge of such lien by depositing in court a bond or the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law.
- 1.18 Other Mortgages. That Mortgagor will not create, assume or suffer to exist in respect of the Mortgaged Property, or any part thereof, any mortgage other than this Mortgage and the mortgages included in the Other Loan Instruments.
- 1.19 Financial Statements. That Mortgagor will cause to be delivered to Mortgagee, without expense to Mortgagee, such financial records and information as are required by the Mortgagee from time to time.

ARTICLE 2

SECURITY AGREEMENT

- 2.1 Creation of Security Interest. Mortgagor hereby grants to Mortgagee a security interest in the Personal Property described in the Loan Instruments and in this

Mortgage now or hereafter located on or at the Property, including without limitation any and all property of similar type or kind hereafter located on or at the Property for the purpose of securing all obligations of Mortgagor contained in any of the Loan Instruments or the Other Loan Instruments. Mortgagee shall have no security interest in Mortgagor's rolling stock, livestock or crops.

Mortgagor hereby grants to Mortgagee a security interest in milk, dairy products and the proceeds thereof, and Mortgagee shall also receive from Mortgagor an assignment of the proceeds of the sale of Mortgagor's milk and cream which is sufficient to cover the monthly Loan 192671 Note payment as adjusted under the provisions of the Loan 192671 Note, which assignment shall commence September 10, 2008. The provisions of this paragraph shall apply to any replacement milk contracts.

2.2 Warranties, Representations and Covenants of Mortgagor. Mortgagor hereby warrants, represents and covenants as follows:

- (a) Except for the security interest granted hereby and under the Other Loan Instruments, Mortgagor is, and as to portions of the Personal Property to be acquired after the date hereof will be, the sole owner of the Personal Property, free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever. Mortgagor will notify Mortgagee of, and will defend the Personal Property against, all claims and demands of all persons at any time claiming the same or any interest therein.
- (b) Mortgagor will not lease, sell, convey or in any manner transfer the Personal Property without the prior written consent of Mortgagee, except such portions or items of Personal Property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor.
- (c) The Personal Property will be kept on or at the Property and Mortgagor will not remove the Personal Property from the Property without the prior written consent of Mortgagee, except such portions or items of Personal Property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor. Mortgagor may replace any item of Personal Property in the ordinary course of business without the prior consent of Mortgagee.
- (d) Mortgagor maintains a place of business in the State of Idaho that is Mortgagor's chief executive office and Mortgagor will immediately notify Mortgagee in writing of any change in its place of business as set forth in the beginning of this Mortgage.
- (e) At the request of Mortgagee, Mortgagor will join Mortgagee in executing one or more financing statements and renewals and amendments thereof pursuant to the Uniform Commercial Code of Idaho in form satisfactory to

Mortgagee, and will pay the cost of filing the same in all public offices wherever filing is deemed by Mortgagee to be necessary or desirable.

- (f) All covenants and obligations of Mortgagor contained herein relating to the Mortgaged Property shall be deemed to apply to the Personal Property whether or not expressly referred to herein.
- (g) Mortgagor understands and agrees that certain items of irrigation equipment and dairy equipment hereinbefore described or referred to as "personal property" actually and as a matter of law are fixtures and are deemed a part of the land covered by this Mortgage, and that said designation as "personal property" is for convenience only and shall be disregarded in the case of any fixtures described or referred to following such designation. The Mortgagor will not sell or dispose of any of said personal property, nor attempt to do so, nor part with possession of any of the same, nor remove the mortgaged personal property or any of the same, nor permit it to be removed, from the mortgaged premises, or from the adjoining or adjacent lands where said personal property may be located, while this Mortgage shall remain in force and effect, without the written consent of the Mortgagee. Provided, however, that the language of this paragraph shall not prevent the Mortgagor from replacing or upgrading any personal property subject to the Security Agreement in the ordinary course of business without the written consent of the Mortgagee. All upgrades or replacements shall become subject to the Security Agreement and security interest herein provided for. All the mortgaged personal property shall at all times while this Mortgage remains in force and effect be kept and maintained by the Mortgagor, at Mortgagor's own cost and expense, in good working order, condition and repair, and the Mortgagor will from time to time make all replacements of such personal property which may reasonably be necessary for the irrigation and cultivation of the mortgaged premises and Mortgagor will neither commit nor suffer any damages or waste on or to the mortgaged premises and said personal property nor do or permit to be done anything that may lessen or impair the value of the mortgaged property, real or personal, or the lien or security thereof.
- (h) This Mortgage constitutes a Security Agreement as that term is used in the Uniform Commercial Code of Idaho.

