

To:

ALAN MERRETT
DEPT OF WATER RESOURCES

FROM JOHN SCHORZMAN

10 Pages To follow:

CONTRACT FOR PRESENT AND DEFERRED
SALE OF REAL AND PERSONAL PROPERTY

THIS AGREEMENT entered the 29th day of ~~February~~ ^{March}, 1993, by and between MAX WOOD, aka WILLIAM MAX WOOD and MARJORIE WOOD, aka MARJORIE R. WOOD, husband and wife, as General Partners of the MAX WOOD FAMILY LIMITED PARTNERSHIP B of 7930 South 2700 West, West Jordan, Utah 84088, hereinafter known as Seller, and JOHN A. SCHORZMAN and KATHRYN SCHORZMAN, husband and wife, of Sublett Road, Malta, Idaho 83342, hereinafter known as Buyer,

W I T N E S S E T H:

WHEREAS, the Seller is the owner of the following described real and personal property in Cassia County, Idaho:

REAL PROPERTY:

TOWNSHIP 12 SOUTH, RANGE 28 EAST, BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 22: W $\frac{1}{2}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$

Section 23: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 26: All

Section 27: All

Section 34: NE $\frac{1}{4}$ SAVE AND EXCEPT the
following described parcels:

PARCEL 1:

Beginning 350 feet East of the Southwest Corner of the NE $\frac{1}{4}$ of Section 34, Township 12 South, Range 28 East, Boise Meridian, Thence East 300 feet, Thence North 160 feet, Thence West 300 feet, Thence South 160 feet to the Point of Beginning, together with a right of ingress and egress described as follows: Beginning 160 feet North of the Southwest Corner of the NE $\frac{1}{4}$ of said Section 34; thence East 350 feet; thence South 30 feet; thence West

350 feet; thence North 30 feet to the point of beginning.

PARCEL 2:

Beginning 300 feet East of the Southwest Corner of the NE $\frac{1}{4}$ of Section 34, Township 12 South, Range 28 East, Boise Meridian, Thence East 50 feet, Thence North 160 feet, Thence West 50 feet, Thence South 160 feet to the point of beginning, together with a right of ingress and egress described as follows: Beginning 160 feet North of the Southwest Corner of the NE $\frac{1}{4}$ of said Section 34, thence East 300 feet; thence South 30 feet; thence West 300 feet; thence North 30 feet to the point of beginning.

Section 35: NW $\frac{1}{4}$

TOGETHER with appurtenances and License #A43-02450C of the Idaho Department of Water Resources.

PERSONAL PROPERTY:

1 - Valley 12 tower pivot

1 - submersible pump

1 - 250 horsepower motor

1 - 25 h.p. booster pump

Electrical panels

Mainline to center of pivot irrigation system

Quonset hut

4 - 7000 bushel graineries

4 - 3000 bushel graineries

1 - trailer house,

WHEREAS, Buyer wishes to acquire said property, and

WHEREAS, Seller is participating in the Conservation Reserve Program (CRP) of the Agricultural Stabilization and Conservation Service of the United States Department of

Agricultural (ASCS) and has contracted 1,000 acres of the above-described property for inclusion in the Conservation Reserve Program through the 30th day of September, 1997, and

WHEREAS, Buyer also participates in the Conservation Reserve Program of the ASCS and is current receiving payments of \$34,017 per annum, and

WHEREAS, the maximum amount of payments Buyer would be allowed to receive under the Conservation Reserve Program of the ASCS is \$50,000 per year, and

WHEREAS, the economic value of the portion of Seller's land which is in the Conservation Reserve Program is substantially greater because of the income generated by said property through the Conservation Reserve Program than would be the economic value of said property if it were disqualified in whole or in part from participation in the Conservation Reserve Program, and

WHEREAS, it is not economically feasible for Seller to give up the present benefits of the Conservation Reserve Program, nor is it economically feasible for Buyer to purchase all of Seller's CRP land at prices acceptable to Seller if Buyer cannot receive full benefits of said program,

NOW, THEREFORE, in consideration of the foregoing,

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. Upon execution of this agreement, Seller agrees to sell and the Buyer agrees to buy all of the personal property and the real property in Cassia County, Idaho described as follows:

PERSONAL PROPERTY:

