Form 42-248(6) 2/14

RECEIVED
MAR 30 2023
DEPARTMENT OF WATER RESOURCES

Completed 4/26/23 AP DE

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Security Interest in a Water Right

and a request to be notified of a change in ownership or any proposed or final action to amend, transfer, or otherwise modify the water right(s)

Attach pages with additional information. Incomplete forms will be returned.

1.

Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.
45-7668			

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

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

D. L. Evans Bank
P. O. Box 87
Twin Falls, ID 83303

Phone 208-736-9300
Email central@dlevans.com

4. Name of Water Right Owner/Claimant(s) Heward Brothers Family Partnership

5. Expiration Date of Notification Period 01/05/2033

6. Is this a Renewal of Request for Notification? ☐ YES ☒ NO

7. Signature(s) of Security Interest Holder(s) William Heward
   Title, if applicable General Partner

For Office Use Only

Receipted by KU Date 3.30.23 Receipt No. C115732 Fee 25.00

Processed by AJ _____ Date _____ WR _____ Date _____

I CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF THE ORIGINAL DOCUMENT

SCANNED
MAY 24 2023

CASSIA COUNTY
RECORDED FOR:
TITLEONE - BURLEY
01:56:47 PM 01-06-2023
2023-000014
NO. PAGES: 6 FEE: $45.00
JOSEPH W. LARSEN
COUNTY CLERK
DEPUTY: CVELASQUEZ
Electronically Recorded by Simplifile

ELECTRONICALLY RECORDED
STAMPED FIRST PAGE NOW
INCORPORATED AS PART OF
THE ORIGINAL DOCUMENT

RECORDATION REQUESTED BY:
D. L. Evans Bank
Rupert Branch
318 S. Oneida
Rupert, ID 83350

WHEN RECORDED MAIL TO:
D. L. Evans Bank
Rupert Branch
318 S. Oneida
Rupert, ID 83350

SEND TAX NOTICES TO:
Heward Brothers Family Partnership
295 East 300 South
Burley, ID 83318

22467609-2

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MORTGAGE

THIS MORTGAGE dated January 5, 2023, is made and executed between Heward Brothers Family Partnership (referred to below as "Grantor") and D. L. Evans Bank, whose address is 318 S. Oneida, Rupert, ID 83350 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, grants, bargains, sells and conveys to Lender 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, watercourses 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 Cassia County, State of Idaho:**

TRACT C

TOWNSHIP 11 SOUTH, RANGE 23 EAST OF THE BOISE MERIDIAN, CASSIA COUNTY, STATE OF IDAHO

Section 25: Part of the SE¼, more particularly described as follows:

Beginning at the Southeast Corner of Section 25, said corner marked by a 5/8 inch rebar over top of a U.S. GOV'T iron pipe which shall be the POINT OF BEGINNING;
Thence North 89°25'04" West along the south line of Section 25 for a distance of 1631.38 feet;
Thence North 00°35'57" East (N 00°30'42" E, Rec.) for a distance of 25.00 feet to a ½ inch rebar;
Thence North 00°35'57" East (N 00°30'42" E, Rec.) for a distance of 428.49 feet (428.55', Rec.) to a ½ inch rebar on the south right-of-way of the "J" Canal;
Thence North 69°07'37" East along said right-of-way for a distance of 370.44 feet to a ½ inch rebar;
Thence South 89°24'03" East for a distance of 1261.65 feet to a ½ inch rebar;
Thence South 89°24'03" East for a distance of 25.00 feet to the east line of Section 25;
Thence South 00°35'57" West along said section line for a distance of 588.61 feet to the POINT OF BEGINNING.

Together with the water rights represented by Idaho State Department of Water Resources Water Right No. 45-7668 with a claimed priority of November 07, 1989 to 0.50 cfs of irrigation water from groundwater together with any and all other water rights and ditch rights appurtenant to the above described premises.

The Real Property or its address is commonly known as RP11S23E258903, Burley, ID 83318. The Real Property tax identification number is RP11S23E258903.

Grantor presently assigns to Lender 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 MORTGAGE, 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 THE NOTE, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due and shall strictly perform all of Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that 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.

Duty to Maintain. Grantor shall maintain the Property in tenantable 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 Mortgage. 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, defend, 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 Mortgage 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 Mortgage, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's

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MAY 24 2023

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SCANNED
MAY 24 2023

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 Mortgage.

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.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any restructuring of the legal entity (whether by merger, division or otherwise) or any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Idaho law.

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

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges 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 any liens having priority over or equal to the interest of Lender under this Mortgage, except for those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

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, materialmen's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds $1,000.00. 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 Mortgage:

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 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 require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of fifteen (15) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. 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 Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain flood insurance, if available, 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. Flood insurance may be purchased under the National Flood Insurance Program, from private insurers providing "private flood insurance" as defined by applicable federal flood insurance statutes and regulations, or from another flood insurance provider that is both acceptable to Lender in its sole discretion and permitted by applicable federal flood insurance statutes and regulations.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds $1,000.00. 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 expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. 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 Mortgage, 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 Mortgage 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 Mortgage 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 Mortgage 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 the occurrence of any Event of Default.

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

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 Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage 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 Lender under this Mortgage, 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 Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

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

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 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 Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage 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 Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage 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 Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, 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 Mortgage as a security agreement are a part of this Mortgage:

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 take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage 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.

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

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

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 rerecorded, 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) Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage 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.

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FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

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

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

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

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage 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 Grantor.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Mortgage 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 Mortgage 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 or termination of Grantor's existence as a going business or the death of any partner, the insolvency of Grantor, the appointment of a receiver for any part of 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 Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if 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 Grantor under the terms of any other agreement between 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 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.

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.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, 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 that Grantor would be required to pay.

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 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 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.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Nonjudicial Sale. If permitted by applicable law, Lender may foreclose Grantor's interest in all or in any part of the Personal Property or the Real Property by non-judicial sale.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

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. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, 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. 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.

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 Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the Indebtedness.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, 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 and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

NOTICES. Any notice required to be given under this Mortgage, 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 Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage 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 Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage 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 Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Governing Law. This Mortgage will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Mortgage 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 Minidoka County, State of Idaho.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Mortgage 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 Mortgage 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 Mortgage. 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 Mortgage, 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 Mortgage 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 Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

Merger. There shall be no merger of the interest or estate created by this Mortgage 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.

Successors and Assigns. Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage 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 Mortgage and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Indebtedness.

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

Waive Jury. All parties to this Mortgage hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

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 Mortgage.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Mortgage. 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 Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means Heward Brothers Family Partnership and includes all co-signers and co-makers signing the Note and all their successors and assigns.

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 6901, 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 Mortgage in the events of default section of this Mortgage.

Grantor. The word "Grantor" means Heward Brothers Family Partnership.

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.

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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 Mortgage, together with interest on such amounts as provided in this Mortgage.

Lender. The word "Lender" means D. L. Evans Bank, its successors and assigns.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender.

Note. The word "Note" means the promissory note dated January 5, 2023, **in the original principal amount of $931,036.50** from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The maturity date of this Mortgage is January 5, 2033. **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. However, should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Personal Property is limited to only those items specifically covered (currently or hereafter) by Coverage A of the standard flood insurance policy issued in accordance with the National Flood Insurance Program or under equivalent coverage similarly issued by a private insurer to satisfy the National Flood Insurance Act (as amended).

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 Mortgage.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, 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; except that the words do not mean any guaranty or environmental agreement, 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.

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

GRANTOR:

HEWARD BROTHERS FAMILY PARTNERSHIP

By: Gerald Lynn Howard
Gerald Lynn Howard, General Partner of Heward Brothers Family Partnership

By: Alan Gene Howard
Alan Gene Heward, General Partner of Heward Brothers Family Partnership

By: William Alex Howard
William Alex Heward, General Partner of Heward Brothers Family Partnership

By: Lorn W Howard
Lorn W Heward, General Partner of Heward Brothers Family Partnership

PARTNERSHIP ACKNOWLEDGMENT

STATE OF Idaho)
) SS
COUNTY OF Cassia)

This record was acknowledged before me on January 5, 2023 by **Gerald Lynn Heward, General Partner of Heward Brothers Family Partnership, an Idaho Partnership; William Alex Heward, General Partner of Heward Brothers Family Partnership, an Idaho Partnership; Alan Gene Heward, General Partner of Heward Brothers Family Partnership, an Idaho Partnership; and Lorn W Heward, General Partner of Heward Brothers Family Partnership, an Idaho Partnership,** and Heward Brothers Family Partnership, an Idaho Partnership, is the maker of the foregoing record.