ARTICLE 3

ASSIGNMENT OF RENTS, ISSUES AND PROFITS

- 3.1 Assignment of Rents. Mortgagor hereby assigns and transfers to Mortgagee all the leases, royalties, subleases, franchises, rents, issues, profits and bonuses of or relating to the Mortgaged Property (hereinafter collectively referred to as "rents"), and hereby gives to and confers upon Mortgagee the right, power and authority to

collect such rents. Mortgagor irrevocably appoints Mortgagee its true and lawful attorney-in-fact, at the option of Mortgagee at any time and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Mortgagor or Mortgagee, for all such rents, and apply the same to the indebtedness secured hereby; provided, however, that Mortgagor shall have the right to collect such rents (but not more than thirty days in advance) prior to or at any time there is not an event of default under any of the Loan Instruments or the Other Loan Instruments. As used herein "rents" includes, without limitation, all bonuses, delay rentals, royalties and other benefits accruing under any oil, gas or mineral leases or similar agreements.

3.2 Collection Upon Default. Upon any event of default under any of the Loan Instruments or the Other Loan Instruments, subject to the notice and cure provisions in Section 4.2 below, Mortgagee may, at any time without notice, enter upon and take possession of the Mortgaged Property, or any part thereof, in its own name sue for or otherwise collect such rents including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorney's fees, upon any indebtedness secured hereby, and in such order as Mortgagee may determine. The collection of such rents or the entering upon and taking possession of the Mortgaged Property, or the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default.

3.3 Restriction on Further Assignments, etc. Except as herein specifically provided, Mortgagor will not, without prior written consent of the Mortgagee, assign such rents, or any part thereof, from the Mortgaged Property; and will not consent to the modification, cancellation or surrender of any lease, sublease or other agreement giving rise to such rents covering the Mortgaged Property, or any part thereof. Any action of Mortgagor in violation of the terms of this Section shall be void as against Mortgagee in addition to being a default under this Mortgage. Without the prior written consent of Mortgagee, Mortgagor shall not collect any rents more than one month in advance.

ARTICLE 4

REMEDIES UPON DEFAULT

4.1 Events of Default. Any of the following events shall be deemed an event of default hereunder:

- (a) Failure to make the payment of any of the installments of principal or interest on the Notes, at the time and place when and where the same become due and payable as aforesaid; or
- (b) Failure in the due, prompt and complete performance or observance of any covenant, agreement, condition, provision, representation, warranty or

obligation of Mortgagor contained in any of the Loan Instruments or the Other Loan Instruments or any part thereof; or

- (c) Mortgagor shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition seeking reorganization, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due; or
- (d) In the event that the Mortgaged Property is sold, assigned, leased with option of sale, disposed of or otherwise transferred, in whole or in part, to any other party, whether voluntarily or by operation of law or otherwise, or a contract for the sale of all or part of the property is entered into, or the composition, form of business association or ownership of stock or partnership interest of Mortgagor is changed in any manner, whether voluntarily or by operation of law unless permitted by Section 4.5 below; or
- (e) In the event any assignment of the rents, issues or profits, or any part thereof, from the Mortgaged Property or any part thereof, or any modification, cancellation or surrender of any lease or sublease covering the Mortgaged Property, or any part thereof, is entered into without the prior written consent of Mortgagee, except as otherwise specifically provided in the Loan Instruments or the Other Loan Instruments.

4.2 Acceleration Upon Default. Additional Remedies. In the event of any event of default and after written notice to Mortgagor has been given and the stated time to cure has elapsed, Mortgagee may declare all indebtedness secured hereby to be due and payable and the same shall thereupon become due and payable without any presentment, demand, protest or notice of any kind. Thereafter Mortgagee may:

- (a) At its sole option, enter upon and take possession of the Mortgaged Property, or any part thereof, in its own name, and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Mortgaged Property, or part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Mortgaged Property, sue for or otherwise collect the rents, issues and profits thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorney's fees, upon any indebtedness secured hereby, all in such order as Mortgagee may determine. The entering upon and taking possession of the Mortgaged Property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any

act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of the Mortgaged Property or the collection, receipt and application of rents, Mortgagee shall be entitled to exercise every right provided for in any of the Loan Instruments or the Other Loan Instruments or by law upon occurrence of any event of default;

- (b) Commence an action to foreclose this Mortgage, appoint a receiver, or specifically enforce any of the covenants hereof;
- (c) Take such other and further legal action as is available under Idaho law;
- (d) In the event of default hereunder, the interest rate shall be the default interest rate as is set forth in the Loan 192671 Note of even date herewith.

