

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

RECEIVED

MAR 10 2008

WATER RESOURCES
WESTERN 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, if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
67-07834 - LIC					

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

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

OR

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

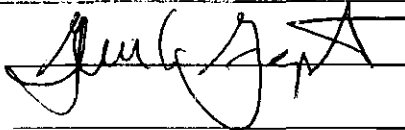
3. Name and Address of Former Owner/Claimant(s) MELVIN D. PFEIFER
4. New Owner/Claimant(s) GLEN A. GREGSTON
 Name Connector (Check one): [] and, [] or, [] and/or
- New Mailing Address P.O. BOX 1060
- City, State and ZIP Code ROMOLAND, CA 92585
- New Telephone Number 928 210-4391
5. Date you acquired the property 12/24/07

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

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

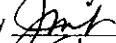
DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

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



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.

For Office Use Only

Received by 
 Received by 
 Processed by _____ AJ

Date 3-10-08
 Date 3-10-08
 Date _____

Fee \$25.00
 Receipt No. W036221
 WR  Date 6-17-08

RECEIVED

MAY 06 2008

WATER RESOURCES
WESTERN REGION

207789



12928

QUITCLAIM DEED

For Value Received,

Jennifer S. Gregston, a married person

Do hereby convey, release, remise and forever quitclaim unto

Glen A. Gregston, her spouse as his sole and separate property

GRANTEE(s), whose address is: P.O. Box 1060
Romoland, CA 92585

the following described real property **WASHINGTON COUNTY, IDAHO**, to-wit:

SEE ATTACHED EXHIBIT "A"

Together with their appurtenances.

Instrument # 207789

STATE OF IDAHO, COUNTY OF WASHINGTON
2007-12-24 02:02:00 No. of Pages: 2

Recorded for: AMERITITLE

SHARON WIDNER

Ex-Officio Recorder Deputy *Paddy Chath* Fee: \$6.00

Index to: DEED

DATED this 21 day of DECEMBER, 2007.

Jennifer S. Gregston
Jennifer S. Gregston

State of ARIZONA)

County of YUMA)
~~WASHINGTON~~ SS

*DICK
or
JAY*



Richard D. Bergquist, Title Officer

208-414-1194 or 208-414-1194

128 East Main Street, Suite 100, Weiser, ID 83672

e-mail: weiser@ameri-title.com or info@ameri-title.com

www.amerititle.com

On this 21st day of December, 2007 before me a notary public in and for said State, personally appeared Jennifer S. Gregston known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

Richard M. Waller
Notary Public

Residing at: Yuma, ARIZONA

Commission Expires: May 15, 2009

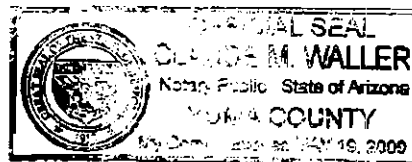


EXHIBIT A

207789

IN TOWNSHIP 13 NORTH, RANGE 3 WEST OF THE BOISE MERIDIAN, WASHINGTON COUNTY, IDAHO:

Section 22: S $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 26: NW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 27: E $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

SAVE AND EXCEPT a portion of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26. Township 13 North, Range 3 West of the Boise Meridian, Washington County, Idaho, more particularly described as follows:

Beginning at the point of intersection of the center line of Happy Hollow Road and the South line of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Sec. 26, Twp. 13N., R.3W., B.M.;

Thence Northeasterly along the center line of Happy Hollow Road a distance of 500 feet;

Thence East parallel to the South line of said NW $\frac{1}{4}$ SW $\frac{1}{4}$ a distance of 495 feet, more or less, to the East line of said NW $\frac{1}{4}$ SW $\frac{1}{4}$;

Thence South along said East line to the Southeast corner of said NW $\frac{1}{4}$ SW $\frac{1}{4}$;

Thence West along the South line of said NW $\frac{1}{4}$ SW $\frac{1}{4}$ to the point of beginning.

