

IDAHO DEPARTMENT OF WATER RESOURCES
Proof Report

12/20/2022

Water Right 63-7296

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	ITERRA HOLDINGS LLC C/O BRENT THOMPSON 316 E 1400 S STE A2 ST GEORGE, UT 84790-4067

Original Owner	ROBERT L SAMPLE 12080 W STATE ST STAR, ID 83669 (208) 286-7366
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Previous Owner	ANITA K SHAWHAN 7613 RIDGEMONT DR URBANDALE, IA 50322
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Previous Owner	DAN A SAMPLE 2017 E MARYLAND AVE NAMPA, ID 83686 (208) 467-5965
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Previous Owner	ROBERT L SAMPLE 12080 W STATE ST STAR, ID 83669 (208) 286-7366
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Previous Owner	VERNA L SAMPLE 12080 W STATE ST STAR, ID 83669 (208) 286-7366
----------------	--

Representative	HDR INC C/O LORI GRAVES 412 E PARKCENTER BLVD STE 100 BOISE, ID 83706-6659 (208) 387-7000
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Priority Date: 2/4/1970

Basis: Decreed

Status: Active

Source
GROUND WATER

Tributary

Beneficial Use

From

To

Diversion Rate

Volume

SCANNED

MAY 23 2023

IDAHO DEPARTMENT OF WATER RESOURCES
Proof Report

12/20/2022

IRRIGATION	03/15	11/01	0.660 CFS	148.5 AF
STOCKWATER	01/01	12/31	0.060 CFS	7.9 AF
DOMESTIC	01/01	12/31	0.020 CFS	0.6 AF
Total Diversion			0.740 CFS	157.0 AF

Source and Point(s) of Diversion:

GROUND WATER SESW Sec. 7, Twp 04N, Rge 01W, ADA County

Place Of Use:

STOCKWATER within ADA County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	01W	7											X L4	X					

IRRIGATION within ADA County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	01W	7											17.0 L4	16.0					33.0

POU Total Acres: 33.0

DOMESTIC within ADA County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	01W	7												X					

Conditions of Approval:

1. S39 THE USE OF WATER FOR IRRIGATION UNDER THIS RIGHT MAY BEGIN AS EARLY AS MARCH 1 AND MAY CONTINUE TO AS LATE AS NOVEMBER 15, PROVIDED OTHER ELEMENTS OF THE RIGHT ARE NOT EXCEEDED. THE USE OF WATER BEFORE MARCH 15 AND AFTER NOVEMBER 1 UNDER THIS REMARK IS SUBORDINATE TO ALL WATER RIGHTS HAVING NO SUBORDINATED EARLY OR LATE IRRIGATION USE AND A PRIORITY DATE EARLIER THAN THE DATE A PARTIAL DECREE IS ENTERED FOR THIS RIGHT.
2. X01 Domestic use is for 1 home.
3. C18 This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.
4. N14 The quantity of water under this right for domestic and stockwater uses shall not exceed 13,000 gallons per day.
5. X02 Stockwater use is for 200 dairy cattle.
6. Parcel #: S0407347000
7. W50 Use of this right is combined with water from Middleton Irrigation Association.

Comments:

Dates and Other Information:

SCANNED

MAY 23 2023

IDAHO DEPARTMENT OF WATER RESOURCES
Proof Report

12/20/2022

Decreed Date: 2/16/2007
Civil Case Number: 39576
Judicial District: FIFTH
State or Federal: S
Water District Number: TBD
Mitigation Plan: False

Combined Use Limits:

N/A

SubCase:

N/A

Water Supply Bank:

N/A

SCANNED

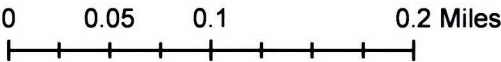
MAY 23 2023

State of Idaho
Department of Water Resources
Attachment to Water Right License
63-7296

This map depicts the IRRIGATION place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.



- Place Of Use Boundary
- Townships
- PLS Sections
- Quarter Quarters
- Point of Diversion



SCANNED
MAY 23 2023

State of Idaho
Department of Water Resources

Attachment to Water Right License

63-7296

This map depicts the STOCKWATER place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.



-  Place Of Use Boundary
-  Townships
-  PLS Sections
-  Quarter Quarters
-  Point of Diversion

0 0.05 0.1 0.2 Miles

SCANNED
MAY 23 2023

State of Idaho
Department of Water Resources
Attachment to Water Right License
63-7296

This map depicts the DOMESTIC place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.



-  Place Of Use Boundary
-  Townships
-  PLS Sections
-  Quarter Quarters
-  Point of Diversion

0 0.035 0.07 0.14 Miles


SCANNED
MAY 23 2023

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**

**TRANSFER OF WATER RIGHT
TRANSFER NO. 87348**

This is to certify that: **ITERRA HOLDINGS LLC
C/O BRENT THOMPSON
316 E 1400 S STE A2
ST GEORGE, UT 84790-4067**

has requested a change to the water right(s) listed below. This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code. A summary of the changes is also listed below. The authorized change for each affected water right, including conditions of approval, is shown on the following pages of this document.

Summary of Water Rights Before the Proposed Changes

<u>Water Right</u>	<u>Origin/Basis</u>	<u>Priority Date</u>	<u>Diversion Rate</u>	<u>Diversion Volume</u>	<u>Acre Limit</u>	<u>Total Acres</u>	<u>Source</u>
63-7296	WR/DECREED	2/4/1970	0.740 cfs	157.0 af	N/A	33.0	GROUND WATER

Purpose of Transfer (Changes Proposed)

<u>Current Number</u>	<u>Split</u>	<u>POD</u>	<u>POU</u>	<u>Add POD</u>	<u>Period of Use</u>	<u>Nature of Use</u>
63-7296	NO	NO	YES	NO	NO	NO

Summary Of Water Rights After the Approved Change

<u>Existing Right</u>	<u>New No. (Changed Portion)</u>	<u>Transfer Rate</u>	<u>Transfer Volume</u>	<u>Acre Limit</u>	<u>Total Acres</u>	<u>New No. (remaining portion)</u>	<u>Remaining Rate</u>	<u>Remaining Volume</u>	<u>Remaining Acre Limit</u>	<u>Remaining Total Acres</u>
63-7296	63-7296	0.740 cfs	157.0 af	33.0	48.0	N/A	N/A	N/A	N/A	N/A
COMBINED TOTALS		0.740 cfs	157.0 af	33.0	48.0		N/A	N/A	N/A	N/A

This water right(s) is subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources. Detailed Water Right Description(s) attached.

Dated this 15th day of May, 2023.


SCOTT STORMS, Water Rights Supervisor

Transfer No. 87348

SCANNED

MAY 18 2023

WATER RIGHT NO. 63-7296**As Modified by Transfer No. 87348**

In accordance with the approval of Transfer No. 87348, Water Right No. 63-7296 is now described as follows:

Right Holder: ITERRA HOLDINGS LLC
C/O BRENT THOMPSON
316 E 1400 S STE A2
ST GEORGE, UT 84790-4067

Priority Date: 2/4/1970

Source: GROUND WATER

BENEFICIAL USE	From	To	Diversion Rate	Diversion Volume
DOMESTIC	01/01	to 12/31	0.020 cfs	0.6 af
IRRIGATION	03/15	to 11/01	0.660 cfs	148.5 af
STOCKWATER	01/01	to 12/31	0.060 cfs	7.9 af
			0.740 cfs	157.0 af

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER SESW Sec 7 Twp 04N Rge 01W ADA County

PLACE OF USE: DOMESTIC

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	01W	7												X					

PLACE OF USE: IRRIGATION

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	01W	7											22.0	26.0					48.0
													L 4						

Right Acre Limit: 33.0

POU Total Acres: 48.0

PLACE OF USE: STOCKWATER

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	01W	7											X	X					
													L 4						

Transfer No. 87348

SCANNED

MAY 18 2023

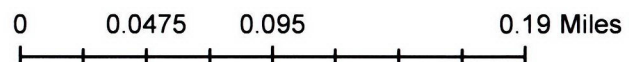
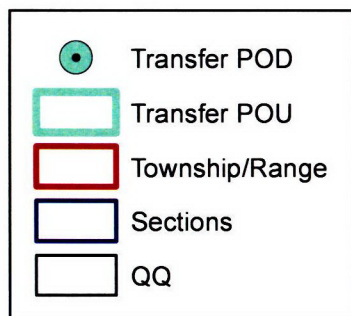
WATER RIGHT NO. 63-7296
As Modified by Transfer No. 87348

CONDITIONS OF APPROVAL

1. This right is limited to the irrigation of 33 acres within the authorized place of use in a single irrigation season.
2. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.5 afa per acre at the field headgate for irrigation of the place of use.
3. After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.
4. The period of use for the irrigation described in this approval may be extended to a beginning date of 3/1 and an ending date of 11/15 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 3/15 and after 11/01 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 02/16/2007.
5. The quantity of water under this right for domestic and stockwater uses shall not exceed 13,000 gallons per day.
6. Stockwater use is for 200 dairy cattle.
7. Domestic use is for 1 home.
8. Use of this right is combined with water from Middleton Irrigation Association.
9. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
10. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
11. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

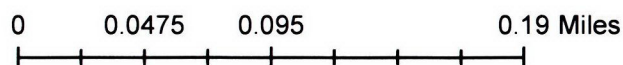
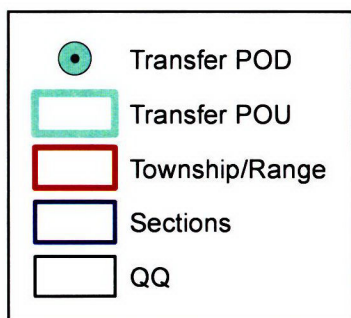
State of Idaho
Department of Water Resources
Attachment to Transfer No. 87348
Water Right(s): 63-7296

This map depicts the DOMESTIC place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.



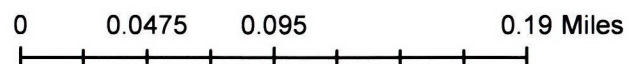
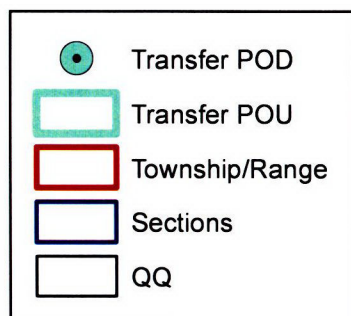
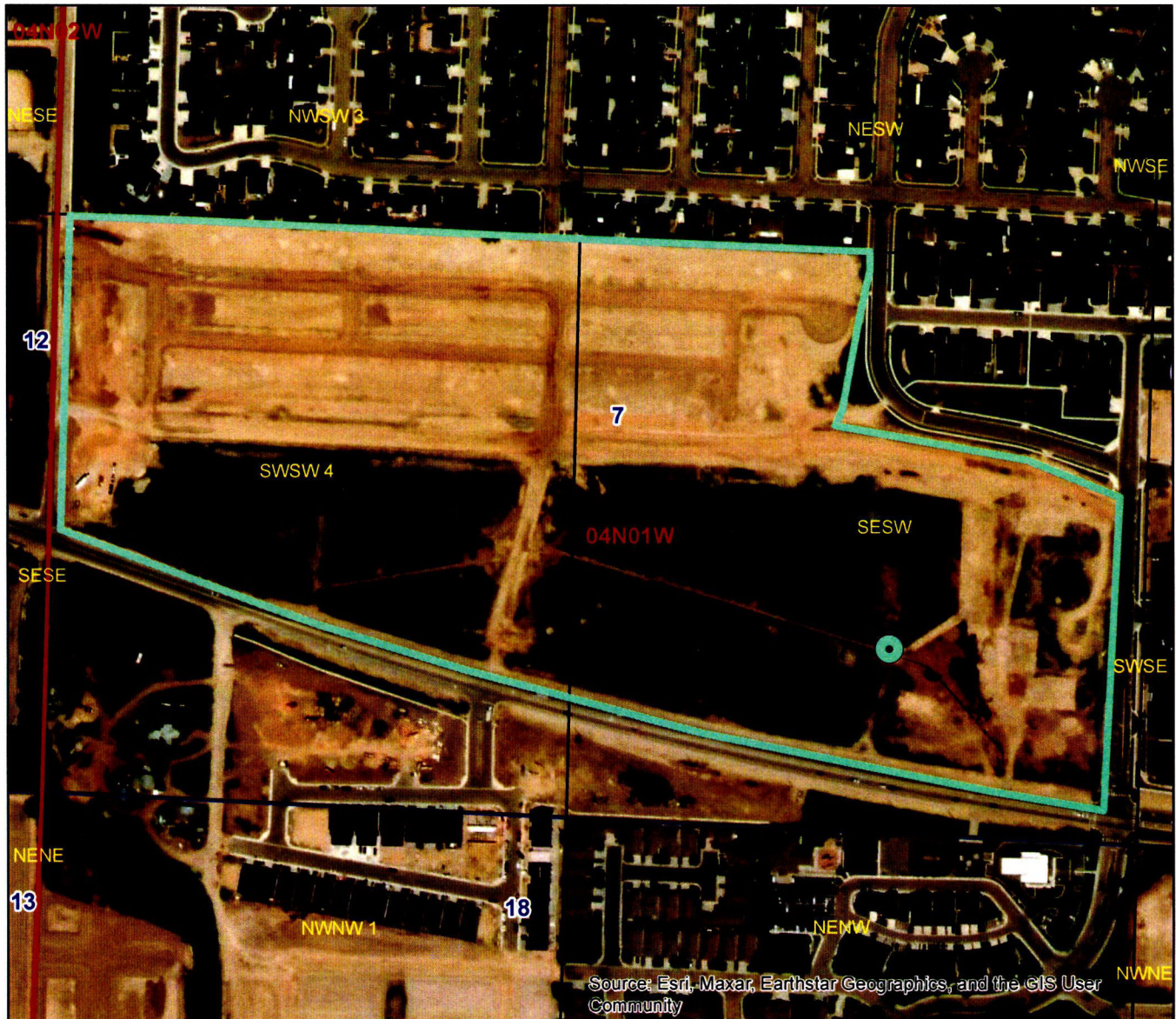
SCANNED
MAY 18 2023

This map depicts the IRRIGATION place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.



State of Idaho
Department of Water Resources
Attachment to Transfer No. 87348
Water Right(s): 63-7296

This map depicts the STOCKWATER place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.



RECEIVED

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Transfer No. 87348

DEC 13 2022

WATER RESOURCES
WESTERN REGIONMINIMUM REQUIREMENTS CHECKLIST
TO BE SUBMITTED WITH APPLICATION FOR TRANSFER

An application for transfer must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. Incomplete applications will be returned. The instructions, fee schedule, Part 2A reports and additional Part 2B forms are available from any Department office or on the Department's website at idwr.idaho.gov.

Name of Applicant(s) Iterra Holdings LLCCheck whether each item below is *attached* (Yes) or *not applicable* (N/A) for the proposed transfer.Yes N/A * Means the item is always required and must be included with the application.

- ☒ * Completed Application for Transfer of Water Right form, Part 1.
- ☒ * Signature of applicant(s) or applicant's authorized representative on Application for Transfer Part 1. Include evidence of authority labeled Attachment #3 (see below) if signed by representative.
- ☒ * Application for Transfer Part 2A. Attach a Part 2A report describing each water right in the transfer as currently recorded.
- ☐ ☒ Complete and attach an Application for Transfer Part 2B for each water right for which only a portion is proposed to be changed through this transfer application.
- ☒ * Application for Transfer Part 3A is always required (see Attachment #7a below); Parts 3B and 3C must be completed for transfer applications proposing to change the nature of use of the water right(s) or proposing changes to supplemental right(s).
- ☒ * Correct fee submitted with transfer application form. (Fee schedule is on website and instructions for application for transfer.)

Attachments to Application - Label each attachment with the corresponding number shown below as Attachment #1-10.

- ☒ ☐ #1 If the applicant is a business, partnership, organization, or association, and not currently registered in the State of Idaho as a business entity, attach documentation identifying officers authorized to sign or act on behalf of right holder. (See Part 1.)
- ☒ ☐ #2a Water Right ownership documentation if Dept. records do not show the applicant as the current water right owner. **
- ☐ ☒ #2b If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s).**
** Additional fee(s) required for water right ownership changes; see fee schedule.
- ☒ ☐ #3 Documentation of authority to make the change if the applicant is not the water right owner.
- ☐ ☒ #4 Power of Attorney or documentation providing authority to sign or act on the applicant's behalf. (See Part 1.)
- ☐ ☒ #5 If the transfer application proposes to change the point of diversion for a water right affecting the Eastern Snake Plain Aquifer (ESPA), attach the results of an ESPA analysis and a detailed mitigation plan to offset any depletions to hydraulically connected reaches of the Snake River. ESPA transfer spreadsheet and model grid labeled cells are available on the Department's website at idwr.idaho.gov/water-rights/transfers/resources.html.
- ☐ ☒ #6 Notarized statement of agreement or a statement on official letterhead signed by an authorized representative from each lien holder or other entity with financial interest in the water right(s) or land affected by the proposed transfer. (See Part 1.5.c.)
- ☒ * #7a Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system details as described on the application. Include legal description labels. If only a portion of the right is proposed to be changed, identify the current location of the part of the existing right(s) proposed to be changed. (See Part 3A.)
- ☒ ☐ #7b If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System (GIS) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use. If some or all of any right is leased to the Water Supply Bank, you must also show the the specific location and/or acres to be idled at the new, proposed place of use to satisfy lease requirements.
- ☐ ☒ #8a If the transfer application proposes to change the nature of use or period of use for one or more rights, provide documentation describing the extent of historic beneficial use for the water rights proposed to be transferred and document how enlargement will be avoided. (See Part 3B.) Additional fee required for proposed changes to nature of use; see fee schedule.
- ☐ ☒ #8b If the transfer application proposes to change the place of use of a supplemental irrigation right, provide documentation regarding the historic use of the supplemental right(s) and availability or reliability of the primary right(s) being supplemented, both before and after the proposed change. (See Part 3C.)
- ☐ ☒ #9 Water Supply Bank information for all rights proposed for transfer and currently leased to the Bank. (Attachment WSB)
- ☐ ☒ #10 Other. Please describe: _____

MAY 18 2023

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT PART 1

Name of Applicant(s) Iterra Holdings LLC Phone 435-862-9515
Mailing address c/o Brent Thompson, 316 E 1400 S, Suite A2, St George, UT 84790 Email brent@reoxxygen.com

- ☐ If applicant is not an individual and not registered to do business in the State of Idaho, attach documentation identifying officers authorized to sign or act on behalf of the applicant. Label it **Attachment #1**.
- ☐ Attach water right ownership documentation if Department records do not show the transfer applicant as the current water right owner. Label it **Attachment #2a**.
- ☐ If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s). Label it **Attachment #2b**.
- ☒ Attach documentation of authority to make the proposed change if the applicant is not the water right owner. Label it **Attachment #3**.

