

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

RECEIVED
JUL 18 2007
DEPARTMENT OF
WATER RESOURCES

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

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

Water Right No(s)	Adjudication Claim No(s)	Split(s)	Water Right No(s)	Adjudication Claim No(s)	Split(s)
96-2267	-	-			

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

- A. The appropriate **FILING FEE**. See instructions for fee amounts.
- B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.
- C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
PLAT OF PROPERTY or **SURVEY MAP** clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are on file with the county Planning and Zoning or Recorder's Office).
- OR**
- D. If your water right(s) and/or adjudication claim(s) is for ten or more acres of irrigation, you must submit a USDA Farm Service Agency or equivalent **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the **PLAT OF PROPERTY** or **SURVEY MAP**.

3. Name and Address of Former Owner/Claimant(s)

U of I Board of Regents
 Moscow, Idaho

4. New Owner/Claimant(s)

BERRY Development LLC

Name Connector (Check one): ☐ and ☐ or ☐ and/or

New Mailing Address

POB 364

City, State and ZIP Code

Clark Fork, ID 83811

New Telephone Number

(208) 266-1452

5. Date you acquired the property _____

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

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right will not be split, skip this area and proceed to line 7)		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Water Right and/or Adjudication Claim Number		
Irrigation <i>Lawn</i>	<i>50 gals per min.</i>	<i>30 acres</i>
Stock		<i>Resort Facility</i>
Domestic		
Other <i>Fire Supression</i>		<i>30 acres</i>
Totals		<i>Resort Facility</i>
Water Right and/or Adjudication Claim Number		
Irrigation		
Stock		
Domestic		
Other		
Totals		
Water Right and/or Adjudication Claim Number		
Irrigation		
Stock		
Domestic		
Other		
Totals		

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

7. Signature(s) of New Owner(s) or Claimant(s) _____

Mark C. Beauf owner
(title if applicable)

(title if applicable)

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

For IDWR Office Use Only:

Received by *AMB*
 Received by *AMB*
 Processed by _____ AJ

Date *7-18-07*
 Date *7-18-07*
 Date _____

Receipt Amt: *\$25.00*
 Receipt No. *2084577*
 WR _____ Date _____

RECORDATION REQUESTED BY:

Mountain West Bank
SBA Department
101 Ironwood Drive # 148
PO Box 1059
Coeur d'Alene, ID 83816

SANDPOINT TITLE INSURANCE
FILED BY

2003 SEP 22 10 49

212
MARIE SULLIVAN
BONNER COUNTY RECORDER

B
7
FEE

WHEN RECORDED MAIL TO:

Mountain West Bank
SBA Department
101 Ironwood Drive # 148
PO Box 1059
Coeur d'Alene, ID 83816

SEND TAX NOTICES TO:

BERRY DEVELOPMENT, L.L.C.
293 LOWER MOSQUITO CREEK ROAD
CLARK FORK, ID 83811

634390

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

#35850

DEED OF TRUST

THIS DEED OF TRUST is dated September 22, 2003, among BERRY DEVELOPMENT, L.L.C., A IDAHO LIMITED LIABILITY COMPANY ("Grantor"); Mountain West Bank, whose address is SBA Department, 101 Ironwood Drive # 148, PO Box 1059, Coeur d'Alene, ID 83816 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and SANDPOINT TITLE INSURANCE, INC., whose address is 120 SOUTH SECOND AVE, SANDPOINT, ID 83864 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor does hereby irrevocably grant, bargain, sell and convey in trust, with power of sale, to Trustee for the benefit of Lender as Beneficiary, all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in BONNER County, State of Idaho:

GOVERNMENT LOT 7, SECTION 1, TOWNSHIP 55 NORTH, RANGE 2 EAST, BOISE MERIDIAN, BONNER COUNTY, IDAHO

The Real Property or its address is commonly known as 293 LOWER MOSQUITO CREEK ROAD, CLARK FORK, ID 83811.

Grantor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

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

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Deed of Trust is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Deed of Trust and to hypothecate the Property; (c) the provisions of this Deed of Trust do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Borrower shall pay to Lender all indebtedness secured by this Deed of Trust as it becomes due, and Borrower and Grantor shall strictly perform all their respective obligations under the Note, this Deed of Trust, and the Related Documents.

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

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property. The following provisions relate to the use of the Property or to other limitations on the Property. THE REAL PROPERTY EITHER IS NOT MORE THAN FORTY (40) ACRES IN AREA OR IS LOCATED WITHIN AN INCORPORATED CITY OR VILLAGE.

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

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

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other

party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

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

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

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

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

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

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

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

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

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

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

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustees and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

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

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

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

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

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

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustees or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of

Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FULL PERFORMANCE. If Borrower pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Real and the Personal Property. Any reconveyance fee required by law shall be paid by Grantor, if permitted by applicable law.

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

Payment Default. Borrower fails to make any payment when due under the indebtedness.

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

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents. If such a failure is curable and if Borrower or Grantor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Borrower or Grantor, after Lender sends written notice demanding cure of such failure: (a) cures the failure within ten (10) days; or (b) if the cure requires more than ten (10) days, immediately initiates steps sufficient to cure the failure and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

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

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

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

Death or Insolvency. The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Borrower's or Grantor's existence as a going business or the death of any member, the

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

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

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

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

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

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If such a failure is curable and if Borrower or Grantor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Borrower or Grantor, after Lender sends written notice demanding cure of such failure: (a) cures the failure within ten (10) days; or (b) if the cure requires more than ten (10) days, immediately initiates steps sufficient to cure the failure and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Notice of Default. In the Event of Default, Lender shall execute or cause the Trustee to execute a written notice of such default and of Lender's election to cause the Property to be sold to satisfy the indebtedness, and shall cause such notice to be recorded in the office of the recorder of each county wherein the Real Property, or any part thereof, is situated.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

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

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

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

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

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

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

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or by law.

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

Sale of the Property. To the extent permitted by applicable law, Borrower and Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property. Notice of sale having been given as then required by law, and not less than the time required by law having elapsed, Trustee, without demand on Grantor, shall sell the property at the time and place fixed by it in the notice of sale at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee shall deliver to the purchaser his or her deed conveying the Property so sold, but without any covenant or warranty express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness of such matters or facts. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title and reasonable attorneys' fees, including those in connection with the sale, Trustee shall apply proceeds of sale to payment of (a) all sums expended under this Deed of Trust, not then repaid with interest thereon as provided in this Deed of Trust; (b) all indebtedness secured hereby; and (c) the remainder, if any, to the person or persons legally entitled thereto.

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

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following

actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of BONNER County, State of Idaho. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Grantor, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

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

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

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

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

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

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

Applicable Law. The Loan secured by this lien was made under a United States Small Business Administration (SBA) nationwide program which uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations: (a) When SBA is the holder of the Note, this document and all documents evidencing or securing this Loan will be construed in accordance with federal law. (b) Lender or SBA may use local or state procedures for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. No Borrower or Grantor may claim or assert against SBA any local or state law to deny any obligation of Borrower, or defeat any claim of SBA with respect to this Loan. Any clause in this document requiring arbitration is not enforceable when SBA is the holder of the Note secured by this instrument.