Provided, however, prior to initiating any remedy to which Mortgagee may be entitled (other than the charging of default interest), including but not limited to acceleration of the balance of the Notes and foreclosure of this Mortgage, Mortgagee shall first give to Mortgagor, at the address appearing hereafter, written notice by registered or certified mail, postage prepaid, return receipt requested, notifying Mortgagor of each and every claimed event of default of Mortgagor. Mortgagee may not pursue any remedy to which it may be entitled under the Notes, this Mortgage, any of the Loan Instruments or any of the Other Loan Instruments (other than the charging of default interest) unless Mortgagor fails to effect a full and complete cure of the alleged events of default within fifteen (15) days of any payment default and thirty (30) days of any other default and receipt of the required notice by Mortgagor. Written notice will be deemed received by Mortgagor on the third day following the date of mailing as evidenced by the postmark on the envelope in which the written notice is mailed. Any written notice to Mortgagor shall be mailed to Mortgagor at the following address:

Southfield Dairy
Ed Southfield and Carol Southfield
Edwin Southfield and Patricia Southfield
Arie Roeloffs and Coralee Roeloffs
3308 South 1600 East
Wendell, ID 83355

- 4.3 Appointment of Receiver. If any event of default described herein shall have occurred and be continuing, the right of Mortgagee to seek the appointment of a receiver shall not be subject to any requirement for notice and opportunity to cure, the provisions of Paragraph 4.2 above and of any Loan Instrument or Other Loan Instrument notwithstanding. Mortgagee shall have the right to immediately apply to any court having jurisdiction to appoint a receiver or receivers of the Mortgaged Property, without notice except as may be required by applicable law.

Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of the Mortgagee in case of entry and shall continue as such and exercise all such powers until the date of confirmation of sale of the Mortgaged Property unless such receivership is sooner terminated.

- 4.4 Remedies Not Exclusive. Mortgagee shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this Mortgage or under any Loan Instruments, Other Loan Instruments, or other agreement or any laws now or hereafter in force, notwithstanding some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as it may in its absolute discretion determine. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Loan Instruments or Other Loan Instruments to Mortgagee or to which it may be otherwise entitled, may be exercised from time to time and as often as may be deemed expedient by Mortgagee.
- 4.5 Sale of Premises and Change of Ownership. In the event that the Property or any interest therein is sold, assigned, leased with option of sale, disposed of or otherwise transferred, in whole or in part, to any other party, whether voluntarily or by operation of law or otherwise, or a contract for the sale of all or part of the property is entered into, or the composition, form of business association or ownership of 10% or more of the capital stock or membership or partnership interest of Mortgagor is changed in any manner, whether voluntarily or by operation of law, then in any of such events, Mortgagee, in its sole discretion, shall have the option to declare the whole principal balance, all accrued and unpaid interest and late payment charges, if any, to become at once due and payable. The Mortgagor acknowledges that as a condition to obtaining Mortgagee's consent, Mortgagee may, in its sole discretion, require modification of the Loan 192671 Note or this Mortgage or other related loan documents, including without limitation an increase in the interest rate thereunder, change in maturity date and/or payment of an assumption fee. It shall not, however, be an event to which this paragraph applies if there is any sale or transfer of stock or membership or partner interest or the Property from one of the persons or entities comprising Mortgagor to another person or entity comprising Mortgagor, or another existing shareholder, member or partner of Mortgagor or to the spouse or issue of any shareholder, member, or partner of or individual Mortgagor, or to any

trust, family limited partnership or limited liability company composed of Mortgagor, or any shareholder, member or partner of Mortgagor, and their issue.

ARTICLE 5

MISCELLANEOUS

- 5.1 Governing Law. This Mortgage shall be governed by the laws of the State of Idaho. In the event that any provision or clause of any of the Loan Instruments or Other Loan Instruments conflicts with applicable laws, such conflicts shall not affect other provisions of such Loan Instruments or Other Loan Instruments which can be given effect without the conflicting provision, and to this end the provisions of the Loan Instruments or Other Loan Instruments are declared to be severable.
- 5.2 Notices. Whenever Mortgagee or Mortgagor shall desire to give or serve any notice, demand, request or other communication with respect to this Mortgage, each such notice, demand, request or other communication shall be in writing and shall be effective only if the same is delivered by personal service or mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to the address set forth below. Any party may at any time change its address for such notices by delivering or mailing to the other parties hereto, as aforesaid, a notice of such change.

Metropolitan Life Insurance Company
Agricultural Investments
8717 West 110th Street, Suite 700
Overland Park, KS 66210
Attn: Barry L. Bogseth, Regional Director

Southfield Dairy
Ed Southfield and Carol Southfield
Edwin Southfield and Patricia Southfield
Arie Roeloffs and Coralee Roeloffs
3308 South 1600 East
Wendell, ID 83355

- 5.3 Captions. The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Mortgage.
- 5.4 Number, Gender, Succession. Words used herein shall include the singular or plural, and feminine, masculine or neuter, as the context may require, and if this instrument is executed by two or more persons or parties the obligations and liabilities hereunder of such Mortgagors shall be JOINT AND SEVERAL. The rights and obligations herein shall inure to and be binding upon the successors, heirs, executors, administrators and assigns of the respective parties.