Provide contact information below if a consultant, attorney, or any other person is representing the applicant in this transfer process.

☐ No Representative

Name of Representative HDR Engineering Inc. Phone 208-387-7000
Mailing address 412 E Parkcenter Blvd, Ste 100, Boise, ID 83706 Email lori.graves@hdrinc.com

- ☐ Send all correspondence for this application to the representative and not to the applicant.
OR
- ☒ Send original correspondence to the applicant and copies to the representative.
- ☒ The representative may submit information for the applicant but is not authorized to sign for the applicant.
OR
- ☐ The representative is authorized to sign for the applicant. Attach a Power of Attorney or other documentation providing authority to sign for the applicant and label it **Attachment #4**.

I hereby assert that no one will be injured by the proposed changes and that the proposed changes do not constitute an enlargement in use of the original right(s). The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval.

Brent Thompson Brent Thompson, Manager, Iterra Holdings LLC 12/6/2022 | 10:34 AM MST
Signature of Applicant or Authorized Representative Print Name and Title if applicable Date

Signature of Applicant or Authorized Representative Print Name and Title if applicable Date

A. PURPOSE OF TRANSFER

- ☐ Change point of diversion ☐ Add diversion point(s) ☒ Change place of use
☐ Change nature of use ☐ Change period of use ☐ Other _____
- Is this a transfer for changes pursuant to Idaho Code § 42-221.O.8?
If yes, ☐ attach an explanation and any supporting documentation labeled as **Part 1A.2**.
- Describe your proposal in narrative form, including a detailed description of non-irrigation uses to justify amounts transferred (i.e. number of stock, etc.), and provide additional explanation of any other items on the application. Attach additional pages if necessary and label it **Part 1A.3**.
Applicants propose a permissible place of use (ppu) to allow flexible irrigation within a planned development.

SCANNED

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 1 Continued

B. DESCRIPTION OF RIGHTS AFTER THE REQUESTED CHANGES. IF THE RIGHTS ARE BEING SPLIT, DESCRIBE PORTIONS TO BE CHANGED AS THEY WOULD APPEAR AFTER THE REQUESTED CHANGES.

1.	Right Number	Amount (cfs/ac-ft)	Nature of Use	Period of Use	Source & Tributary
All or Part ☒ ☐	63-7296	0.66/148.5	Irrigation	3/15 to 11/1	Ground Water
☐ ☐		0.06/7.9	Stockwater	1/1 to 12/31	Ground Water
☐ ☐		0.02/0.6	Domestic	1/1 to 12/31	Ground Water
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights 0.74 cfs and/or 157 acre-feet.

2. Total amount of water proposed to be transferred or changed 0.74 cubic feet per second and/or 157 acre-feet per year.

3. Point(s) of Diversion:

- ☒ No changes to point(s) of diversion are proposed - the following chart is therefore not completed. (Proceed to #4.)
☐ Attach Eastern Snake Plain Aquifer analysis if this transfer proposes to change a point of diversion affecting the ESPA.
 Label it **Attachment #5**.

New ?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #

4. Place of use: (If irrigation, identify with number of acres irrigated per ¼ ¼ tract.)

- ☐ No changes to place of use are proposed - the following chart is therefore not completed. (Proceed to #5.)

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
4N	1W	7											22	26					48
													S	D/S					
													Lt4						

*limited to 33 acres irrigation within a 48-acre ppu.

Total Acres (for irrigation use)

*48

SCANNED

MAY 18 2023

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT PART 1 Continued

5. General Information:

- a. Describe the complete diversion system, including how you will accommodate a measuring device and lockable controlling works should they be required now or in the future:
Well pump, pressurized irrigation system. Measuring device and lockable controlling works will be accommodated upon Department request. A proposed new well will be constructed as a replacement well within the same tract as the authorized well. The authorized well will be properly abandoned by a licensed well driller.
- b. Who owns the property at the point(s) of diversion? Replacement well: Richmond American Homes of Idaho Inc.
 If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system:
See Transfer Attachment 2A-3
- c. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts?
If yes, ☒ attach a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes on official letterhead signed by an authorized representative. Label it **Attachment #6. List the name of the entity and type of lien:** _____

 It is the applicant's responsibility to provide notice to lien holder, trustee, mortgagor, or contract holder of the proposed changes that may impact or change the value of the water rights or affected real property. Any misrepresentation of legal encumbrance on this application may result in rejection of the application or cancellation of an approval.
- d. Are any of the water rights proposed for transfer currently leased to the Water Supply Bank?
If yes, ☐ complete Attachment WSB.
- e. Describe the effect on the land now irrigated if the place or purpose of use is changed pursuant to this transfer:
Lands are subject to a residential development project. The place of use is proposed for change so that water right appurtenant to non-irrigable areas (i.e., roads and rooftops) will be available to other irrigable lands within the project area that are also assessed surface water as described in Transfer Part 3C.
- f. Describe the use of any other water right(s) for the same purpose or land, or the same diversion system as right(s) proposed to be transferred at both the existing and proposed point(s) of diversion and place(s) use:
Primary surface water from Middleton Irrigation Association and Middleton Mill Ditch Company for irrigation use. Municipal water will serve the development's potable uses.
- g. To your knowledge, has/is any portion of the water right(s) proposed to be changed:
Yes No
☐ ☒ undergone a period of five or more consecutive years of non-use,
☐ ☒ currently leased to the Water Supply Bank,
☐ ☒ currently used in a mitigation plan limiting the use of water under the right, or
☐ ☒ currently enrolled in a Federal set-aside program limiting the use of water under the rights?

If yes, describe:

SCANNED

**IDAHO DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 2A**

Current Water Right No.: 63-7296

Current Owner: DAN A SAMPLE
VERNA L SAMPLE
ANITA K SHAWHAN
ROBERT L SAMPLE

Priority Date: 2/4/1970

Origin: Water Right

Status: Active

Basis: Decreed

Source

GROUND WATER

Tributary

<u>Beneficial Use</u>	<u>From To</u>	<u>Diversion Rate</u>	<u>Annual Volume</u>
IRRIGATION	03/15 to 11/01	0.66 CFS	148.5 AF
STOCKWATER	01/01 to 12/31	0.06 CFS	7.9 AF
DOMESTIC	01/01 to 12/31	0.02 CFS	0.6 AF
	<u>Total Diversion</u>	0.74 CFS	157 AF

Location of Point(s) of Diversion

GROUND WATER
ADA County

SE1/4SW1/4 Sec. 7, Twp 04N, Rge 01W B.M.

Place of Use

IRRIGATION Within ADA County

T04N R01W S7	Lot 4	SWSW	17.00	T04N R01W S7	SESW	16.00
Total Acres: 33						

STOCKWATER Within ADA County

T04N R01W S7	Lot 4	SWSW	T04N R01W S7	SESW
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DOMESTIC Within ADA County

T04N R01W S7	SESW
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SCANNED

MAY 18 2023

Conditions of Approval:

1. W50 Use of this right is combined with water from Middleton Irrigation Association.
2. X01 Domestic use is for 1 home.
3. Parcel #: S0407347000
4. N14 The quantity of water under this right for domestic and stockwater uses shall not exceed 13,000 gallons per day.
5. C18 This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.
6. X02 Stockwater use is for 200 dairy cattle.
7. S39 THE USE OF WATER FOR IRRIGATION UNDER THIS RIGHT MAY BEGIN AS EARLY AS MARCH 1 AND MAY CONTINUE TO AS LATE AS NOVEMBER 15, PROVIDED OTHER ELEMENTS OF THE RIGHT ARE NOT EXCEEDED. THE USE OF WATER BEFORE MARCH 15 AND AFTER NOVEMBER 1 UNDER THIS REMARK IS SUBORDINATE TO ALL WATER RIGHTS HAVING NO SUBORDINATED EARLY OR LATE IRRIGATION USE AND A PRIORITY DATE EARLIER THAN THE DATE A PARTIAL DECREE IS ENTERED FOR THIS RIGHT.

Decreed Date: 2/16/2007

SCANNED

MAY 18 2023

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 2

A. DESCRIPTION OF RIGHT(S) AS RECORDED

For each water right listed in Part 1B.1 of the application, attach a **Part 2A** report obtained from any Department office or from the Department's website @ idwr.idaho.gov, Water Right Transfers, Step 1.
Insert Part 2A reports into the application following Part 1.

B. IF ONLY A PORTION OF THE RIGHT IS PROPOSED TO BE CHANGED, DESCRIBE THE PORTION BEING CHANGED AS IT APPEARS BEFORE THE REQUESTED CHANGES

- ☐ Complete and attach one copy of Part 2B for each right for which only a portion is proposed to be changed. If the entire right is proposed to be changed, Part 2B is not applicable. Additional copies of the **Part 2B** form can be obtained from any Department office or from the Department's website @ idwr.idaho.gov, Water Right Transfers, Step 3, or Water Right Forms, Changes in Use. Insert completed Part 2B forms into the application following Part 2A of the same water right.

Right Number: _____

1. amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
 amount _____ (cfs/ac-ft) for _____ purposes from _____ to _____
2. Lands irrigated or place of use: (If irrigation, identify with number of acres irrigated per ¼ ¼ tract.)

[illegible]

Total Acres (for irrigation use)

irrigation use)

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT PART 3

A. PLAT MAP (See Part 3A of Instructions for application for transfer for complete requirements.)

- ☒ Attach a map of the diversion, measurement, control, and distribution system. Label it **Attachment #7a**.
- ☒ If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System (GIS) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use. Label it **Attachment #7b**.

If the place of use currently consists of a permissible place of use, then the attachment is not required if the application contains a clear statement that the boundaries for the place of use are not proposed to be changed by the transfer and the total number of irrigated acres within the place of use before and after the transfer is clearly stated.

If any part of the irrigation water right is leased to the Water Supply Bank, you must also specify the location and number of acres that will remain idled for the duration of the lease contract at the new, proposed place of use.

B. CHANGES IN NATURE OF USE (Water Balance)

- ☐ If you propose to change the nature of use or period of use of all or part of the rights(s) listed in this application, attach documentation describing the extent of historic beneficial use of the portion of the right(s) proposed to be changed. Also attach documentation showing that the portion of the right(s) to be changed will not be enlarged in rate, volume, or consumptive use through the proposed change. Label it **Attachment #8a**.

C. PLACE OF USE CHANGES TO SUPPLEMENTAL IRRIGATION RIGHTS

- ☒ If you propose to change the place of use of a supplemental irrigation right, answer below and attach supporting documentation. Label it **Attachment #8b**.

Describe how the supplemental water rights have been used historically in conjunction with other water rights at the existing place of use. Describe the time during the irrigation season that the supplemental rights have been used. Include information about the availability or reliability of the primary right(s) being supplemented, both before and after the change. If the applicant is proposing to change a supplemental irrigation right to a primary right, provide the information required on Part 3B above:

The proposed ppu covers 48 acres and is currently assessed 52.6 acres surface water irrigation as follows:

Middleton Mill Ditch Co. - 9.3 acres

Middleton Irrigation Association - 43.3 acres.

The above surface water is delivered through the Flake lateral. Because the current pou and proposed ppu are fully covered with surface water from the same delivery system, historical ground water supplemental use will remain the same. Both Middleton Mill Ditch Co. and Middleton Irrigation Association have equivalent delivery units.

FOR DEPARTMENT USE ONLY

Transfer contains _____ pages and _____ attachments.

Received by LE Date 12/13/2022 Preliminary check by _____ Date _____

Fee paid \$600.00 Date 12/13/2022 Receipted by LE Receipt # W050923

Add'l fee paid _____ Date _____ Receipted by _____ Receipt # _____

Check all that apply: Attachment WSB ☐ (copy sent to state office) Lessor Designation form ☐ &/or W-9 ☐ (originals to state office)

LEGEND

- Current domestic place of use
- Current irrigation, stockwater place of use
- Current Well Location
- Proposed irrigation, stockwater permissible place of use
- Replacement Well Location

N

0 Feet 1,000



DATA SOURCE: Ada NAIP 2021

ATTACHMENT 7A AND 7B
WATER RIGHT TRANSFER 63-7296

ITERRA HOLDINGS LLC

MAY 18 2023

PROJECT #10354683

TRANSFER ATTACHMENT 1
BRENT THOMPSON SIGNATURE AUTHORITY

SCANNED

MAY 18 2023

ITERRA HOLDINGS, LLC

[Update this Business](#)

Entity Number: 11026889-0160

Company Type: LLC - Domestic

Address: 1871 W CANYON VIEW DR SAINT GEORGE, UT 84770

State of Origin:

Registered Agent: BRENT THOMPSON

Registered Agent Address:

1871 W CANYON VIEW DR

ST. GEORGE, UT 84770

[View Management Team](#)

Status: Active

[Purchase Certificate of Existence](#)

Status: Active  as of 11/29/2019

Renew By: 10/31/2023

Status Description: Current

The "Current" status represents that a renewal has been filed, within the most recent renewal period, with the Division of Corporations and Commercial Code.

Employment Verification: Not Registered with Verify Utah

History

[View Filed Documents](#)

Registration Date: 10/17/2018

Last Renewed: 08/24/2022

Additional Information

NAICS Code: 9999 **NAICS Title:** 9999-Nonclassifiable Establishment

[<< Back to Search Results](#)

Business Name:

Give Feedback

OPERATING AGREEMENT

OF

ITERRA HOLDINGS, LLC

Dated as of October 24, 2018

(See Page 10 for List of Iterra Holdings LLC Managers)

SCANNED

MAY 18 2023

OPERATING AGREEMENT
OF
ITERRA HOLDINGS, LLC

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**OPERATING AGREEMENT
OF
ITERRA HOLDINGS, LLC**

This OPERATING AGREEMENT of Iterra Holdings, LLC, a Utah limited liability company (the “*Company*”), effective as of October __, 2018 (the “*Effective Date*”), is executed and agreed to by the members listed on the signature pages hereto as the initial Members.

ARTICLE I

DEFINITIONS

Definitions. The following terms used in this Operating Agreement shall have the following meanings (unless otherwise expressly provided herein):

(a) “Additional Member” means any Person admitted to the Company with all the rights of a Member pursuant to Article XI of this Operating Agreement.

(b) “Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person. For purposes of this definition and this Agreement, the term “control” (and correlative terms) means the power, whether by contract, equity ownership or otherwise, to direct the policies or management of a Person.

(c) “Company” means ITERRA HOLDINGS, LLC.

(d) “Divorce” means the legal divorce or separation of a Member who is a Person which has become final, but only if such Member’s interest in the Company would be transferred to another Person under any settlement agreement or court order entered pursuant to such divorce or legal separation proceeding.

(e) “Entity” means any general partnership, limited partnership, limited liability company, limited liability partnership, for-profit corporation, non-profit corporation, joint venture, trust, business trust, estate, cooperative association or other entity.

(f) “Family” means spouse and descendants, including adopted persons of any generation and descendants of adopted persons of any generation, as well as blood descendants.

(g) “Financial Insolvency” of a Person means:

(i) the making of an assignment for the benefit of creditors by such Person;

- (ii) the filing of a voluntary petition in bankruptcy by such Person;
 - (iii) the adjudication of such Person as bankrupt or insolvent;
 - (iv) the filing by such Person of a petition or answer seeking for such Person any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation;
 - (v) the filing of an answer or other pleading by such Person admitting or failing to contest the material allegations of a petition filed against such Person in any proceeding described in subsection (iv) above;
 - (vi) the seeking, consent to, or acquiescence in by such Person of the appointment of a trustee, receiver, or liquidator of such Person or of all or any substantial part of such Person's properties;
 - (vii) the failure of any proceeding against such Person seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation to be dismissed within 120 days after its commencement; or the failure of any appointment, made without such Person's consent or acquiescence, of a trustee, receiver or liquidator of such Person or of all or any substantial part of such Person's properties to be vacated or stayed within 90 days after such appointment, or the failure of any such appointment to be vacated within 90 days after the expiration of any such stay; or
 - (viii) the imposition of a charging order against the interest of such Person.
- (h) "Fiscal Year" means the Company's fiscal and taxable year.
- (i) "IRC" means the Internal Revenue Code of 1986, as amended, and all references to specific sections thereof shall include any amended or successor provisions thereto.
- (j) "Land Owner" has the meaning given to such term in Section 5.1 below.
- (k) "Legal Incompetency" of an individual Person means a determination of such individual's incompetency, whether for insanity, age, disability or other reason. For this purpose, such determination shall be made by a duly licensed physician chosen by the Manager. If a Manager's competency is questioned, the other Members may select the determining physician. If such individual disputes such declaration, he may choose a second physician, and said two physicians shall choose a third physician, and the decision of the majority of said physicians as to the competency of such individual shall be binding on all parties. Each party shall bear the cost of the physician chosen by it and the parties shall split the cost of the third physician.
- (l) "Liquidation" means the liquidation of the Company or the liquidation of a Member's interest in the Company, as the context may require, and has the meaning set forth in Regulations Section 1.704-1(b)(2)(ii)(g).