207788



IDWD
Order No. 0012928

Instrument # 207788

STATE OF IDAHO, COUNTY OF WASHINGTON
2007-12-24 02:02:00 No. of Pages: 2

Recorded for : AMERITITLE

SHARON WIDNER

Ex-Officio Recorder Deputy

Index to: DEED

Fee: \$ 00

WARRANTY DEED

For Value Received,

Melvin D Pfeifer, a single person

GRANTOR(s), do(es) hereby GRANT, BARGAIN, SELL and CONVEY unto

Glen A. Gregston, a married man dealing with his sole and separate property

GRANTEE(s), whose address is: **P.O. Box 1060, Romoland, CA 92585**

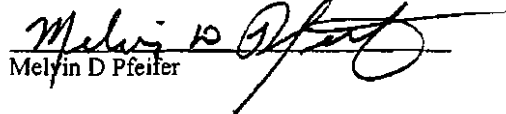
the following described real property, to-wit:

See attached Exhibit A.

PURSUANT TO AN IRC 1031 TAX DEFERRED EXCHANGE ON BEHALF OF GRANTOR/GRANTEE

TO HAVE AND TO HOLD the premises with its appurtenances unto the said Grantees, their heirs and assigns forever. And the said Grantors do hereby covenant to and with the said Grantees, that they are the owners in fee simple of said premises that said premises are free from all encumbrances except the current year's taxes and assessments, conditions, covenants, restrictions, reservations, easements, rights and rights of way, apparent or of record and that they will warrant and defend the same from all lawful claims whatsoever.

DATED this 21 day of December, 2007.


Melvin D Pfeifer

State of Idaho)
 ss
County of Washington)

On this 21 day of December, 2007 before me a notary public in and for said State, personally appeared Melvin D Pfeifer known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

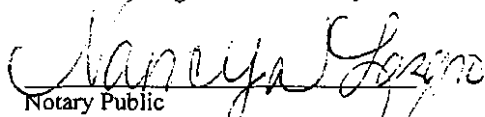

Nancya G. Gagne
Notary Public
Residing at: Weiser, Idaho
Commission Expires: 10/03/13



EXHIBIT A

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Thence South along said East line to the Southeast corner of said NW $\frac{1}{4}$ SW $\frac{1}{4}$;

Thence West along the South line of said NW $\frac{1}{4}$ SW $\frac{1}{4}$ to the point of beginning.



128 EAST MAIN STREET
POST OFFICE BOX 591
WEISER, IDAHO 83672
(208) 414-1792 PH
(208) 414-1794 FX
weiser@ameri-title.com

January 18, 2008

GLEN A. GREGSTON
P.O. BOX 1060
ROMOLAND CA 92585

OUR NO. : 0012928
YOUR NO. : --
REGARDING : PFEIFER

WE ENCLOSE HERewith THE FOLLOWING:

- 1) POLICY OF TITLE INSURANCE
- 2) RECORDED DOCUMENT:
 - a) WARRANTY DEED/INSTRUMENT NO. 207788
 - b) QUITCLAIM DEED/INSTRUMENT NO. 207789

THANK YOU FOR DOING BUSINESS WITH US!

SINCERELY,

AMERITITLE

LYNN K. WINEGAR
TITLE ASSISTANT

ENC.

TRANS TYPE	SI IND	INF END		CODE	CODE	CODE	CODE		REISSUE AMOUNT		ST	PROP TYPE

OWNERS

SCHEDULE A

OFFICE FILE NUMBER	POLICY NUMBER	DATE OF POLICY	AMOUNT OF INSURANCE	PREMIUM AMOUNT
0012928	72306-75131025	DECEMBER 24, 2007 AT 2:02 P.M.	\$400,000.00	\$1,430.00

1. Name of Insured:

GLEN A. GREGSTON

2. The estate or interest in the land which is covered by this Policy is:

FEE SIMPLE

3. Title to the estate or interest in the land is vested in:

GLEN A. GREGSTON, a married man dealing with his sole and separate property

4. The land herein described is encumbered by the following mortgage or trust deed, and assignments:

A mortgage dated December 21, 2007 to secure an indebtedness in the principal sum of \$50,000.00.