1 - Valley 12 tower pivot

1 - submersible pump

1 - 250 horsepower motor

1 - 25 h.p. booster pump

Electrical panels

Mainline to center of pivot irrigation system

Quonset hut

- 4 - 7000 bushel graineries
- 4 - 3000 bushel graineries
- 1 - trailer house,

REAL PROPERTY:

TOWNSHIP 12 SOUTH, RANGE 28 EAST, BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 22: W $\frac{1}{2}$

Section 26: SE $\frac{1}{4}$

Section 27: All

Section 34: NE $\frac{1}{4}$ SAVE AND EXCEPT the
following described parcels:

PARCEL 1:

Beginning 350 feet East on the Southwest corner of the NE $\frac{1}{4}$ of Section 34, Township 12 South, Range 28 East, Boise Meridian, Thence East 300 feet, Thence North 160 feet, Thence West 300 feet, Thence South 160 feet to the Point of Beginning, together with a right of ingress and egress described as follows: Beginning 160 feet North of the Southwest Corner of the NE $\frac{1}{4}$ of said Section 34; thence East 350 feet; thence South 30 feet; thence West 350 feet; thence North 30 feet to the point of beginning.

PARCEL 2:

Beginning 300 feet East of the Southwest Corner of the NE $\frac{1}{4}$ of Section 34, Township 12 South, Range 28 East, Boise Meridian, Thence East 50 feet, Thence North 160 feet, Thence West 50 feet, Thence South 160 to the point of beginning, together with a right of ingress and

egress described as follows:
Beginning 160 feet North of the
Southwest Corner of the NE $\frac{1}{4}$ of
said Section 34; thence East
300 feet; thence South 30 feet;
thence West 300 feet; thence
North 30 feet to the point of
beginning.

Section 35: NW $\frac{1}{4}$

TOGETHER with appurtenances and License #A43-02450C
of the Idaho Department of Water Resources.

2. The purchase price for the above described real property shall be the sum of \$600,000. Of said sum, \$70,000.00 shall be allocated to equipment and \$530,000.00 shall be allocated to real property. The purchase price shall be paid as follows:

\$300,000 at the time of closing. The balance of \$300,000 shall be paid with interest at eight percent (8%) per annum from January 1, 1993 in fifteen (15) annual installments of \$35,049 each beginning on December 15, 1993 and continuing on December 15 of each calendar year thereafter until the principal and all accrued interest are paid in full. All payments shall be applied first to accrued interest with the balance being applied to principal. Buyer is not given the right of prepayment before January 1, 1998.

3. At closing the Seller shall execute a good and sufficient warranty deed conveying good and marketable title to the property which is subject of this sale to Buyer free and clear of any liens or encumbrances except accruing 1993 real property taxes. The Seller shall pay and discharge said taxes for 1992 and prior years and hold Buyer harmless therefrom. Seller shall also execute and deliver to Buyer a bill of sale for the personal property. All liens and encumbrances of the Seller shall be paid from the proceeds at the time of closing. The parties will bear equally the cost of closing. Closing shall take place at Land Title & Escrow, Inc., on or before March 31, 1993. The Idaho Department of Water Resources license identified above shall be transferred at closing.

4. Seller consents to allow Buyer to grant a first mortgage against Section 27 Township 12 South, Range 28 East, Boise Meridian, Cassia County, Idaho and other property owned by Buyer to secure payment of a note not to exceed \$325,00.00 at the time of closing of the initial sale.

5. The Seller, for and in consideration of the foregoing, hereby agrees to sell to Buyer and Buyer agrees to purchase from Seller the following described real property for the sum of \$200,000 in the month of December, 1997 on the terms stated below. The property is described as follows:

TOWNSHIP 12 SOUTH, RANGE 28 EAST, BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 22: W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$

Section 23: S $\frac{1}{4}$ S $\frac{1}{4}$

Section 26: W $\frac{1}{2}$, NE $\frac{1}{4}$

6. The purchase price for the second parcel shall be paid as follows:

\$10,000 shall be paid on closing of the second sale. The balance of \$190,000 with interest at eight percent (8%) per annum from the date of closing shall be paid in ten (10) annual installments of \$28,315.70 each beginning on the 15th day of December, 1998, and continuing until all principal and interest are paid in full.