ANNETTE ROTH
COMMISSION #9314
NOTARY PUBLIC
STATE OF IDAHO

Annette Roth
Notary Public in and for the State of Idaho

My commission expires 8-4-2023

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IDAHO DEPARTMENT OF
WATER RESOURCES

322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little **Director Gary Spackman**

April 28, 2023

D.L. EVANS BANK
P.O. BOX 87
TWIN FALLS ID 83303

RE: Notice of Security Interest for Water Right/Permit No(s): 45-7668

Dear Security Interest Holder:

The Department of Water Resources (Department) acknowledges receipt of correspondence adding security interest of the above referenced water right(s) to you. The Department has modified its records to reflect the change in security interest and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Security Interest, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

If you have any questions concerning the enclosed information, please contact me at (208)287-4921.

Sincerely,

Sidney Palmer

Sidney Palmer
Technical Records Specialist 1

Enclosure(s)

c: HEWARD BROTHERS FAMILY PARTNERSHIP

SCANNED
MAY 2 4 2023

Form 42-248/42-1409(6) Rev. 1/15

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED
JUN 28 2021
DEPT OF WATER RESOURCES
SOUTHERN REGION

Notice of Change in Water Right Ownership

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "*Yes*" in the "*Split?*" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, see #6 of the instructions.

Water Right/Claim No.	Split?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
45-7668	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name: Heward Lands, Ltd.
Name of current water right holder/claimant

3. New Owner(s)/Claimant(s): Heward Brothers Family Partnership
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or ☐ and/or

300 S 295 E | Burley | ID | 83318
Mailing address | City | State | ZIP

Telephone | Email

4. If the water rights and/or adjudication claims were split, how did the division occur?
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.

5. Date you acquired the water rights and/or claims listed above: June 18, 2021.

6. If the water right is leased to the Water Supply Bank changing ownership of a water right will reassign to the new owner any Water Supply Bank leases associated with the water right. Payment of revenue generated from any rental of a leased water right requires a completed IRS Form W-9 for payment to be issued to an owner. A new owner for a water right under lease shall supply a W-9. Water rights with multiple owners must specify a designated lessor, using a completed Lessor Designation form. Beginning in the calendar year following an acknowledged change in water right ownership, compensation for any rental will go to the new owner(s).

7. This form must be signed and submitted with the following **REQUIRED** items:
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
☐ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
☒ Filing fee (see instructions for further explanation):
- $25 per *undivided* water right.
- $100 per *split* water right.
- No fee is required for pending adjudication claims.

☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature: Allen S Heward | Partner | 6-17-21
Signature of new owner/claimant | Title, if applicable | Date

Signature: _____ | _____ | _____
Signature of new owner/claimant | Title, if applicable | Date

For IDWR Office Use Only:
Receipted by SG Date 6/28/21 Receipt No. S038671 Receipt Amt. $100.00
Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐
Name on W-9 _____ Approved by _____ Processed by DM Date 1-12-2022

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JAN 13 2022

RECEIVED
DEC 13 2021
DEPT OF WATER RESOURCES
SOUTHERN REGION

Instrument # 2021004965
BURLEY, CASSIA, IDAHO
9-29-2021 11:35:38 AM No. of Pages: 2
Recorded for : MAY RAMMELL & WELLS
JOSEPH LARSEN Fee: 15.00
Ex-Officio Recorder Deputy
Index to: DEED

QUITCLAIM DEED

For the value received, Heward Lands, LTD., limited partnership, an Idaho limited partnership, also shown as record as Heward Land LTD, does hereby convey, release, remise, and forever quitclaim unto Heward Brothers Family Partnership, an Idaho general partnership, whose current address is 295 E. 300 S. Burley, Idaho, 83318, the Grantee, the following described premises in Cassia County, Idaho to wit:

SEE EXHIBIT A.

To have and to hold the said premises, with their appurtenances unto the said grantee, its successors and assigns forever.

Dated this 29th day of September, 2021.

G. Lynn Heward
G Lynn Heward, an authorized partner

STATE OF IDAHO)
)
County of Cassia)

This Quitclaim Deed was acknowledged before me on this 29th day of September, 2021.

STEPHANIE HOBBS
COMMISSION #20181709
NOTARY PUBLIC
STATE OF IDAHO
MY COMMISSION EXPIRES 09/07/2024

Stephanie Hobbs
NOTARY PUBLIC FOR IDAHO
Residing at Paul, ID

Gwen Brower
Gwen Brower, an authorized partner

STATE OF IDAHO)
)
County of Cassia)

This Quitclaim Deed was acknowledged before me on this 29th day of September, 2021.

STEPHANIE HOBBS
COMMISSION #20181709
NOTARY PUBLIC
STATE OF IDAHO
MY COMMISSION EXPIRES 09/07/2024

Stephanie Hobbs
NOTARY PUBLIC FOR IDAHO
Residing at Paul, ID

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JAN 13 2022

EXHIBIT A

Part of the SE¼ of Section 25 in Township 11 South, Range 23
East of the Boise Meridian, Cassia County, State of Idaho.
Beginning at the Southeast Corner of Section 25 in T.11 S., R.23 E., B.M. said corner marked by a ⅝" rebar over top of a U.S.
GOV'T iron pipe which shall be the Point of Beginning;
THENCE North 89 degrees 25 minutes 04 seconds West along the south line of Section 25 for a distance of 1631.38 feet;
THENCE North 00 degrees 35 minutes 57 seconds East (N 00°30' '42" E, Rec.) for a distance of 25.00 feet to a ½" rebar;
THENCE North 00 degrees 35 minutes 57 seconds East (N 00°30'42" E, Rec.) for a distance of 428.49 feet (428.55', Rec.) to a½" rebar on the south right of way of the "J" Canal;
THENCE North 69 degrees 07 minutes 37 seconds East along said right of way for a distance of 1295.18 feet to a ½" rebar;
THENCE North 88 degrees 21 minutes 12 seconds East for a distance of 71.74 feet to a ½" rebar;
THENCE South 00 degrees 05 minutes 12 seconds West for a distance of 172.46 feet to a ½" rebar;
THENCE South 23 degrees 25 minutes 59 seconds East for a distance of 162.98 feet to a ½" rebar;
THENCE South 89 degrees 24 minutes 03 seconds East for a distance of 261.49 feet to a ½" rebar;
THENCE South 89 degrees 24 minutes 03 seconds East for a distance of 25.00 feet to the east line of Section 25;
THENCE South 00 degrees 35 minutes 57 seconds West along, said section line for a distance of 608.61 feet to the Point of Beginning.

Said property contains 25.70 acres more or less and is subject to a county road right of way along the east and south sides and is subject to any other easements or right of ways, existing or of record.

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JAN 13 2022

CASSIA COUNTY
RECORDED FOR:
TITLEONE - TWIN FALLS
03:11:47 PM 06-18-2021
2021-003200
NO. PAGES: 5 FEE: $15.00
JOSEPH W. LARSEN
COUNTY CLERK
DEPUTY: EV
Electronically Recorded by Simplifile

TitleOne
a title & escrow co.

Order Number: 21408255

Warranty Deed

For Value Received,

Heward Lands, Limited LLC, an Idaho limited liability company, the Grantor, does hereby grant, bargain sell and convey unto, **Heward Brothers Family Partnership, an Idaho general partnership**, whose current address is **295 E 300 S, Burley, ID 83318,** the Grantee, the following described premises, in **Cassia County, Idaho,** To Wit:

PARCEL NO. 1:
TOWNSHIP 11 SOUTH, RANGE 23 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 11: W½NE¼ SAVE AND EXCEPT the following described parcel;

Beginning at the Northwest corner of said W½NE¼ which shall be the True Point of Beginning;
Thence East 42 Rods;
Thence South 33 Rods;
Thence West 42 Rods;
Thence North 33 Rods to the True Point of Beginning.