- 5.5 Government Compensation. Mortgagor shall not register the premises, or any portion thereof, with any federal, state or local government office for the purpose of obtaining subsidy or payment-in-kind compensation or other government compensation relating to land use or non-use, without first obtaining Mortgagee's prior written consent. Mortgagor hereby grants to Mortgagee a security interest in any such government compensation and agrees to assign the same to Mortgagee, whether or not Mortgagee gives its written consent to Mortgagor to register the Premises, or any portion thereof, for such compensation. Mortgagor, upon the written request of Mortgagee, shall execute any documents necessary to further perfect Mortgagee's security interest in and assignment of such compensation. Any such document is to be in form and substance acceptable to Mortgagee. Mortgagor hereby appoints Mortgagee its attorney-in-fact to execute such documents in Mortgagor's name and behalf. Upon Mortgagee's request, Mortgagor shall deliver to Mortgagee any document of title Mortgagee desires to hold to secure Mortgagee's interest in any such government compensation.
- 5.6 Habendum Clause. Upon payment in full of the indebtedness secured hereby and the performance by Mortgagor of all of the obligations imposed on Mortgagor herein and in the Notes, these presents shall be null and void, and Mortgagee shall release this Mortgage and the lien hereof by proper instrument executed in recordable form.
- 5.7 Hazardous Substances. Mortgagor represents and warrants that to the best of Mortgagor's knowledge that (1) the Property (including, without limitation, the subsurface soil and the ground water thereunder) does not contain any "hazardous or toxic substances" (as hereinafter defined); (2) there has been no generation, transportation, storage, treatment or disposal of any hazardous or toxic substances on the Property, or within one-half mile thereof, now or in the past; (3) there are no pending or threatened litigation or proceedings before any court or administrative agency in which any person or entity alleges, or threatens to allege, the presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment, or disposal at the Property, of any hazardous substance; (4) Mortgagor has not received any notice of and has no knowledge that any governmental authority or any employee or agent thereof has determined or alleged, or is investigating the possibility, that there is a presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment, or disposal at the Property, of any hazardous or toxic substance; (5) there have been no communications or agreements with any governmental authority or agency (federal, state or local) or any private person or entity (including, without limitation, any prior owner of the Property) relating in any way to the presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment or disposal at the Property, of any hazardous or toxic substance.

For the purposes of this paragraph, "hazardous or toxic substance" shall mean and include (1) a "hazardous substance" as defined in 42 U.S.C. § 9601(14) and as hereafter amended from time to time, or as defined under applicable state health,

safety and water codes, and (2) any other material, gas or substance known or suspected to be toxic or hazardous (including, without limitation, any radioactive substance, methane gas,¹ volatile hydrocarbons, industrial solvents and asbestos) or which could cause a material detriment to, or materially impair the beneficial use of the Property, or constitute a material health, safety or environmental risk to tenants, occupants or patrons of the Property.

- 5.8 Milk Agreement. Mortgagor covenants and agrees that it will make no further or future assignments of the proceeds of the milk agreement or otherwise alter the operations on the Property in a manner which would alter or eliminate Mortgagee's right to receive from Mortgagor's milk agreement a sum sufficient to satisfy the monthly payment due under the Note. A breach of this covenant shall constitute default under the loan at the option of the Mortgagee.
- 5.9 Legal Compliance. The Mortgagor shall furnish evidence satisfactory to Mortgagee confirming the issuance on terms and conditions satisfactory to Mortgagee, by the appropriate Federal, State, County, Regional, or Local Authorities (including authorities whose jurisdiction involve environmental protection) of all licenses, approvals, or permits necessary in conjunction with the operation of the Mortgagor's dairy business and lawful occupancy thereof for the purpose for which such project was created (including the issuance by any Federal, State, County, Regional, or Local Authorities where jurisdiction involves environmental protection of such licenses, approvals, or permits), and possession of all Property in connection therewith and continue to maintain compliance with all laws and regulations.
- 5.10 Disclosure. The Notes secured hereby may provide that the interest rate, payment terms, or balance due may be indexed, adjusted, renewed or renegotiated as set forth therein.

[Signature Page Follows]

¹ Methane gas generated by cow manure is not included so long as Mortgagor is in full compliance with any and all codes and regulations governing cow manure and its by products.