Joint and Several Liability. All obligations of Borrower and Grantor under this Deed of Trust shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Borrower and Grantor signing below is responsible for all obligations in this Deed of Trust. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Deed of Trust.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

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

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

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Idaho as to all indebtedness secured by this Deed of Trust.

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

Beneficiary. The word "Beneficiary" means Mountain West Bank, and its successors and assigns.

Borrower. The word "Borrower" means BERRY DEVELOPMENT, L.L.C.; and CLARK FORK OUTFITTERS, L.L.C. and includes all co-signers and co-makers signing the Note.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rems.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

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

the Resource Conservation and Recovery Act, 42 U.S.C. Section 6801, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

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

Grantor. The word "Grantor" means BERRY DEVELOPMENT, L.L.C..

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

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

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

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

Lender. The word "Lender" means Mountain West Bank, its successors and assigns.

Note. The word "Note" means the promissory note dated September 22, 2003, in the original principal amount of \$257,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.

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

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

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

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

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

Trustee. The word "Trustee" means SANDPOINT TITLE INSURANCE, INC., whose address is 120 SOUTH SECOND AVE, SANDPOINT, ID 83864 and any substitute or successor trustee.

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

GRANTOR:

BERRY DEVELOPMENT, L.L.C.

By: Mark C. Berry
MARK C BERRY, MEMBER of BERRY
DEVELOPMENT, L.L.C.

By: Jan S. Berry
JAN S BERRY, MEMBER of BERRY DEVELOPMENT,
L.L.C.

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

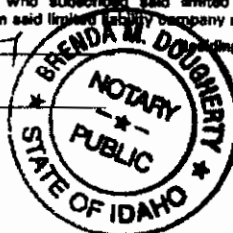
STATE OF Idaho

COUNTY OF Blaine

On this 22nd day of September, in the year 2003, before me Brenda M. Dougherty, a Notary Public in and for the State of Idaho, personally appeared MARK C BERRY, MEMBER of BERRY DEVELOPMENT, L.L.C., known or identified to me (or proved to me on the oath of Jan S. Berry), to be members or designated agents in the limited liability company of BERRY DEVELOPMENT, L.L.C., and the members or designated agents who subscribed said limited liability company name to the foregoing instrument, and acknowledged to me that they executed the same in said limited liability company name.

Notary Public for Idaho

My commission expires 11/26/04



REQUEST FOR FULL RECONVEYANCE

(To be used only when obligations have been paid in full)

To: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to:

Date: _____

Beneficiary: _____

By: _____

Its: _____



Sandpoint Title Insurance, Inc.

120 South Second Avenue
Post Office Box 1767
Sandpoint, Idaho 83864
(208) 263-2222
1-800-299-0025
Fax (208) 265-4040

SEPTEMBER 29, 2003

TO: **BERRY DEVELOPMENT
P.O. BOX 364
CLARK FORK, IDAHO 83811-0364**

RE: **00035880**

SELLER: **BOARD OF REGENTS UNIVERSITY OF IDAHO**

BUYER: **BERRY DEVELOPMENT LLC**

BORROWER: **BERRY DEVELOPMENT LLC**

LENDER: **MOUNTAIN WEST**

Enclosed herewith please find **the original final title policy and/or endorsement** regarding the above-captioned transaction.

If you have any questions, please call our office and refer to the above order number.

Thank you!!

Enclosure(s)

Transnation Title Insurance Company



Sandpoint Title Insurance, Inc.

Agent for

Transnation Title Insurance Company

OWNER'S TITLE INSURANCE POLICY

Schedule A

File Number **00035880**

Date of Policy: **09/22/2003 at 4:49 P.M.**

Policy Number: **A38-0079740**

Amount of Insurance **\$450,000.00**

Premium: **\$1,542.50**

Shows Credit: ☐

1. Name of Insured:

BERRY DEVELOPMENT LLC

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

Fee Simple

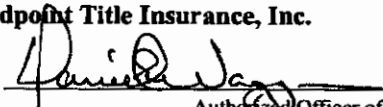
3. Title to the estate or interest in the land is vested in:

BERRY DEVELOPMENT LLC, AN IDAHO LIMITED LIABILITY COMPANY

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

Government Lot 7, Section 1, Township 55 North, Range 2 East, Boise Meridian, Bonner County, Idaho.

Sandpoint Title Insurance, Inc.

By: 

Authorized Officer of Agent



ISSUED BY
TRANSNATION TITLE INSURANCE COMPANY

Transnation
A LANDAMERICA COMPANY

OWNER'S POLICY OF TITLE INSURANCE

POLICY NUMBER
A38-0079740

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, TRANSNATION TITLE INSURANCE COMPANY, an Arizona corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, TRANSNATION TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

TRANSNATION TITLE INSURANCE COMPANY

Attest:

Wm. Chadwick Perine
Secretary
David D. [Signature]
SANDPOINT TITLE INSURANCE



By:

Janet A. Albert

President

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the affect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

Transnation Title Insurance Company **OWNER'S TITLE INSURANCE POLICY****SCHEDULE B**

File Number: 00035880

Policy No. A38-0079740

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:

1. Encroachments, overlaps, boundary disputes, shortage in area, or any other matters which would be disclosed by an accurate survey and inspection of the premises.
2. Rights or claims of parties in possession, or claiming to be in possession, not 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. Taxes or 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 record. Proceedings by a public agency which may result in taxes or assessments, or notice of such proceedings, whether or not shown by the records of such agency or the public record.
6. Unpatented mining claims; reservations or exceptions in patents or in acts authorizing the issuance thereof; water rights, claims or title to water.
7. GENERAL TAXES FOR THE YEAR 2003, A LIEN IN THE PROCESS OF ASSESSMENT, NOT YET DUE OR PAYABLE.
8. RESERVATIONS TO THE UNITED STATES CONTAINED IN LAND PATENT, RECORDED JANUARY 11, 1996 AS INSTRUMENT NO. 478943, RECORDS OF BONNER COUNTY, IDAHO.
9. EASEMENT AND CONDITIONS CONTAINED THEREIN:
RECORDED: JUNE 15, 1998
INSTRUMENT NO.: 525649
IN FAVOR OF: GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC., A CORPORATION
PURPOSE: PERPETUAL RIGHT OF WAY AND EASEMENT OVER, UNDER, ABOVE AND ACROSS,
TOGETHER WITH THE RIGHT TO INSTALL, INSPECT AND MAINTAIN ALL OF THE FACILITIES
NECESSARY TO PROVIDE COMMUNICATION SERVICE, POWER SERVICE AND OTHER RELATED
SERVICES
AFFECTS: SUBJECT PROPERTY
10. DEED OF TRUST AND THE TERMS AND CONDITIONS THEREOF:
GRANTOR: BERRY DEVELOPMENT, L.L.C., A IDAHO LIMITED LIABILITY COMPANY
TRUSTEE: SANDPOINT TITLE INSURANCE, INC.
BENEFICIARY: MOUNTAIN WEST BANK
ORIGINAL AMOUNT: \$257,000.00
DATED/RECORDED: SEPTEMBER 22, 2003/SEPTEMBER 22, 2003
INSTRUMENT NO: 634390
11. ASSIGNMENT OF RENTS BETWEEN BERRY DEVELOPMENT, L.L.C., A IDAHO LIMITED LIABILITY COMPANY AND MOUNTAIN WEST BANK, RECORDED SEPTEMBER 22, 2003 AS INSTRUMENT NO. 634391 RECORDS OF BONNER COUNTY, IDAHO.