PARCEL NO. 2:
TOWNSHIP 11 SOUTH, RANGE 23 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 11: E½NW¼ SAVE AND EXCEPT the following described tracts:

Tract No. 1:
Part of the NE¼NW¼ described as follows:

Beginning at the Northeast corner of the NE¼NW¼ of Said Section 11;

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JAN 13 2022

Thence West 200 feet;
Thence South 200 feet;
Thence East 200 feet;
Thence North 200 feet to the Point of Beginning.

Tract No. 2:
Part of the E½NW¼ described as follows:

Beginning at the Northwest corner of the E½NW¼ of said Section 11;
Thence South 150 feet along the boundary line of said E½NW¼;
Thence East 200 feet parallel to the North boundary of said Section 11;
Thence South 50 feet parallel to the West boundary of said Section 11;
Thence East l00 feet parallel to the North boundary of said Section 11;
Thence North 200 feet to the northerly boundary of said Section 11 and parallel to the westerly boundary of said Section 11;
Thence Westerly 300 feet along the North boundary of said Section 11 to the Point of Beginning.

PARCEL NO. 3:
TOWNSHIP 11 SOUTH, RANGE 23 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 26: NW¼NE¼ SAVE AND EXCEPT the following described tract:

Beginning at the Northeast corner of the NW¼NE¼ of Section 26, Township 11 South, Range 23 East, Boise Meridian said corner marked by a P.K. Nail which shall be the Point of Beginning;
Thence South 1°03'35" West along the East line of the NW¼NE¼ for 415.20 feet to a ½ inch rebar;
Thence North 87°46'11" West for 203.64 feet to a ½ inch rebar;
Thence North 1°03'55" East for 409.85 feet to a P.K. Nail on section line;
Thence South 89°16'30" East along section line for 203.60 feet to the Point of Beginning.

EASEMENT NO. 1:
A 25 foot wide ingress and egress easement for the benefit of Parcel No. 3 as created by Warranty Deed from John M. Heward And Phyllis E. Heward, husband and wife to Heward Brothers, a partnership consisting of G. Lynn Heward, William A. Heward, Alan G. Heward and Lorn W. Heward, dated January 24, 1990 and recorded February 7, 1990 as Instrument No. 206085 on Film No. 213, records of Cassia County, Idaho along the West side of the following:

TOWNSHIP 11 SOUTH, RANGE 23 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 26: Part of the NW¼NE¼, more particularly described as follows:

Beginning at the Northeast corner of the NW¼NE¼ of Section 26, Township 11 South, Range 23 East, Boise Meridian, said corner marked by a P.K. Nail which shall be the Point of Beginning;
Thence South 1°03'35" West along the East line of the NW¼NE¼ for 415.20 feet to a ½ inch rebar;
Thence North 87°46'11" West for 203.64 feet to a ½ inch rebar;
Thence North 1°03'55" East for 409.85 feet to a P.K. Nail on section line;
Thence South 89°16'30" East along section line for 203.60 feet to the Point of Beginning.

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JAN 13 2022

PARCEL NO. 4:
TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 31: Lots 1 and 2 and the W½E½NW¼

PARCEL NO. 5:
TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 30: That part of the SE¼NE¼SW¼ lying South of the canal

PARCEL NO. 6:
TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 30: That part of the SE¼SW¼ lying South and East of the Third Lift Canal

PARCEL NO. 7:
TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 30: That part of the SW¼SW¼ lying South of the canal

PARCEL NO. 8:
TOWNSHIP 11 SOUTH, RANGE 23 EAST OF THE BOISE MERIDIAN,
CASSIA COUNTY, IDAHO

Section 11: Part of the NW¼NE¼, more particularly described as follows:

Beginning at the North ¼ section corner of said Section 11, said corner marked by a 3 inch Cassia County survey cap; Thence South 88°55'30" E along the section line for 354.96 feet to a P. K. NAIL which shall be the POINT OF BEGINNING:
Thence South 0°37'18" East for 522.23 feet to a ½ inch rebar;
Thence North 88°24'16" West for 355.07 feet to a ½ inch rebar on the West line of the NW¼NE¼;
Thence South 0°37'18" East (South rec.) for 25. 50 feet to a ½ inch rebar;
Thence South 88°55'30" East (East rec.) for 330.00 feet (20 rods rec.) to a ½ inch rebar:
Thence continuing South 88°55'30" East (East rec.) for 363.00 feet (22 rod rec.);
Thence North 0°37'18" West (North rec.) for 544.50 feet (33 rod rec.) to a point on the North line of said Section 11;
Thence North 88°55'30" West (West rec.) along the section line for 104.21 feet to a P. K. nail;
Thence South 0°30'53" West for 358.60 feet to a ½ inch rebar;
Thence North 89°09'54" West for 153.48 feet to a ½ inch rebar;
Thence North 0°48'28" East for 359.23 feet to a P. K. nail on the North section line;
Thence North 88°55'30" West (West rec.) along the section line for 82.18 feet to the POINT OF BEGINNING.

SAVE AND EXCEPT the following described tracts:

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JAN 13 2022

Tract No. 1:

Beginning at the North quarter section corner of said Section 11, said corner marked by a 3 inch Cassia County survey cap; Thence South 88°55'30" East along the section line for 354.96 feet to a P.K. Nail which shall be the Point of Beginning;
Thence South 00°37'18" East for a distance of 258.66 feet;
Thence South 88°55'30" East for a distance of 75.72 feet;
Thence North 00°48'28" East for a distance of 258.66 feet;
Thence North 88°55'30" West for a distance of 82.18 feet to the Point of Beginning.

Tract No. 2:

Beginning at the North ¼ corner of said Section 11, said corner marked by a 3 inch Cassia County Survey cap; Thence South 88°55'30" East along the North section line for a distance of 437.14 feet to a P.K. Nail;
Thence South 00°48'28" West for a distance of 258.66 feet to a ½ inch rebar which shall be the Point of Beginning;
Thence South 00°48'28" West for a distance of 100.57 feet;
Thence North 89°09'54" West for a distance of 73.21 feet;
Thence North 00°37'18" West for a distance of 100.92 feet;
Thence South 88°55'30" East for a distance of 75.72 feet to the Point of Beginning.

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, its successors and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that Grantor is the owner in fee simple of said premises; that they are free from all encumbrances EXCEPT those to which this conveyance is expressly made subject and those made, suffered or done by the Grantee; and subject to all existing patent reservations, easements, right(s) of way, protective covenants, zoning ordinances, and applicable building codes, laws and regulations, general taxes and assessments, including irrigation and utility assessments (if any) for the current year, which are not due and payable, and that Grantor will warrant and defend the same from all lawful claims whatsoever. Whenever the context so requires, the singular number includes the plural.

Remainder of this page intentionally left blank.

SCANNED
JAN 13 2022

Dated: June 18, 2021

Heward Lands, Limited LLC, an Idaho limited liability company

BY: G. Lynn Heward
G. Lynn Heward, authorized Member

BY: Gwen Brower
Gwen Brower, authorized member

State of Idaho, County of Cassia, ss.

On this 18 day of June 2021, before me, the undersigned, a Notary Public in and for said State, personally appeared G Lynn Heward, known or identified to me to be an authorized member of Heward Lands Limited LLC the limited liability company that executed the within instrument and acknowledged to me that he executed the same for and on behalf of said limited liability company and that such limited liability company executed it.

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

Annette Roth
Notary Public for Idaho
Residing In: Rupert Id
My Commission Expires: 8-4-2023

ANNETTE ROTH
COMMISSION #9314
NOTARY PUBLIC
STATE OF IDAHO

State of Idaho, County of Cassia, ss.