7. At the closing of the initial sale in March of 1993 and the closing of the December 1997 sale, the Buyer will execute a promissory note and real estate mortgage covering the property which is the subject of the sale. In the case of the 1997 sale, however, the real estate mortgage shall cover the property which is subject of the second purchase as well as the property which is the subject of the initial sale. At the time of closing of each such sale, the promissory note together with the recorded real estate mortgage and a satisfaction of mortgage executed by the Seller shall be placed in escrow with Land Title & Escrow, Inc., with standard escrow instructions of said escrow holder executed by the parties and a copy of this agreement. The parties shall share equally the initial escrow charges and all subsequent escrow charges. The Buyer will also execute a security agreement

granting to the Seller a security interest in the personal property which is described above for the first sale.

At this closing of the second sale in October 1997, Seller will convey the property which is subject of the second sale by warranty deed, subject only to 1997 real property taxes. Seller shall pay all real property taxes for 1997 and prior years on the property which is subject of the second sale. Closing of the second sale shall be held at Land Title & Escrow, Inc., at Burley, Idaho, prior to December 30, 1997, but after October 1, 1997. All costs of closing the second sale shall be shared equally by Buyer and Seller.

8. The Buyer shall have possession of the property which is subject of the present sale upon closing. The Seller's contracts on any CRP lands which are subject of the immediate sale shall be transferred to the Buyer effective October 1, 1992, and all payments generated by the land so conveyed to the Buyer shall be paid to the Buyer for the program year beginning October 1, 1992.

9. At closing of the initial sale the Seller shall provide the Buyer with title insurance showing good and marketable title in the Seller for all of the land which is subject of the initial sale and all the land which is subject of the option at Seller's expense in the total amount of \$800,000. Seller will not be required to provide title insurance when the second sale occurs.

10. All property in the CRP which is subject of the second sale shall be retained by the Seller and operated by the Seller under the CRP contract with the ASCS until the second sale is exercised and the sale is closed. Seller shall remain responsible for compliance with the CRP program and Seller will receive all payments under the program and not share any of said payments with the Buyer. In the event Buyer's livestock trespass on any of Seller's CRP lands, Buyer shall reimburse Seller for any damages sustained by Seller, including lost CRP payments.

11. The Buyer's right to purchase the land which is subject of the second sale shall be forfeited by the Buyer in the event the Buyer defaults on the note and mortgage on the original sale prior to closing of the second sale and the Buyer's interest in the property which is the subject of the first sale is foreclosed.

12. This agreement shall remain in full force and effect until all the obligations of the parties hereunder have been fully satisfied and discharged.

13. If the Buyer obtains permission from the Idaho Department of Water Resources to apply water is appurtenant to any of the above-described property to other property owned by Buyer on a temporary basis, the Buyer may do so on the condition the Buyer does not jeopardize the water rights appurtenant to the above-described property in which the Seller retains a security interest.

14. A copy of this contract shall be recorded in the office of the Cassia County Recorder upon execution.

15. If any party is required to bring legal action to enforce any term or condition of this agreement, said party shall be entitled to recover reasonable costs and attorney fees in addition to any other relief said party may obtain.

16. This agreement has been prepared by Donald J. Chisholm at the request of the Buyer. Seller has agreed to reimburse Buyer for one-half of the fees for preparation of this contract and the related closing documents. Each party acknowledges that said party has acquired independent advice regarding tax aspects of this transaction.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

MAX WOOD FAMILY LIMITED
PARTNERSHIP B

By William Max Wood
Max Wood, aka William Max Wood

By Marjorie Wood
Marjorie Wood, aka
Marjorie R. Wood

SELLER

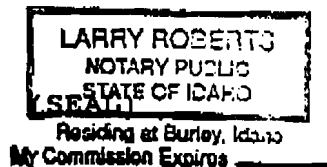
John A. Schorzman
John A. Schorzman

Kathryn Schorzman
 Kathryn Schorzman
 BUYER

STATE OF IDAHO)
) ss.
 County of Cassia)

On this 29th day of March, in the year of 1993, before me the undersigned notary public in and for said state, personally appeared MAX WOOD, aka WILLIAM MAX WOOD, and MARJORIE WOOD, aka MARJORIE R. WOOD, husband and wife, as General Partners of the MAX WOOD FAMILY LIMITED PARTNERSHIP, known or identified to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same on behalf of said partnership.