END OF SCHEDULE B

This policy is invalid unless the insuring provisions and Schedules A and B are attached.

(Continued)

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

- (i) the Amount of Insurance stated in Schedule A; or,
- (ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is less, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this Policy is subject to the following:

- (i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the amount of insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or
- (ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT.

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. LIABILITY NONCUMULATIVE

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

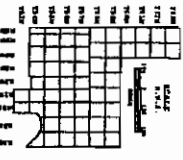
In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to: Consumer Affairs Department, P.O. Box 27567, Richmond, Virginia 23261-7567.

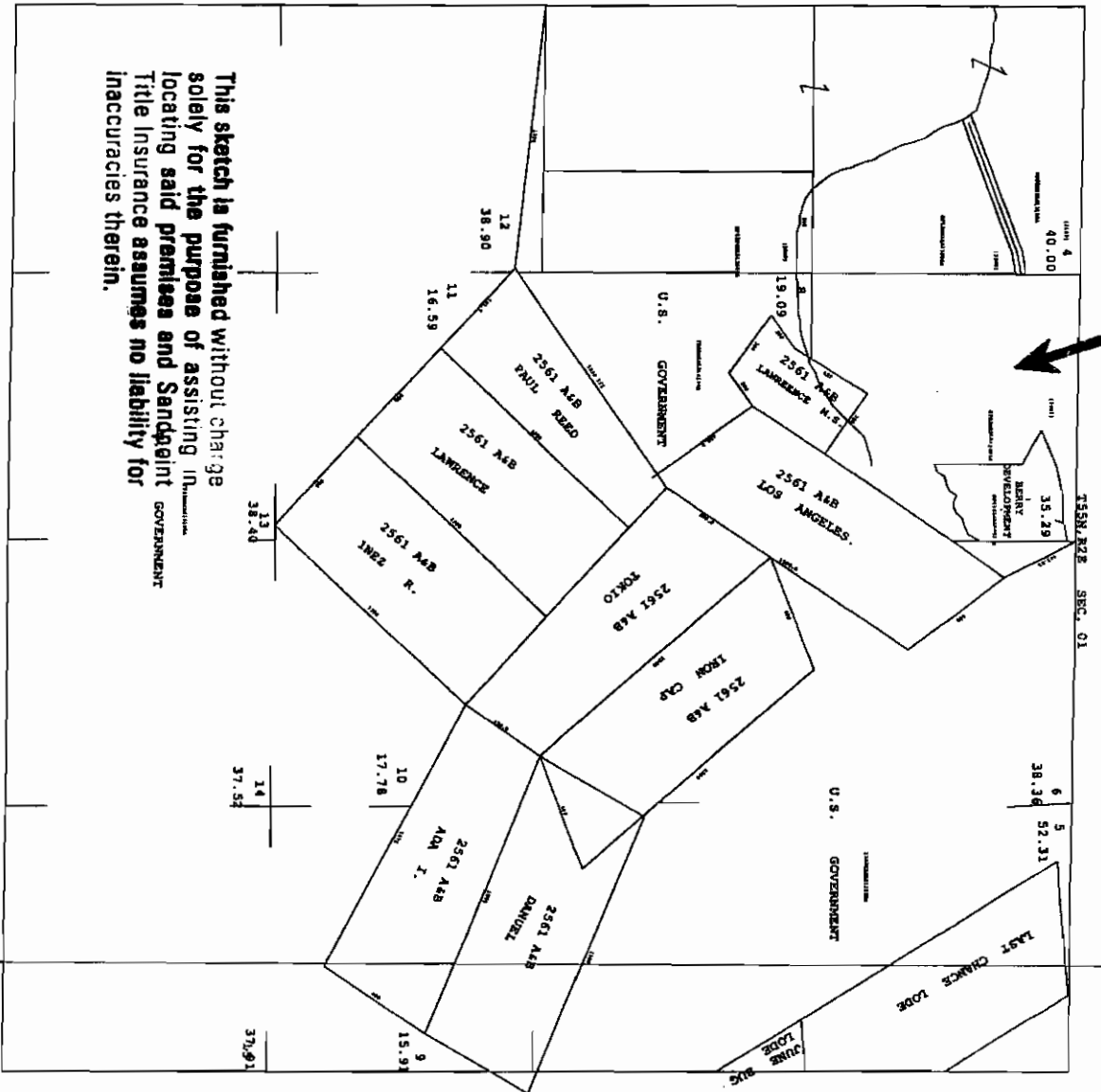
THIS DRAWING IS TO BE USED FOR
 RECORDING PURPOSES ONLY AND
 DOES NOT CONSTITUTE A
 GUARANTEE OF THE ACCURACY
 OF THE INFORMATION HEREON