On this 18 day of June 2021, before me, the undersigned, a Notary Public in and for said State, personally appeared Gwen Brower, known or identified to me to be an authorized member of Heward Lands Limited LLC the limited liability company that executed the within instrument and acknowledged to me that she executed the same for and on behalf of said limited liability company and that such limited liability company executed it.

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

Annette Roth
Notary Public for Idaho
Residing In: Rupert Id
My Commission Expires: 8-4-2023

ANNETTE ROTH
COMMISSION #9314
NOTARY PUBLIC
STATE OF IDAHO

SCANNED
JAN 13 2022

0003510258

STATE OF IDAHO
Office of the secretary of state, Lawerence Denney
AMENDMENT TO STATEMENT OF PARTNERSHIP AUTHORITY
Idaho Secretary of State
PO Box 83720
Boise, ID 83720-0080
(208) 334-2301
Filing Fee: $30.00 - Make Checks Payable to Secretary of State

For Office Use Only
-FILED-
File #: 0003510258
Date Filed: 5/14/2019 2:23:54 PM

Amendment to Statement of Partnership Authority

Standard or Expedited Service (select one)	Standard (filing fee $30)
The current name of the general partnership is:	HEWARD BROTHERS PARTNERSHIP
Change General Partnership Name?	I want to change the name of the general partnership
The file number of this entity on the records of the Idaho Secretary of State is:	0003495119
The date the statement of partnership authority was originally filed:	2019-04-26 16:36:24.043

General Partnership Name

New entity name:	HEWARD BROTHERS FAMILY PARTNERSHIP

The complete street address of the principal office is:

Principal Office Address	295 E 300 S BURLEY, ID 83318

Names and street addresses of each partner:

Name	Business Address
G. Lynn Heward	295 E 300 S BURLEY, ID 83318
William Heward	442 MTN VIEW LANE BURLEY, ID 83318
Alan G Heward	282 E 300S BURLEY, ID 83318
Lorn Heward	282 E 300S BURLEY, ID 83318

The names of the partners authorized to execute an instrument transferring real property held in the name of the partnership:

☐ I want to update the list of partners authorized to execute an instrument transferring real property held in the name of the partnership.

Signature of individual authorized by partners to sign:

Lynn Heward — Sign Here
05/14/2019 — Date

Signer's Title: Partner

B0252-7234 05/14/2019 2:23 PM Received by ID Secretary of State Lawerence Denney

SCANNED
JAN 13 2022

227

CERTIFICATE OF ASSUMED BUSINESS NAME

FILED EFFECTIVE

Pursuant to Section 53-504, Idaho Code, the undersigned submits for filing a certificate of Assumed Business Name.

2005 SEP 16 AM 9:21

Please type or print legibly.
NOTE: See instructions on reverse before filing.

SECRETARY OF STATE
STATE OF IDAHO

1. The assumed business name which the undersigned use(s) in the transaction of business is:

HEWARD BROTHERS FAMILY PARTNERSHIP

2. The true name(s) and business address(es) of the entity or individual(s) doing business under the assumed business name:

Name	Complete Address
G. Lynn Heward, Anita Heward	Alan G. Heward, Melody Heward
William A. Heward, Sherrie Heward	282 E 300 S
Lorn W. Heward, Danette Heward	Burley Id 83318

3. The general type of business transacted under the assumed business name is:

- ☐ Retail Trade
- ☐ Wholesale Trade
- ☐ Services
- ☐ Manufacturing
- ☐ Finance, Insurance, and Real Estate
- ☐ Transportation and Public Utilities
- ☐ Construction
- ☒ Agriculture
- ☐ Mining

Submit Certificate of Assumed Business Name and **$25.00** fee to:

Secretary of State
700 West Jefferson
Basement West
PO Box 83720
Boise ID 83720-0080
208 334-2301

4. The name and address to which future correspondence should be addressed:

G. Lynn Heward

~~282 East~~ 300 South
Burley, ID 83318

Phone number (optional):

5. Name and address for this acknowledgment copy is (if other than # 4 above):

Signature: G. Lynn Heward
(signature required)

Printed Name: (see attached for all signatures)

Capacity/Title:

(see instruction # 8 on back of form)

g:\corp\formslabn forms\abn p65
Revised 04/2003

Secretary of State use only

091728

IDAHO SECRETARY OF STATE
09/16/2005 05:00
CK: 12551 CT: 2521 BH: 912095
1 @ 25.00 = 25.00 ASSUM NAME # 2

SCANNED
JAN 13 2022

HEWARD BROTHERS FAMILY PARTNERSHIP

BY: _____
G. LYNN HEWARD

Anita Heward
ANITA HEWARD

William A Heward
WILLIAM A. HEWARD

Sherrie Heward
SHERRIE HEWARD

Lorn W Heward
LORN W. HEWARD

Danette Heward
DANETTE HEWARD

Alan G Heward
ALAN G. HEWARD

Melody Heward
MELODY HEWARD

SCANNED
JAN 13 2022

Form 42-248(6) 2/14

RECEIVED
JUN 28 2021
DEPT OF WATER RESOURCES
SOUTHERN REGION

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Security Interest in a Water Right

and a request to be notified of a change in ownership or any proposed or final action to amend, transfer, or otherwise modify the water right(s)

Attach pages with additional information. Incomplete forms will be returned.

1.

Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.
45-7668			

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

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

Shawpatin AgCap, LLC
PO Box 446
Twin Falls, Idaho 83303-0446

Phone 208-293-9110
Email shawpatinagcap@gmail.com

4. Name of Water Right Owner/Claimant(s) Heward Brothers Family Partnership

5. Expiration Date of Notification Period June 1, 2051

6. Is this a Renewal of Request for Notification? ☐ YES ☒ NO

7. Signature(s) of Security Interest Holder(s) Shawpatin AgCap, LLC by: Leslie Iversen, Member
   Title, if applicable Member

For Office Use Only

Receipted by SG Date 6/28/21 Receipt No. 5038671 Fee $100.00

Processed by AJ Date WR DM Date 1-12-2022

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JAN 13 2022

CASSIA COUNTY
RECORDED FOR:
TITLEONE - TWIN FALLS
03:11:47 PM 06-18-2021
2021-003201
NO. PAGES: 20 FEE: $45.00
JOSEPH W. LARSEN
COUNTY CLERK
DEPUTY: EV
Electronically Recorded by Simplifile

After Recording Return To:
Shawpatin AgCap, LLC
PO Box 446
Twin Falls, ID 83303-0446
Leslie Iversen

[Space Above This Line For Recording Data] 21408255

MORTGAGE
Security Agreement, Assignment of Rents and Fixture Filing

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in certain Sections of this document. Certain rules regarding the usage of words used in this document are also provided in Section 13.

(A) "Security Instrument" means this document, which is dated **June 17, 2021**, together with all Riders to this document.

(B) "Borrower" is **Heward Brothers Family Partnership, an ID general partnership.**

(C) "Lender" is **Shawpatin AgCap, LLC** . Lender is a **limited liability corporation** organized and existing under the laws of **Idaho**. Lender's address is **PO Box 446 Twin Falls, ID 83303-0446**. Lender is the beneficiary under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated **June 17, 2021**. The Note states that Borrower owes Lender) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **May 1, 2051**.

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

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SCANNED
JAN 13 2022

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" mean all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

☒ Irrigation Equipment Rider	☒ Water Rights Rider
☐ Financial Information and Covenants Rider	☐ Permitted Prior Encumbrance Rider
☐ Mortgage Insurance Rider	☐ Other(s):
☒ Adjustable Rate Rider	

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(I) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(J) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 4) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(K) "Periodic Payment" means the regularly scheduled amount due for principal and interest under the Note.