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

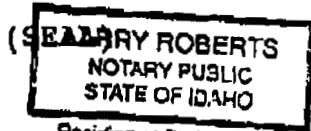


Larry Roberts
 Notary Public
 Residing at Burley
 My Commission expires 6.30.97

STATE OF IDAHO)
) ss.
 County of Cassia)

On this 29th day of March, in the year of 1993, before me the undersigned notary public in and for said state, personally appeared JOHN A. SCHORZMAN and KATHRYN SCHORZMAN, husband and wife, known or identified to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same.

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



Residing at Burley, Idaho
My Commission Expires 6-30-07


Notary Public
Residing at Burley, Idaho
My Commission expires 6-30-07

STATE OF IDAHO DEED

NUMBER 12588
Certificate No. 22865

To All to Whom These Presents Shall Come, Greetings:

Whereas, on the 30th day of NOVEMBER 19 51, all that tract or parcel of PUBLIC SCHOOL ENDOWMENT land of the State of Idaho, hereinafter mentioned and particularly described, was sold in the manner provided by law to
- CLARENCE W. FREELove -

of KIMBERLY State of IDAHO for the aggregate price of
----- SIX THOUSAND FIVE HUNDRED AND NO/100 ----- DOLLARS

And Whereas, the said sum of ----- SIX THOUSAND FIVE HUNDRED AND NO/100 ----- DOLLARS has been fully paid to the proper receiving officer for the State of Idaho, by MARK E. & JUNE L. HENERY - c/o John Schorzman, Sublette Route, Malta, Idaho 83342, who acquired their interest by Assignment from Clarence W. Freelove, dated June 21, 1957, recorded July 12, 1957.

as shown by the records in the office of the State Board of Land Commissioners, the said sum being the whole amount of the purchase price for the said tract or parcel of land hereinafter described:

Now, Know Ye, That the said State of Idaho, in pursuance of law in such case made and provided, and in consideration of the premises aforesaid, and of the aforesaid sum of

----- SIX THOUSAND FIVE HUNDRED AND NO/100 ----- DOLLARS

to the said State of Idaho paid, doth by these presents grant, bargain, sell, convey and confirm, in fee, unto the said

- MARK E. & JUNE L. HENERY -

Their heirs and assigns, all of the said tract and parcel of land situated in the County of CASSIA and State of Idaho, and described as follows, to-wit:

The East-half (E1/2) Section 36, Township 12 South, Range 27 East, Boise Meridian, containing 320.0 acres, more or less. Subject to State of Idaho Easement No. 1009 to Salt Lake Pipeline Co., for a gas pipe.

To Have and to Hold the said premises and parcel of land above particularly described, with the appurtenances thereon, unto the said

- MARK E. & JUNE L. HENERY -

Their heirs and assigns, in fee simple forever, subject to the provisions of Section 68-604, Idaho Code, as amended by Chapter 44, 1961 Session Laws, which grants over all lands belonging to the State a right of way for ditches constructed by authority of the United States. The State reserves the right to all coal, oil, oil shales, gas phosphate, sodium, asbestos, gold, silver, lead, zinc, copper, antimony and all minerals or deposits of minerals of whatever kind or character, including geothermal resources (and associated by products) pursuant to Sec. 47-701, Idaho Code.

In Witness Whereof, I, ... CECIL D. ANDRUS, ... the Governor of the State of Idaho, have hereunto signed my name and caused the Great Seal of the State of Idaho and the Seal of the Board of Land Commissioners to be hereunto affixed, this 1st day of February, 1991 A.D.

Countersigned:

Pat C. ...
Secretary of State

Cecil D. Andrus
Governor of Idaho and President of State Board of Land Commissioners

Countersigned:

Stanley F. Hamilton
Director, Department of Lands

STATE OF IDAHO, } ss.
County of Ada, }

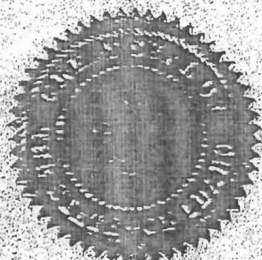
On this 1st day of February, in the year 1991, before

me, a Notary Public in and for said State, personally appeared Cecil D. Andrus known to me to be the Governor of the State of Idaho; and Pete J. Cenarrusa known to me to be the Secretary of the State of Idaho; and Stanley F. Hamilton known to me to be the Director, Department of Lands of the State of Idaho, who executed said instrument and acknowledged to me that such State of Idaho executed the same.

In Witness Whereof, I have hereunto set my hand and seal on the day and year last above written.