BONNER COUNTY



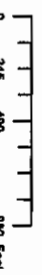
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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Block	Area	Owner	Acres	Value
1	0.00	U.S. GOVERNMENT	0.00	0.00
2	0.00	U.S. GOVERNMENT	0.00	0.00
3	0.00	U.S. GOVERNMENT	0.00	0.00
4	0.00	U.S. GOVERNMENT	0.00	0.00
5	0.00	U.S. GOVERNMENT	0.00	0.00
6	0.00	U.S. GOVERNMENT	0.00	0.00
7	0.00	U.S. GOVERNMENT	0.00	0.00
8	0.00	U.S. GOVERNMENT	0.00	0.00
9	0.00	U.S. GOVERNMENT	0.00	0.00
10	0.00	U.S. GOVERNMENT	0.00	0.00
11	0.00	U.S. GOVERNMENT	0.00	0.00
12	0.00	U.S. GOVERNMENT	0.00	0.00
13	0.00	U.S. GOVERNMENT	0.00	0.00
14	0.00	U.S. GOVERNMENT	0.00	0.00
15	0.00	U.S. GOVERNMENT	0.00	0.00
16	0.00	U.S. GOVERNMENT	0.00	0.00
17	0.00	U.S. GOVERNMENT	0.00	0.00
18	0.00	U.S. GOVERNMENT	0.00	0.00
19	0.00	U.S. GOVERNMENT	0.00	0.00
20	0.00	U.S. GOVERNMENT	0.00	0.00
21	0.00	U.S. GOVERNMENT	0.00	0.00
22	0.00	U.S. GOVERNMENT	0.00	0.00
23	0.00	U.S. GOVERNMENT	0.00	0.00
24	0.00	U.S. GOVERNMENT	0.00	0.00
25	0.00	U.S. GOVERNMENT	0.00	0.00
26	0.00	U.S. GOVERNMENT	0.00	0.00
27	0.00	U.S. GOVERNMENT	0.00	0.00
28	0.00	U.S. GOVERNMENT	0.00	0.00
29	0.00	U.S. GOVERNMENT	0.00	0.00
30	0.00	U.S. GOVERNMENT	0.00	0.00
31	0.00	U.S. GOVERNMENT	0.00	0.00
32	0.00	U.S. GOVERNMENT	0.00	0.00
33	0.00	U.S. GOVERNMENT	0.00	0.00
34	0.00	U.S. GOVERNMENT	0.00	0.00
35	0.00	U.S. GOVERNMENT	0.00	0.00
36	0.00	U.S. GOVERNMENT	0.00	0.00
37	0.00	U.S. GOVERNMENT	0.00	0.00
38	0.00	U.S. GOVERNMENT	0.00	0.00
39	0.00	U.S. GOVERNMENT	0.00	0.00
40	0.00	U.S. GOVERNMENT	0.00	0.00
41	0.00	U.S. GOVERNMENT	0.00	0.00
42	0.00	U.S. GOVERNMENT	0.00	0.00
43	0.00	U.S. GOVERNMENT	0.00	0.00
44	0.00	U.S. GOVERNMENT	0.00	0.00
45	0.00	U.S. GOVERNMENT	0.00	0.00
46	0.00	U.S. GOVERNMENT	0.00	0.00
47	0.00	U.S. GOVERNMENT	0.00	0.00
48	0.00	U.S. GOVERNMENT	0.00	0.00
49	0.00	U.S. GOVERNMENT	0.00	0.00
50	0.00	U.S. GOVERNMENT	0.00	0.00
51	0.00	U.S. GOVERNMENT	0.00	0.00
52	0.00	U.S. GOVERNMENT	0.00	0.00
53	0.00	U.S. GOVERNMENT	0.00	0.00
54	0.00	U.S. GOVERNMENT	0.00	0.00
55	0.00	U.S. GOVERNMENT	0.00	0.00
56	0.00	U.S. GOVERNMENT	0.00	0.00
57	0.00	U.S. GOVERNMENT	0.00	0.00
58	0.00	U.S. GOVERNMENT	0.00	0.00
59	0.00	U.S. GOVERNMENT	0.00	0.00
60	0.00	U.S. GOVERNMENT	0.00	0.00
61	0.00	U.S. GOVERNMENT	0.00	0.00
62	0.00	U.S. GOVERNMENT	0.00	0.00
63	0.00	U.S. GOVERNMENT	0.00	0.00
64	0.00	U.S. GOVERNMENT	0.00	0.00
65	0.00	U.S. GOVERNMENT	0.00	0.00
66	0.00	U.S. GOVERNMENT	0.00	0.00
67	0.00	U.S. GOVERNMENT	0.00	0.00
68	0.00	U.S. GOVERNMENT	0.00	0.00
69	0.00	U.S. GOVERNMENT	0.00	0.00
70	0.00	U.S. GOVERNMENT	0.00	0.00
71	0.00	U.S. GOVERNMENT	0.00	0.00
72	0.00	U.S. GOVERNMENT	0.00	0.00
73	0.00	U.S. GOVERNMENT	0.00	0.00
74	0.00	U.S. GOVERNMENT	0.00	0.00
75	0.00	U.S. GOVERNMENT	0.00	0.00
76	0.00	U.S. GOVERNMENT	0.00	0.00
77	0.00	U.S. GOVERNMENT	0.00	0.00
78	0.00	U.S. GOVERNMENT	0.00	0.00
79	0.00	U.S. GOVERNMENT	0.00	0.00
80	0.00	U.S. GOVERNMENT	0.00	0.00
81	0.00	U.S. GOVERNMENT	0.00	0.00
82	0.00	U.S. GOVERNMENT	0.00	0.00
83	0.00	U.S. GOVERNMENT	0.00	0.00
84	0.00	U.S. GOVERNMENT	0.00	0.00
85	0.00	U.S. GOVERNMENT	0.00	0.00
86	0.00	U.S. GOVERNMENT	0.00	0.00
87	0.00	U.S. GOVERNMENT	0.00	0.00
88	0.00	U.S. GOVERNMENT	0.00	0.00
89	0.00	U.S. GOVERNMENT	0.00	0.00
90	0.00	U.S. GOVERNMENT	0.00	0.00
91	0.00	U.S. GOVERNMENT	0.00	0.00
92	0.00	U.S. GOVERNMENT	0.00	0.00
93	0.00	U.S. GOVERNMENT	0.00	0.00
94	0.00	U.S. GOVERNMENT	0.00	0.00
95	0.00	U.S. GOVERNMENT	0.00	0.00
96	0.00	U.S. GOVERNMENT	0.00	0.00
97	0.00	U.S. GOVERNMENT	0.00	0.00
98	0.00	U.S. GOVERNMENT	0.00	0.00
99	0.00	U.S. GOVERNMENT	0.00	0.00
100	0.00	U.S. GOVERNMENT	0.00	0.00



This sketch is furnished without charge
 solely for the purpose of assisting in
 locating said premises and Sandpoint
 Title Insurance assumes no liability for
 inaccuracies therein.

NOT TO SCALE. 1" = 400' FEET. THIS DRAWING IS TO BE USED FOR RECORDING PURPOSES ONLY AND DOES NOT CONSTITUTE A GUARANTEE OF THE ACCURACY OF THE INFORMATION HEREON.



02433 101

A PLAT OF BERRY DEVELOPMENT

LYING IN A PORTION OF GOV'T LOT 7, SECTION 1,
TOWNSHIP 55 NORTH, RANGE 2 EAST, BOISE MERIDIAN,
BONNER COUNTY, IDAHO

UNPLATTED
US FOREST SERVICE

Township 56 North
Township 55 North

S 89°44'19" W 1296.20'

50' Wide Prescriptive Easement
Egress and Utilities Easement
(25' each side of centerline.)

U.S. Forest Service Road No. 276
also known as Mosquito Creek
Lane

UNPLATTED
RANBY & KIMBERLY POWERS
2185 Westwood Road
Sagle, ID 83860



See Detail "A"



UNPLATTED
US FOREST SERVICE

BASIS OF BEARINGS
S 00°14'45" W 725.31'



Berry Development

UNPLATTED
DESIGNATED REMAINDER
30.27 Acres
(Not a part of Plat)

UNPLATTED
PAUL GOSS
1024 E. Cordelia Ave. #272
Phoenix, AZ 85020



DETAIL "A"
Not to Scale

BASIS OF BEARINGS

All Bearings are based upon the bearing of North
00°14'45" East, along the North-South Center of
Section line, from a survey made by PLS 4343,
and filed as Instrument No. 505479, records of
Bonner County, Idaho.

LEGEND

- Calculated Section Corner.
Re-established from found
Reference Monument.
- Found, 3/8" Rebar by USFS.
- Found, USFS 3/8" Aluminum Cap
as Reference Monument.
- Found, BLM Brass Cap Closing
Corner, 45-C 2561-A.
- Found, BLM Brass Cap for
W 1/16 Corner.
- Computed Point, Not Set.
- Set, 5/8" dia. x 30" long Rebar
with Yellow Plastic Cap marked
"GLANE PLS 5713".
- Point On Line.