(L) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants, bargains, sells and conveys to Lender the following described property located in the **County** [Type of Recording Jurisdiction] of **Cassia** [Name of Recording Jurisdiction]:

See Exhibit "A" attached hereto and made a part hereof.

which currently has the address of

300South 350 East, 600 South 350 East, & 700 South 350 East
Burley, Idaho 83318
("Property Address"):

subject only to those matters set forth in the Permitted Prior Encumbrance Rider, if said rider is attached (hereafter "Permitted Prior Encumbrances");

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TOGETHER WITH all buildings, improvements, equipment, fixtures and permanent plantings located therein or thereon or appurtenant thereto, and all additions, replacements, and improvements hereafter made thereto or placed therein or thereon; all rights-of-way, easements, rents, issues, profits, income, proceeds and general intangibles there from, tenements, hereditaments, remainders, reversions, privileges and appurtenances thereunto belonging, however evidenced which are used or enjoyed in connection with the real property now or hereafter owned or belonging to the same or which hereafter may be acquired and so used or enjoyed;

TOGETHER WITH all water and water rights now owned or hereafter acquired by Borrower and howsoever evidenced, including but not limited to any water rights specifically described in the Water Rights Rider if said rider is attached hereto, whether such water and water rights are riparian, appropriative or otherwise and whether or not appurtenant to the real property, along with all ditch and ditch rights and any shares of stock, licenses, permits and contracts evidencing such water or ditch rights, and all wells, reservoirs, dams, embankments or fixtures relating thereto;

TOGETHER WITH all personal property, including all windmills, pumps, irrigation equipment, motors, engines, and devices of every kind now or hereafter used for or in connection with the irrigation of the real property, or for stock watering or domestic purposes thereon, and all grain bins and storage bins, which are owned by Borrower and which are located on the real property in **Cassia** County, **Idaho**, described above together with all additional accessions, replacements, improvements, repairs and substitutions to said property and the proceeds thereof and all other fixtures now or hereafter located upon the real property, all of which are declared to be appurtenant to said real property, or incident to the ownership thereof, or used in connection therewith;

TOGETHER WITH all judgments, awards of damages, settlements and payments or security (i) hereafter made as a result of or in lieu of any taking of all or any part of the real property under the power of eminent domain or for any damage to the real property and/or the improvements located thereon, or any part thereof, and (ii) hereafter made for any damage to the real property and/or the improvements located thereon, or any part thereof resulting from exercise of or attempted exercise of mining rights or claims, however reserved or asserted, and resulting from the disturbance of any of the surface of the real property. Borrower does hereby covenant and agree that Borrower will not give such consent as may be required of the owner for mining or other surface disturbance by the terms of any patent, deed, statute, law or otherwise, without the prior written consent of Lender;

TOGETHER WITH all proceeds of and any unearned premiums on any insurance policies covering the real property and/or the improvements located thereon, including, without limitation, the right to receive and apply the proceeds of any insurance judgments, or settlements made in lieu thereof, for damage to the real property and/or the improvements located thereon or the indebtedness secured thereby;

TOGETHER WITH all contract rights, chattel paper, documents, accounts and general intangibles, rights to performance, entitlement to payment in cash or in kind, or any other benefits under any current or future governmental program which pertain to the real property, whether now or hereafter existing or acquired;

TOGETHER WITH all cash and noncash proceeds of the conversion, voluntary or involuntary, of any of the foregoing;

TOGETHER WITH any and all of Borrower's right, title, and/or interest in any and all system memberships and/or ownership certificates in any non-municipal water sewer systems now or in the future serving said property.

All replacements and additions shall also be covered by this Security Instrument.

All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to

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grant and convey the Property and that the Property is unencumbered, except for encumbrances of record and specifically those permitted prior encumbrances, if any, set forth in the Permitted Prior Encumbrances Rider if said rider is attached to this Security Instrument. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property, fixtures, and certain personal property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Prepayment Charges, Yield Maintenance Premiums and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any yield maintenance premiums, any prepayment charges and late charges due under the Note. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 12. Lender may return any payment or partial payment if the payment or partial payment is insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payment in the future, but Lender is not obligated to apply such payments at the time such payments are accepted Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Unless required by Applicable Law, payments will be applied first to accrued unpaid interest, then to accrued unpaid principal, then to any unpaid collection costs and late charges and any remaining amount to principal. Such payments shall be applied to each Periodic Payment in the order in which it became due..

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a

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lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 3.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

4. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, such failure shall constitute a default under the terms of this Security Instrument and the Loan. Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 4 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 25 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument,

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and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

5. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 4 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Borrower will operate the Property in a good and workmanlike manner and in accordance with all Applicable Law and will pay all fees and charges of any kind in connection therewith. Borrower will use good farming and animal husbandry practices.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

6. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan.

7. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding, (d) perform any farming operations related to the planting, growing, maintenance, and harvesting of crops located on the Property, and (e) perform any ranching operations related to any animals located on the Property. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 7, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 7. Lender may perform these or any other actions it deems necessary in Lender's sole discretion to preserve the value of the Property, and/or assign to others the right to do same on behalf of Lender. Lender may make advances under this security instrument or other instrument providing security for the Note, to protect the Lender's interest in this security instrument or other instrument providing security for the Note from loss of value or damage. Any money so advanced (including reasonable costs of recovery and attorneys' fees) plus interest at the default rate indicated in the Note shall become an obligation due and owing under the terms of the Note immediately upon the date advanced by Lender and is an obligation of the Borrower secured by the security instrument or other instrument providing security for the Note.

Any amounts disbursed by Lender under this Section 7 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

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If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

8. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 16, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

9. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand

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made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

10. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 15, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 17) and benefit the successors and assigns of Lender.

11. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

12. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

13. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

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As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

14. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

15. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 15, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 12 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

16. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 15.

17. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 12) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 25 and the notice of acceleration given to Borrower pursuant to Section 15 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 17.

18. Hazardous Substances. As used in this Section 18: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

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Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

19. Additional Property Subject To The Security Instrument. This Security Instrument also constitutes a security agreement within the meaning of the Uniform Commercial Code as adopted in the State of **Idaho** (the "UCC"). In addition to the Property described in the Security Instrument, the following items now or hereafter attached to the Property to the extent they are fixtures are added to the Property description, and shall also constitute the Property covered by the Security Instrument: building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with the Property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, attached mirrors, cabinets, paneling, attached floor coverings, irrigation pipes and pumps, livestock fencing and pens, windmills and related equipment and pumps, grain bins and storage bins and specifically: **All Water Rights appurtenant to attached Exhibit "A", including but not limited to IDWR Water Right No. 45-7668, Southwest Irrigation District Water and 406.11 acres of Burley Irrigation District Water.**

All irrigation equipment appurtenant to attached Exhibit "A", including but not limited to two seven tower Valley center pivots, four tower Zimmatic center pivot, and a wheel line irrigation system., all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by the Security Instrument. All of the foregoing together with the Property described in the Security Instrument (or the leasehold estate if the Security Instrument is on a leasehold) are referred to in this Security Instrument as the "Property."

20. Fixture Filing. This Security Instrument constitutes a "fixture filing" for the purposes of the UCC against all of the Property which is or is to become fixtures per the UCC.

21. Use of Property; Compliance With Law. Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

22. Assignment of Leases. Upon Lender's request after default, Borrower shall assign to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon the assignment, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph , the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

23. Assignment of Rents; Appointment of Receiver; Lender In Possession. Borrower absolutely and unconditionally assigns and transfers to Lender all the rents and revenues ("Rents") of the Property, regardless of to whom the Rents of the Property are payable. Borrower authorizes Lender or Lender's agents to collect the Rents, and agrees that each tenant of the Property shall pay the Rents to Lender or Lender's agents. However, Borrower shall receive the Rents until (i) Lender has given Borrower notice of default pursuant to Sections 12 and 25 of the Security Instrument and (ii) Lender has given notice to the tenant(s) that the Rents are to be paid to Lender or Lender's agent. This assignment of Rents constitutes an absolute assignment and not an assignment for additional security only.