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

MORTGAGOR:

Southfield Dairy,
an Idaho general partnership

By: [Signature]
Ed Southfield, Partner

By: [Signature]
Carol Southfield, Partner

By: [Signature]
Edwin Southfield, Partner

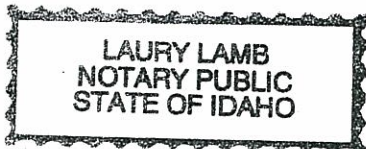
By: [Signature]
Patricia Southfield, Partner

By: [Signature]
Arie Roeloffs, Partner

By: [Signature]
Coralee Roeloffs, Partner

STATE OF IDAHO)
)ss.
COUNTY OF Jerome)

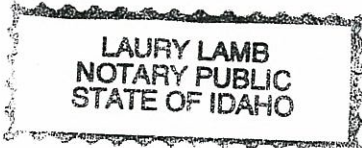
On July 23, 2008, before me, a Notary Public, personally appeared **Ed Southfield**, known or identified to me to be one of the partners in the partnership of **Southfield Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he executed the same in said partnership name.



[Signature]
Notary Public for Idaho
Printed Name: Laury Lamb
Commission Expires: 4/2/2010

STATE OF IDAHO)
)ss.
COUNTY OF Jerome)

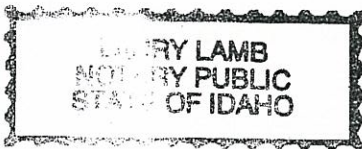
On July 23, 2008, before me, a Notary Public, personally appeared **Carol Southfield**, known or identified to me to be one of the partners in the partnership of **Southfield Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that she executed the same in said partnership name.



Laury Lamb
Notary Public for Idaho
Printed Name: Laury Lamb
Commission Expires: 4/2/2010

STATE OF IDAHO)
)ss.
COUNTY OF Jerome)

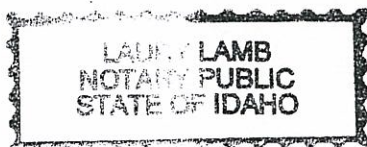
On July 23, 2008, before me, a Notary Public, personally appeared **Edwin Southfield**, known or identified to me to be one of the partners in the partnership of **Southfield Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he executed the same in said partnership name.



Laury Lamb
Notary Public for Idaho
Printed Name: Laury Lamb
Commission Expires: 4/2/2010

STATE OF IDAHO)
)ss.
COUNTY OF Jerome)

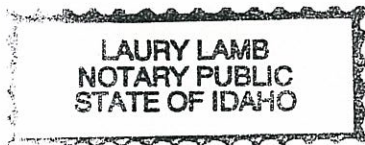
On July 23, 2008, before me, a Notary Public, personally appeared **Patricia Southfield**, known or identified to me to be one of the partners in the partnership of **Southfield Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that she executed the same in said partnership name.



Laury Lamb
Notary Public for Idaho
Printed Name: Laury Lamb
Commission Expires: 4/2/2010

STATE OF IDAHO)
)ss.
COUNTY OF Jerome)

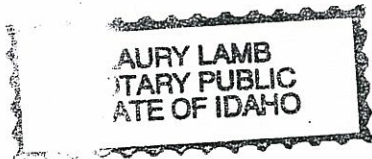
On July 23, 2008, before me, a Notary Public, personally appeared **Arie Roeloffs**, known or identified to me to be one of the partners in the partnership of **Southfield Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he executed the same in said partnership name.



Laury Lamb
Notary Public for Idaho
Printed Name: Laury Lamb
Commission Expires: 4/2/2010

STATE OF IDAHO)
)ss.
COUNTY OF Jerome)

On July 23, 2008, before me, a Notary Public, personally appeared **Coralee Roeloffs**, known or identified to me to be one of the partners in the partnership of **Southfield Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that she executed the same in said partnership name.



Laury Lamb
Notary Public for Idaho
Printed Name: Laury Lamb
Commission Expires: 4/2/2010

EXHIBIT A

TRACT I:

PARCEL NO. 1:

TOWNSHIP 8 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN,
GOODING COUNTY, IDAHO

Section 13: Part of the SW $\frac{1}{4}$ SW $\frac{1}{4}$, more particularly described as follows:

Beginning at the Southwest corner of Section 13;
Thence North 0°10'12" West 900.41 feet along the Westerly boundary of Section 13 to the center of the Northside Canal Company "W-56" Irrigation Lateral;
Thence South 89°40'12" East 241.86 feet along the Center of said W-56 lateral to THE TRUE POINT OF BEGINNING;
Thence North 0°10'12" West 94.87 feet;
Thence South 89°40'12" East 466.44 feet to the center of the Northside Canal Company "W-9" irrigation canal;
Thence South 27°28'50" West 106.61 feet along the center of said "W-9" canal;
Thence North 89°40'12" West 416.96 feet along the center of the "W-56" irrigation lateral to THE TRUE POINT OF BEGINNING;

PARCEL NO. 2:

TOGETHER WITH A 25.00 FOOT IN WIDTH, NON-EXCLUSIVE ACCESS EASEMENT DESCRIBED AS FOLLOWS;

Beginning at the Southwest corner of Section 13;
Thence North 0°10'12" West 900.41 feet along the Westerly boundary of Section 13 to THE TRUE POINT OF BEGINNING;
Thence South 89°40'12" East 241.86 feet;
Thence North 0°10'12" West 25.00 feet;
Thence North 89°40'12" West 241.28 feet to the Westerly boundary of Section 13;
Thence South 0°10'12" East 25.00 feet along the Westerly boundary of Section 13 to THE TRUE POINT OF BEGINNING.