(m) "Majority in Interest" refers to Members whose Percentage Interests aggregate in excess of fifty percent (50%) of the total Percentage Interests held by all of the Members.

(n) "Manager" means the Person or Persons, collectively, designated as Manager(s) in accordance with the provisions hereof.

(o) "Member" means each of the parties who executes a counterpart of this Operating Agreement as a Member and each of the parties who may hereafter become Additional or Substituted Members.

(p) "Member Governance Rights" means all voting, consensual and other rights of the Members of the Company, as set forth in this Operating Agreement. All Members shall hold Member Governance Rights, to the extent of the Percentage Interests of such Members at the time a governance decision to be made by the Members pursuant to the terms of this Operating Agreement arises.

(q) "Net Cash Flow" of the Company shall be determined for each Fiscal Year in accordance with sound, cash basis accounting principles and means (i) all cash receipts of the Company during such period, from whatever source, whether or not taxable, including capital contributions, financing proceeds, proceeds arising from sales, or otherwise, plus (ii) any cash that is released during such period from the cash reserves of the Company, referred to in (iv) below, less (iii) all cash expenditures and cash losses of the Company during such period, whether capital or current, tax deductible or nondeductible (including debt service payments but excluding distributions to Members), and less (iv) reasonable additions during such period to Company cash reserves deemed necessary by the Manager in their sole and absolute discretion for working capital, contingent liabilities, debt reserves, capital improvements and replacements, and investments.

(r) "Operating Agreement" or "Agreement" shall mean this Operating Agreement as originally executed and as amended from time to time.

(s) "Percentage Interest" shall mean the percentage interests in the Company, as assigned to the Members in Schedule One attached hereto and incorporated herein.

(t) "Person" shall mean any individual or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such Person where the context so admits.

(u) "Profits" or "Losses" means, for each Fiscal Year or other period, an amount equal to the Company's taxable income or loss for such year or period, as the case may be, as determined under IRC Section 703(a) (except that for this purpose all items of income, gain, loss or deduction required to be separately stated pursuant to IRC Section 703(a)(1) shall be included in the computation of taxable income or loss, notwithstanding IRC Section 703(a)(2)), with the following adjustments:

(i) any income of the Company that is exempt from Federal income tax

which would not otherwise be taken into account in computing Profits or Losses shall be added to such taxable income or loss;

(ii) any expenditures of the Company described in IRC Section 705(a)(2)(B), or treated as IRC Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(b), which would not otherwise be taken into account in computing Profits or Losses shall be subtracted from such taxable income or loss; and

(iii) any items of income, gain, loss or deduction which are specially allocated pursuant to Paragraphs C.1(d) and C.2 of the Capital Accounting and Tax Addendum attached hereto shall not be included in the computation of Profits or Losses.

(v) "Regulations" refers to the income tax regulations promulgated under the IRC, as amended from time to time (including corresponding revisions of successor regulations).

(w) "Safe Harbor" means the method under which the fair market value of a Safe Harbor Partnership Interest is treated as being equal to the liquidation value of that interest, as defined in the Safe Harbor Regulation.

(x) "Safe Harbor Election" means the election by the Company of the Safe Harbor, as described in the Safe Harbor Regulation and Internal Revenue Service Notice 2005-43, issued on May 19, 2005.

(y) "Safe Harbor Partnership Interest" means an interest in the Company that is issued to a service provider in connection with services provided to the Company during such time as a Safe Harbor Election is in effect.

(z) "Safe Harbor Regulation" means Proposed Treasury Regulations Section 1.83-3(l), issued on May 19, 2005.

(aa) "Substituted Member" means any Person admitted to the Company with all the rights of a Member pursuant to Article XI of this Operating Agreement.

(bb) "Super Majority in Interest" refers to Members whose Percentage Interests aggregate in excess of seventy-five percent (75%) of the total Percentage Interests held by all of the Members holding Member Governance Rights.

(cc) "Transfer," as a verb, means to sell, exchange, assign or otherwise transfer, mortgage, pledge, hypothecate or otherwise encumber property, whether voluntarily or involuntarily, by operation of law, order of any court, contract, gift, will, intestacy, Financial Insolvency, division of property in the context of a divorce or separation proceeding, or otherwise, and as a noun, the act of doing so.

(dd) "URULLCA" means the Utah Revised Uniform Limited Liability Company Act (Utah Code Ann. § 48-3a-101 *et seq.*), and all references to specific

sections thereof shall include any amended or successor provisions thereto.

ARTICLE II

FORMATION AND NAME; PRINCIPAL PLACE OF BUSINESS; TERM

2.1 **Formation and Name.** The Members have previously formed a limited liability company under the name of ITERRA HOLDINGS, LLC, by the filing of a Certificate of Organization pursuant to the provisions of URULLCA. The Members desire to govern the affairs of the Company by entering into this Operating Agreement. The rights and liabilities of the Members shall be determined pursuant to URULLCA and this Agreement. To the extent that the rights or obligations of the Members or a Manager are different by reason of any provision of this Agreement than they would be in the absence of such provision, then this Agreement shall, to the extent permitted by the URULLCA, control. Any action taken prior to the execution of this Agreement in connection therewith by the Members is hereby ratified and confirmed.

2.2 **Principal Office.** The principal office of the Company is 1224 S. River Road Suite B100, St. George, UT 84790. The Manager may at any time change the principal office of the Company.

2.3 **Registered Office and Registered Agent.** The registered agent and registered office of the Company in the State of Utah shall be the initial registered agent and registered office set forth in the Certificate or such other Person or location, as the case may be, as the Managers may designate from time to time. The records of the Company required to be maintained by the Act shall be kept at the designated office identified in the Certificate, or at such other designated office as the Managers may designate from time to time, consistent with the Act.

2.4 **Term of the Company.** The term of the Company commenced on the filing of the Certificate of Organization and shall continue in existence in perpetuity, unless earlier terminated by law or as hereinafter provided.

ARTICLE III

PURPOSES AND POWERS OF THE COMPANY

The Company is organized for any and all lawful purposes for which companies may be organized pursuant to the URULLCA, including but not limited to the acquisition, ownership, development, construction, management, sale, lease and exchange of all forms of real and personal property, tangible and intangible, wherever located. The Company shall have and may exercise all powers necessary to the accomplishment of its purposes without the necessity of their specific enumeration herein.

ARTICLE IV

TAX AND ACCOUNTING MATTERS

4.1 Characterization as a Partnership. The Company is not intended to constitute or give rise to a partnership. No Member shall by virtue of this Agreement or their co-ownership of the Company be deemed a partner of any other Member. Notwithstanding the foregoing, it is the intent of the Members that the Company be classified as a partnership for Federal and state income tax purposes. Accordingly, this Operating Agreement is written and shall be construed in a manner consistent with such intent and the Manager shall take no action inconsistent with such intent.

4.2 Fiscal Year. The Fiscal Year of the Company shall end on the last day of December of each year.

4.3 Accounting Method. The Company books of account shall be maintained and its income, gains, losses, deductions and credits shall be reported, for both financial and tax accounting purposes, on the cash basis method of accounting, applied consistently and in accordance with sound cash basis accounting principles. The Manager may at any time change the financial and tax accounting method of the Company, subject to any applicable limitation of law or regulation.

4.4 Tax Information. As soon as reasonably practicable after the end of the Company Fiscal Year, the Manager shall cause each Member to be furnished with a Schedule K-1 for such year and any other schedule or statement required by Federal income tax law.

4.5 Tax Elections; Safe Harbor Election. The Manager in its discretion may make any and all tax elections available to the Company, including without limitation the election provided for in IRC Section 754. Further, the Members agree that, in the event the Safe Harbor Regulation is finalized, the Company shall be authorized and directed to make the Safe Harbor Election and the Company and each Member (including any Member to whom an interest in the Company is issued in connection with the performance of services) agrees to comply with all requirements of the Safe Harbor with respect to all interests in the Company issued in connection with the performance of services during such time as a Safe Harbor Election is in effect. In the event the Safe Harbor Regulation is finalized, the Tax Matters Partner shall be authorized to and shall prepare, execute and file the Safe Harbor Election.

4.6 Tax Matters Partner. The Manager shall be the Tax Matters Partner ("TMP") of the Company as such term is defined in IRC Section 6231(a)(7).

4.7 Partnership Representative.

(a) With respect to tax returns filed for taxable years beginning after December 31, 2017 that are governed by the provisions of Subchapter C of Subtitle A, Chapter 63 of the Code, as amended by the Bipartisan Budget Act of 2015, P.L. 114-74 (such provisions, as may be amended from time to time, the "New Audit Rules"), the TMP shall be the Company's "partnership representative" (as such term is defined in Code Section 6223(a) and in any other similar capacity under applicable state or local tax law) (the "Partnership Representative"). If the Partnership Representative so determines with the consent of all Members, the Partnership Representative may cause the Company to make an election out of the New Audit Rules pursuant to Section 6221(b) or to elect under Section 6226(a) of the Code to have any underpayment taken into account at the

Member level, provided that the Company is eligible to make such elections.

(b) Each Member shall provide to the Partnership Representative such information (or, if applicable, certify as to filing of initial or amended tax returns) as is reasonably requested by the Partnership Representative to enable the Company (A) to reduce any Company level assessment under Code Section 6225 as set forth in the New Audit Rules, (B) to attribute under section 6226(a) to the Members and former Members their shares of the adjustment to income, gain, loss, deduction, or credit, (C) to determine the apportionment responsibility of any Company level assessment among the Members (such allocation, the "Apportionment"), as reasonably determined by the Partnership Representative, (D) to elect out of the New Audit Rules or (E) to comply with or be eligible to invoke any aspect of the New Audit Rules in any other respect.

(c) Any payment by the Company of a liability arising as a result of the New Audit Rules (a "Company Audit Payment") shall be treated as a deemed distribution to the Members in the same ratios as the Apportionment of such liability is made, and any deduction for book Capital Account purposes (the "Audit Liability Book Deduction") will be a reduction to the applicable Members' Capital Account balances (with no double counting of the reduction to Capital Accounts being intended). Alternatively, and notwithstanding anything herein to the contrary, any Member shall have authority to call additional capital from each of the Members and former Members to pay (or to require former Members to indemnify the Company for) any liability imposed by the New Audit Rules, in an amount not to exceed each such Member's or former Member's respective shares (if any), of such Company liability, and any such contribution shall not be treated as a Capital Contribution (i) except for purposes of maintaining Capital Accounts and only to the extent of such Member's share of Audit Liability Book Deduction, and (ii) except for purposes of applying the distribution provisions of this Operating Agreement to the extent the Company Audit Payment is treated as a distribution to such Member in the first sentence of this clause (c).

(d) The obligations of each Member (or former Member) under this Section 4.7 shall survive the transfer by such Member of its interests in the Company or the dissolution of the Company. In the event a Member transfers an interest in the Company, the transferee and transferor shall be jointly and severally liable for any liability with respect to the obligations of the transferor Member under this Section 4.7.

ARTICLE V

CAPITAL STRUCTURE; CAPITAL CONTRIBUTIONS; LOANS

5.1 **Profits Interest.** This Section 5.1 shall constitute a written compensation plan and agreement within the meaning of Rule 701 under the Securities Act of 1933, as amended (the "**1933 Act**"), and under Utah law pursuant to which Profits Interests may be issued, in accordance with the terms hereof, for zero consideration in order to align the interests of the holders of Profits Interests with the interests of the other Members and to provide an additional incentive for the holders of Profits Interests to build value for the Company and achieve its

business goals. Any interest issued in exchange for services to the Company is intended to constitute a Profits Interest under this Section 5.1.

5.2 Initial Capital Contributions. The Members shall make capital contributions to the Company of cash as set forth on Schedule One attached hereto and incorporated herein.

5.3 Additional Capital Needs. In the event that additional capital is required to complete the Projects, the Manager shall notify Bambam Holdings, LLC, who has committed and shall provide financing to the Company, from time to time, in a total amount up to \$3,000,000.00 in one or more loans and on such commercially reasonable terms and conditions as the Manager and Bambam Holdings, LLC are able to agree upon within thirty (30) days following delivery of each notice by Manager. Except as otherwise provided in the previous sentence, no Member shall be obligated to make any additional contributions of capital or loans to the Company without such Member's consent. However, Members may make additional capital contributions to the Company with the approval of the Manager. Further, in the event the Company has insufficient capital for its needs, it may raise additional capital by borrowing from Members or third parties on such commercially reasonable terms and conditions as the Manager and such Member or third party are able to agree upon, and/or by issuing additional equity interests in the Company to Members or third parties on such reasonable terms and conditions as the Manager in its discretion shall deem advisable.

5.4 Failure to Contribute Required Capital. If a Member fails to timely provide a required capital contribution, the Company may take such action as it deems necessary, including reallocating Percentage Interests from the delinquent Member to the other Members, issuing additional Units to Members that do make additional capital contributions, instituting a court proceeding to obtain payment, canceling the delinquent Member's membership interest, or exercising any other right or remedy available at law or equity.

5.5 Return of Capital. No Member shall be entitled to the return of its capital contribution to the Company except as specifically provided in this Agreement.

5.6 Interest on Contributions. No interest shall accrue or be paid on the balance in the Capital Account of any Member.

ARTICLE VI

CAPITAL ACCOUNTS

A separate Capital Account shall be maintained for each Member. In general, a Member's Capital Account shall be credited in the amount of such Member's contributions to capital and such Member's share of the Profits of the Company and shall be debited in the amount of any distributions of capital to such Member and such Member's share of the Losses of the Company, in accordance with IRC Section 704(b) and the Regulations promulgated thereunder, as more particularly set forth in the Capital Accounting and Tax Addendum attached hereto and made a part hereof by this reference.

ARTICLE VII

SCANNED

ALLOCATION OF PROFITS AND LOSSES

7.1 Allocation of Profits. Subject to the special tax allocation rules set forth in the Capital Accounting and Tax Addendum attached hereto and made a part hereof by this reference, Profits for any Fiscal Year shall be allocated to the Members for both financial and tax accounting and reporting purposes in proportion to their Percentage Interests.

7.2 Allocation of Losses. Subject to the special tax allocation rules set forth in the Capital Accounting and Tax Addendum attached hereto, Losses for any Fiscal Year shall be allocated to the Members for both financial and tax accounting and reporting purposes in the same manner and proportion as Profits under Section 7.1.

7.3 Allocations in the Event of Transfer or Liquidation. In the event of the transfer or Liquidation of a Member's entire interest in the Company, such Member's allocable share of Profits, Losses and any specially allocated items pursuant to the Addendum for the current taxable year of the Company through the date of transfer or Liquidation shall be calculated on the basis of an interim closing of the Company books as of such date, unless the parties otherwise agree in writing to calculate the same on the basis of a daily proration through such date of Profits, Losses and any specially allocated items for the entire year.

ARTICLE VIII

NET CASH FLOW AND DISTRIBUTIONS

8.1 Distribution of Net Cash Flow. The Net Cash Flow of the Company shall be distributed to the Members in proportion to their respective Percentage Interests at such times as the Manager may in its discretion deem advisable. Notwithstanding the foregoing, there shall always be a minimum distribution for each Fiscal Year of the Company of cash in a sufficient amount to cover the Federal and state income tax liability of the Members attributable to their share of Profits under Section 7.1 above for such Fiscal Year, based on the highest combined Federal and state marginal tax bracket of any Member. Furthermore, notwithstanding anything to the contrary in Article VII above, the Manager shall have the right to make any allocations of Profits and Losses that Manager determines in its business judgment are fair and equitable to the Members, considering the distributions of Net Cash Flow to the Members under this Section 8.1, so long as such allocations made by the Manager have substantial economic effect under Section 704 of the IRC.

8.2 Distribution Upon Termination. Notwithstanding the foregoing, liquidating distributions in the event of Liquidation of the Company shall be made in accordance with the Members' respective final positive Capital Account balances, as set forth in Section 14.4, below.

8.3 Amounts Withheld. The Company is authorized to withhold from payments, distributions, or with respect to allocations, to the Members and to pay over to any federal, state, or local government any amounts required to be so withheld pursuant to the I.R.C. or any provisions of any other federal, state or local tax Law. All amounts so withheld with respect to

any payment, distribution or allocation to the Members shall be treated as amounts paid or distributed to the Members pursuant to this Article 8 for all purposes under this Operating Agreement.

ARTICLE IX

RIGHTS AND DUTIES OF THE MANAGER

9.1 **Management.** The management of the Company shall be vested in those Persons designated by the Members as Manager (collectively, the "Manager"). The Manager of the Company shall be Brent Thompson, Dustin Garr and Benjamin Moore. The Manager shall direct, manage and control the business of the Company and shall have full and complete authority, power and discretion to make any and all decisions and to do any and all things which the Manager shall deem to be reasonably required in light of the Company's business and objectives, without the necessity of their specific enumeration herein. Whenever there is more than one person serving as Manager, except as otherwise provided herein, a simple majority of such persons must agree on any action to be taken by the Manager. The remaining Members of the Company shall have no right or authority to act for or on behalf of the Company and shall not interfere or participate in the management of the Company except as expressly provided herein. Notwithstanding the foregoing, the following actions relating to the Company shall not be taken by the Manager prior to obtaining the consent of a Majority in Interest of the Members:

- (a) sell, transfer, exchange, convey or otherwise dispose of all or substantially all of the assets of the Company, other than in the ordinary course of the business of the Company;
- (b) merge or consolidate the Company with or into one or more other "entities" as such term is defined in Section 48-3a-1001(11) of the URULLCA;
- (c) convert the Company to a different type of "entity" as such term is defined in Section 48-3a-1001(11) of the URULLCA;
- (d) liquidate or dissolve or file or acquiesce in the filing of, a petition in bankruptcy or similar proceeding; and
- (e) a transaction involving a conflict of interest between the Manager and the Company.