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If Lender gives notices of default to Borrower: (i) all Rents received by Borrower shall be held by Borrower as trustee for the benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the Rents of the Property; (iii) Borrower agrees that each tenant of the Property shall pay all Rents due and unpaid to Lender or Lender's agents upon Lender's written demand to the tenant; (iv) unless applicable law provides otherwise, all Rents collected by Lender or Lender's agents shall be applied first to the costs of taking control of and managing the Property and collecting the Rents, including, but not limited to, attorneys' fees, receiver's fees, premiums on receiver's bonds, repair and maintenance costs, insurance premiums, taxes, assessments and other charges on the Property, and then to the sums secured by the Security Instrument; (v) Lender, Lender's agents or any judicially appointed receiver shall be liable to account for only those Rents actually received; and (vi) Lender shall be entitled to have a receiver appointed to take possession of and manage the Property and collect the Rents and profits derived from the Property without any showing as to the inadequacy of the Property as security.

If the Rents of the Property are not sufficient to cover the costs of taking control of and managing the Property and of collecting the Rents any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by the Security Instrument pursuant to Section 7 of the Security Instrument.

Borrower represents and warrants that Borrower has not executed any prior assignment of the Rents and has not performed, and will not perform, any act that would prevent Lender from exercising its rights under this paragraph.

Lender, or Lender's agents or a judicially appointed receiver, shall not be required to enter upon, take control of or maintain the Property before or after giving notice of default to Borrower. However, Lender, or Lender's agents or a judicially appointed receiver, may do so at any time when a default occurs. Any application of Rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of Rents of the Property shall terminate when all the sums secured by the Security Instrument are paid in full.

24. Cross-Default Provision. Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

25. Remedies on Default. In some instances, federal and state law will require Lender to provide Borrower with notice of the right to cure, mediation notices or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Note and foreclosure this Security Instrument in a manner provided by law if Borrower is in default. At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the Note, other evidences of debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether expressly set forth or not. The acceptance by Lender of any sum in payment or partial payment on the Note after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy on Borrower's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

26, Redemption. The period of redemption after sale on foreclosure shall be one year if the real property sold consisted of a tract of land of more than twenty (20) acres, and within six (6) months after the sale if the real property sold consisted of a tract of land of twenty (20) acres or less. Any agreement to extend the redemption period must be in writing.

27. Release. Upon payment of all sums secured by this Security Instrument, Lender shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for releasing the Property, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

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JAN 13 2022

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

NOTICE

UNDER IDAHO LAW, ANY PROMISE BY THE BANK TO GRANT OR EXTEND EXISTING CREDIT TO YOU MUST BE IN WRITING TO BE LEGALLY BINDING UPON THE BANK IF THE ORIGINAL AMOUNT OF SUCH CREDIT IS $50,000 OR MORE.

Heward Brothers Family Partnership, an ID general partnership

Alan S Heward 6-17-21
Signature Date

Alan G. Heward, Partner

[Sign Originals Only]

STATE OF IDAHO
COUNTY OF Cassia

Before me, the undersigned authority, on this day personally appeared **Alan G. Heward, Partner of Heward Brothers Family Partnership, on behalf of said general partnership,** known or proved to me according to law to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she/they voluntarily executed the same for the purposes of consideration therein expressed, and in the capacity stated.

Given under my hand and seal this 17 day of June, 2021.

Annette Roth
Notary, State of Idaho

Printed Name: Annette Roth
My Commission Expires: 8-4-2023

ANNETTE ROTH
COMMISSION #9314
NOTARY PUBLIC
STATE OF IDAHO

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JAN 13 2022

Exhibit "A"

Legal Description For

300South 350 East, 600 South 350 East, & 700 South 350 East
Burley, Idaho 83318

PARCEL NO. 1:

TOWNSHIP 11 SOUTH, RANGE 23 EAST OF THE BOISE MERIDIAN,CASSIA COUNTY, IDAHO

Section 11: W½NE¼ SAVE AND EXCEPT the following described parcel;

Beginning at the Northwest corner of said W½NE¼ which shall be the True Point of Beginning;
Thence East 42 Rods;
Thence South 33 Rods;
Thence West 42 Rods;
Thence North 33 Rods to the True Point of Beginning.

PARCEL NO. 2:

TOWNSHIP 11 SOUTH, RANGE 23 EAST OF THE BOISE MERIDIAN, CASSIA COUNTY, IDAHO

Section 11: E½NW¼ SAVE AND EXCEPT the following described tracts:

Tract No. 1:
Part of the NE¼NW¼ described as follows:

Beginning at the Northeast corner of the NE¼NW¼ of Said Section 11;
Thence West 200 feet;
Thence South 200 feet;
Thence East 200 feet;
Thence North 200 feet to the Point of Beginning.

Tract No. 2:
Part of the E½NW¼ described as follows:

Beginning at the Northwest corner of the E½NW¼ of said Section 11;
Thence South 150 feet along the boundary line of said E½NW¼;
Thence East 200 feet parallel to the North boundary of said Section 11;

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JAN 13 2022

Thence South 50 feet parallel to the West boundary of said Section 11;
Thence East 100 feet parallel to the North boundary of said Section 11;
Thence North 200 feet to the northerly boundary of said Section 11 and parallel to the westerly boundary of said Section 11;
Thence Westerly 300 feet along the North boundary of said Section 11 to the Point of Beginning.

PARCEL NO. 3:

TOWNSHIP 11 SOUTH, RANGE 23 EAST OF THE BOISE MERIDIAN, CASSIA COUNTY, IDAHO

Section 26: NW¼NE¼ SAVE AND EXCEPT the following described tract:

Beginning at the Northeast corner of the NW¼NE¼ of Section 26, Township 11 South, Range 23 East, Boise Meridian said corner marked by a P.K. Nail which shall be the Point of Beginning;
Thence South 1°03'35" West along the East line of the NW¼NE¼ for 415.20 feet to a ½ inch rebar;
Thence North 87°46'11" West for 203.64 feet to a ½ inch rebar;
Thence North 1°03'55" East for 409.85 feet to a P.K. Nail on section line;
Thence South 89°16'30" East along section line for 203.60 feet to the Point of Beginning.

EASEMENT NO. 1:

A 25 foot wide ingress and egress easement for the benefit of Parcel No. 3 as created by Warranty Deed from John M. Heward And Phyllis E. Heward, husband and wife to Heward Brothers, a partnership consisting of G. Lynn Heward, William A. Heward, Alan G. Heward and Lorn W. Heward, dated January 24, 1990 and recorded February 7, 1990 as Instrument No. 206085 on Film No. 213, records of Cassia County, Idaho along the West side of the following:

TOWNSHIP 11 SOUTH, RANGE 23 EAST OF THE BOISE MERIDIAN, CASSIA COUNTY, IDAHO

Section 26: Part of the NW¼NE¼, more particularly described as follows:

Beginning at the Northeast corner of the NW¼NE¼ of Section 26, Township 11 South, Range 23 East, Boise Meridian, said corner marked by a P.K. Nail which shall be the Point of Beginning;
Thence South 1°03'35" West along the East line of the NW¼NE¼ for 415.20 feet to a ½ inch rebar;
Thence North 87°46'11" West for 203.64 feet to a ½ inch rebar;
Thence North 1°03'55" East for 409.85 feet to a P.K. Nail on section line;
Thence South 89°16'30" East along section line for 203.60 feet to the Point of Beginning.