CREEK CENTERLINE DATA

CL-1	S 25°43'52" W	14.83'
CL-2	S 28°32'21" W	47.53'
CL-3	S 62°22'16" W	47.49'
CL-4	S 72°09'39" W	41.46'
CL-5	S 43°12'30" W	36.41'
CL-6	S 63°01'20" W	32.54'
CL-7	N 68°50'30" W	31.56'
CL-8	N 60°26'29" W	30.91'
CL-9	S 32°07'36" W	44.89'
CL-10	S 65°39'42" W	25.02'
CL-11	S 76°19'51" W	50.94'
CL-12	S 33°14'25" W	38.98'
CL-13	S 68°22'19" W	42.85'

ROAD RW CURVE DATA

C-1	$\Delta = 02°41'05"$	C-2	$\Delta = 23°47'40"$
R	1534.70' (L)	R	390.00' (R)
T	35.96'	T	82.17'
L	71.91'	L	161.96'
Chord Brg. & Dist.	N 87°28'38" E, 71.80'	Chord Brg. & Dist.	N 78°12'15" E, 160.80'
C-3	$\Delta = 21°35'19"$		
R	334.00' (L)		
T	63.70'		
L	125.88'		
Chord Brg. & Dist.	N 79°47'05" E, 125.14'		

NOTE

- Water Service for the Subdivision will be supplied by individual Well.
- Sewage Service for the Subdivision will be provided by individual onsite Subsurface Treatment areas.
- Solid Waste disposal to be the responsibility of the individual Lot Owners.
- Lot 1 of this subdivision intended for Residential Purposes.
- Wellheads are limited to drainage of Mosquito Creek.
- Any work involving filling, excavating, flooding or draining existing Wetlands requires an Army Corps of Engineers, Section 404 Permit, prior to beginning work.
- Prior to the construction of any new approach/drainage into the Public Road, an Easement Permit shall be obtained from the Bonner County Road and Bridge Department.

EASEMENTS OF RECORD

- Reservations to the United States contained in Land Patent recorded as Instrument No. 478943, January 11, 1996, records of Bonner County, Idaho. (Not shown on plat. Does not affect 5 acre Lot.)
- Easement and Conditions for perpetual right-of-way and right to inspect, inspect, and maintain facilities in favor of General Telephone Company of the Northwest recorded as Instrument No. 525649, June 15, 1993, records of Bonner County, Idaho. (Not shown on plat. Blanket easement - location unspecified)

UNPLATTED
ROBERT & MARY RUSSELL
6339 N. Riverpoint Blvd. #203W
Spokane, WA 99202

1/4	55	2	N	E
1	55	2	N	E
1	55	2	N	E

Project No. 02-138 Berry
Drawing No. 02-138 Berry
Per Date 02/26/94

BERRY DEVELOPMENT	
CLANE & ASSOCIATES PROFESSIONAL LAND SURVEYORS 305 Church Street Sandpoint, Idaho 83864 208-855-4474	Scale 1" = 100 ft. Drawn By Lawrence A. Glane Check By Lawrence A. Glane Date Oct., 2003 1 of 2

478943

56205

The United States of America

To all to whom these presents shall come, Greeting:

ALLENANCE TITLE

ID-30862

'96 JAN 11 PM 3 33

WHEREAS

Board of Regents, University of Idaho

**MARIE SCOTT
RECORDER OF BONNER
COUNTY BY SK DEP.**

is entitled to a land patent pursuant to the Idaho Land Exchange Act of 1993, (107 Stat. 50), and the Act of October 21, 1976, as amended, (43 U.S.C. 1715, 1716, 1717), for the following described land:

Boise Meridian, Idaho
T. 55 N., R. 2 E.,
sec. 1, lot 7.

Containing 35.27 acres.

NOW KNOW YE, that there is, therefore granted by the **UNITED STATES** unto the Board of Regents, University of Idaho, the land described above; **TO HAVE AND TO HOLD** the said land with all the rights, privileges, immunities, and appurtenances, of whatsoever nature, thereunto belonging, unto the Board of Regents, University of Idaho, its successors and assigns, forever; and

EXCEPTING AND RESERVING TO THE UNITED STATES:

1. A right-of-way thereon for ditches and canals constructed by the authority of the United States. Act of August 30, 1890 (43 U.S.C. 945).
2. An exclusive, perpetual easement, including all right, title, and interest in existing Clark Fork RS Road No. 54 and existing Clark Fork RS B Road No. 54B over and across lot 7, section 1, T. 55 N., R. 2 E., B.M., and located approximately as shown on attached Exhibit A, and all appurtenances thereto, over, upon, or under the land so granted, together with such reasonable rights of temporary use of lands immediately adjacent to said right-of-way as may be necessary for the maintenance and/or repair of said road. Said easement shall be 33 feet on each side of the centerline with such additional width as required for adequate protection of cuts and fills.

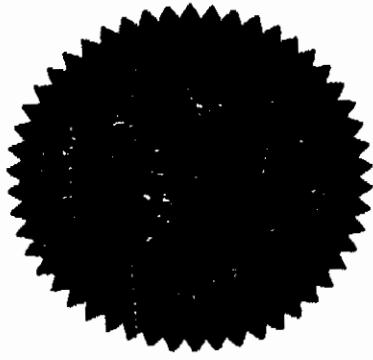
Provided that if the Forest Supervisor determines that the road, or any segment thereof, is no longer needed for the purposes reserved, the easement shall terminate. The termination shall be evidenced by a statement in recordable form furnished by the appropriate Forest Supervisor or their successors or assigns in interest.

Patent Number 11-96-0004

*W/EN RECORDED MAIL TO
CLEARWATER REALTY
P.O. BOX 1918
OROFINO, ID. 83544-1918
CLARA LANS.*

478943

SUBJECT TO the interests, rights, and privileges of the United States and Bonner County, as set forth in the Easement granting a right-of-way 66 feet in width, dated February 15, 1968, recorded February 27, 1968, in Book 37 of Miscellaneous, page 225, as Instrument No. 114896, records of Bonner County, Idaho.



IN TESTIMONY WHEREOF, the undersigned authorized officer of the Bureau of Land Management, in accordance with the provisions of the Act of June 17, 1948 (62 Stat. 476), has, in the name of the United States, caused these letters to be made Patent, and the Seal of the Bureau to be hereunto affixed.

GIVEN under my hand, in Boise, Idaho the fourteenth day of December, in the year of our Lord one thousand nine hundred and NINETY-FIVE and the Independence of the United States the two hundred and TWENTIETH.

By: 
Deputy State Director,
Resource Services Division

Patent Number 11-96-0004

T. 55 N., R. 2 E., B.M.
section 1, lot 7.

Field Campus
Water 3.4 to 5.5 miles

CONSISTENT

Lot 7

Motion

LEGEND

NFSL National Forest System Land

**Road right-of-way
being reserved**

Scale 1" = 200'

Clark Fork Field Campus
Telephone (208) 266-1452

LOS
ANGELES
MINING
CLUB

LAVÉRIE
AVIATION - AVIATION SITE

Clark-Fork RS Road No. 54

Fork RS B
Road No. 54B

Exhibit A

525649

NONEXCLUSIVE EASEMENT AGREEMENT

This NONEXCLUSIVE GRANT OF EASEMENT ("Grant") is made this _____ day of 1/25/96, ~~1995~~ by and between THE REGENTS OF THE UNIVERSITY OF IDAHO, a state educational institution and a body politic and corporate organized and existing under the Constitution and laws of the state of Idaho ("Grantor"), whose address is the Vice President, Finance and Administration, University of Idaho, Moscow, Idaho 83844-3145, GTE Northwest Incorporated, a Washington corporation, registered to do business in the State of Idaho, and whose business address is P.O. Box 1003, Everett, Washington 98206, ("Grantee").