PARCEL NO. 3:

TOWNSHIP 8 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN,
GOODING COUNTY, IDAHO

Section 13: NW $\frac{1}{4}$ SW $\frac{1}{4}$

TRACT II:

PARCEL NO. 1:

TOWNSHIP 8 SOUTH, RANGE 14, EAST OF THE BOISE MERIDIAN,
GOODING COUNTY, IDAHO

Section 15: W $\frac{1}{4}$ SE $\frac{1}{4}$, EXCEPTING THEREFROM a portion of the SW $\frac{1}{4}$ SE $\frac{1}{4}$, described as follows:

Commencing at the South quarter corner of Section 15, from which the Southeast section corner bears South 89°52'54" East, 2644.23 feet, said point being THE REAL POINT OF BEGINNING;

Thence North 0°03'58" West, 391.01 feet along the Westerly boundary of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ said Section 15;

Thence South 89°52'54" East, 692.97 feet;

Thence South 0°22'08" West, 391.01 feet to a point on the Southerly boundary of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ said Section 15;

Thence North 89°52'54" West, 690.00 feet along the Southerly boundary of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ said Section 15 to THE REAL POINT OF BEGINNING.

PARCEL NO. 2:

TOWNSHIP 8 SOUTH, RANGE 14, EAST OF THE BOISE MERIDIAN,
GOODING COUNTY, IDAHO

Section 15: E $\frac{1}{4}$ SW $\frac{1}{4}$, EXCEPT the South 300.0 feet of the East 571.0 feet of said SE $\frac{1}{4}$ SW $\frac{1}{4}$.

TRACT III:

TOWNSHIP 8 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN,
GOODING COUNTY, IDAHO

Section 16: All of Section, EXCEPTING THEREFROM that part lying South of County Road as it is now located, described in Book 2 of Agreements Page 380, records of Gooding County, Idaho.

ALSO EXCEPTING THEREFROM the following described tract as described in Contract dated May 3, 1919, with Trustees of School District #6, Gooding County, Idaho, recorded June 7, 1919 in Book 2 Agreements Page 37, to be used for School purposes:

Commencing at a point 2903.6 feet South of the Northwest corner of said Section 16;

Thence East 300 feet;

Thence South 105 feet;

Thence Southwesterly 315 feet to the West line of Section 16;

Thence North 200 feet to THE POINT OF BEGINNING.

Together with any and all water rights belonging or in any wise appertaining thereto, and including as applicable, but not limited, to the following:

Idaho Department of Water Resources

Tract Location	Right Number	Priority Date	Basis	Diversion Rate	Volume	USE
1	36-2335	8-Jul-57	decreed			
	36-7325b	12-Apr-73	decreed	4.11 cfs	1116 af	irrigation
	36-7325a	12-Apr-73	decreed	3.6 cfs	754 af	irrigation
				7.71 cfs	1870 af	
	36-10092	1-Jun-23	decreed	0.09 cfs		stockwater/domestic
	36-10093	1-Jun-24	decreed	0.1 cfs		stockwater/domestic
2	36-4119	9-Jun-52	decreed	1.6 cfs	600 af	irrigation
3	36-7326	6-Apr-73	decreed	0.64 cfs	144 af	irrigation
	36-8608	3-Sep-91	license	0.86 cfs		stockwater/domestic irrigation commercial
	36-10069	17-Jun-72	decreed	0.06 cfs		stockwater/domestic

EXHIBIT B

All furnishings, appliances, furniture, and supplies; all equipment and fixtures (including trade fixtures but excluding rolling stock), including without limitation all irrigation equipment (all pumps, motors, sprinkler systems, mainlines and all other irrigation equipment used for the production of water on the land described in the attached Exhibit A or for the irrigation or drainage thereof), whether now owned or hereafter acquired, and whether now existing or hereafter arising and all accessions, parts, additions, replacement and substitutions for any of such property, and all proceeds (including insurance proceeds) from the sale or other disposition of any such property, including but not limited to:

PIVOTS

TRACT#	FIELD #	Towers	Length	Make	Serial Number
	TR1-PV1	7	1,260	Zimmatic	None
	TR1-PV2	10	1,240	Lockwood	None
	TR1-PV3	9	1,440	Valley Swing Arm	28202
	TR1-PV4	9	1,260	Valley	28203
	TR2-PV1	7	1,118	Reinke	192-C8125
	TR3-PV1	3	603	Linsey	L-4681

HANDLINE

TR2-HL	Solid Set Handlines
--------	---------------------

WELLS

Well #	Motor Make	HP	Motor Serial #	Pump Make	Pump Serial #	Location
TR1-Well 1	General Electric	100	AJJ124144	Layne & Bowler	59468	08S14E16
TR1-Well 2	US Motors	200	HC1030221	Layne & Bowler	No Plate	08S14E16
TR2-Well 1	US Electric Motors	100	C2849-02-292	Layne & Bowler	No Plate	08S14E15
TR3-Well 1	Westinghouse	40	JLW2614129	Layne & Bowler	L2791	08S14E13

Together with all now owned or hereinafter acquired equipment, machinery, appliances, tools, and parts which are a part of any dairy facility, including without limitation, milking system with auto takeoffs, wash systems, temperature control systems, milking stanchions, grain tanks with feeding system, bulk tanks, crowd gates, water heaters, vacuum pumps, condensing units, compressors, refrigeration equipment, waste separators, electric motors, portable generators with diesel motor, centrifugal and turbine pumps, silos and all lock up corral stanchions. Also together with all property and goods similar to those described herein which at any time may be acquired by mortgagors/debtors/borrowers including but not limited to, all additions, replacements, substitutions and accessions thereof.

All rents, issues, profits, royalties and income arising out of or related to real property in Gooding County, Idaho, whether now or hereafter due, described on Exhibit A. Water and any rights and claims relating to water, whether evidenced by government permits or licenses, shares or memberships in water or canal or ditch organizations, contracts for the supply of water, or otherwise.

Instrument # 227249

GOODING, GOODING, IDAHO

7-24-2008

04:56:35 No. of Pages: 5

Recorded for: GOODING TITLE AND ESCROW, INC

DENISE M. GILL Fee: 15.00

Ex-Officio Recorder Deputy

WARRANTY DEED

G080124

FOR VALUE RECEIVED,

TRIPLE M RANCH, an Idaho general partnership comprised of the **VAN DERGIESSEN FAMILY LIMITED PARTNERSHIP**, Vivian Van DerGiessen Boerema, General Partner, and the **GLENN VAN DER GIESSEN FAMILY TRUST NO. 2691-A**, **U.S. Bank N.A.**, successor trustee to **MB Financial Bank, N.A.**, and **Glenn R. Van Der Giessen**, Co-Trustees, collectively hereinafter the "Grantor", do hereby grant, bargain, sell and convey unto **SOUTHFIELD DAIRY**, an Idaho general partnership, **ED SOUTHFIELD**, **CAROL SOUTHFIELD**, **EDWIN SOUTHFIELD**, **PATRICIA SOUTHFIELD**, **ARIE ROELOFFS** and **CORA LEE ROELOFFS**, Partners, whose address is 3308 South 1600 East, Wendell, Idaho 83355, hereinafter the "Grantee", the following described premises located in Gooding County, Idaho, to wit:

TOWNSHIP 8 SOUTH, RANGE 14 EAST, BOISE MERIDIAN, GOODING COUNTY, IDAHO

Section 16: All of Section 16, except for that portion lying south of the existing county road, as it is now located and described in Book 2 of Agreements, Page 380, records in Gooding County, Idaho.

ALSO EXCEPT THE FOLLOWING:

A tract described in contract dated May 3, 1919, with trustees of School District #6, Gooding County, Idaho, recorded June 7, 1919 in Book 2 of Agreements, page 37, to be used for school purposes;

Commencing at a point 2903.6 feet south of the Northwest corner of said Section 16;

Thence East 300 feet;

Thence South 105 feet;

Thence Southwesterly 315 feet to the west line of Section 16;

Thence North 200 feet to THE POINT OF BEGINNING.