Carly ...
Boise, Idaho

RECORDED AT THE REQUEST OF
John Schorzman
JUN 22 1991
FEB 28 4 35 PM '91
CASSIA COUNTY, IDAHO
FRANK E. ANDRUS
RECORDER
FEE \$60.00
Sublet, 83342



STATE OF IDAHO DEED

NUMBER 12589
Certificate No. 22866

To All to Whom These Presents Shall Come, Greetings:

Whereas, on the 30th day of NOVEMBER 19 51, all that tract or parcel of PUBLIC SCHOOL ENDOWMENT land of the State of Idaho, hereinafter mentioned and particularly described, was sold in the manner provided by law to
- ADDIE FREELOVE -

of KIMBERLY State of IDAHO, for the aggregate price of
----- SIX THOUSAND EIGHT HUNDRED AND NO/100 ----- DOLLARS

And Whereas, the said sum of ---- SIX THOUSAND EIGHT HUNDRED AND NO/100 ----- DOLLARS has been fully paid to the proper receiving officer for the State of Idaho, by MARK E. & JUNE L. HENERY - c/o John Schorzman, Sublette Route, Melad, Idaho 83342, who acquired their interest by Assignment from Clarence W. Freelove, dated June 21, 1957, recorded July 12, 1957; who acquired his interest by Decree of Distribution of Addie Freelove Estate, dated July 8, 1957.

as shown by the records in the office of the State Board of Land Commissioners, the said sum being the whole amount of the purchase price for the said tract or parcel of land hereinafter described:

Now, Know Ye, That the said State of Idaho, in pursuance of law in such case made and provided, and in consideration of the premises aforesaid, and of the aforesaid sum of
----- SIX THOUSAND EIGHT HUNDRED AND NO/100 ----- DOLLARS

to the said State of Idaho paid, doth by these presents grant, bargain, sell, convey and confirm, in fee, unto the said

- MARK E. & JUNE L. HENERY -

Their heirs and assigns, all of the said tract and parcel of land situated in the County of CASSIA and State of Idaho, and described as follows, to-wit:

The West-half (W $\frac{1}{2}$) Section 36, Township 12 South, Range 27 East, Boise Meridian, containing 320.0 acres, more or less. Subject to State of Idaho Easement No. 1009 to Salt Lake Pipeline Co., for a gas pipeline.

To have and to hold the said premises and parcel of land above particularly described, with the appurtenances thereon, unto the said

- MARK E. & JUNE L. HENERY -

Their heirs and assigns, in fee simple forever, subject to the provisions of Section 53-804, Idaho Code, as amended by Chapter 44, 1961 Session Laws; which grants over all lands belonging to the State a right of way for ditches constructed by authority of the United States. The State reserves the right to all coal, oil, oil shale, gas phosphate, sodium, asbestos, gold, silver, lead, zinc, copper, antimony and all minerals or deposits of minerals of whatever kind or character, including geothermal resources (and associated by products), pursuant to Sec. 47-701, Idaho Code.

In Witness Whereof, I CECIL D. ANDRUS, the Governor of the State of Idaho, have hereunto signed my name and caused the Great Seal of the State of Idaho and the Seal of the Board of Land Commissioners to be hereunto affixed, this 1st day of February, 1991 A.D.

Countersigned:


Secretary of State


Governor of Idaho and President of State Board of Land Commissioners

Countersigned:


Director, Department of Lands

STATE OF IDAHO, } ss.
County of Ada,

On this 1st day of February, in the year 1991, before

me, a Notary Public in and for said State, personally appeared Cecil D. Andrus known to me to be the Governor of the State of Idaho, and Pate J. Cenarrusa known to me to be the Secretary of the State of Idaho, and Stanley F. Hamilton known to me to be the Director, Department of Lands of the State of Idaho, who executed said instrument and acknowledged to me that such State of Idaho executed the same.

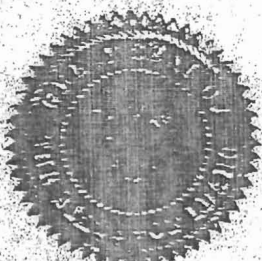
In Witness Whereof, I have hereunto set my hand and seal on the day and year last above written.