Recorded: December 24, 2007, Instrument No. 207790, Official Records

Mortgagor: GLEN A. GREGSTON

Mortgagee: MELVIN D. PFEIFER and MAGNA S. PFEIFER

and the mortgages or trust deeds, if any, shown in Schedule B hereof.

5. The land referred to in this Policy is described as follows:

See attached Exhibit A.

This policy valid only if Schedule B is attached.

EXHIBIT A

IN TOWNSHIP 13 NORTH, RANGE 3 WEST OF THE BOISE MERIDIAN, WASHINGTON COUNTY, IDAHO:

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Thence East parallel to the South line of said NW $\frac{1}{4}$ SW $\frac{1}{4}$ a distance of 495 feet, more or less, to the East line of said NW $\frac{1}{4}$ SW $\frac{1}{4}$;

Thence South along said East line to the Southeast corner of said NW $\frac{1}{4}$ SW $\frac{1}{4}$;

Thence West along the South line of said NW $\frac{1}{4}$ SW $\frac{1}{4}$ to the point of beginning.

SCHEDULE B**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

General Exceptions:

1. Rights or claims of parties in possession not shown by the public records.*
2. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey or inspection of the premises including, but not limited to, insufficient or impaired access or matters contradictory to any survey plat shown by the public records.
3. Easements, or claims of easements, not shown by the public records.
4. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims, or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Taxes or special assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceeding by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

Special Exceptions: The mortgage, if any, referred to in Item 4 of Schedule A.

1. Liens, levies, and assessments of any and all irrigation districts or laterals, and the rights, powers and easements of said district as by law provided.
2. Subject to the right-of-way of Happy Hollow Road.

END

T13N R3W, B.M.



COMPLIMENTS OF
AmeriTitle

THIS SKETCH IS FURNISHED
TO ASSIST IN PROPERTY
LOCATION AND THE COMPANY
DOES NOT GUARANTY
ITS ACCURACY.

S 15

(5299.80' G.L.D.)

S 15

S 22

S 22

2400

0000

22

3600

5400

8400

S 22

S 22

S 27

(5290.56' G.L.D.)

S 27

(5280' G.L.D.)

S 22

(5290.56', G. L. D.)

S 22

S 27

S 27

3000

0600

0000

27

5400

4800

7800

S 27

(5287.92', G. L. D.)

S 27

S 34

S 34



COMPLIMENTS OF
AmeriTitle

THIS SKETCH IS FURNISHED
TO ASSIST IN PROPERTY
LOCATION AND THE COMPANY
DOES NOT GUARANTY
ITS ACCURACY.

T13N R3W, B.M.



State of Idaho
Department of Water Resources

RECEIVED

MAY 06 2003

WATER RESOURCES
WESTERN REGION

WATER RIGHT LICENSE

WATER RIGHT NO. 67-07834

Priority: January 16, 1990

Maximum Storage Volume:

1.0 AF

This is to certify, that MELVIN PFEIFER
895 N 9 E

MOUNTAIN HOME ID 83647 has complied with the terms and conditions
of the permit, issued pursuant to Application for Permit dated January 16, 1990; and
has submitted Proof of Beneficial Use on May 22, 1991. An examination indicates
that the works have a storage capacity of .000 af of water from:

UNNAMED STREAM

tributary to BEAVER CREEK

source, and a water right has been established as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>	<u>ANNUAL VOLUME</u>
STOCKWATER STORAGE	01/01 to 12/31		1.0 AF
STOCKWATER FROM STORAGE	01/01 to 12/31		1.0 AF
	Totals		1.0 AF

LOCATION OF POINT(S) OF DIVERSION:

NWSW , Sec. 26, Township 13N, Range 03W
WASHINGTON County

PLACE OF USE: STOCKWATER STORAGE

TWN RGE SEC

13N 03W 26	NWSW
27	NESE

PLACE OF USE:

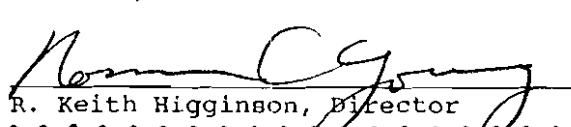
STOCKWATER FROM STORAGE, same as STOCKWATER STORAGE use

CONDITIONS/REMARKS:

1. This water right is appurtenant to the described place of use.
2. This right is subject to all prior water rights and may be forfeited by five years of non-use.
3. Modifications to or variance from this license must be made within the limits of Section 42-222, Idaho Code, or the applicable Idaho law.
4. Use of water under this right is subject to control by the watermaster of State Water District No. 67.
5. Stockwater storage use is for 60 head of mixed stock.