9.2 **Tenure and Succession.** Brent Thompson, Dustin Garr and Benjamin Moore shall serve as the Manager of the Company until their resignation, removal, or Financial Insolvency, in which event a Majority in Interest of Members shall elect a successor Manager or Managers.

9.3 **Duties and Powers of the Manager.** The Manager shall have all powers necessary to conduct the business of the Company without the need for specifically setting them forth herein. Unless authorized to do so by this Operating Agreement or by the Manager, no Member, agent or employee of the Company shall have any power or authority to bind the Company in

any way, to pledge its credit or to render it liable pecuniarily for any purpose. Additionally, and without limiting the generality of the foregoing, the Members hereby authorize the Manager to oversee the development and construction of projects to be undertaken by the Company or its Affiliates, which may include, without limitation, the acquisition, development, ownership, management, leasing and ultimate sale of certain townhomes and other residential units (the "Projects"). Without limiting the foregoing, the Manager will provide the following services and have the following specific powers:

- (a) To purchase, acquire, or joint venture, or enter into any contract or similar instrument or document relating to the purchase, acquisition, or joint venture, of any rights in real property or appurtenances thereto;
- (b) To purchase or acquire real property and assets of all kinds for the conduct of the Company's business;
- (c) To borrow money and grant security interests in the Company's assets (including loans from Members), and prepay, refinance or extend any mortgage affecting the Company's assets;
- (d) To mortgage, pledge, hypothecate, or otherwise encumber in any manner, or permit any encumbrances with respect to all or a portion of real property owned by the Company, outside of the ordinary course of business;
- (e) To approve any promissory notes, mortgages, deeds of trust, security agreements, financing statements, any guarantees of indebtedness, and other similar documents, on behalf of the Company, outside of the ordinary course of business; and
- (f) To prepare, submit, and seek approval of necessary governmental approvals and entitlements;
- (g) To prepare land use plans, site plans, plats, and perform other site planning and design of Company projects;
- (h) To coordinate and supervise construction of the Company projects;
- (i) To negotiate and contract for labor, materials, services, and other items relative to the construction of the improvements, including without limitation, entering into a construction contract with respect to the construction of all improvements relating to Company projects, which contract shall include terms customarily agreed upon for similar projects located within the metropolitan area where such projects are located;
- (j) To coordinate, supervise and conduct the preparation and maintenance of books and records, showing all items of income and expenses for Company projects, pertaining to the development of Company projects and the construction and marketing of the same;
- (k) To select and remove all officers, agents and employees of the Company, and to employ any Person for the operation and management of the Company's business;

(l) To coordinate, supervise, and/or contract for the marketing, operation, and ongoing management of Company projects;

(m) To coordinate and supervise the appointment of a property manager for Company projects; and

(n) Such other services as may be mutually agreed by the Company and the Manager from time to time, which may be reasonably necessary to carry out the purposes and intents of the Company.

The costs associated with the planning and development of the Company projects shall be borne by the Company.

9.4 Liability for Certain Acts. The Manager shall exercise business judgment in managing the business, operations and affairs of the Company. Unless fraud, gross negligence or willful misconduct shall be proven by a court order, judgment, decree or decision which has become final, the Manager shall not be liable or obligated to the Company or the Members for any mistake of fact or judgment or for the doing or failure to do of any act in conducting the business, operations and affairs of the Company which causes or results in any loss or damage to the Company or its Members.

9.5 Time Devoted to Company; Conflicts. It is understood and agreed that the Manager is free to devote less than their full time to the business of the Company and may engage in any other business or activity whatsoever. Neither the Company nor any Member shall have any right, by virtue of this Operating Agreement, to share or participate in such other investments or activities of the Manager or in the income or proceeds derived therefrom.

9.6 Indemnification. The Company shall indemnify any Person who is made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such Person is or was a Manager or Member, against costs and expenses, including attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by the Manager or Member in connection with the action, suit or proceeding if such Person acted in good faith and in a manner such Person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that such Person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that such Manager or Member (a) did not act in good faith and in a manner which such Person reasonably believed to be in or not opposed to the best interests of the Company, and (b) with respect to any criminal action or proceeding, had reasonable cause to believe that such Person's conduct was unlawful.

9.7 Resignation. A Person serving as a Manager may resign at any time by giving written notice to the Members of the Company. The resignation of a Manager shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SCANNED

9.8 Compensation. No Manager shall receive compensation for his or her management and supervision of the Company's business, unless a reasonable amount of compensation is agreed to by the Members.

9.9 Dealings with Affiliates. The Company may enter into business and contractual relationships of any kind with affiliated entities, provided that the terms of such relationships are commercially reasonable and satisfy arm's length standards.

9.10 Removal. At a meeting called expressly for that purpose, the Manager may be removed by the affirmative vote of a Majority in Interest of the Members, provided that any such removal shall be restricted to removal "for cause". For purposes of this Section, "for cause" shall (a) be defined as (i) conviction of a felony as adjudicated by a court of competent jurisdiction by the Manager, (ii) an intentional and willful act of fraud, embezzlement, theft or any other material violation of law by the Manager that occurs in the course of the performance of Manager's duties under this Agreement, (iii) intentional and willful damage to the Company's assets by the Manager, (iv) material breach of the Manager's obligations under this Agreement by the Manager following notice and a reasonable opportunity to cure such breach, (v) the death, Legal Incompetency, withdrawal, resignation, expulsion or dissolution of one (1) or more of the initial managers of the Manager (which initial managers of the Manager include Brent Thompson, Dustin Garr and Benjamin Moore and/or entities owned by the foregoing individuals), or the sale or transfer of all of the membership interests held in the Manager by two (2) or more of the initial members' of the Manager (which initial members of the Manager include Brent Thompson, Dustin Garr and Benjamin Moore and/or entities owned by the foregoing individuals); or (vi) the Transfer by the Manager of all or any portion of its membership interest except upon the admission of Additional Members as contemplated in Article XI below, and (b) specifically does not include a failure to meet any expected financial projections, profits estimates, or budgets.

ARTICLE X

RIGHTS AND OBLIGATIONS OF MEMBERS

10.1 Limitation of Liability. No Member shall be personally liable for any debts, obligations, liabilities or losses of the Company, regardless of the particular nature or source thereof, except as otherwise provided in section 48-2c-603 of the URULLCA. For the avoidance of doubt, except to the extent required by section 48-2c-603 of the URULLCA, a Member has no liability to return to the Company any distribution to which the Member is legally entitled, regardless of the Company's inability to discharge its obligations to its creditors.

10.2 Company Books. The Manager shall maintain and preserve at the Company's principal place of business, during the term of the Company and for six (6) years thereafter, all accounts, books, and other documents and records, including those required to be maintained by the URULLCA. Upon reasonable request, each Member shall have the right, during ordinary business hours, to inspect and copy such Company documents at the Member's expense.

10.3 Priority and Return of Capital. Except as otherwise provided in this Agreement, no Member shall have priority over any other Member, either as to the return of capital

contributions or as to distributions; provided that this Section shall not apply to loans (as distinguished from capital contributions) which a Member has made to the Company.

10.4 Withdrawal by a Member. No Member shall have the right under this Operating Agreement to unilaterally withdraw from the Company or to require that his or her interest in the Company be redeemed, in whole or in part.

10.5 Negation of Fiduciary Duty. A Member who is not also a Manger owes no fiduciary duties to the Company or to the other Members solely by reason of being a Member.

ARTICLE XI

ADMISSION OF NEW MEMBERS

No Person shall be admitted to the Company as an Additional or Substituted Member without the express, written consent of the Manager and a Majority in Interest of the Members. An Additional or Substituted Member shall execute and deliver all documents necessary to reflect such Member's admission to the Company and such Member's agreement to be bound by the terms and conditions of this Operating Agreement. An Additional or Substituted Member shall thereupon be entitled to all of the rights and be subject to all of the duties and liabilities of membership in the Company. This Operating Agreement shall be amended as necessary to conform to the changed conditions of the Company.

ARTICLE XII

TRANSFER OF MEMBER'S INTEREST

12.1 Transferability of Interest. Subject to Section 13.1 below, a Member shall be free to Transfer all or any portion of such Member's interest in the Company at any time to any Person on any terms and conditions, except as follows:

(a) Certain Transfers are subject to the right of first refusal set forth in Section 12.2 below.

(b) Also, no Transfer otherwise permitted hereunder may be made if, in the opinion of counsel for the Company, such Transfer, when added to the total of all other interests in the Company transferred within the period of twelve (12) consecutive months prior to the proposed date of Transfer, would result in the termination of the Company for tax purposes under IRC Section 708, unless such Transfer is specifically consented to by the Manager and a Majority in Interest of the Members (other than the transferring Member).

12.2 Right of First Refusal. In the event a Member receives a bona fide written offer to purchase all or any portion of such Member's interest in the Company from a third party which such Member desires to accept, he may do so, provided that such Member first offers to sell such Member's interest, or portion thereof, to the Company in the manner set forth below on the same terms and conditions as offered by the third party by delivering a copy of said third

party offer to the Manager (with a cash equivalent value being substituted for any non-cash consideration contained in said third party offer). If the Member proposes to gift all or any portion of such Member's interest in the Company to a person outside such Member's Family, such Member shall give notice of same to the Manager, which notice shall be treated as the equivalent of an offer to sell such interest to the Company for the value and on the terms determined under Sections 13.2 and 13.3 below.

The Manager shall then have sixty (60) days in which to accept said offer in full on behalf of the Company on the terms and conditions set forth in said offer. If the Manager declines to accept said offer, the Manager may assign the offer to those Members who desire to accept it, pro rata in proportion to such Members' Percentage Interests as of the date of the notice received by the Manager, or as such Members may otherwise agree among themselves, but such assignment shall not extend the sixty (60) day period for acceptance. Acceptance shall be in writing delivered to the transferring Member.

If the Manager and Members decline to accept said offer or otherwise waive their rights hereunder, the transferring Member shall be free to accept the offer of purchase from said third party, provided he does so within thirty (30) days after the earlier of the end of the sixty (60) day period or receipt of such waiver and provided he consummates the sale of his interest, or portion thereof, without any material variation in the terms and conditions stated in said offer. If the thirty (30) day period for acceptance expires or if such Member desires to materially vary any of the terms and conditions of the offer, he must follow the procedure set forth above as if he were receiving a new offer of purchase.

Notwithstanding the foregoing, the following Transfers shall not be subject to the above right of first refusal:

(a) A lifetime or testamentary Transfer, whether by sale or by gift, by any Member of all or any portion of such Member's interest in the Company to or for the benefit of such Member's Family, or trust or other Entity for the benefit of such Family (an "Intrafamily Transfer").

(b) A distribution, termination, merger, consolidation or transfer of substantially all the assets of said Member, or other reorganization of said Member constituting a mere change in the form of doing business or of holding property, provided said Member or the persons formerly in control of said Member own the transferred interest in the Company directly or own the controlling interest in the new or surviving Entity. "Control" means in excess of 50% of the voting interests.

12.3 Effect of Transfer; Status of Transferee. The Transfer of any interest in the Company, voluntary or involuntary, permissible or impermissible, if effective at all, shall be effective only to Transfer the transferring Member's economic rights in such interest and not to Transfer such Member's voting, management and other rights of ownership with respect to such interest; provided, that with respect to any Intrafamily Transfer, the transferor may confer the status of Member on such transferee upon written notice to the Manager. Accordingly, any transferee of such interest shall have the status of a mere assignee under the URULLCA and shall not be entitled to become, nor to exercise any of the rights of, a Member in the Company

unless and until such transferee is admitted as a Substituted Member in accordance with Article XI above. In any event, the transferee shall be subject to all the obligations of Members hereunder and the transferring Member shall cease to have any rights at all with respect to the transferred interest.

12.4 Transferring Member's Capital Account Balance. Subject to Section 7.3 above, that portion of the Capital Account balance of a Member who Transfers all or any portion of such Member's interest in the Company, as permitted hereunder, which is attributable to such transferred interest, shall carry over to the transferee as set forth in Regulations Section 1.704-1(b)(2)(iv)(i).

12.5 Internal Revenue Service Reporting Requirements. In the event of a sale or exchange of an interest in the Company, the Members shall comply with the reporting requirements of IRC Section 6050K.

ARTICLE XIII

BUY-OUT OF MEMBER'S INTEREST

13.1 Buy-Out Upon Certain Events. Upon receiving notice of the occurrence of a Buy-Out Event (defined below), the Company shall have one hundred twenty (120) days in which it may exercise an option to purchase the entire interest in the Company of the Member to whom or by whom the Buy-Out Event has occurred (the "Liquidating Member"). The Manager in its sole discretion shall determine whether or not to exercise such option.

A "Buy-Out Event" shall consist of any of the following events or circumstances:

- (a) the Legal Incompetency or Divorce of a Member;
- (b) the Financial Insolvency of a Member; or
- (c) the breach by a Member of any material term or provision of this Agreement, which shall include, without limitation, failure by Bambam Holdings, LLC to fund which breach remains uncured after reasonable notice and opportunity to cure; or

For purposes of this Article XIII, the Buy-Out Events described in subsections (b) or (c) above shall be referred to herein collectively as "For Cause Buy-Out Events." Exercise of said option by the Company shall be made by giving written notice thereof to the Liquidating Member or the personal representative, trustee or other successor-in-interest of the Liquidating Member, effective as of the date of notice of such election. Valuation of the interest in the Company of the Liquidating Member shall then take place pursuant to Section 13.2 below and payment for such interest shall take place pursuant to Section 13.3 below.

13.2 Valuation of Liquidating Member's Interest. The interest in the Company of a Liquidating Member shall be valued as follows:

- (a) Negotiation to Determine Valuation. The Manager and the Liquidating Member or the personal representative, trustee or other successor-in-interest of the

Liquidating Member shall promptly commence negotiations to establish the fair market value of the Liquidating Member's interest in the Company. Value shall be determined as of the date of the election to buy out the interest of the Liquidating Member. Negotiations shall continue as long as required, provided that if an agreement is not reached within thirty (30) days after the date of the election to buy out the interest of the Liquidating Member or if negotiations break down prior to such time, either party may terminate the negotiations and require the valuation to be submitted to appraisal, as provided in the following subsection.

(b) Appraisal to Determine Valuation. If the parties are unable to reach agreement through negotiations between themselves, they shall submit the valuation to appraisal. In that event, unless the parties agree on a different appraisal procedure, the fair market value of the Liquidating Member's interest in the Company shall be determined as follows. The parties shall promptly select a mutually agreed upon appraiser qualified by appropriate licensure or certification to conduct appraisals of interests in a limited liability company, taking into consideration the nature of the assets owned and business conducted by the Company, and such appraiser shall then determine the fair market value using the calculations set forth above. In the event the parties cannot agree upon a mutually acceptable appraiser, each of the parties shall then select an appraiser, and these two appraisers shall select a third appraiser and this third appraiser shall determine the fair market value of the Liquidating Member's interest in the Company by taking into consideration the calculations set forth above. Each party shall bear the cost of the appraiser chosen by it and the parties shall split the cost of the third appraiser.

(c) Method of Valuation and Discounts. The value of the Liquidating Member's interest in the Company, whether determined by negotiation or appraisal, shall be arrived at by first determining the value of the Company as a whole by reference to such financial data and the use of such valuation methods as are appropriate and then, in the case of For Cause Buy-Out Events only, applying appropriate discounts with respect to the interest of the Liquidating Member to take into account, to the extent applicable, minority interest, nonmarketability of interest and other similar factors which would affect the value of the Liquidating Member's interest.

(d) No Payment for Good Will. With respect to For Cause Buy-Out Events only, no portion of the value of the Liquidating Member's interest in the Company, as determined under Section 13.2(a) or (b) above, shall be allocated to good will.

13.3 Payment Schedule. Payment for the interest in the Company of a Liquidating Member, as valued under Section 13.2 above, may be made by the Company over a period of up to two (2) years in equal monthly, quarterly or annual installments of principal, together with accrued interest from the effective date of the buy-out or redemption. The unpaid balance of the purchase price shall bear interest at the Prime Rate as quoted by the Wall Street Journal at the time of the exercise of the option (except that no interest shall be payable to a Liquidating Member in the event of a For Cause Buy-Out Event). The unpaid balance of the purchase price shall be secured by a pledge of the Liquidating Member's interest in the Company being purchased. The Company shall have the right to prepay all or any portion of such obligation at any time without notice or penalty. In the event the Company terminates under Article XIV,

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below, prior to the payment in full by the Company of the foregoing obligation, the entire remaining balance of principal and accrued interest shall be immediately due and payable by the Company, as set forth in Section 14.3 below.

ARTICLE XIV

DISSOLUTION AND TERMINATION

14.1 Dissolution and Continuation. The Company shall be dissolved upon the vote of the Manager and a Majority in Interest of the Members in favor of dissolution. The death, Financial Insolvency, Legal Incompetency, withdrawal, retirement, resignation, expulsion or dissolution of any Member shall not of itself cause the dissolution of the Company.