PARCEL NO. 4:

TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE BOISE MERIDIAN,CASSIA COUNTY, IDAHO

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JAN 13 2022

Section 31: Lots 1 and 2 and the W½E½NW¼

PARCEL NO. 5: TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE BOISE MERIDIAN,CASSIA COUNTY, IDAHO

Section 30: That part of the SE¼NE¼SW¼ lying South of the canal

PARCEL NO. 6:

TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE BOISE MERIDIAN,CASSIA COUNTY, IDAHO

Section 30: That part of the SE¼SW¼ lying South and East of the Third Lift Canal

PARCEL NO. 7:

TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE BOISE MERIDIAN, CASSIA COUNTY, IDAHO

Section 30: That part of the SW¼SW¼ lying South of the canal

PARCEL NO. 8:

TOWNSHIP 11 SOUTH, RANGE 23 EAST OF THE BOISE MERIDIAN,CASSIA COUNTY, IDAHO

Section 11: Part of the NW¼NE¼, more particularly described as follows:

Beginning at the North ¼ section corner of said Section 11, said corner marked by a 3 inch Cassia County survey cap;
Thence South 88°55'30" E along the section line for 354.96 feet to a P. K. NAIL which shall be the POINT OF BEGINNING:
Thence South 0°37'18" East for 522.23 feet to a ½ inch rebar;
Thence North 88°24'16" West for 355.07 feet to a ½ inch rebar on the West line of the NW¼NE¼;
Thence South 0°37'18" East (South rec.) for 25. 50 feet to a ½ inch rebar;
Thence South 88°55'30" East (East rec.) for 330.00 feet (20 rods rec.) to a ½ inch rebar:
Thence continuing South 88°55'30" East (East rec.) for 363.00 feet (22 rod rec.);
Thence North 0°37'18" West (North rec.) for 544.50 feet (33 rod rec.) to a point on the North line of said Section 11;
Thence North 88°55'30" West (West rec.) along the section line for 104.21 feet to a P. K. nail;
Thence South 0°30'53" West for 358.60 feet to a ½ inch rebar;
Thence North 89°09'54" West for 153.48 feet to a ½ inch rebar;
Thence North 0°48'28" East for 359.23 feet to a P. K. nail on the North section line;
Thence North 88°55'30" West (West rec.) along the section line for 82.18 feet to the POINT OF BEGINNING.

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JAN 13 2022

SAVE AND EXCEPT the following described tracts:

Tract No. 1:

Beginning at the North quarter section corner of said Section 11, said corner marked by a 3 inch Cassia County survey cap;
Thence South 88°55'30" East along the section line for 354.96 feet to a P.K. Nail which shall be the Point of Beginning;
Thence South 00°37'18" East for a distance of 258.66 feet;
Thence South 88°55'30" East for a distance of 75.72 feet;
Thence North 00°48'28" East for a distance of 258.66 feet;
Thence North 88°55'30" West for a distance of 82.18 feet to the Point of Beginning.

Tract No. 2:

Beginning at the North ¼ corner of said Section 11, said corner marked by a 3 inch Cassia County Survey cap;
Thence South 88°55'30" East along the North section line for a distance of 437.14 feet to a P.K. Nail;
Thence South 00°48'28" West for a distance of 258.66 feet to a ½ inch rebar which shall be the Point of Beginning;
Thence South 00°48'28" West for a distance of 100.57 feet;
Thence North 89°09'54" West for a distance of 73.21 feet;
Thence North 00°37'18" West for a distance of 100.92 feet;
Thence South 88°55'30" East for a distance of 75.72 feet to the Point of Beginning.

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JAN 13 2022

IRRIGATION EQUIPMENT RIDER

THIS IRRIGATION EQUIPMENT RIDER is made this **Seventeenth** day of **June, 2021**, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to **Shawpatin AgCap, LLC** (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

300South 350 East, 600 South 350 East, & 700 South 350 East
Burley, Idaho 83318
[Property Address]

The Property also includes Borrower's interest in the irrigation equipment specifically described below and the uses, benefits and proceeds of Borrower's interest in and to same:

All fixtures (including trade fixtures), supplies, equipment and inventory used for the production of water on the Property or for the irrigation or drainage thereof located on the Property, whether now owned or hereafter acquired, and whether now existing or hereafter arising, and all accessions, parts, additions, replacements and substitutions for any of such items and all proceeds (including insurance proceeds) from the sale or other disposition of any such items. Said fixtures, supplies, equipment and inventory include, but are not limited to, the following:

All irrigation equipment appurtenant to attached Exhibit "A", including but not limited to two seven tower Valley center pivots, a four tower Zimmatic center pivot, and a wheel line irrigation system.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Irrigation Equipment Rider.

Heward Brothers Family Partnership, an ID general partnership

Alan G Heward 6-17-21
Signature Date

Alan G. Heward, Partner

[Sign Originals Only]

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VARIABLE RATE RIDER

THIS VARIABLE RATE RIDER is made this **Seventeenth** day of **June, 2021**, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's variable rate Note (the "Note") to **Shawpatin AgCap, LLC** (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

300South 350 East, 600 South 350 East, & 700 South 350 East
Burley, ID 83318
[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE PERIODIC PAYMENT

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

The Note has the following terms which provide for changes in the interest rate and periodic payments, as follows:

2. INTEREST

Prior to default, interest will be charged on unpaid principal until the full amount of Principal has been paid. Borrower will pay interest at a yearly rate of **4.250%**. The interest rate Borrower will pay will change in accordance with this Section 2.

INITIAL ADJUSTMENT DATE. **June 1, 2031.**

ORIGINAL AMORTIZATION TERM. **30 years.**

ADJUSTMENT FREQUENCY PERIOD. **every ten years**

VARIABLE RATE PROVISION. The interest rate stated in this Note is subject to adjustment by the Lender or any subsequent holder of this Note on the Initial Adjustment Date and every **10 years** thereafter (each an "Adjustment Date").Any such change in the interest rate shall be made automatically but in no event shall the adjusted interest rate exceed the maximum interest rate then permitted by law. Lender reserves the right to not adjust the loan in the event of default. When the rate is adjusted the

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remaining current principal balance of the Note will be reamortized over the remaining amortization term to determine subsequent payment amounts. Notice of the adjusted rate and the new amortized payment will be sent to the Borrower after each interest rate adjustment.

The variable interest rate shall change to a rate that shall be determined by the 25th day of the month prior to the Initial Adjustment Date and any subsequent Adjustment Dates and be based upon the **10 years** Admin net yield for 60 day delivery then being required by Agri-Access (the "Index"), adjusted for credit quality and payment frequency, plus .50% field servicing fee. If the Index is not reported by the 25th day of the month, the Index reported on the first business day preceding the 25th day of the month will be used. If the Index is no longer available, Lender will select a new index, which is based upon comparable information.
After default, interest will be charged on unpaid principal at the interest rate stated in Section 7 of this Note.

3. SCHEDULED PAYMENTS

(A) Time and Amount of Payments

1 principal payment of $17,073.69 on November 1, 2021, with interest calculated from the date of closing on the unpaid principal at 4.250% per annum; 58 consecutive semi-annual principal and interest payments of $60,290.88 each, beginning May 1, 2022, and the final payment of $60,290.84 on May 1, 2051, which is called the "Maturity Date."

(B) Place of Payments

Borrower will make payments at **PO Box 740411, Cincinnati, OH 45274-0411** or at a different place if required by Lender.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Variable Rate Rider.

Heward Brothers Family Partnership, an ID general partnership

Alan G Heward 6-17-21

Signature Date

Alan G. Heward, Partner

[Sign Originals Only]

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WATER RIGHTS RIDER

THIS WATER RIGHTS RIDER is made this **Seventeenth** day of **June, 2021**, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to **Shawpatin AgCap, LLC** (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

300South 350 East, 600 South 350 East, & 700 South 350 East
Burley, Idaho 83318
[Property Address]

The Property also includes Borrower's interest in the water rights specifically described below and the uses, benefits and proceeds of Borrower's interest in and to same:

All water, water rights, ditches and ditch rights, any permits, licenses, certificates or shares of stock evidencing any such water or ditch rights, and any such rights acquired in the future, which entitle Borrower to use water for any purpose upon the Property. The above includes, but is not limited to the following:

All water rights appurtenant to attached Exhibit "A", including but not limited to IDWR Water Right No. 45-7668, Southwest Irrigation District Water and 406.11 acres of Burley Irrigation District Water.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Water Rights Rider.

Heward Brothers Family Partnership, an ID general partnership

Alan G Heward 6-17-21
Signature Date

Alan G. Heward, Partner

[Sign Originals Only]

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SCANNED
JAN 13 2022

Maline, Denise

From: Maline, Denise
Sent: Thursday, January 13, 2022 8:20 AM
To: IdwrPayable
Subject: Refund Request
Attachments: Refund Request - TitleOne Burley.pdf

Good morning,

Attached please find a refund request being submitted for processing. Please let me know if there are any questions.