This license is issued pursuant to the provisions of Section 42-219, Idaho Code.
Witness the seal and signature of the Director, affixed at Boise, this 22ND
day of July, 1994.

Acting for


R. Keith Higginson, Director

207790

**Instrument # 207790**

STATE OF IDAHO, COUNTY OF WASHINGTON

2007-12-24

02:02:00 No. of Pages: 4

Recorded for : AMERITITLE

SHARON WIDNER

Ex-Officio Recorder Deputy

Index to: MORTGAGE

Fee: 12.00

RECEIVED

MAY 06 2008

THIS MORTGAGE, Dated 12/ /07, between **Glen A. Gregston**, herein called MORTGAGOR; whose address is **Box 1060, Romoland, CA 92585**; and **Melvin D Pfeifer and Magna S. Pfeifer**, herein called MORTGAGEE.

WITNESSETH: That the Mortgagor, for the purpose of securing the debt hereinafter referred to, with interest thereon, and the performance of the agreements and covenants herein contained, does by these presents GRANT, BARGAIN, SELL, CONVEY, WARRANT, CONFIRM AND MORTGAGE unto the Mortgagee, and its heirs, successors and assigns, the following described real estate located in the County of **Washington**, State of Idaho, to wit:

See attached Exhibit A.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging including, without limitation, water and water rights, irrigation apparatus and fixtures, rents, leases including crop leases, easements, rights-of-way, and interest in land lying within the rights-of-way of any road adjoining the real estate, (together the "Mortgaged Estate") to have and hold forever;

CONDITIONED, HOWEVER, that if the Mortgagor shall pay to the Mortgagee the sum of ****FIFTY THOUSAND AND NO/100ths** Dollars**, with interest according to the terms of a promissory note bearing even date herewith, maturing **01/21/2018**, subject to acceleration of maturity as provided therein and herein, together with all other indebtedness secured hereby, and shall perform all the other terms, covenants and conditions contained in the Note and Mortgage, then these presents to be void and to be released by the Mortgagee at the expense of the Mortgagor, otherwise to be and remain in full force and effect.

To protect the security of this Mortgage, Mortgagor Agrees:

1. To pay when due the principal and interest on the indebtedness evidenced by the Note and all other sums as provided in the Note in immediately available funds without notice, demand, counterclaim, setoff, deduction, or defense and without abatement, suspension, deferment, diminution or reduction.

2. To pay when due all claims for labor performed and materials furnished to the Mortgaged Estate; to comply with all laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Mortgaged Estate or any part thereof; not to commit or permit any waste or deterioration of the Mortgage Estate, and to keep the Mortgage Estate in good condition and repair; not to remove or demolish any building thereon and not to commit, suffer or permit any act to be done in or upon the Mortgage Estate in violation of any laws, ordinances or regulations.

3 That it has good, absolute and fee simple title to the Mortgage Estate and Mortgagor is lawfully seized and possessed of the Mortgaged Estate and every part thereof and has the right and authority to convey the Mortgaged Estate as security for the obligations of Mortgagor secured hereby as herein provided and Mortgagor shall forever warrant and defend the title to the Mortgage Estate and the Mortgagee against all claims and demands of all persons whomsoever.

4. To insure the Mortgaged Estate against loss by fire or other casualty for its full insurable value and without co-insurance of any kind. All policies of Insurance shall be issued in the name of Mortgagor with loss payable clauses reflecting Mortgagee's Interest hereunder, Mortgagor agrees that should it fail to keep the Mortgaged Estate so insured, Mortgagee may so insure the Mortgaged Estate at the expense of Mortgagor, but Mortgagee is not under obligation to provide any such insurance. The amount so paid by Mortgagee shall be added to and be deemed a part of the indebtedness secured by this Mortgage and shall bear interest at the note rate of interest and shall be immediately due and payable in full by Mortgagor.

5. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Mortgagee and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Mortgagee may appear.

6. That if Mortgagee is made a party defendant to any litigation concerning this Mortgage or the Mortgaged Estate or any part thereof or interest therein, or the occupancy thereof by Mortgagor (except to the extent such claim or litigation arises out of the acts of Mortgagee), then Mortgagor shall indemnify, defend and hold Mortgagee harmless from all liability by reason of said litigation, including reasonable attorneys' fees and expenses incurred by Mortgagee in any such litigation, whether or not 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 obligations secured hereby, Mortgagor shall pay the Mortgagee reasonable attorneys' fees and expenses, and the right to such attorneys' fees and expenses shall be deemed to have accrued on notice of such enforcement and shall be enforceable whether or not litigation is commenced or prosecuted to judgment.

7. To pay, at least ten days before delinquency, all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, including, without limitation, nongovernmental levies or assessments such as maintenance charges, levies or charges resulting from permits, conditions and restrictions affecting the Mortgaged Estate, or which become due and payable, and which create, may create or appear to create a lien upon the Mortgaged Estate, or any part thereof and to pay and promptly discharge all liens, encumbrances and charges upon the Mortgaged Estate. If Mortgagor shall fail to pay any such tax or assessment or to discharge any such lien, encumbrance or charge at least ten days before delinquency Mortgagee may, but shall not be obligated to, pay and discharge the same. The amount so paid by Mortgagee shall be added to and be deemed a part of the indebtedness secured by this Mortgage and shall bear interest at the Note rate of interest and shall be immediately due and payable in full by Mortgagor. In addition to the payments due in accordance with the terms of the Note, Mortgagor shall, at the option and upon demand of Mortgagee, pay each month 1/12 of the estimated annual taxes, assessments, insurance premiums, maintenance and other charges upon the Mortgages Estate, nevertheless in trust for Mortgagor's use and benefit and for the payment by Mortgagee of any such items when due. Mortgagor's failure so to pay shall constitute a default under this Mortgage.

8. To pay immediately and without demand all sums expended by Mortgagee pursuant to the provisions hereof, with interest from dated of expenditure at the lesser of the Note rate or the highest lawful rate permissible under Idaho law. Should Mortgagor fail to make any payment or to do any act as herein provided, then Mortgagee may, but without obligation so to do and without notice to or demand upon Mortgagor and without releasing Mortgagor from any obligation hereof, make or do the same in such manner and to such extent as mortgagee may deem necessary to protect the security hereof, Mortgagee being authorized to (i) enter upon said Mortgaged Estate for such purpose, (ii) appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Mortgagee, (iii) pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of Mortgagee appears to be prior or superior hereto, and (iv) in exercising any such powers, or in enforcing the Mortgage, by foreclosure or otherwise, pay necessary expenses, employ counsel and pay such counsel's reasonable fees.

IT IS MUTUALLY AGREED:

1. Any insurance proceeds from claims with respect to the Mortgage Estate and any award for damages in connection with any condemnation for public use of or injury to said Mortgage Estate is hereby assigned and shall be paid to Mortgagee who may apply or release such monies received by it in its sole discretion.

2. By accepting payment of any sum secured hereby after its due date, Mortgagee does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

3. As additional security, Mortgagor hereby assigns and transfers to Mortgagee all present and future rents, issues and profits of the Mortgaged Estate, and hereby gives to and confers upon Mortgagee the right, power and authority to collect such rents, issues and profits in the event of a default by the Mortgagor in any of the terms and conditions hereof or of the Note. Mortgagor irrevocably appoints Mortgagee its true and lawful attorney-in-fact, at the option of Mortgagee at any time the Mortgagor is in default under the Mortgage, and from time to time during such default, in the exercise of good faith, 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, issues and profits and apply the same to the indebtedness secured hereby; provided, however, that Mortgagor shall have the right to collect such rents issues and profits prior to or at any time there is not an event of

default under the Mortgage. The collection of such rents, issues and profits and the application thereof to the debt hereby secured shall not cure or waive default hereunder or invalidate any act done pursuant to such default.