RECITALS

A. Grantor has agreed to grant to Grantee a nonexclusive utility easement through that certain portion of the Grantor's property which is legally described as follows:

The North Half (N1/2) of Lot Seven (7), (previously known as Lot Three(3), Section One (1), Township Fifty-Five (55) North, Range Two (2) East, B.M., Bonner County, state of Idaho. The Easement Parcel to be ten (10) feet in width along Bonner County Road identified as Mosquito Creek Road No. 106.

B. The Easement Parcel consists of real property to be utilized for the construction, operation, maintenance, repair, replacement, and removal of underground and overhead communication distribution lines and related fixtures and improvements for the benefit of Grantee and the public.

NOW, THEREFORE, in consideration of the recitals above which are incorporated below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

1. **GRANT:** Grantor hereby grants and conveys to Grantee, its successors, agents, and assigns subject to all the terms, conditions and warranties contained herein, a perpetual, nonexclusive easement on, over, across, and under the Easement Parcel, for the purpose of the construction, operation, maintenance, repair, replacement, and removal of underground and overhead communication distribution lines and related fixtures and improvements ("Easement"). All construction, maintenance, operation, repair, replacement, and removal of the Easement shall be strictly limited to the Easement Parcel, danger trees (as defined below) excepted. Grantor also grants to Grantee a license for entry upon Grantor's property adjacent to the Easement Parcel for the purpose of cutting and/or removing danger trees.

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2. NOTICE: Any notice under this Easement shall be in writing and be delivered in person or by public or private courier service (including U.S. Postal Service Express Mail) or certified mail with return receipt requested or by facsimile. All notices shall be addressed to the parties at the following addresses:

If to Grantor:

Finance and Administration
University of Idaho
Moscow, Idaho 83844-3145
Attention: Vice President Jerry Wallace

If to Grantee:

GTE Northwest, Incorporated
P.O. Box 1003
Everett, Washington 98206
Attention: Real Estate Supervisor

Any notice shall be deemed to have been given on the earlier of: (a) actual delivery or refusal to accept delivery, (b) the date of mailing by certified mail, or (c) the day facsimile delivery is verified. Actual notice, however and from whomever received, shall always be effective.

3. BINDING EFFECT: All provisions of this Grant, including the benefits and burdens, run with the land and are binding upon and inure to the benefit, obligation and use of the successors, agents and assigns of the parties hereto.

4. NONEXCLUSIVE RIGHT: Anything in this instrument to the contrary notwithstanding, Grantee agrees to the following conditions:

a. The easement herein granted is subject to all easements and encumbrances of record and is nonexclusive, provided that later-granted easements shall be subject to Grantee's rights and uses;

b. All lines, equipment, and their related components and supports placed within the described easement area(s) by Grantee, or Grantee's agents or contractors, pursuant to this instrument ("Grantee's Property") shall remain the property of Grantee;

c. Grantor and its successors and assigns shall retain the right to full use of the surface and subsurface of the described easement area(s) except where Grantee has placed Grantee's Property, provided, however, Grantor will not erect any building or major structure within the described easement area(s);

d. Grantee shall at all times safely operate and maintain Grantee's property within the described easement area(s) and shall promptly repair and restore to its prior condition any improvements existing within the described easement area(s) which are disturbed by the construction, maintenance, or removal of Grantee's Property by Grantee, or Grantee, or Grantee's agents or contractors' and

e. After recording this instrument, Grantee shall provide Grantor with the date, instrument number, book, and page of recording.

5. **INDEMNITY:** The Grantee shall indemnify, defend, protect, and hold harmless Grantor, its successors, assigns, and agents harmless from any and all claims, liability, losses, costs, charges, or expenses which Grantor may incur as a result of any act or omission of the Grantee in its use of the Easement Parcel under this Grant. If any action, claim or demand is made against Grantor for any act or omission of the Grantee, the Grantee agrees to assume the expense and shall pay all costs, charges, attorneys' fees, settlements, judgments, or other expenses incurred by or obtained against Grantor, and, also, including reasonable attorneys' fees and costs associated with any appeal proceeding.

6. **REMEDIES:** In the event of a breach hereunder by any party the nonbreaching party shall have all remedies available at law or in equity, including injunctive or other equitable relief. In any suit, action or appeal therefrom to enforce or interpret this Grant, the prevailing party shall be entitled to recover its costs incurred therein including reasonable attorney's fees and costs, and also including reasonable attorney's fees and costs associated with any appeal proceedings.

7. **MODIFICATION:** This Grant shall not be modified unless expressly agreed to by both parties in writing.

8. **RELOCATION:** The Grantor reserves the right to, and the Grantee agrees that, the Easement and Easement Parcel may be relocated at the Grantor's sole option and expense.

9. **EASEMENT IMPROVEMENTS:** Grantor and Grantee agree that Grantee shall, at its sole cost and expense, construct, operate, maintain, repair, replace, and remove the Easement, the Easement Parcel, and the Fixtures and improvements therein as contemplated herein, provided, however, prior to any such construction, maintenance, repairs, replacements, or removals. Grantee will make reasonable attempts to notify and coordinate with Grantor the construction, maintenance, repairs, replacements, and removals.

10. RIGHT OF WAY CLEARING MAINTENANCE: Grantee shall have the right to cut, trim, and remove any and all brush, branches, and trees located within the Easement Parcel. Grantee shall, also, have the right to control, on a continuing basis and by any prudent and reasonable means, the establishment and growth of trees, brush, and other vegetation located within the Easement Parcel which could, in the opinion of the Grantee, interfere with the reliable operation of Grantee's fixtures and improvements or the exercise of Grantee's rights herein or create a hazard to Grantee's facilities.

11. DANGER TREES: Grantee shall have the right to cut and remove any trees located on the Grantor's property outside the Easement Parcel which are visibly dead, decayed, or aging, and which by their location are, in Grantee's reasonable judgment, a hazard to Grantee's fixtures and improvements.

12. CONDITION OF PARCEL: Following the construction, maintenance, repair, replacement, or removal of the Easement, Grantee shall repair and return the Easement Parcel, to the extent reasonably practical, to the same condition as the Easement Parcel was in prior to Grantee's construction, maintenance, repair, replacement, or removal activities. In the event that Grantee fails to repair and return the Easement Parcel to the said same condition, then the Grantor, at its sole discretion, may restore the Easement Parcel, or any portion thereof, and Grantee shall reimburse Grantor for all costs associated therewith within thirty (30) days from receipt of an invoice therefore.

13. TITLE INSURANCE AND ESCROW: Should Grantee so desire, at its sole expense, Grantee may apply forthwith for a title insurance policy insuring the easement hereby granted and Grantor will make available for inspection by the title company any evidence of title in its possession.

14. REPRESENTATIONS AND WARRANTIES: Grantor and Grantee represent and warrant as of the date herein that they and the person(s) executing on their behalf have the power and authority to execute this Grant and to perform Grantor's and Grantee's obligations herein and if Grantor or Grantee are a corporation, all necessary corporate action to authorize this transaction has been taken.

15. COMPLIANCE WITH ALL LAWS AND INDUSTRY STANDARDS: Grantee hereby agrees to comply in all respects with any and all federal, state, and local statutes, laws, ordinances, codes, regulations, and rules in connection with the use of the Easement and Easement Parcel. In addition, with respect to the construction, operation, maintenance, repair, replacement, and removal of the Easement, Grantee agrees to comply with all applicable industry standards pertaining thereto.