Thank you & have a good day,

Denise @ Southern

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JAN 13 2022

Idaho Department of Water Resources Receipt

Receipt ID: S038671

Payment Amount	$100.00	Date Received	6/28/2021	Region	SOUTHERN
Payment Type	Check	Check Number	35858		
Payer	TITLEONE				
Comments	CHANGE OF OWNERSHIP FROM: HEWARD LANDS, LTD TO: HEWARD BROTHERS FAMILY PARTNERSHIP. WR#45-7668. @ $25.00 NOTICE OF SECURITY INTEREST FROM: SHAWPATIN AGCAP, LLC FOR: HEWARD BROS. FAMILY PARTNERSHIP WR#45-7668 @ $25.00				

Fee Details

Amount	Description	PCA	Fund	Fund Detail	Subsidiary	Object
$100.00	OWNERSHIP CHANGES/SECURITY INTERESTS	64140	0229	21		1155

Signature Line (Department Representative)

Correct fees are: $25 for Change in Ownership

$25 for Notice of Security Interest

Please issue a $50.00 refund to:

1-12-2022

TitleOne
PO Box 177
Burley ID 83318-0177
(208) 878-3524

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JAN 13 2022

IDAHO DEPARTMENT
WATER RESOURCES

Southern Region • 650 Addison Ave W, Suite 500 • Twin Falls, ID 83301-5858
Phone: 208-736-3033 • Fax: 208-736-3037 • Email: southerninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little **Director Gary Spackman**

January 12, 2022

HEWARD BROTHERS FAMILY PARTNERSHIP
295 E 300 S
BURLEY ID 83318-5680

Re: Change in Ownership & Notice of Security Interest for Water Right No(s): 45-7668

Dear Water Right Holder(s):

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department also acknowledges receipt of correspondence adding security interest of the above referenced water right(s) to Shawpatin AgCap LLC. The Department has modified its records and has enclosed a computer-generated report for you.

While processing the above referenced Notice(s), it was noted that the there was an overpayment of filing fees. The correct fee for the Change in Ownership and Notice of Security Interest is *$25.00 per filing.* The department received check no. 35858 in the amount of $100. A refund request in the amount of $50.00 has been submitted for processing and will arrive under separate cover.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact me at (208) 293-9908.

Sincerely,

Denise Maline
Administrative Assistant 1

Enclosure(s)

c: Shawpatin AgCap LLC
TitleOne, Burley (File #21408255)
Water District 140

SCANNED
JAN 13 2022

TitleOne
a title & escrow co.

211 West 13th Street
Burley, ID 83318
Ph. (208) 881-0087
Fx. (866) 582-7546
www.titleonecorp.com

Idaho Department of Water Resources
650 Addison Avenue West
Suite 500
Twin Falls, ID 83301

RECEIVED
JUN 28 2021
DEPT OF WATER RESOURCES
SOUTHERN REGION

Date: June 24, 2021

Escrow No. 21408255

Greetings,

Enclosed please find the following:

- TitleOne Check No. 35858 in the amount of $100.00 for Notice of Change of Ownership and Notice of Security Interest
- Original executed Notice of Change in Water Right Ownership
- Copy of original executed Warranty Deed recorded on 06/18/21 as Instrument No. 2021-003200, records of Cassia Co., ID
- Original executed Notice of Security Interest
- Copy of original executed Mortgage recorded on 06/18/21 as Instrument No. 2021-003200, records of Cassia Co., ID

Please make the necessary changes to your records to reflect new owner and please send a receipted copy to TitleOne, 211 W. 13th St., Burley, ID, 83318 Attn: Ashley Martinkus.

Please feel free to contact us at the number above should you have any questions.

Best Regards,
TITLEONE

Ashley Martinkus
Ag Escrow Assistant

AR/am
Enc.
FedEx

SCANNED
JAN 13 2022

Maline, Denise

From: Maline, Denise
Sent: Thursday, January 13, 2022 8:20 AM
To: IdwrPayable
Subject: Refund Request
Attachments: Refund Request - TitleOne Burley.pdf

Good morning,

Attached please find a refund request being submitted for processing. Please let me know if there are any questions.

Thank you & have a good day,

Denise @ Southern

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JAN 13 2022

Idaho Department of Water Resources Receipt

Receipt ID: S038671

Payment Amount	$100.00	Date Received	6/28/2021	Region	SOUTHERN
Payment Type	Check	Check Number	35858		
Payer	TITLEONE				
Comments	CHANGE OF OWNERSHIP FROM: HEWARD LANDS, LTD TO: HEWARD BROTHERS FAMILY PARTNERSHIP. WR#45-7668. @ $25.00 NOTICE OF SECURITY INTEREST FROM: SHAWPATIN AGCAP, LLC FOR: HEWARD BROS. FAMILY PARTNERSHIP WR#45-7668 @ $25.00				

Fee Details

Amount	Description	PCA	Fund	Fund Detail	Subsidiary	Object
$100.00	OWNERSHIP CHANGES/SECURITY INTERESTS	64140	0229	21		1155

Signature Line (Department Representative)

Correct fees are: $25 for Change in Ownership

$25 for Notice of Security Interest

Please issue a $50.00 refund to:

1-12-2022

TitleOne
PO Box 177
Burley ID 83318-0177
(208) 878-3524

SCANNED
JAN 13 2022

IDAHO DEPARTMENT OF
WATER RESOURCES

Southern Region • 650 Addison Ave W, Suite 500 • Twin Falls, ID 83301-5858
Phone: 208-736-3033 • Fax: 208-736-3037 • Email: southerninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little **Director Gary Spackman**

January 12, 2022

HEWARD BROTHERS FAMILY PARTNERSHIP
295 E 300 S
BURLEY ID 83318-5680

Re: Change in Ownership & Notice of Security Interest for Water Right No(s): 45-7668

Dear Water Right Holder(s):

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department also acknowledges receipt of correspondence adding security interest of the above referenced water right(s) to Shawpatin AgCap LLC. The Department has modified its records and has enclosed a computer-generated report for you.

While processing the above referenced Notice(s), it was noted that the there was an overpayment of filing fees. The correct fee for the Change in Ownership and Notice of Security Interest is *$25.00 per filing.* The department received check no. 35858 in the amount of $100. A refund request in the amount of $50.00 has been submitted for processing and will arrive under separate cover.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact me at (208) 293-9908.

Sincerely,

Denise Maline
Administrative Assistant 1

Enclosure(s)

c: Shawpatin AgCap LLC
TitleOne, Burley (File #21408255)
Water District 140

SCANNED
JAN 13 2022

TitleOne
a title & escrow co.

211 West 13th Street
Burley, ID 83318
Ph. (208) 881-0087
Fx. (866) 582-7546
www.titleonecorp.com

Idaho Department of Water Resources
650 Addison Avenue West
Suite 500
Twin Falls, ID 83301

RECEIVED
JUN 28 2021
DEPT OF WATER RESOURCES
SOUTHERN REGION

Date: June 24, 2021

Escrow No. 21408255

Greetings,

Enclosed please find the following:

- TitleOne Check No. 35858 in the amount of $100.00 for Notice of Change of Ownership and Notice of Security Interest
- Original executed Notice of Change in Water Right Ownership
- Copy of original executed Warranty Deed recorded on 06/18/21 as Instrument No. 2021-003200, records of Cassia Co., ID
- Original executed Notice of Security Interest
- Copy of original executed Mortgage recorded on 06/18/21 as Instrument No. 2021-003200, records of Cassia Co., ID

Please make the necessary changes to your records to reflect new owner and please send a receipted copy to TitleOne, 211 W. 13th St., Burley, ID, 83318 Attn: Ashley Martinkus.

Please feel free to contact us at the number above should you have any questions.

Best Regards,
TITLEONE

Ashley Martinkus
Ag Escrow Assistant

AR/am
Enc.
FedEx

SCANNED
JAN 13 2022