4. IN CASE OF DEFAULT. In the payment of the Note, or its Interest, or any part thereof, or in case of default of payment of any other sums secured by the Mortgage or payable hereunder, or in case of default in the performance of any of the covenants, conditions or agreements herein contained, time being of the essence hereof, then:

4.1 In the event of any default, Mortgagee may declare all obligations secured hereby to be immediately due and payable and the same shall thereupon become immediately due and payable without any presentment, demand, protest or further notice of any kind.

Thereafter Mortgagee may:

(i) Enter upon and take possession of the Mortgages Estate, or any part thereof. The entering upon and taking possession of the Mortgaged Estate shall not cure or waive any default and, notwithstanding the continuance in possession of the Mortgaged Estate, Mortgagee shall be entitled to exercise every right provided for by law upon occurrence or any event of default:

(ii) Commence an action to foreclose this Mortgage, appoint a receiver, or specifically enforce any of the covenants hereof.

4.2 Should Mortgagee foreclose this Mortgage in the manner provided by law. Mortgagee shall be entitled to recover in such proceeding all costs and expenses incident thereto (including costs on appeal), including reasonable attorneys' fee (including attorneys' fee on appeal) in such amount as shall be fixed by the court. Mortgagee shall be entitled to possession of the Property during any redemption period allowed under the laws of the State of Idaho

4.3 Every power or remedy given by the Mortgage to Mortgagee or to which it may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee and it may pursue inconsistent remedies. The failure on the part of Mortgagee to promptly enforce any right hereunder shall not operate as a waiver of such right.

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

MORTGAGOR(S):

Glen A. Gregston

Jennifer S. Gregston
"To Comply with Idaho Code 55-1007"

ARIZONA
State of ~~Idaho~~)

County of ~~Washington~~ ^{Yuma})

On this 21st day of December, 2007 before me CLAUDE M. WALLER, a notary public in and for said State, personally appeared Glen A. Gregston and Jennifer S. Gregston known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

Claude M. Waller
Notary Public
Residing at:
Commission Expires:

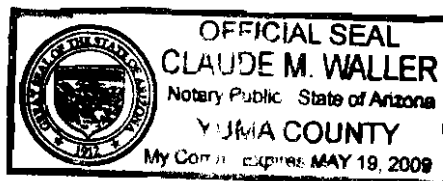


EXHIBIT A

IN TOWNSHIP 13 NORTH, RANGE 3 WEST OF THE BOISE MERIDIAN, WASHINGTON COUNTY, IDAHO:

Section 22: $S\frac{1}{2}NW\frac{1}{4}$, $E\frac{1}{2}SW\frac{1}{4}$, $N\frac{1}{2}SE\frac{1}{4}$, $SE\frac{1}{4}SE\frac{1}{4}$

Section 26: $NW\frac{1}{4}$ $SW\frac{1}{4}$

Section 27: $E\frac{1}{2}NE\frac{1}{4}$, $SW\frac{1}{4}NE\frac{1}{4}$, $NE\frac{1}{4}SE\frac{1}{4}$

SAVE AND EXCEPT a portion of the $NW\frac{1}{4}SW\frac{1}{4}$ of Section 26, Township 13 North, Range 3 West of the Boise Meridian, Washington County, Idaho, more particularly described as follows:

Beginning at the point of intersection of the center line of Happy Hollow Road and the South line of the $NW\frac{1}{4}SW\frac{1}{4}$ of Sec. 26, Twp. 13N., R.3W., B.M.;

Thence Northeasterly along the center line of Happy Hollow Road a distance of 500 feet;

Thence East parallel to the South line of said $NW\frac{1}{4}SW\frac{1}{4}$ a distance of 495 feet, more or less, to the East line of said $NW\frac{1}{4}SW\frac{1}{4}$;

Thence South along said East line to the Southeast corner of said $NW\frac{1}{4}SW\frac{1}{4}$;

Thence West along the South line of said $NW\frac{1}{4}SW\frac{1}{4}$ to the point of beginning.