16. **TERMINATION:** Grantee may terminate this Grant upon express written consent by Grantor and by recording a release with the Bonner County Recorder's Office in recordable form with directions for delivery of the same to Grantor, whereupon all rights, duties, and liabilities hereby created shall terminate. In addition, in the event Grantee does not utilize the Easement for a continuous two (2) year period, all the rights granted to Grantee herein shall terminate. If the rights granted to Grantee herein are terminated, Grantee shall have no further obligation but to abandon all right, title, interest, and possession of the Easement and Easement Parcel and shall execute a release in recordable form. If there is a termination or abandonment, Grantee shall remove its property and return the Easement Parcel to its pre-easement condition.

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IN WITNESS WHEREOF, the undersigned have caused this Grant to be executed
the day and year first above written.

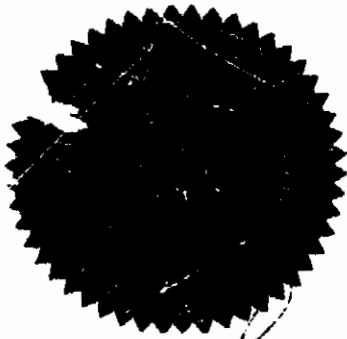
GRANTOR: The Regents of the University of Idaho

Date

1/25/92

By:

Jerry Wallace
JERRY WALLACE, Bursar and
Representative of The Regents of the
University of Idaho



Judith C. Meyer
Secretary, The Regents of the University of Idaho

GRANTEE: GTE Northwest Incorporated,
a Washington corporation,
registered to do business within the
state of Idaho

Date

04/09/92

By:
Its:

Elton A. Anderson
SECTION MANAGER - ACCESS DESIGN

525649

STATE OF IDAHO)
) ss.
County of Latah)

On this 25 day of January, 1996, before me, the undersigned, a Notary Public in and for the said state of Idaho, personally appeared JERRY WALLACE, known or identified to me to be the Bursar of the University of Idaho, The university that executed the within instrument, and acknowledged to me that he executed the same for and on behalf of The Regents of the University of Idaho.

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

Gerald R Reynolds
NOTARY PUBLIC for Idaho
Residing at Moscow, Idaho
My commission expires: 6-27-00

STATE OF IDAHO)
) ss.
County of Latah)

On this 25 day of January, 1996, before me, the undersigned, a Notary Public in and for the said state of Idaho, personally appeared Judith C. Meyer, known or identified to me to be the Secretary of The Regents of the University of Idaho, or the person who executed the instrument on behalf of the said state educational institution and body politic and corporate, and acknowledged to me that such state educational institution and body politic and corporate executed the same.

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

Gerald R Reynolds
NOTARY PUBLIC for Idaho
Residing at: Moscow
My commission expires: 6-27-00

525699

IDAHO
STATE OF WASHINGTON)
BONNER) ss
County of Spokane)

FILED BY
JUN 15 A 9 36
240
DEPUTY
RECORD

On this 9TH day of APRIL, 1998, before me, the undersigned, a Notary Public in and for the said state, personally appeared ELTON G. ANDERSON, known or identified to me to be the REPRESENTATIVE of GTE Northwest Incorporated, the person who executed the instrument on behalf of said corporation and acknowledged to me that such corporation executed the same.

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

R. M. Jacobson
Notary Public for IDAHO
Residing at SANDPOINT
My commission expires: OCTOBER 24, 2003

RECORDATION REQUESTED BY:

Mountain West Bank
SBA Department
101 Ironwood Drive # 148
PO Box 1069
Coeur d'Alene, ID 83816

SANDPOINT TITLE INSURANCE

FILED BY

2003 SEP 22 10:49

MARIE SCOTT
BONNER COUNTY RECORDER

B. DEPUTY

WHEN RECORDED MAIL TO:

Mountain West Bank
SBA Department
101 Ironwood Drive # 148
PO Box 1069
Coeur d'Alene, ID 83816

SEND TAX NOTICES TO:

BERRY DEVELOPMENT, L.L.C.
293 LOWER MOSQUITO CREEK ROAD
CLARK FORK, ID 83811

634391

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

#35850

ASSIGNMENT OF RENTS

THIS ASSIGNMENT OF RENTS dated September 22, 2003, is made and executed between BERRY DEVELOPMENT, L.L.C., A IDAHO LIMITED LIABILITY COMPANY (referred to below as "Grantor") and Mountain West Bank, whose address is 101 Ironwood Drive # 148, PO Box 1069, Coeur d'Alene, ID 83816 (referred to below as "Lender").

ASSIGNMENT. For valuable consideration, Grantor hereby assigns, grants a continuing security interest in, and conveys to Lender all of Grantor's right, title, and interest in and to the Rents from the following described Property located in BONNER County, State of Idaho:

GOVERNMENT LOT 7, SECTION 1, TOWNSHIP 55 NORTH, RANGE 2 EAST, BOISE MERIDIAN, BONNER COUNTY, IDAHO

The Property or its address is commonly known as 293 LOWER MOSQUITO CREEK ROAD, CLARK FORK, ID 83811.

THIS ASSIGNMENT IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF BORROWER AND GRANTOR UNDER THE NOTE, THIS ASSIGNMENT, AND THE RELATED DOCUMENTS. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

BORROWER'S WAIVERS AND RESPONSIBILITIES. Lender need not tell Borrower about any action or inaction Lender takes in connection with this Assignment. Borrower assumes the responsibility for being and keeping informed about the Property. Borrower waives any defenses that may arise because of any action or inaction of Lender, including without limitation any failure of Lender to realize upon the Property, or any delay by Lender in realizing upon the Property. Borrower agrees to remain liable under the Note with Lender no matter what action Lender takes or fails to take under this Assignment.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Assignment or any Related Documents, Grantor shall pay to Lender all amounts secured by this Assignment as they become due, and shall strictly perform all of Grantor's obligations under this Assignment. Unless and until Lender exercises its right to collect the Rents as provided below and so long as there is no default under this Assignment, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents, provided that the granting of the right to collect the Rents shall not constitute Lender's consent to the use of cash collateral in a bankruptcy proceeding.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that:

Ownership. Grantor is entitled to receive the Rents free and clear of all rights, loans, liens, encumbrances, and claims except as disclosed to and accepted by Lender in writing.

Right to Assign. Grantor has the full right, power and authority to enter into this Assignment and to assign and convey the Rents to Lender.

No Prior Assignment. Grantor has not previously assigned or conveyed the Rents to any other person by any instrument now in force.

No Further Transfer. Grantor will not sell, assign, encumber, or otherwise dispose of any of Grantor's rights in the Rents except as provided in this Assignment.

LENDER'S RIGHT TO RECEIVE AND COLLECT RENTS. Lender shall have the right at any time, and even though no default shall have occurred under this Assignment, to collect and receive the Rents. For this purpose, Lender is hereby given and granted the following rights, powers and authority:

Notice to Tenants. Lender may send notices to any and all tenants of the Property advising them of this Assignment and directing all Rents to be paid directly to Lender or Lender's agent.

Enter the Property. Lender may enter upon and take possession of the Property; demand, collect and receive from the tenants or from any other persons liable therefor, all of the Rents; institute and carry on all legal proceedings necessary for the protection of the Property, including such proceedings as may be necessary to recover possession of the Property; collect the Rents and remove any tenant or tenants or other persons from the Property.

Maintain the Property. Lender may enter upon the Property to maintain the Property and keep the same in repair; to pay the costs thereof and of all services of all employees, including their equipment, and of all continuing costs and expenses of maintaining the Property in proper repair and condition, and also to pay all taxes, assessments and water utilities, and the premiums on fire and other insurance effected by Lender on the Property.

Compliance with Laws. Lender may do any and all things to execute and comply with the laws of the State of Idaho and also all other laws, rules, orders, ordinances and requirements of all other governmental agencies affecting the Property.

Lease the Property. Lender may rent or lease the whole or any part of the Property for such term or terms and on such conditions as Lender may deem appropriate.

Employ Agents. Lender may engage such agent or agents as Lender may deem appropriate, either in Lender's name or in Grantor's name, to rent and manage the Property, including the collection and application of Rents.

Other Acts. Lender may do all such other things and acts with respect to the Property as Lender may deem appropriate and may act exclusively and solely in the place and stead of Grantor and to have all of the powers of Grantor for the purposes stated above.

No Requirement to Act. Lender shall not be required to do any of the foregoing acts or things, and the fact that Lender shall have performed one or more of the foregoing acts or things shall not require Lender to do any other specific act or thing.

APPLICATION OF RENTS. All costs and expenses incurred by Lender in connection with the Property shall be for Grantor's account and Lender may pay such costs and expenses from the Rents. Lender, in its sole discretion, shall determine the application of any and all Rents received by it; however, any such Rents received by Lender which are not applied to such costs and expenses shall be applied to the indebtedness. All expenditures made by Lender under this Assignment and not reimbursed from the Rents shall become a part of the indebtedness secured by this

Assignment, and shall be payable on demand, with interest at the Note rate from date of expenditure until paid.

FULL PERFORMANCE. If Grantor pays all of the Indebtedness when due and otherwise performs all the obligations imposed upon Grantor under this Assignment, the Note, and the Related Documents, Lender shall execute and deliver to Grantor a suitable satisfaction of this Assignment and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Property. Any termination fee required by law shall be paid by Grantor, if permitted by applicable law.

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

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

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

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

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

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

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

Death or Insolvency. The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Borrower's or Grantor's existence as a going business or the death of any member, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.

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

Property Damage or Loss. The Property is lost, stolen, substantially damaged, sold, or borrowed against.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

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

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Assignment within the preceding twelve (12) months, it may be cured (and no event of default will have occurred) if Grantor, after receiving written notice from Lender demanding cure of such default: (1) cures the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

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

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

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

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

Other Remedies. Lender shall have all other rights and remedies provided in this Assignment or the Note or by law.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Assignment, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

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

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

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

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

Governing Law. This Assignment will be governed by, construed and enforced in accordance with federal law and the laws of the State of Idaho. This Assignment has been accepted by Lender in the State of Idaho.

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

Joint and Several Liability. All obligations of Borrower and Grantor under this Assignment shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Borrower and Grantor signing below is responsible for all obligations in this Assignment. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Assignment.

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

Interpretation. (1) In all cases where there is more than one Borrower or Grantor, then all words used in this Assignment in the singular shall be deemed to have been used in the plural where the context and construction so require. (2) If more than one person signs this Assignment as "Grantor," the obligations of each Grantor are joint and several. This means that if Lender brings a lawsuit, Lender may sue any one or more of the Grantors. If Borrower and Grantor are not the same person, Lender need not sue Borrower first, and that Borrower need not be joined in any lawsuit. (3) The names given to paragraphs or sections in this Assignment are for convenience purposes only. They are not to be used to interpret or define the provisions of this Assignment.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Assignment unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Assignment shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Assignment. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Assignment, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Assignment shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addressee shown near the beginning of this Assignment. Any party may change its address for notices under this Assignment by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

Powers of Attorney. The various agencies and powers of attorney conveyed on Lender under this Assignment are granted for purposes of security and may not be revoked by Grantor until such time as the same are renounced by Lender.

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

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

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

WAIVER OF HOMESTEAD EXEMPTION. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Idaho as to all indebtedness secured by this Assignment.

WAIVER OF RIGHT OF REDEMPTION. NOTWITHSTANDING ANY OF THE PROVISIONS TO THE CONTRARY CONTAINED IN THIS ASSIGNMENT, GRANTOR HEREBY WAIVES ANY AND ALL RIGHTS OF REDEMPTION FROM SALE UNDER ANY ORDER OR JUDGMENT OF FORECLOSURE ON GRANTOR'S BEHALF AND ON BEHALF OF EACH AND EVERY PERSON, EXCEPT JUDGMENT CREDITORS OF GRANTOR, ACQUIRING ANY INTEREST IN OR TITLE TO THE PROPERTY SUBSEQUENT TO THE DATE OF THIS ASSIGNMENT.

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

Assignment. The word "Assignment" means this ASSIGNMENT OF RENTS, as this ASSIGNMENT OF RENTS may be amended or modified from time to time, together with all exhibits and schedules attached to this ASSIGNMENT OF RENTS from time to time.

Borrower. The word "Borrower" means BERRY DEVELOPMENT, L.L.C.; and CLARK FORK OUTRITTERS, L.L.C..

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

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

Grantor. The word "Grantor" means BERRY DEVELOPMENT, L.L.C..

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Assignment, together with interest on such amounts as provided in this Assignment.

Lender. The word "Lender" means Mountain West Bank, its successors and assigns.

Note. The word "Note" means the promissory note dated September 22, 2003, in the original principal amount of \$257,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

Property. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Assignment" section of this Assignment.

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

Rents. The word "Rents" means all of Grantor's present and future rights, title and interest in, to and under any and all present and future leases, including, without limitation, all rents, revenue, income, issues, royalties, bonuses, accounts receivable, cash or security deposits, advance rentals, profits and proceeds from the Property, and other payments and benefits derived or to be derived from such leases of every kind and nature, whether due now or later, including without limitation Grantor's right to enforce such leases and to receive and collect payment and proceeds thereunder.

THE UNDERSIGNED ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT, AND NOT PERSONALLY BUT AS AN AUTHORIZED SIGNER, HAS CAUSED THIS ASSIGNMENT TO BE SIGNED AND EXECUTED ON BEHALF OF GRANTOR ON SEPTEMBER 22, 2003.

GRANTOR:

BERRY DEVELOPMENT, L.L.C.

By: Mark C. Berry
MARK C BERRY, MEMBER
DEVELOPMENT, L.L.C.Jan S. Berry
JAN S BERRY, MEMBER OF BERRY DEVELOPMENT,
L.L.C.

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF IdahoCOUNTY OF BooneOn this 22nd day of September, in the year 2003, before me Brenda M. Nugent, a notary public in and for the State of Idaho, personally appeared MARK C BERRY, MEMBER, JAN S BERRY, MEMBER OF BERRY DEVELOPMENT, L.L.C., known or identified to me (or proved to me on the oath of

), to be members or designated agents in the limited liability company of BERRY DEVELOPMENT, L.L.C. and the members or designated agents who subscribed said limited liability company name to the foregoing instrument, and acknowledged to me that they executed the same in said limited liability company name.

Notary Public for Idaho

My commission expires 11/26/04