Notary Public residing at Boise, Idaho

212244

RECORDED AT THE REQUEST OF

JAN 23 4 35 PM '91
CASSIA COUNTY, IDAHO
FRANK B. PEARNS
RECORDER
DEPUTY
Sublette, W. 83342



212243

AGREEMENT

THIS AGREEMENT, Made this 2nd day of July, 1968, between MARK E. HENERY and JUNE L. HENERY, husband and wife, of Phoenix, Arizona, parties of the first part, hereinafter called the Vendors, and KATHERINE SCHORZMAN and JOHN A. SCHORZMAN, sister and brother, parties of the second part, hereinafter called the Purchasers of Cassia County, Idaho.

WITNESSETH: That for and in consideration of the sum of Twenty-Eight Thousand, Five Hundred Fifty-Nine Dollars (\$28,559.00) and for and in consideration of the promises made herein, the parties intending to be legally bound hereby agree as follows: The Vendors agree to sell and to convey their interest in the hereinafter described property and the Purchasers agree to purchase the interest of the Vendors in and to the hereinafter described property, more particularly described as follows and located in Cassia County, Idaho:

REAL ESTATE:

All of Section 36, Township 12 South, Range 27, East of the Boise Meridian.

Together with the Vendors' rights in and to a well drilled on the above described premises.

(The Vendors do not guarantee that the well can be used under the present conditions of the Idaho law)

PURCHASE PRICE:

The Purchasers hereby agree to purchase the Vendors interest in and to the above described real estate and the well and to pay the Vendors therefor the sum of Twenty-Eight Thousand, Five Hundred Fifty-Nine Dollars (\$28,559.00) together with interest in the manner following:

\$8,282.00 to be paid upon the execution of this agreement, receipt whereof is hereby acknowledged by the Vendors.

\$4,055.40 to be paid January 1, 1969, and

\$4,055.40 to be paid on the 1st day of each and every January thereafter up to and including January 1, 1973.

INTEREST:

All unpaid portions of the purchase price shall bear interest at the rate of Five per cent (5%) per annum from the date of the execution of this agreement and it is understood that said interest shall be due and payable

NIELSON, NIELSON & NIELSON
ATTORNEYS AT LAW
P.O. BOX 287
BURLEY, IDAHO 83318

on the dates when the principal payments are due as above provided and there shall be paid the interest in addition to the principal payment.

ASSUMPTION OF STATE CONTRACT:

It is understood by the parties hereto that the Vendors are purchasing the above described real estate from the State of Idaho under Land Sale Certificates, No. 22865 and No. 22866. It is understood and agreed that there is a balance due to the State of Idaho upon the said Land Sale Certificates in the sum of \$6,882.75 which the Purchasers assume and agree to pay according to the terms of set forth in said Land Sale Certificates, such payment to be in addition to the amount set forth above.

DEFERRED PAYMENTS:

It is understood and agreed that is said installments as above provided, or any part thereof, are not paid when the same become due, then the whole of said principal sum and interest accrued thereon shall forthwith become due and payable at the option of the Vendors and after the giving of ninety day written notice as hereinafter provided. It is understood that the Purchasers may at any time pay any or all of the unpaid balance with interest to the date of such payment:

TAXES:

The Vendors promise and agree to pay all taxes up to and including the year 1967 and the Purchasers promise and agree to pay before the same become delinquent all taxes levied or assessed for the year 1968 and all subsequent years during the lifetime of this agreement.

EXAMINATION OF PREMISES:

It is understood with the parties that the Purchasers have examined the above described premises, know the condition of said premises and have purchased the said premises upon their own investigation and not upon any representation by the Vendors.

POSSESSION:

It is understood that the Purchasers may take immediate possession of the above described premises and shall be entitled to remain in possession thereof so long as the comply with the terms and conditions of this agreement.

NOXIOUS WEEDS:

It is understood that the Purchasers have examined the above described premises, know the condition thereof and accept the premises in the condition the same is now in so far as noxious weeds are concerned. It is understood that the Purchasers have relied entirely upon their own investigation and not upon any statements of the Vendors and the Purchasers promise and agree that they will not hereafter make any claim against the Vendors because of any noxious

weeds now growing thereon and the Purchasers promise and agree that they will at their expense take whatever reasonable measures are necessary to eradicate any noxious weeds that now exist or may hereafter appear during the lifetime of this agreement.

CARE OF THE PREMISES:

It is understood and agreed that the Purchasers will operate and farm the above described premises in such a manner that they will not deplete the fertility of the soil and will not commit any waste or strip upon the said premises.