14.2 Winding Up the Company. Upon dissolution of the Company, the Manager shall immediately commence to wind up the affairs of the Company and shall engage in an orderly disposition of its assets where such can be done at a fair value (except to the extent the Manager may determine to distribute any assets to the Members in kind). The items comprising the Profits or Losses of the Company, as the case may be, as well as any specially allocated items for the Fiscal Year in which the Company is terminated, shall continue to be allocated to the Members or their representatives and be credited or charged to their respective Capital Accounts in accordance with Articles VI and VII, above. Further, the Capital Accounts of the Members or their representatives shall be adjusted as required by Paragraph B.2(c) of the Addendum attached hereto.

14.3 Distribution of Liquidation Proceeds. Pursuant to the winding up of the Company's affairs, the Company assets and the proceeds from the disposition of Company assets shall be applied in order of priority as follows:

- (a) First, to creditors of the Company;
- (b) Second, to Members up to an amount equal to the final positive balances in their respective Capital Accounts (after the allocation of all Profits, Losses and specially allocated items); and
- (c) Third, to Members in proportion to their Percentage Interests, to the extent of any remaining proceeds.

Each Member shall look solely to the assets of the Company for the return of such Member's investment in the Company, and if such assets or the proceeds from the liquidation of such assets are insufficient to return said investment, such Member shall have no recourse against any other Member. Liquidating distributions to Members shall be made by the later of (i) the end of the Company taxable year in which Liquidation occurs, or (ii) ninety (90) days after Liquidation.

14.4 Return of Capital Contributions. A Member shall not be entitled to the return of specific property contributed to the Company nor to any payments in liquidation of such Member's interest in the Company other than in cash.

14.5 Negative Capital Account Balance. A negative balance in any Member's Capital Account which exists upon termination of the Company (after the allocation of all Profits and Losses through termination) shall not constitute a debt or liability of such Member to the Company, to any creditor of the Company, to any other Member, or to any other Person for any purpose whatsoever, and such Member shall have no obligation to make any additional capital contribution to the Company by reason of such negative balance.

14.6 State Law Compliance. The Manager shall take all steps which are required by the URULLCA to complete the dissolution of the Company.

ARTICLE XV

MEMBER REPRESENTATIONS

15.1 Representations. Each Member represents to the Company, the Manager and the other Members that:

(a) The Member has received and read or reviewed and is familiar with and understands this Agreement and the other information delivered to the Member, and the Member confirms that all documents, records and books pertaining to the investment and participation in the Company and requested by them have been made available or delivered to them. The Member is experienced in ownership and investment in real estate and is sophisticated in analyzing such endeavors or has obtained the assistance of an advisor or advisors who possess such expertise.

(b) The Member has had an opportunity to ask questions of and receive answers from the Company, or a person or persons acting on the Company's behalf, concerning the terms and conditions of their participation and investment in the Company, and to obtain any additional information necessary to verify the accuracy of the information delivered to the Member. The Company has responded to all questions and inquiries that the Member has made.

(c) The Member understands that the membership interests in the Company have not been and will not be registered under the Securities Act or any state securities laws, but, if deemed to be securities, are being sold and acquired in reliance on exemptions for private offerings under the Securities Act and such state laws and the Member further understands that the Member is purchasing its interests in the Company without being furnished any offering literature or prospectus other than the information delivered by the Company.

(d) The Member's interest in the Company is being acquired solely for the Member's own account; for investment and is not being purchased with a view to or for the resale or distribution of such interests within the meaning of the Securities Act, or subdivision or fractionalization thereof; and the Member has not entered into and has no present plans to enter into any contract, undertaking, agreement or arrangement for the sale or further distribution of the interests. The Member did not receive an offer to acquire its interest by any form of general solicitation or advertising. The Member agrees that the Company will have no obligation to recognize the ownership, beneficial or

otherwise, of such interests by anyone other than the Member.

15.2 Company Risks. Member acknowledges and understands the following with respect its interest in the Company:

(a) The Company is a newly organized entity and faces all of the risks of a start-up business. The Company has no history of operations or earnings. There is no assurance that the operations of the Company will be profitable or that any investment in the Company will be recouped. The Member understands that there are substantial risks associated with purchase of a membership interest in the Company, including, without limitation, the risk of loss of its investment and/or return thereon, adverse effects on its investment resulting from cost overruns, market changes, natural disasters, shortages of materials or contractors, failures of subcontractors, adverse weather conditions, changes in market demand, fluctuations in interest rates, increased competition, outcome of any pending litigation, inability to obtain desired zoning changes and/or governmental approvals of the Projects, and other matters. The Member has evaluated and accepted such risks.

(b) The real estate market is very competitive. There are numerous other apartment project developers and/or other builders or developers of real estate who have greater financial resources than the Company. There is no guarantee that the Projects will be successful.

(c) Any budgets and projections that have been provided to the Member are provided are for illustrative purposes only, are forward looking, and while the Company believes the projections and the assumptions underlying the projections are made in good faith, there is no assurance that the projections will reflect the actual operations of the Company.

(d) Neither the Manager nor the Company have made any representations regarding the tax treatment of the Company or the tax consequences of an investment to any Member. Each Member should consult his own tax advisor.

ARTICLE XVI

MISCELLANEOUS PROVISIONS

16.1 Amendments. This Operating Agreement may be amended, or amended and restated, at any time upon the affirmative vote of the Manager and a Super Majority in Interest of the Members; provided, however, the Manager may make technical amendments to the Operating Agreement at any time which do not affect the economic interests of the Members as necessary in order to maintain the Operating Agreement in compliance with applicable tax and limited liability company law.

16.2 Notices. Except as otherwise provided herein, any notice, election, or communication required or permitted to be given by any provision of this Operating Agreement shall be in writing and shall be deemed to have been sufficiently given or served for all purposes if delivered personally to the party or to an executive officer of the party to whom the same is

directed or three (3) days after being sent by United States mail, certified or registered mail, postage prepaid, addressed to such party's address set forth in the records of the Company. Any such address may be changed by notice given in the above manner.

16.3 Governing Law. This Operating Agreement is entered into under and shall be governed by the laws of the State of Utah.

16.4 Construction. Whenever the singular number is used in this Operating Agreement and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa.

16.5 Headings. The headings in this Operating Agreement are inserted for convenience only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Operating Agreement or any provision hereof.

16.6 Binding Effect. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Operating Agreement, their respective heirs, legal representatives, successors and assigns.

16.7 Counterparts. This Operating Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

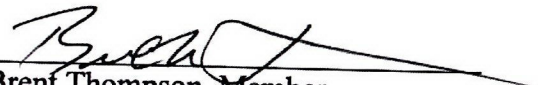
16.8 Enforcement. In the event of a breach or dispute arising under this Operating Agreement, the nonbreaching party or the party prevailing in such dispute shall be entitled to recover its costs, including without limitation reasonable attorneys' fees and court costs, from the breaching or nonprevailing party.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, this Operating Agreement has been executed as of the date hereinabove first written by the following Members, whose respective mailing addresses are set forth opposite their signatures, and acknowledged and consented to by the Manager. By their signatures below said Members and Manager do hereby affirm that they have read the foregoing Operating Agreement and are familiar with its contents and they do hereby verify the truthfulness thereof.

MEMBERS:

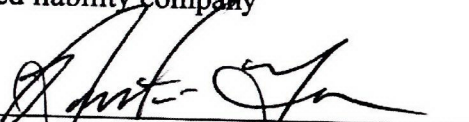
RAVELLO DEVELOPMENT, LLC, a Utah
limited liability company

By: 
Brent Thompson, Member

Mailing Addresses:

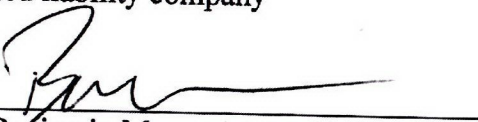
2476 E. LaGrasse Circle
St. George, Utah 84790

PRECISION INVESTING, LLC, a Utah
limited liability company

By: 
Dustin Garr, Manager

1224 S. River Road, Suite B100
St. George, Utah 84790

BAMBAM HOLDINGS, LLC, a Utah
limited liability company

By: 
Benjamin Moore, Manager

1135 West Saybrook Way
Washington, Utah 84780

SCHEDULE ONE

<u>Member</u>	<u>Percentage Interests</u>	<u>Capital Contribution</u>
Ravello Development, LLC	33.33%	\$100.00
Precision Investing, LLC	33.33%	\$100.00
Bambam Holdings, LLC	33.33%	\$100.00
<i>TOTALS:</i>	100.00%	\$300.00

CAPITAL ACCOUNTING AND TAX ADDENDUM

A. DEFINITIONS

The following additional definitions are supplied for purposes of this Addendum:

(a) "Adjusted Capital Account" means a Member's Capital Account as of the end of any fiscal year, increased by the amount of any deficit balance in such Member's Capital Account which such Member is unconditionally obligated to restore to such Member's Capital Account, or is deemed obligated to restore pursuant to the penultimate sentence of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5), and decreased by the items described in Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6). The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(b) "Adjusted Tax Basis" means the adjusted tax basis of property for Federal income tax accounting purposes.

(c) "Book Depreciation" means for each Company Fiscal Year or other period, an amount equal to the Tax Depreciation for such year or other period, except that if the Book Value of an asset differs from its adjusted tax basis at the beginning of such year or other period, Book Depreciation shall be an amount which bears the same relationship to such beginning Book Value as the Tax Depreciation for such year or other period bears to such beginning Adjusted Tax Basis; provided, however, that if the Tax Depreciation for such year is zero, Book Depreciation shall be determined with reference to such beginning Book Value using any reasonable method selected by the Manager. The foregoing definition of Book Depreciation is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(iv)(g)(3) and shall be interpreted consistently herewith.

(d) "Book Value" means the value of property as reflected on the books of the Company in accordance with Paragraph B.2 of this Addendum.

(e) "Fair Market Value" means the fair market value of property, unreduced by any liabilities secured by such property. For the purpose of applying the capital accounting rules set forth in Paragraphs B.1(b) and B.1(g) of this Addendum and for purposes of Paragraph B.2(a) of this Addendum, such fair market value shall be determined without regard to the amount of any nonrecourse indebtedness secured by such property, in accordance with IRC Section 752(c). For all other purposes and provisions of this Operating Agreement, such fair market value shall be deemed to be no less than the amount of any nonrecourse indebtedness secured by such property, in accordance with IRC Section 7701(g) and Regulations Section 1.704-1(b)(2)(iv)(e)(1).

(f) "Partner Nonrecourse Liability" means any liability to the extent such liability is nonrecourse to the Company and a Member (or related person) bears the economic risk of loss as set forth in Regulations Section 1.704-2(b)(4).

(g) “Partner Nonrecourse Debt Minimum Gain” means the aggregate amount by which Partner Nonrecourse Liabilities, if any, exceed the adjusted tax bases of the Company properties which they encumber, as set forth in Regulations Sections 1.704-2(b)(2) and 1.704-2(i)(2).

(h) “Partner Nonrecourse Deductions” means items of loss, deduction or IRC Section 705(a)(2)(B) expenditures that are attributable to a Partner Nonrecourse Liability, as set forth in Regulations Section 1.704-2(i)(1). The amount of Partner Nonrecourse Deductions for a Company fiscal year equals the net increase, if any, in the amount of Partner Nonrecourse Debt Minimum Gain during such fiscal year, reduced (but not below zero) by the distribution of proceeds of any Partner Nonrecourse Liability made during such fiscal year to the Member (or Members) bearing the economic risk of loss for such liability which are both attributable to such liability and allocable to an increase in Partner Nonrecourse Debt Minimum Gain, as set forth in Regulations Section 1.704-2(i)(2).

(i) “Partnership Minimum Gain” means the aggregate amount by which Partnership Nonrecourse Liabilities, if any, exceed the adjusted tax bases of the Company properties which they encumber, as set forth in Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

(j) “Partnership Nonrecourse Deductions” means items of loss, deduction or IRC Section 705(a)(2)(B) expenditures that are attributable to Partnership Nonrecourse Liabilities, as set forth in Regulations Section 1.704-2(b)(1). The amount of Partnership Nonrecourse Deductions for a Company fiscal year equals the net increase, if any, in the amount of Partnership Minimum Gain during such fiscal year, reduced (but not below zero) by the aggregate distributions made during such fiscal year of proceeds of any Partnership Nonrecourse Liability which are allocable to an increase in Partnership Minimum Gain, as set forth in Regulations Section 1.704-2(c).

(k) “Partnership Nonrecourse Liability” means any liability that is nonrecourse to the Company as to which no Member (or related person) bears any economic risk of loss as set forth in Regulations Section 1.704-2(b)(3).

(l) “Section 704(c) Property” has the meaning set forth in Paragraph C.1 of this Addendum.

(m) “Tax Depreciation” means for each Company Fiscal Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such year or other period for Federal income tax purposes.

B. CAPITAL ACCOUNT MAINTENANCE RULES

1. Basic Capital Accounting Rules. The Members’ Capital Accounts shall be kept in accordance with the following rules. A Member’s Capital Account shall be increased by:

(a) the amount of money contributed by such Member to the Company

(including the amount of Company liabilities assumed by such Member other than liabilities described in subparagraph (g));

(b) the Fair Market Value of property other than money contributed (or deemed contributed) by such Member to the Company, net of liabilities secured by such property that the Company is considered to assume or take subject to under IRC Section 752;

(c) the amount of Company liabilities which are assumed by such Member (other than liabilities described in subsection (g) below which are assumed by a distributee Member);

(d) such Member's allocable share of the Profits of the Company under Section 7.1 above and of any items of income or gain which are specially allocated pursuant to Paragraph C.2 of this Addendum; and

(e) such Member's allocable share under Paragraph C.1(c) of this Addendum of any gain attributable to Section 704(c) Property, as computed for book purposes;

and shall be decreased by:

(f) the amount of money distributed by the Company to such Member (including the amount of such Member's individual liabilities assumed by the Company other than liabilities described in subparagraph (b));

(g) the Fair Market Value of property other than money distributed (or deemed distributed) by the Company to such Member, net of liabilities secured by such property that such Member is considered to assume or take subject to under IRC Section 752;

(h) the amount of such Member's individual liabilities which are assumed by the Company (other than liabilities described in subsection (b) above which are assumed by the Company);

(i) such Member's allocable share of the Losses of the Company under Section 7.2 above and of any items of loss or deduction which are specially allocated pursuant to Paragraph C.2 of this Addendum; and

(j) such Member's allocable share under Paragraph C.1(c) of this Addendum of any Book Depreciation or loss attributable to Section 704(c) Property, as computed for book purposes.

The Members' Capital Accounts shall also be debited or credited as provided in Paragraphs B.2(c) and B.2(d) of this Addendum. Also, in determining the amount of any liability for purposes of this provision, there shall be taken into account IRC Section 752(c) and any other applicable provisions of the IRC and Regulations.

2. Valuation of Company Property; Capital Account Adjustments. The Book Value

of Company property shall be its Adjusted Tax Basis except in the following instances:

(a) Contributed Property. The Book Value of property contributed (or deemed contributed) to the Company by any Member shall be equal to its Fair Market Value on the date of contribution (or deemed contribution).

(b) Distributed Property. The Book Value of property distributed (or deemed distributed) by the Company to any Member, whether in connection with the Liquidation of the Company or otherwise, shall be increased or decreased, as the case may be, to equal its Fair Market Value on the date of distribution (or deemed distribution), and the Capital Accounts of the Members shall be debited or credited, as the case may be, to reflect the manner in which gain or loss, as computed for book purposes, would be allocated among the Members if there were a taxable disposition of such property for such Fair Market Value.

(c) Other Property at Time of Contribution or Distribution. In connection with either

(i) a contribution (or deemed contribution) of money or other property, including services, to the Company by a new or existing Member in exchange for a new or increased interest in the Company, or

(ii) a distribution (or deemed distribution) of money or other property by the Company to a withdrawing or continuing Member in exchange for all or a portion of such Member's interest in the Company, or

(iii) the Liquidation of the Company,

the Book Values of all Company assets, including good will if applicable, shall be increased or decreased, as the case may be, to equal their respective Fair Market Values on the date of such contribution or distribution (or deemed contribution or distribution), and the Capital Accounts of the Members shall be debited or credited, as the case may be, to reflect the manner in which gain or loss, as computed for book purposes, would be allocated among the Members if there were a taxable disposition of all such assets for such Fair Market Values; provided, however, in the case of Subparagraphs (i) and (ii) hereof, such adjustment need not be made if such contribution or distribution is of a *de minimis* amount or if the Members reasonably determine that such adjustment is not necessary or appropriate in view of the cost to the Company of making such adjustment as compared with the distortion in the relative economic interests of the Members which would result from not making such adjustment. Paragraphs (a), (b) and (c) hereof are intended to comply with Regulations Section 1.704-1(b)(2)(iv)(d), (e) and (f) and shall be interpreted consistently therewith.

(d) Section 754 Adjustments. The Book Value of an item of Company property shall be increased or decreased, as the case may be, to equal its Adjusted Tax Basis whenever an adjustment to the Adjusted Tax Basis of such item of Company property arises under IRC Sections 732(d), 734 or 743 and such adjustment exceeds the difference between the Book Value of such item of Company property and its Adjusted

Tax Basis prior to making such adjustment. Such increase or decrease in Book Value shall then be allocated to the Capital Accounts of the Members in accordance with Regulations Section 1.704-1(b)(2)(iv)(m). This Paragraph shall be applied only after the application of Paragraphs B.2(a), (b) and (c), above.