Together with all water rights appurtenant thereto, including but not limited to the following:

Water Right No. 36-2335

Water Right No. 36-7325A

Water Right No. 36-7325B

Water Right No. 36-10092

Water Right No. 36-10093

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, its successors, heirs and assigns forever. The said Grantor does hereby covenant to and with the said Grantee, that they are the owner of said premises; that they will warrant and defend the same from all lawful claims whatsoever, except as hereinabove specifically provided, and the specific exceptions listed below:

1. Taxes for 2008 and subsequent years which are an accruing lien not yet due or payable.
2. Rights of way for underground pipe lines.
3. These premises are within the boundaries of American Falls Reservoir District No. 2 and are subject to the levies and assessments thereof and restrictions and limitations thereof as specifically set forth in contract dated October 14, 1954, by the United States of America with American Falls Reservoir District No. 2, recorded November 13, 1954 in Book 6 Agreements Page 66, records of Gooding County, Idaho.
4. Liens, levies and assessments of the North Side Canal Company and the rights, powers and easements of said Company, a by law provided.
5. Levies and assessments due Gooding County for Solid Waste. Said assessments are included in the taxes.
6. Reservations in United States Patent.
7. Subject to any existing roads of the West Point Highway District.
8. Power Line Easement and the terms and conditions thereof in favor of Idaho Power Company, recorded April 15, 1927 in Book 2 of Agreements at Page 568.
9. Right of Way Easement and the terms and conditions thereof in favor of North Side Canal Company, recorded December 30, 1971 as Instrument No. 43381.
10. Right-of-Way Easement and the terms and conditions thereof in favor of Joseph Hults, recorded January 2, 1973 as Instrument No. 43382.

DATED THIS 23rd day of July, 2008.

TRIPLE M RANCH,
an Idaho general partnership
By: Van DerGiessen Family Limited Partnership, Partner

Vivian VanDerGiessen Boerema, General Partner
Vivian Van DerGiessen Boerema, General Partner

STATE OF Virginia
County of Fairfax ss:

On this 23rd day of July, 2008, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Vivian Van DerGiessen Boerema, General Partner of Van DerGiessen Family Limited Partnership, partner of Triple M Ranch, an Idaho general partnership, known to me to be such partner and the person whose name is subscribed to the within and foregoing instrument, and who acknowledged to me that she executed the same on behalf of said partnership.

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

Ellen C. Schlosser # 103833
NOTARY PUBLIC for Idaho - Virginia
Residing at: Arlington, Virginia
Commission Expires 6/30/2012



TRIPLE M RANCH,
an Idaho general partnership

By: Glenn Van DerGiessen Family Trust No. 2691-A, Partner

BY: ~~U.S. Bank N.A., successor trustee to MB Financial Bank, N.A.,~~

By: Peter Toft

Its: Vice President

STATE OF IDAHO

SS:

County of Twin Falls

On this 23rd day of July, 2008, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Peter Toft, the Vice President U.S. Bank N.A., successor trustee to MB Financial Bank, N.A. Co-Trustee of the Glenn Van DerGiessen Family Trust No. 2691-A, known to me to be such officer and the person whose name is subscribed to the within and foregoing instrument, and who acknowledged to me that he executed the same on behalf of MB Financial, in its capacity as Co-Trustee of the Trust, as partner of the partnership.

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



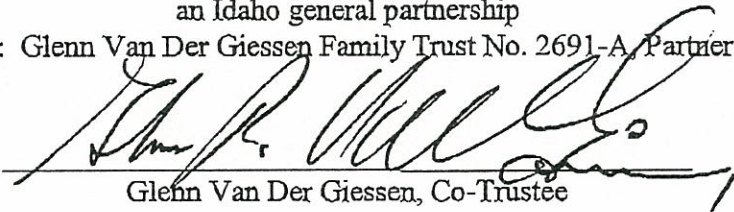
Debbie Drake
NOTARY PUBLIC for Idaho

Residing at: _____

Commission Expires: _____

Residing at: Twin Falls, Idaho
Commission Expires: 04-13-2012

TRIPLE M RANCH,
an Idaho general partnership
By: Glenn Van Der Giessen Family Trust No. 2691-A, Partner


Glenn Van Der Giessen, Co-Trustee

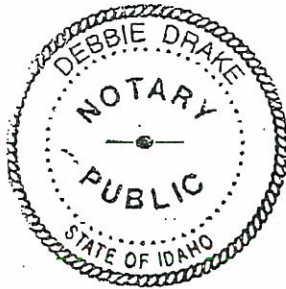

Co-Trustee

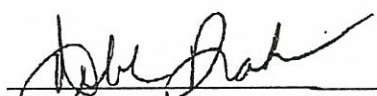
STATE OF IDAHO

County of Twin Falls ^{SS:}

On this 23rd day of July, 2008, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Glenn Van DerGiessen, Co-Trustee of the Glenn Van Der Giessen Family Trust No. 2691-A, partner of Triple M Ranch, an Idaho general partnership, known to me to be such Co-Trustee and the person whose name is subscribed to the within and foregoing instrument, and who acknowledged to me that he executed the same in his capacity as Co-Trustee of the Trust, as partner of the partnership.

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




NOTARY PUBLIC for Idaho

Residing at: _____

Commission Expires: _____

Residing at: Twin Falls, Idaho
Commission Expires: 04-13-2012