TITLE INSURANCE:

It is agreed that when one-half of the unpaid balance has been paid by the Purchasers that the Vendors will provide a purchaser's title insurance policy in the amount of Twenty-Eight Thousand Five Hundred Fifty-Nine Dollars (\$28,559.00), which said title insurance policy shall show that there are not any claims or liens against the Vendors' interest in and to the above described property.

ESCROW INSTRUCTION AND INSTRUMENTS:

As a means of carrying out the terms and conditions of this agreement and making conveyance of the real estate to the Purchasers, it is agreed as follows:

- a. There shall be deposited in escrow with the Cassia National Bank of Burley, Idaho, the following instruments to be held by said bank as escrow holder, subject to the terms and conditions of this agreement.
 1. An original, executed and acknowledged copy of this agreement.
 2. An executed copy of the standard form of escrow agreement required by the said escrow holder.
 3. Assignments of State of Idaho Land Sale Certificates, No. 22865 and No. 22866.
 4. Quit Claim deed from the Vendors to the Purchasers.
 5. Quit Claim deed from the Purchasers to the Vendors.
(To be used in the event that the Purchasers fail to comply with the terms of this agreement.)
 6. It is understood that when the title insurance policy has been provided, that the same will be placed in escrow.
- b. It is agreed that the escrow holder shall deliver to the Purchasers, their heirs and assigns, all of the instruments so held in escrow when and at such time as the full purchase price, together with interest, shall have been paid by the Purchasers as herein provided and when and at such time as the Purchasers shall have completed each and all of the terms of this agreement. In the event

of the cancellation or termination as provided herein and upon notice thereof received by the escrow holder, it shall immediately return to the Vendors all escrow instruments then held by it in escrow.

FORFEITURE CLAUSE:

Time is of the essence of this agreement and should the Purchasers be in default in any of the terms or conditions of this agreement, the Vendors shall give the Purchasers notice of such claimed default in writing. Thereafter the Purchasers shall have ninety days within which to remedy the claimed default. Should the Purchasers fully perform those matters claimed to be in default as set out in said notice within said ninety day period, no forfeiture may be declared or shall become effective. However, in the event that the Purchasers fail to remedy the claimed default within the said ninety day period, the Vendors may declare this agreement forfeited and shall have the right to enter on and take possession of the real property above described and the Vendors may, in that event, retain all payments made hereunder as liquidated damages and the escrow holder is hereby instructed to deliver to the Vendors all instruments then held by it in escrow and the Purchasers agree to immediately surrender possession of said premises.

NOTICE:

Any notice to be given under and pursuant to the terms of this agreement shall be deemed delivered when mailed through the United States certified mail, postage prepaid, return receipt requested and addressed to wither party at the following addresses.

In Case of the Vendors:

Mark E. Henery
June L. Henery
723 West Glenn Drive
Phoenix, Arizona

In Case of the Purchasers:

Katherine Schorzman
John A. Schorzman
Burley, Idaho

These addresses may be changed from time to time by notice of the other party.

ESCROW FEE:

It is understood that the initial escrow fee charge of the escrow holder shall be paid one-half by the Vendors and one-half by the Purchasers.

HEIRS, ETC.:

The word "Vendors", wherever it appears in this instrument, includes the Vendors, their heirs, executors, administrators and assigns; and the word "Purchasers" wherever it appears herein, includes the Purchasers, their heirs, executors, administrators and assigns.

SIGNATURES:

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written,

Mark E. Henery (SEAL)

June L. Henery (SEAL)
Vendors

Katherine Schorzman (SEAL)

John A. Schorzman (SEAL)
Purchasers

STATE OF IDAHO)
: ss.
County of Cassia)

On this 2nd day of July, 1968, before me, the undersigned, a Notary Public in and for said State, personally appeared Mark E. Henery and June L. Henery, husband and wife, and Katherine Schorzman and John A. Schorzman, sister and brother, known to me to be the persons whose names are subscribed to the within and foregoing instrument and acknowledged to me that they 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.

[Signature]

Notary Public in and for Idaho
Residing at Burley, Idaho

My Commission Expires:
February 20, 1970

RECORDED AT THE REQUEST OF
Katherine Schorzman
FEB 28 4 33 PM '69
CASSIA COUNTY, IDAHO
FRANK H. KEARNS
RECORDER
FEE \$2.00
DUPHITY
Shellett, Idaho
83342

212243