C. SPECIAL TAX ALLOCATION RULES

1. Special Allocation Rules Where Book Value and Adjusted Tax Basis Are Unequal. Notwithstanding the general allocation rules set forth in Sections 7.1 and 7.2 above, as to property the Book Value of which is different from its Adjusted Tax Basis ("Section 704(c) Property"), the following rules and definitions shall apply:

(a) If the Book Value of property exceeds its Adjusted Tax Basis, such excess shall be referred to as "Built-in Gain." Conversely, if the Adjusted Tax Basis of property exceeds its Book Value, such excess shall be referred to as "Built-in Loss."

(b) Built-in Gain or Built-in Loss may arise as the result of the contribution or deemed contribution of property to the Company by one or more Members (the "Contributing Members") or as the result of the revaluation of existing Company property under Paragraph B.2 of this Addendum. If existing Company property is revalued, the existing Members shall be considered the Contributing Members as to such property. The term Contributing Members shall include successors-in-interest thereto.

(c) Book Depreciation, and gain or loss with respect to Section 704(c) Property as computed for book purposes, shall be allocated to the Members in accordance with the general profit and loss sharing percentages specified in Sections 7.1 and 7.2, above, and the Members' Capital Accounts shall be adjusted accordingly, as set forth in Paragraph B.1 of this Addendum.

(d) Tax Depreciation, and gain or loss with respect to Section 704(c) Property as computed for tax purposes, shall be allocated to the Members in a manner that takes into account the Built-in Gain or Built-in Loss with respect to such property, in accordance with Section 704(c) of the IRC and equivalent principles, as follows, and such allocations shall not be independently reflected by further adjustments to the Members' Capital Accounts:

(i) With respect to Built-in Gain property, 100% of any tax gain shall be allocated to the Contributing Members in the same proportion as such Built-in Gain has been credited to their respective Capital Accounts; Tax Depreciation shall be allocated to the Members other than the Contributing Members (the "Noncontributing Members") in the same proportion as, but in an amount not to exceed, the Book Depreciation with respect to such property which has been allocated to them under Paragraph C.1(c) of this Addendum; and any excess of such Tax Depreciation over the amount allocated to the Noncontributing Members shall be allocated to the Contributing Members in the same proportion that the Book Depreciation with respect to such property has been allocated to the Contributing Members under Paragraph C.1(c) of this Addendum. These allocations shall continue until the Built-in Gain has been eliminated. Thereafter

any Tax Depreciation and gain or loss with respect to such property shall be allocated to the Members pursuant to the general profit and loss allocation provisions of Sections 7.1 and 7.2, above.

(ii) With respect to Built-in Loss property, 100% of any tax loss shall be allocated to the Contributing Members in the same proportion as such Built-in Loss has been charged to their respective Capital Accounts; Tax Depreciation shall be allocated to the Noncontributing Members in the same proportion as, but in an amount not to exceed, the Book Depreciation with respect to such property which has been allocated to them under Paragraph C.1(c) of this Addendum; and any excess of such Tax Depreciation over the amount allocated to the Noncontributing Members shall be allocated to the Contributing Members in the same proportion that the Book Depreciation with respect to such property has been allocated to the Contributing Members under Paragraph C.1(c) of this Addendum. These allocations shall continue until the Built-in Loss has been eliminated. Thereafter any Tax Depreciation and gain or loss with respect to such property shall be allocated to the Members pursuant to the general profit and loss allocation provisions of Sections 7.1 and 7.2, above.

(iii) In the event that the allocation of tax gain, tax loss or Tax Depreciation to the Noncontributing Members under Paragraph C.1(d)(i) or C.1(d)(ii) of this Addendum is limited by application of the "ceiling rule" set forth in Regulations Section 1.704-3(b)(1), the Company may do any of the following:

(A) make reasonable curative allocations of income, gain, loss or deduction with respect to the tax item limited by the ceiling rule, including income from the disposition of contributed or revalued property, in accordance with the rules set forth in Regulations Section 1.704-3(c); or

(B) make remedial allocations of income, gain, loss or deduction with respect to the tax item limited by the ceiling rule in accordance with the rules set forth in Regulations Section 1.704-3(d); or

(C) if applicable, apply the "small disparity" rules of Regulations Section 1.704-3(e).

The foregoing provision is intended to comply with Regulations Section 1.704-1(b)(2)(iv)(g) and Section 1.704-3(e) and shall be interpreted consistently therewith.

2. Special and Regulatory Allocations.

(a) Partnership Nonrecourse Deductions. Partnership Nonrecourse Deductions for any Company fiscal year shall be allocated among the Members in accordance with the Members' percentage interests in Losses, as set forth in Section 7.2 above. This Paragraph C.2(a) is intended to comply with Regulations Section 1.704-2(e)(2) and shall be interpreted consistently therewith.

(b) Partner Nonrecourse Deductions. Partner Nonrecourse Deductions for any

Company fiscal year shall be allocated to the Member who bears the economic risk of loss for the Partner Nonrecourse Liability to which such deductions are attributable, or among all the Members who bear the economic risk of loss for such liability according to the ratio in which they bear such economic risk of loss. This Paragraph C.2(b) is intended to comply with Regulations Section 1.704-2(i)(1) and shall be interpreted consistently therewith.

(c) Partnership Minimum Gain Chargeback. If there is a net decrease in Partnership Minimum Gain during any Company fiscal year, then in that event, prior to the making of any other allocation under either Article VII above or this Addendum, there shall be specially allocated to all Members items of income and gain for such year (and, if necessary, subsequent years) equal to their share of such net decrease in Partnership Minimum Gain within the meaning of Regulations Sections 1.704-2(f)(1) and 1.704-2(g)(2).

(d) Partner Nonrecourse Debt Minimum Gain Chargeback. If there is a net decrease in Partner Nonrecourse Debt Minimum Gain during any Company fiscal year, then in that event, prior to the making of any other allocation under either Article VII above or this Addendum, there shall be specially allocated to all Members with a share of that Partner Nonrecourse Debt Minimum Gain items of income and gain for such year (and, if necessary, subsequent years) equal to their share of such net decrease in Partner Nonrecourse Debt Minimum Gain within the meaning of Regulations Sections 1.704-2(i)(4) and 1.704-2(i)(5).

(e) Qualified Income Offset. Subject to the provisions of Paragraph C.2(a) of this Addendum, in the event a Member unexpectedly receives an adjustment, allocation, or distribution described in Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) which creates a deficit in such Member's Adjusted Capital Account, items of income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate such deficit as quickly as possible. This Paragraph C.2(b) is intended to comply with the qualified income offset requirement set forth in Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(f) Curative Allocations. The special allocations set forth in Paragraphs C.2(a) through C.2(e) of this Addendum (the "Regulatory Allocations") are intended to comply with certain requirements of Regulations Sections 1.704-1(b) and 1.704-2(b). The Regulatory Allocations shall be taken into account in determining the allocation of Profits and Losses pursuant to Sections 7.1 and 7.2 above so that, to the extent possible without nullifying the Regulatory Allocations, the amount of the allocations of Profits and Losses under Sections 7.1 and 7.2, as adjusted pursuant to this Paragraph C.2(f), and of the Regulatory Allocations, when taken together, shall be equal to the amount of such allocations of Profits and Losses that would have been allocated to the Members under Sections 7.1 and 7.2 if the Regulatory Allocations had not occurred.

3. Allocations to Nonvested Interests. Under Regulations Section 1.83-1(a), the Company is required to treat as unissued any substantially nonvested interest in the Company transferred in connection with the performance of services for which an election under IRC Section 83(b) has not been made. Under Regulations Section 1.704-1(b)(4)(xii)(b), as proposed,

allocations of Profits and Losses to the holder of a substantially nonvested interest in the Company with respect to which an election under IRC Section 83(b) has been made will be deemed to be in accordance with the Members' interests in the Company provided that, in the event the interest for which the Section 83(b) election is made is later forfeited, the Company shall make forfeiture allocations to the holder of such interest in the year of forfeiture as provided in Regulations Section 1.704-1(b)(4)(xii)(c), as proposed.

1469191

TRANSFER ATTACHMENTS 2A & 3
WATER RIGHT/PROPERTY OWNERS DEEDS & AUTHORIZATIONS

SCANNED

MAY 18 2023

ITERRA HOLDINGS LLC
PARCELS S0407346650 & S0407347001

SCANNED

MAY 18 2023



1872 South Eagle Road
Meridian, ID 83642

ADA COUNTY RECORDER Phil McGrane
BOISE IDAHO Pgs=4 NIKOLA OLSON
PIONEER TITLE COMPANY OF ADA COUNTY

2020-109983
08/26/2020 11:40 AM
\$15.00

ELECTRONICALLY RECORDED-DO NOT
REMOVE THE COUNTY STAMPED FIRST
PAGE AS IT IS NOW INCORPORATED AS
PART OF THE ORIGINAL DOCUMENT

File No. 684765 KK/SP

WARRANTY DEED

For Value Received Dan A Sample, as his separate property as to Parcel I;

Dan A Sample, as his separate property, Anita K Shawhan, as her separate property and Robert Lyle Sample, as his separate property, all as their interest may appear of record as to Parcel II;
hereinafter referred to as Grantor, does hereby grant, bargain, sell, warrant and convey unto

Iterra Holdings, LLC

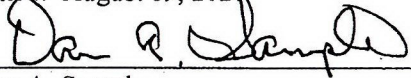
hereinafter referred to as Grantee, whose current address is 1224 S. River Road Suite B100 Saint George, UT 84790

The following described premises, to-wit:

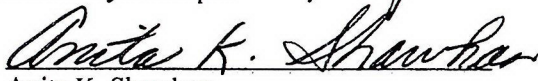
See Exhibit A attached hereto and made a part hereof.

To HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee(s), and Grantees(s) heirs and assigns forever. And the said Grantor(s) does (do) hereby covenant to and with the said Grantee(s), the Grantor(s) is/are the owner(s) in fee simple of said premises; that said premises are free from all encumbrances EXCEPT those to which this conveyance is expressly made subject and those made, suffered or done by the Grantee(s); and subject to U.S. Patent reservations, restrictions, dedications, easements, rights of way and agreements, (if any) of record, and current years taxes, levies, and assessments, includes irrigation and utility assessments, (if any) which are not yet due and payable, and that Grantor(s) will warrant and defend the same from all lawful claims whatsoever.

Dated: August 19, 2020


Dan A. Sample


Robert Lyle Sample


Anita K. Shawhan

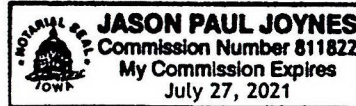
SCANNED

State of Iowa County of Polk

This record was acknowledged before me on August 24, 2020 by Anita K. Shawhan

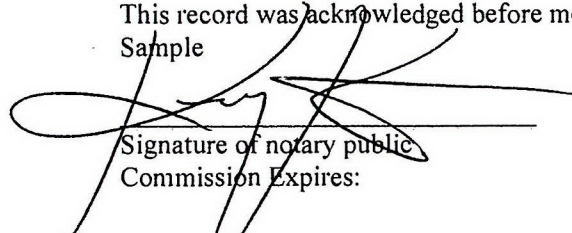

Signature of notary public

Commission Expires: 7-27-21



State of Idaho, County of Canyon

This record was acknowledged before me on August 25, 2020 by Dan A. Sample and Robert Lyle Sample


Signature of notary public

Commission Expires:

RESIDING IN: MERIDIAN, IDAHO
COMMISSION EXPIRES: 4/05/2024



SCANNED

MAY 18 2023

Page 2 of 4

11/17/2022 4:04 PM

EXHIBIT A

Parcel I S0407347000:

That portion being a part of the Southeast Quarter of the Southwest Quarter of Section 7, Township 4 North, Range 1 West of the Boise Meridian, Ada County, Idaho, more particularly described as follows:

Commencing at the Northwest corner of the Southwest Quarter Southwest Quarter (South 1/16th corner), monumented with a railroad spike;

Thence South 21°21'04" East a distance of 837.92 feet to an Idaho State Highway right of way monument on the Northerly boundary of the Highway 44 right of way at Station 498+95.5; Thence 1,927.58 feet along said right of way boundary on the arc of an 11,399.16 foot radius curve left; said curve having a long chord bearing South 76°46'48" East a distance of 1,925.28 feet to the Point of Beginning;

Thence continuing along said right of way boundary, 131.14 feet along the arc of an 11,399.16 foot radius curve left, said curve having a long chord bearing South 81°57'14" East a distance of 131.14 feet;

Thence North 5°43'31" East a distance of 247.33 feet;

Thence North 88°56'13" West a distance of 71.14 feet;

Thence North 0°36'30" East a distance of 102.65 feet;

Thence North 84°09'00" West a distance of 147.26 feet;

Thence South 3°07'21" East a distance of 117.18 feet;

Thence North 79°39'23" West a distance of 156.50 feet;

Thence South 11°14'50" West a distance of 160.00 feet;

Thence South 79°39'23" East a distance of 222.46 feet;

Thence South 19°51'26" East a distance of 64.76 feet to the Point of Beginning.

Parcel II S0407336010:

That portion of Government Lot 4 and the Southeast Quarter of the Southwest Quarter of Section 7, Township 4 North, Range 1 West, Boise Meridian, Ada County, Idaho, described as follows:

Beginning at the Northwest corner of said Lot 4, the REAL POINT OF BEGINNING;

Thence South along the West line of said Section 7 to a point where said Section intersects the North line of State Highway No. 44;

Thence South 72°54' East 26 chains;

Thence South 80°54' East 4.6 chains;

Thence South 86°9' East 4 chains;

Thence South 88° East 4.58 Chains to a point where the North line of said State Highway No. 44 intersects the North/South Quarter section line of Section 7;

Thence North along said Quarter section line to the Northeast corner of the Southeast Quarter of the Southwest Quarter of said Section 7;

Thence Westerly along the North line of said Southeast Quarter of the Southwest Quarter and said Lot 4, in said Section 7, to the REAL POINT OF BEGINNING.

Excepting therefrom, a parcel being a part of the Southeast Quarter of the Southwest Quarter of Section 7, Township 4 North, Range 1 West of the Boise Meridian, Ada County, Idaho, more particularly described as follows:

Commencing at the Northwest corner of the Southwest Quarter Southwest Quarter (South 1/16th corner), monumented with a railroad spike;

Thence South 21°21'04" East a distance of 837.92 feet to an Idaho State Highway right of way monument on the Northerly boundary of the Highway 44 right of way at Station 498+95.5; Thence 1,927.58 feet along said right of way boundary on the arc of an 11,399.16 foot radius curve left; said curve having a long chord bearing South 76°46'48" East a distance of 1,925.28 feet to the Point of Beginning;

Thence continuing along said right of way boundary, 131.14 feet along the arc of an 11,399.16 foot radius curve left, said curve having a long chord bearing South 81°57'14" East a distance of 131.14 feet;

Thence North 5°43'31" East a distance of 247.33 feet;

Thence North 88°56'13" West a distance of 71.14 feet;

Thence North 0°36'30" East a distance of 102.65 feet;

Thence North 84°09'00" West a distance of 147.26 feet;

Thence South 3°07'21" East a distance of 117.18 feet;

Thence North 79°39'23" West a distance of 156.50 feet;

Thence South 11°14'50" West a distance of 160.00 feet;

Thence South 79°39'23" East a distance of 222.46 feet;

Thence South 19°51'26" East a distance of 64.76 feet to the Point of Beginning.

SCANNED

MAY 18 2023

Also except any portion of the above parcels not previously excluded which may lie within the right of way of State Highway 44 also known as West State Street or within the properties described in the following documents:
Deed Instrument No. 13443 filed in Book 64 of Deeds at Page 280 to Boise and Interurban Railway Company, limited, a corporation.
Warranty Deed Instrument No. 373465 filed in Book 399 of Deeds at Page 235 to the State of Idaho.

Also except any portion thereof lying within a parcel of land located in a portion of the vacated 'Second Amended Plat of the Townsite Of Star', situate in the Southwest One Quarter of the Southeast One Quarter and a portion of the Southeast One Quarter of the Southwest One Quarter of Section 7, Township 4 North, Range 1 West, Boise Meridian, Ada County, Idaho, being more particularly described as follows:

Commencing at the South One Quarter Corner of said Section 7, from which the Southeast Corner of said Section 7 bears South 88°16'03" East, 2640.76 feet;
Thence South 88°16'03" East, 1320.38 feet, on the South line of said section 7, to the One Sixteenth corner;
Thence leaving said section line, North 00°29'08" East, 43.50 feet, on the East line of the aforementioned Southwest One Quarter of the Southeast One Quarter;
Thence leaving said east line, North 89°30'52" West, 25.00 feet, to a point common with the Westerly Right-of-Way of North Center Street and the Northerly Right-of-Way line of West State Street (State Hwy 44), said point being the POINT OF BEGINNING.
Thence on the Northerly Right-of-Way line of said West State Street, the following three (3) courses:
North 83°20'14" West, 233.85 feet;
Thence North 87°40'46" West, 115.18 feet to a point of curvature;
Thence 1024.75 feet on the arc of a curve to the right, having a radius of 11399.16 feet, a central angle of 05°09'03", and whose long chord bears North 85°06'13" West, 1024.40 feet;
Thence leaving said Right-of-Way line, North 00°31'36" East, 173.97 feet;
Thence North 06°47'42" East, 100.75 feet;
Thence North 00°31'36" East, 395.00 feet;
Thence North 68°49'45" West, 226.89 feet;
Thence North 81°09'59" West, 443.62 feet, to a point on the centerline of a 20.00 wide sewer easement, recorded as Instrument Number 102084178, records of Ada County;
Thence on said easement centerline, North 18°12'01" East, 43.79 feet;
Thence North 09°47'56" East, 332.16 feet;
Thence North 00°31'36" East, 29.40 feet, to a point on the South boundary line of Saddlebrook Subdivision - Phase 3, as recorded in Book 94 at Page 11523, records of Ada County, Idaho;
Thence leaving aforementioned easement centerline, on said South boundary line, South 88°26'34" East, 647.58 feet;
Thence South 00°31'36" West, 4.28 feet;
Thence South 88°28'28" East, 90.63 feet, to the Southeasterly corner of said Saddlebrook Subdivision No.3, said point also being the Southwesterly corner of Saddlebrook Subdivision - Phase 2, as recorded in Book 90 at Page 10561, records of Ada County, Idaho;
Thence on the South boundary line of said Saddlebrook Subdivision No.2, South 88°28'28" East, 659.66 feet;
Thence South 01°31'32" West, 25.00 feet;
Thence leaving said South boundary line South 00°29'08" West, 271.07 feet;
Thence South 87°57'28" East, 544.61 feet to a point on the Westerly Right-of-Way line of North Center Street;
Thence on said Right-of-Way line South 00°29'08" West, 979.31 feet, to the POINT OF BEGINNING.

SCANNED

MAY 18 2023

RICHMOND AMERICAN HOMES OF IDAHO INC.

PARCEL S0407336050

SCANNED

MAY 18 2023



November 18, 2022

Idaho Department of Water Resources
2735 Airport Way
Boise, ID 83705

Re: Iterra Holdings, LLC | Application for Transfer of Water Rights (63-7296)

To Whom It May Concern:

Iterra Holdings, LLC ("**Iterra**") seeks approval of an Application for Transfer of Water Rights (63-7296) ("**Application**"). Richmond acknowledges and approves of the Application.

Under that certain Idaho Statutory Grant Deed, dated and recorded as Instrument No. 2021-147960 on October 12, 2021 with the Ada County Recorder, Iterra conveyed to Richmond American Homes of Idaho, Inc. ("**Richmond**") certain real property ("**Property**") comprising a portion of the permissible place of use proposed on the Application.

Under that certain Water Rights Deed & Release recorded as Entry No. 2022-094121 with the Ada County Recorder, Richmond conveyed to Iterra Water Right 63-7296 (the "**Water Right**").

The Property is subject that certain (i) Declaration of Easements, Covenants and Restrictions for Norterra recorded as Entry No. 2021-147959 with the Ada County Recorder ("**Declaration**"), and (ii) Final Plat for Norterra Subdivision Phase I attached as Exhibit A to the Declaration and to be recorded against the Property ("**Plat**").

After the Application is approved, pursuant to the Declaration and Plat, the existing well on the Property will be replaced with a new well on the Property ("**Well**"). The Well will supply water to a pressurized irrigation ("**PI**") system that will supply water to the real property identified on the Plat.

Richmond understands and acknowledges that if its Property is not supplied water from the Well, Water Rights, and/or the PI system, Richmond will need to acquire other water rights, water supply and other water facilities to supply water to its Property.

Sincerely,

Richmond American Homes of Idaho Inc.

1804 N Midland Blvd Nampa, ID 83651 | (208) 606-7958 | Visit our website: richmondamerican.com

A subsidiary of M.D.C. Holdings Inc., a New York Stock Exchange company

SCANNER

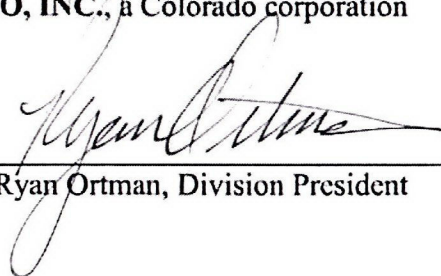
MAY 18 2023



Building and Financing
the American Dream.

**RICHMOND AMERICAN HOMES OF
IDAHO, INC.,** a Colorado corporation

By:


Ryan Ortman, Division President

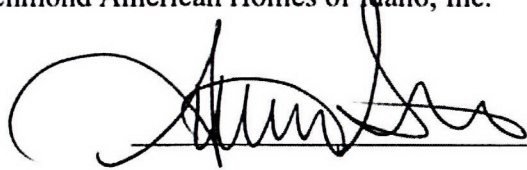
STATE OF IDAHO)

) ss.

COUNTY OF ADA)

This record was acknowledged before me on November 17th, 2022 by Ryan Ortman,
acting as Division President of Richmond American Homes of Idaho, Inc.





Notary Public for Idaho

Richmond American Homes of Idaho Inc.

1804 N Midland Blvd Nampa, ID 83651 | (208) 606-7958 | Visit our website: richmondamerican.com

A subsidiary of M.D.C. Holdings Inc., a New York Stock Exchange company

SCANNED

MAY 18 2023



**PREPARED BY AND WHEN
RECORDED RETURN TO:**

Iterra Holdings, LLC
1871 West Canyon View Dr.
St. George, UT 84770

Tax Parcel No. S0407336050

WATER RIGHTS QUIT CLAIM DEED & RELEASE

THIS INSTRUMENT is executed by **RICHMOND AMERICAN HOMES OF IDAHO, INC.**, a Colorado corporation ("**Grantor**"), whose address is 4350 South Monaco Street, Denver, Colorado 80237, in favor of **ITERRA HOLDINGS, LLC**, a Utah limited liability company ("**Grantee**") whose address is 1871 West Canyon View Drive, St. George, Utah 84070.

Grantee conveyed that certain real property comprising approximately 20.32 acres that is commonly known as Ada County Assessor's Tax Parcel No. S0407336050 ("**Property**") to Grantor as described in that certain Idaho Statutory Grant Deed recorded as Instrument No. 2021-147960 with the Ada County Recorder ("**Land Deed**").

Grantor and Grantee were the parties to the Land Deed and they did not intend that Water Right No. 63-7296, on file with the Idaho Department of Water Resources, be conveyed to Grantor under the Land Deed.

NOW, THEREFORE, Grantor hereby quit claims and conveys without any warranties to Grantee all of Grantor's right, title and interest, if any, in and to **Water Right No. 63-7296** on file with the Idaho Department of Water Resources (collectively, "**Water Right**").

Grantor releases all of Grantor's right, title and interest to any easement, right of way, servitude, hereditament or any other right associated with the Water Right together with using or placing water to use under the Water Right on or within the Property.

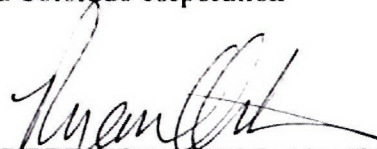
[end of text; signature page follows]

SCANNED

MAY 18 2023

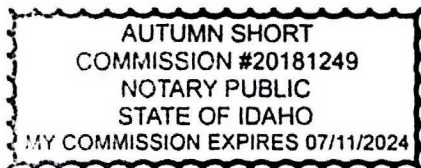
DATED effective as of the date that this Instrument is recorded in the real property records of Ada County, Idaho.

**RICHMOND AMERICAN HOMES OF IDAHO,
INC.,** a Colorado corporation

By: 
Ryan Ortman, Division President

STATE OF IDAHO)
) ss.
COUNTY OF ADA)

This record was acknowledged before me on November 17th, 2022 by Ryan Ortman, acting as Division President of Richmond American Homes of Idaho, Inc.





Notary Public for Idaho

WHEN RECORDED RETURN TO:

Richmond American Homes of Idaho, Inc.
4350 South Monaco Street
Denver, Colorado 80237
ATTN: Donna Prete

Tax Parcel Nos. S0407336010 and S0407347000

CORRECTION GRANT DEED

****CORRECTING LEGAL DESCRIPTION IN STATUTORY GRANT DEED RECORDED AS INSTRUMENT NUMBER 2021-147960 IN THE ADA COUNTY, IDAHO RECORDER'S OFFICE ON OCTOBER 12, 2021**

FOR VALUE RECEIVED

ITERRA HOLDINGS, LLC, a Utah limited liability company ("**Grantor**"), whose address is 316 East 1400 South, Suite 2A, St. George, Utah 84790, does hereby GRANT, BARGAIN, SELL AND CONVEY unto:

RICHMOND AMERICAN HOMES OF IDAHO, INC., a Colorado corporation ("**Grantee**"), whose address is 4350 South Monaco Street Denver, Colorado 80237,

The following described real property in Ada County, Idaho, more particularly described as follows, to wit:

A parcel of land located in a portion of Government Lot 4 *AND* a portion of the Southeast Quarter of the Southwest Quarter of Section 7, Township 4 North, Range 1 West, Boise Meridian, City of Star, Ada County, Idaho, being more particularly described as follows:

COMMENCING at the Southwest corner of said Section 7, (from which the South One Quarter Corner of said Section 7 bears South 88°25'20" East, 2504.60 feet); thence on the west section line of said Section 7, North 00°35'06" East, 1321.91 feet, to the northwest corner of said Government Lot 4 and the **POINT OF BEGINNING**;

Thence leaving said west section line, South 88° 26' 34" East, 36.01 feet, on the north line of said Government Lot 4, to the southwesterly corner of Lot 15, Block 2 of Silkwood Subdivision, as same is shown on the official plat thereof, at Book 118, Page 18008 of Plats, Ada County records;

Thence on the south boundary line of said Silkwood Subdivision and the south boundary lines of Saddlebrook Subdivision Phase 5, as same is shown on the official plat thereof, at Book 97, Page 12087 of Plats, Ada County records, Saddlebrook Subdivision Phase 4, as same is shown on the official plat thereof, at Book 94, Page 11538 of Plats, Ada County records, and Saddlebrook Subdivision Phase 3, as same is shown on the official plat thereof, at Book 94, Page 11523 of Plats, Ada County records, South 88° 26' 34" East, 1819.65 feet, to the northwesterly corner of Endsley Court Subdivision, as same is shown on the official plat thereof, at Book 117, Page 17841 of Plats, Ada County records;

Thence leaving said north line, South 00° 31' 36" West, 29.40 feet, on the westerly boundary line of said Endsley Court Subdivision;

SCANNED

MAY 18 2023

Page 1 of 4

11/17/2022 4:16 PM

Thence continuing on the westerly and southerly boundary lines of said Endsley Court. Sub.,
South 09° 47' 56" West, 332.16 feet;
Thence South 18° 12' 01" West, 43.79 feet;
Thence South 81° 09' 59" East, 443.62 feet;
Thence South 68° 49' 45" East, 226.89 feet;
Thence leaving said southerly boundary line, South 00° 31' 36" West, 53.43 feet;
Thence North 68° 49' 45" West, 240.33 feet;
Thence North 81° 09' 59" West, 380.30 feet;
Thence North 88° 26' 34" West, 1739.67 feet, a point of curvature;
Thence 17.77 feet on the arc of a curve to the left, having a radius of 233.00 feet, a central angle
of 04° 22' 13", and whose long chord bears North 75° 59' 50" West, 17.77 feet;

Thence South 00° 35' 06" West, 227.98 feet, to a point on the northerly right of way line of West
State Street (Hwy 44);
Thence on said northerly right of way line, North 71° 35' 52" West, 38.78 feet;
Thence South 00° 35' 06" West, 23.11 feet;
Thence North 71° 35' 52" West, 47.79 feet, to a point on aforementioned west line of Section 7;
Thence on said west line, North 00° 35' 06" East, 679.24 feet, to the **POINT OF BEGINNING**.

**Except as amended by this Correction Grant Deed, said Statutory Grant Deed to RICHMOND
AMERICAN HOMES OF IDAHO, INC., a Colorado corporation, is hereby confirmed and
remains in full force and effect.**

[Signature and acknowledgment on following page]

IN WITNESS WHEREOF, the undersigned have executed this document on the date set forth below.

GRANTOR:

ITERRA HOLDINGS, LLC,
a Utah limited liability company

By [Signature]
Brent Thompson, Manager

State of ID)
County of Ada) ss.

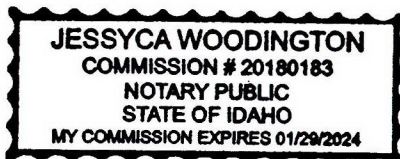
The foregoing instrument was acknowledged before me this 29th day of September, 2022, by Brent Thompson, the Manager of Iterra Holdings, LLC.

(Seal)

[Signature]
Notary Public

My Commission Expires:
1/29/2024

Residing at:
Middleton



Residing: Middleton

GRANTEE:

RICHMOND AMERICAN HOMES OF IDAHO,
INC., a Colorado Corporation

By: _____

Ryan S. Ortman

Its: Division President

State of Idaho)
County of Ada) ss.

The foregoing instrument was acknowledged before me this 27 day of September, 2022, by Ryan S. Ortman, as Division President, of Richmond American Homes of Idaho, Inc., a Colorado corporation.

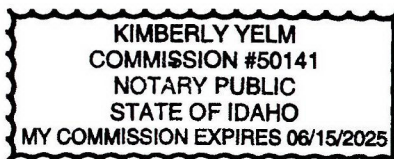
(Seal)

Notary Public

My Commission Expires:

Residing at:

Meridian, ID



EPIC SHINE STAR LLC

PARCEL S0407346900

SCANNED

MAY 18 2023



**PREPARED BY AND WHEN
RECORDED RETURN TO:**

Iterra Holdings, LLC
1871 West Canyon View Dr.
St. George, UT 84770

Tax Parcel No. S0407346900

WATER RIGHTS QUIT CLAIM DEED & RELEASE

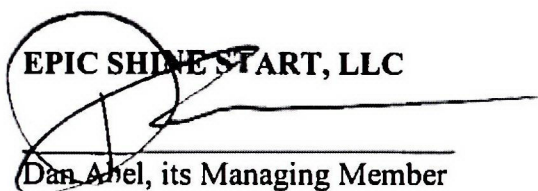
THIS INSTRUMENT is executed as of the 17th day of October, 2022, by **EPIC SHINE STAR, LLC**, an Idaho limited liability company ("**Grantor**"), whose address is 395 Caldwell Boulevard, Nampa, Idaho 83651, in favor of **ITERRA HOLDINGS, LLC**, a Utah limited liability company ("**Grantee**") whose address is 1871 West Canyon View Drive, St. George, Utah 84070.

Grantor was conveyed certain real property, comprising approximately 1.598 acres, Tax Parcel No. S0407346900, and described ("**Property**") in that certain Idaho Statutory Grant Deed, dated and recorded as Entry No. 2022-064258 on July 18, 2022 with the Ada County Recorder ("**Land Deed**"). Grantor and Grantee were the parties to the Land Deed and did not intend that any water rights appurtenant to the Property, or any other water rights, be conveyed to Grantor under the Land Deed.

FOR VALUE RECEIVED, Grantor hereby quit claims and conveys without any warranties to Grantee all of Grantor's right, title and interest, if any, in and to **Water Right No. 63-7296** on file with the Idaho Department of Water Resources, together with all other water rights, if any, appurtenant to the Property (collectively, "**Water Rights**").

Grantor releases all of Grantor's right, title and interest to any easement, right of way, servitude, hereditament or any other right associated with the Water Rights together with using or placing water to use under the Water Rights on or within the Property.

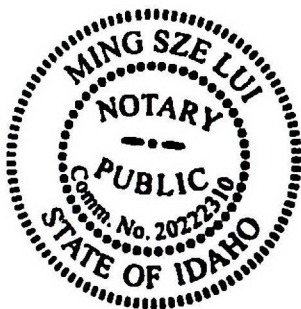
WITNESS, the hand of Grantor as of the date hereof.

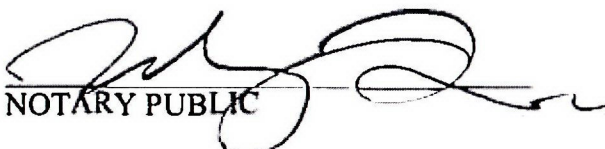

EPIC SHINE START, LLC

Dan Abel, its Managing Member

STATE OF Idaho)
 :SS
COUNTY OF Ada)

On the 17 day of October, 2022, personally appeared before me
Dan Abel who being first duly sworn did acknowledge to me that he executed the same as
the Manager of Grantor named above.




NOTARY PUBLIC

WHEN RECORDED RETURN TO:

Epic Shine Star, LLC
395 Caldwell Boulevard
Nampa, Idaho 83651

Tax Parcel No. S0407336010

IDAHO STATUTORY GRANT DEED
Iterra Holdings, LLC / Epic Shine Star, LLC

THIS INSTRUMENT is executed as of the 14 day of July, 2022, by **ITERRA HOLDINGS, LLC**, a Utah limited liability company ("**Grantor**"), whose address is 1871 West Canyon View Drive, St. George, Utah 84770, in favor of **EPIC SHINE STAR, LLC**, an Idaho limited liability company ("**Grantee**"), whose address is 395 Caldwell Boulevard, Nampa, Idaho 83651.

FOR VALUE RECEIVED and in accordance with Section 55-612 of Idaho Statutes, Grantor hereby grants to Grantee the real property (the "**Property**") located in Ada County, Idaho, described as follows, but expressly excluding, not conveying, and reserving to Grantor, any appurtenant water rights:

An area of land in portions of Government Lot 4 and the Southeast quarter of the Southwest quarter of Section 7, Township 4 North, Range 1 West, Boise Meridian, Ada County, Idaho, being more particularly described as follows: Commencing at the Southwest corner of said Section 7 (from which the South One Quarter corner of said Section 7 bears South 88°25'20" East, 2504.60 feet distant); thence on a random line, North 71°35'44" East, 1099.54 feet, to a point on the proposed future northerly right-of-way line of State Highway 44 (West State Street) and the point of beginning; thence North 14° 41' 17" East, 191.93 feet to a point of curvature; thence 31.09 feet on the arc of a curve to the right, having a radius of 20.00 feet, a central angle of 89° 03' 26", and whose long chord bears North 59° 13' 00" East, 28.05 feet; thence South 76° 15' 17" East, 306.50 feet; thence South 13° 44' 43" West, 211.77 feet to a point of curvature on said proposed future northerly right-of-way line; thence on said proposed future northerly right-of-way line, 329.67 feet on the arc of a curve to the right, having a radius of 11377.16 feet, a central angle of 01° 39' 37", and whose long chord bears North 76° 13' 12" West, 329.66 feet to the point of beginning.

EXCEPTING THEREFROM ANY PORTION LYING IN THAT PROPERTY DEEDED TO THE STATE OF IDAHO, IDAHO TRANSPORTATION BOARD, BY AND THROUGH THE IDAHO TRANSPORTATION DEPARTMENT, RECORDED OCTOBER 14, 2021 AS INSTRUMENT NO. 2021-149226, RECORDS OF ADA COUNTY, IDAHO.

SUBJECT TO: (i) current taxes and assessments; (ii) rights-of-way, easements, covenants, restrictions, reservations and other matters of record; (iii) facts, rights, interests or claims that could be ascertained by an inspection of the Property; and (iv) discrepancies, conflicts in boundary lines, shortages in area, encroachments or other facts that a correct survey would disclose.

FIRST AMERICAN TITLE
NCS-1124329

SCANNED

MAY 18 2023

GRANTOR has executed this instrument in favor of Grantee below, to be effective as of the date first set forth above.

GRANTOR:

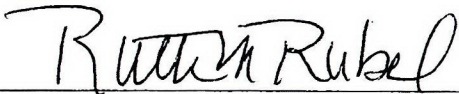
ITERRA HOLDINGS, LLC,
a Utah limited liability company

By 
Brent Thompson, Manager

State of IDAHO)
) ss.
County of ADA)

The foregoing instrument was acknowledged before me this 13 day of JULY, 2022, by Brent Thompson, the Manager of Iterra Holdings, LLC.

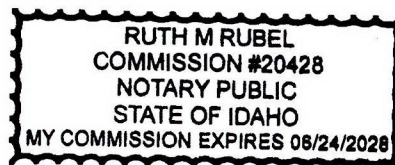
(Seal)


Notary Public

My Commission Expires:

Residing at: EAGLE IDAHO

6 - 24 - 2028





IDAHO DEPARTMENT OF
WATER RESOURCES

Western Region • 2735 W Airport Way • Boise, ID 83705-5082

Phone: 208-334-2190 • Fax: 208-334-2348 • Email: westerninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

May 17, 2023

ITERRA HOLDINGS LLC
C/O BRENT THOMPSON
316 E 1400 S STE A2
ST GEORGE UT 84790-4067

Re: Transfer No: 87348
Water Right No(s): 63-7296

Transfer Approval Notice

Dear Water Right Holder(s):

The Department of Water Resources has issued the enclosed approved Transfer of Water Right(s). Please be sure to thoroughly review the conditions of approval and remarks listed on the approval document.

The Transfer of Water Right(s) is a PRELIMINARY ORDER issued by the Department pursuant to section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless the APPLICANT petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

ANY PERSON aggrieved by any decision, determination, order or action of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Department and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

If the transfer approval includes a condition requiring measuring and recording devices, such devices shall comply with specifications established by the Department. Detailed specifications are available on the Department's home page on the Internet, or you can request a copy by contacting any office of the Department. Please be sure to thoroughly review the specifications to avoid unnecessary costs for reinstallation or modification due to non-conforming or improperly installed devices.

Please note that water right owners are required to report any change of water right ownership and/or mailing address to the Department within 120 days of the change.

SCANNED

MAY 18 2023

Failure to report these changes could result in a \$100 late filing fee. Contact any office of the Department or visit the Department's homepage on the Internet to obtain the proper forms and instructions.

If you have any questions, please contact me at (208) 334-2190.

Sincerely,

A handwritten signature in black ink, appearing to read "Lynne Evans", with a stylized flourish at the end.

Lynne Evans
Administrative Assistant I

Enclosure

CC: LORI GRAVES, HDR ENGINEERING INC

SCANNED

MAY 18 2023

CERTIFICATE OF SERVICE

I hereby certify that on May 17, 2023 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER (Approved Transfer) to the person(s) listed below:

Re: Transfer No.: 87348
Water Right No(s): 63-7296

ITERRA HOLDINGS LLC (Current Owner)
C/O BRENT THOMPSON
316 E 1400 S STE A2
ST GEORGE UT 84790-4067

LORI GRAVES
HDR ENGINEERING INC (Representative)
412 E PARKCENTER BLVD STE 100
BOISE ID 83706-6659



Lynne Evans
Administrative Assistant I

SCANNED

MAY 18 2023

EXPLANATORY INFORMATION TO ACCOMPANY A PRELIMINARY ORDER

(To be used in connection with actions when a hearing was **not** held)

(Required by Rule of Procedure 730.02)

The accompanying order or approved document is a "Preliminary Order" issued by the department pursuant to section 67-5243, Idaho Code. **It can and will become a final order without further action of the Department of Water Resources ("department") unless a party petitions for reconsideration, files an exception and brief, or requests a hearing as further described below:**

PETITION FOR RECONSIDERATION

Any party may file a petition for reconsideration of a preliminary order with the department within fourteen (14) days of the service date of this order. **Note: the petition must be received by the department within this fourteen (14) day period.** The department will act on a petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See Section 67-5243(3) Idaho Code.

EXCEPTIONS AND BRIEFS

Within fourteen (14) days after: (a) the service date of a preliminary order, (b) the service date of a denial of a petition for reconsideration from this preliminary order, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration from this preliminary order, any party may in writing support or take exceptions to any part of a preliminary order and may file briefs in support of the party's position on any issue in the proceeding with the Director. Otherwise, this preliminary order will become a final order of the agency.

REQUEST FOR HEARING

Unless a right to a hearing before the Department or the Water Resource Board is otherwise provided by statute, any person aggrieved by any final decision, determination, order or action of the Director of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Director and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

ORAL ARGUMENT

If the Director grants a petition to review the preliminary order, the Director shall allow all parties an opportunity to file briefs in support of or taking exceptions to the preliminary order and may schedule oral argument in the matter before issuing a final order. If oral arguments are to be heard, the Director will within a reasonable time period notify each party of the place, date and hour for the argument of the case. Unless the Director orders otherwise, all oral arguments will be heard in Boise, Idaho.

CERTIFICATE OF SERVICE

All exceptions, briefs, requests for oral argument and any other matters filed with the Director in connection with the preliminary order shall be served on all other parties to the proceedings in accordance with IDAPA Rules 37.01.01302 and 37.01.01303 (Rules of Procedure 302 and 303).

FINAL ORDER

The Director will issue a final order within fifty-six (56) days of receipt of the written briefs, oral argument or response to briefs, whichever is later, unless waived by the parties or for good cause shown. The Director may remand the matter for further evidentiary hearings if further factual development of the record is necessary before issuing a final order. The department will serve a copy of the final order on all parties of record.

Section 67-5246(5), Idaho Code, provides as follows:

Unless a different date is stated in a final order, the order is effective fourteen (14) days after its service date if a party has not filed a petition for reconsideration. If a party has filed a petition for reconsideration with the agency head, the final order becomes effective when:

- (a) The petition for reconsideration is disposed of; or
- (b) The petition is deemed denied because the agency head did not dispose of the petition within twenty-one (21) days.

APPEAL OF FINAL ORDER TO DISTRICT COURT

Pursuant to sections 67-5270 and 67-5272, Idaho Code, if this preliminary order becomes final, any party aggrieved by the final order or orders previously issued in this case may appeal the final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or
- iv. The real property or personal property that was the subject of the agency action is located.

The appeal must be filed within twenty-eight (28) days of this preliminary order becoming final. See section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

MEMORANDUM

TO: Transfer No. 87348
FROM: Aaron Olson
DATE: 5/3/2023
RE: Evaluation of Application

The transfer proposes to create a permissible place of use to allow flexible irrigation of the irrigable lands as the property is developed into a residential area.

The site is just east of the intersection of State Highway 44 and Can Ada Road.

Summary of Information Submitted

Authority to File:

IDWR records show the applicant as the current owner of the water rights. The Utah Department of Commerce and Iterra Holdings LLC Operating Agreement dated October 24, 2018 list Brent Thompson as a registered agent and authorized signer.

Water Right Validity:

The partial decree for water rights no. 63-7296 was issued on 02/16/2007. The right is presumed to be valid since beneficial use has occurred within the last five years. Beneficial use confirmed by department aerial imagery, landsat images, google earth images, or other evidence. Evidence of beneficial use does not need to be added to the file it is an IDWR product available to other staff.

Injury to Other Water Rights:

Other water rights should not be impacted by the proposed transfer. The quantity of water used for this right will not change as a result.

Enlargement of Use:

Enlargement does not appear to be an issue. The proposed changes will not result in an increase of diversion rate or number of acres irrigated.

Local Public Interest:

This application proposes a change consistent with the local public interest.

Beneficial Use/Conservation of Water Resources:

The application proposes beneficial use consistent with conservation of water resources in Idaho.

The application is consistent with criteria of I. C. § 42-222 and should be processed.

SCANNED

MAY 18 2023

Discussion

If approved the following changes should be made to the conditions of water right no. 63-7296

- Add condition X27 to set an acre limit for the PPU

- Update S39 to X61

- Update condition C18 to T19.

- Add standard transfer conditions T07 and T08

- Add condition 01M

- Add Condition R65

Assuming other information does not contradict the above analysis, the application can be approved as reflected by the draft approval.

Olson, Aaron

From: Olson, Aaron
Sent: Wednesday, May 3, 2023 2:05 PM
To: IdwrPayable
Subject: Refund overpayment on transfer application

Good afternoon,

Please issue a partial refund of \$75 for transfer no. 87348. \$600 was paid when only \$525 was needed. **Receipt number W050923.**

Contact:

THE LAND GROUP INC
462 E SHORE DR STE 100
EAGLE ID 83616

Thank you,

Aaron Olson - Water Resource Agent
Idaho Dept. of Water Resources
2735 W Airport Way
Boise, ID 83705
(208) 605-4629
Aaron.Olson@idwr.idaho.gov

SCANNED

MAY 18 2023

MEMORANDUM

Date: 12/20/2022
To: Water Right File 63-7296
From: Aaron Olson
Re: Ownership Change Processed Prior to Transfer No. 87348

Ownership change (including applicable fee) requested with transfer filing. A separate Notice of Ownership Change form was not received nor required. Ownership change processed prior to transfer resulting in:

WR 63-7296 to:

63-7296 (Iterra Holdings LLC)

SCANNED

MAY 23 2023



Western Region • 2735 W Airport Way • Boise, ID 83705-5082

Phone: 208-334-2190 • Fax: 208-334-2348 • Email: westerninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

December 20, 2022

ITERRA HOLDINGS LLC
C/O BRENT THOMPSON
316 E 1400 S STE A2
ST GEORGE UT 84790-4067

Re: Change in Ownership for Water Right No(s): 63-7296

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 has modified its records 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 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) 605-4632.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Olson".

Aaron Olson
Water Resource Agent

Enclosure(s): Proof Report, Map

SCANNED

MAY 23 2023

MEMORANDUM

Date: 12/20/2022
To: Water Right File 63-7296
From: Aaron Olson
Re: Ownership Change Processed Prior to Transfer No. 87348

Ownership change (including applicable fee) requested with transfer filing. A separate Notice of Ownership Change form was not received nor required. Ownership change processed prior to transfer resulting in:

WR 63-7296 to:

63-7296 (Iterra Holdings LLC)

SCANNED

MAY 18 2023



RECEIVED

DEC 13 2022

WATER RESOURCES
WESTERN REGION

December 12, 2022

Scott Storms
IDWR Western Region Office
2735 Airport Way
Boise, ID 83705

Subject: Application for Transfer

Dear Scott,

Enclosed on behalf of Iterra Holdings LLC, is an *Application for Transfer* proposing a permissible place of use to allow flexible supplemental irrigation within a planned development. Check #23656 is enclosed for the \$600 application filing fee, which includes \$100 to update the water right ownership.

Thank you very much for your consideration and assistance in this matter. Please call me if you have any questions.

Sincerely,

HDR Engineering, Inc.

Lori Graves

Lori Graves
Sr. Water Rights Specialist

Cc via email: Brent Thompson, Eric Cronin

Enclosers: application, check

Project: 10354683

hdrinc.com

HDR | SPF, 412 E Parkcenter Blvd, Suite 100, Boise, ID 83706
(208) 387-7000

SCANNED

MAY 18 2023

REVIEW CHECKLIST TRANSFER -- OR -- EXCHANGE

(Workflow) (maybe Workflow)

Application # 87348 Reviewer AO Date 12/20/2022

Acceptable Filing (TP Memo #24 Sect. 3) ☐ Y ☐ N If "N" 30-day Deficiency Ltr Sent _____ (date & initial)

Initial Review & Abbreviated Data Entry AO 12/20/2022 (date & initial) Supervisor Notes ☐ Y ☐ N

Right(s) in Water Bank ☐ Y ☒ N, Notify S.O. _____ (date) - WSB App Attachment _____

COMMENT LETTERS ☐ Y ☒ N

Water District # EXC (Required even if No Legal Notice Required)

Other(s): list here or see attached _____

ADVERTISING ☐ Y ☒ N If "N" Save Legal Notice Not Required DB Comment in Workflow & Memo _____

Legal Notice Required - Saved as Legal Notice Remarks in Workflow ☐ Y *uncheck "Currently in Data Entry" flag

Statewide ads ☐ Y ☒ N ("Y" only if any single right > 10 cfs, 1000 af storage)

COMPLETE TO HERE BEFORE FORWARD FOR ADVERTISING

ADVERTISER COMPLETES

LEGAL NOTICE & PROTEST

Protest Deadline
Y N

☐	☐	Protested	If Y: ☐	Scan protest
☐	☐	Affidavit received/published correctly	If N: ☐	Re-advertised & published correctly

REVIEW MEMO -- DRAFT APPROVAL -- APPROVAL COVER LETTER

Drilling fee upgrade ☐ Paid ☐ WC & WR File Documented (Request, CAN NOT hold xFer if unpaid).

Review Memo Completed ☒ (See Review Memo Template N:/WRProcessing/Transfers/Review Memo Template).

Data Entry, Conditions, & ArcMap Data Entry Completed ☒

E' folder w/ Draft Approval 87348 I terra Holdings LLC
(applicant last name + application #)

NOTE FOR CLERICAL STAFF APPROVAL COVER LETTER

Add WSB paragraph to approval cover letter (see N:WRFormLetters/Water Bank Paragraph) ☐ Y ☒ N

OPTIONAL PAGE -- CONDITIONS & NOTES**GROUNDWATER:**

WD 161 (Non-de minimis uses) - R05
 ≤ 0.24 cfs/5 acres - No MD
 > 0.24 cfs/5 acres - 214

~~WD~~

< 0.24 cfs/5 acres - No MD
 ≥ 0.24 cfs/5 acres - 01M or 01Q (ref. MD flowchart)

No water measurement districts in Western Region at this time.

DRILLING PERMIT - 046 (new well)

SURFACE WATER:

WD - R05
 ≤ 0.20 cfs - R02, 01P or No MD (ref. MD flowchart)
 > 0.20 cfs - R43

~~WD~~, SPRINGS/SINK, INACTIVE WD & REST OF STATE

< 0.24 cfs/5 acres - No MD
 ≥ 0.24 cfs/5 acres - 01M or 01Q

STANDARD SEASON _____ to _____ (use X61 if extended season)

STANDARD VOLUME _____ af/ac

CONSUMPTIVE USE VOLUME _____ af/ac

USES:

STORAGE	- 18C-18B/R40-123-220-219-221-222-259-937-938	POWER	- 17H-17K (+uses)-025-106
IRR ≤ 5 ac	- R66/R67/R68/R69 (0.03 cfs/ac)	MUNICIPAL	
> 5 ac	- R62/R63/R64/R65 (0.02 cfs/ac)	Restricted area	- 022-075 RAFN – 007-109-X64
Volume only	- R58/R59/R60/R61	Irr., GW supp to SW	- 102
Supplemental	- 943 & WB7		
Storage	- R70		
STOCKWATER	- R37 (all BLM/USFS)	DOMESTIC	
MINING	- 054-106	Surface water	- WB5 (Boise above Star Bridge)
FISH PROP	- 029 (70's basins only)-007-122-106	>1 in restricted area	- 070-071-075(no parks/common areas, etc)
HEAT/COOL	- R07 (injection well)	Irr use listed separate	- WB5
FIRE PROT.	- 077-218		
DAIRY	- 082 (zoning if a concern)-106-WD8		

MISC CONDITIONS/REMARKS:

T07 - 1 yr to develop
T08 - comply or rescind
WD8 - land application of waste water
01Q - used instead of 01M when
 there's another meas. condition
 outside a WD

Protested - 020-X19
Water Quality - 106-R07

X27 - Number of acres/season in ppu
X35 - Combined **limits** of multiple rts

X49 - measure p/d's (source chg'd to orig trib)
X51 - 2+ yrs to develop
X53 - Use ltd to orig. source availability
X54 - forfeited ac/rate (used rarely)
205 - use when quantity reduced by xFer approval
X55 - (transfer shrinks total water to less ac)
004 - no right-of-way
X58 - pending claim (statutory or AJ b/u claim)
X61 - extended irr season
X63 - replaced C12 through C17 - ultimately
 C18 placed on rts to cover issue. If C18
 on rts replace with T19 and remove X63.

**Apply one to chg'd & unchg'd
rts that are subject to SRBA:**

T09 - on-going SRBA (no Dir Rpt
yet)
T19 - replaces C18
 (if at Directors Report
or Partial Decree stage)
T20 - use only on unchg'd rts
 not subject to SRBA

NOTES:
