



Agricultural Investment Strategies

Kenneth L. Warlick
Chief Investment Officer

AgIS Capital LLC
8611 Concord Mills Boulevard
Unit 164
Concord, NC 28027
Phone: 704.604.2988

November 6, 2015

Jerry Sauter
Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

Re: Ownership Update for Certificate 55948

Dear Mr. Sauter:

On behalf of Azalea Rojo, LLC, I am submitting an Ownership Update form for Water Right Certificate 55948 (Application G-10027). Certificate 55948 was originally issued in the name of John R. Koos & Sons and authorizes irrigation of 292.9 acres. Azalea Rojo recently purchased a 287.88-acre portion of the property to which Certificate 55948 is appurtenant. (A 5.02-acre portion of the certificate's authorized place of use is appurtenant to property that we do not own.) The enclosed map describes the portion of the certificate's authorized place of use that is owned by Azalea Rojo.

Accordingly, I am requesting that you update the Oregon Water Resources Department's records for Certificate 55948 to indicate that Azalea Rojo is the current holder of the described portion of Certificate 55948.

If you have any questions about the enclosed materials, please contact Kimberly Grigsby at 541-257-9004.

Sincerely,

Ken Warlick

Kenneth L. Warlick
Manager of Azalea Rojo
Chief Investment Office – AgIS Capital

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Oregon Water Resources Department
 725 Summer Street NE, Suite A
 Salem Oregon 97301-1266
 (503) 986-0900
 www.wrd.state.or.us

Certificate of Water Right Ownership Update

NOTICE TO SELLERS & BUYERS:

By law, all water belongs to the public (ORS 537.110). In almost every instance, a permit or water right certificate from the Water Resources Department is needed before using, diverting or storing water (ORS 537.130). However, most domestic wells do not require water rights. A certificate of water right stays with the land. In order to keep track of water right ownership, the Department requests that this form be submitted to the Department. *If for multiple rights, a separate form for each right will be required.*

Water that has been used for a long time in one place or that involves a water structure (like a dam) that already exists is no guarantee that there is a water right which would allow the water use to continue.

If you have any questions about this form or water right requirements, please contact your local watermaster or call the Water Resources Department at 503-986-0900.

Note: Please type or print legibly when filling in the following information. Use additional paper if necessary.

PROPERTY SELLER INFORMATION

Applicant(s): Lee Holdings, LLC and Third Knight Farms, Inc.
First Last
 Mailing Address: 34645 Lake Creek Drive
Brownsville Oregon 97327
City State Zip
 Phone: _____
Home Work Other

PROPERTY BUYER INFORMATION

Applicant(s): Azalea Rojo, LLC c/o AMPS
First Last
 Mailing Address: P.O. Box 806
Winchester OR 97495
City State Zip
 Phone: _____
Home Work Other

PROPERTY DESCRIPTION (attach additional pages if necessary):

County: Linn Township: 14 South Range: 2 and 3 West Section: 6 and 1

Tax Lot Number(s): 2600, 2601, 2200, 2602

Street address of water right property: 34645 Lake Creek Drive Brownsville, OR 97327

Water Right Information (attach copy of water right permit or certificate & final proof map):

Application #: G-10027 Permit #: G-9138 Certificate or Page #: 55948

Will all the lands associated with this water right be owned by the buyer? Yes No

Name of individual completing this form: Ken Warlick Phone: 704-604-2988

Signature: [Signature] Date: 11-6-2015

Please be sure to attach a copy of your property deed or legal description of the property.

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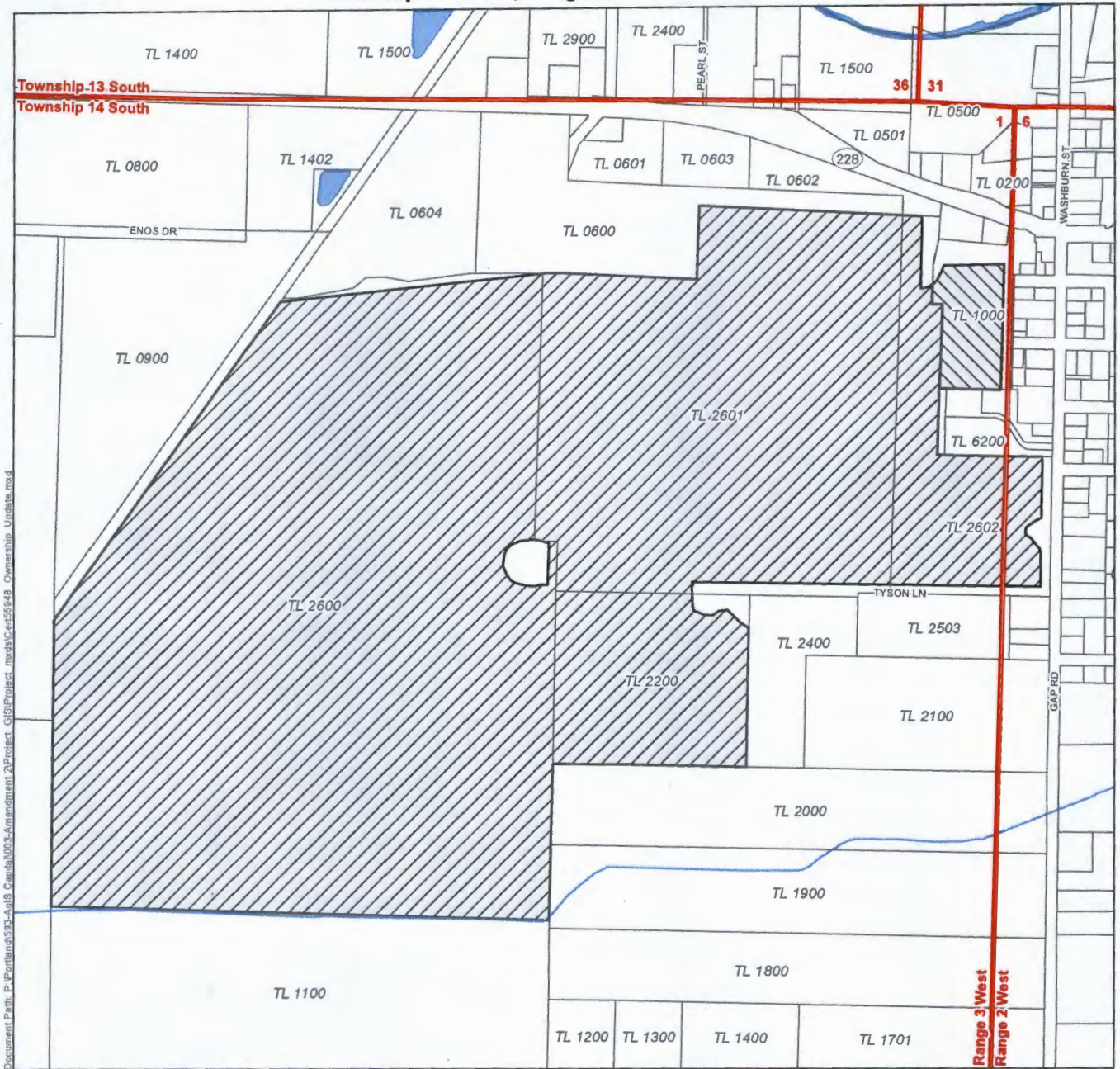
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Certificate 55948 Ownership Update

Place of Use

Township 14 South, Ranges 2 and 3 West (W.M.)



Document Path: P:\Portland\GIS\Capital\2015\Amendment 2\Project_GIS\Project_mxd\Certificate 55948_Ownership_Update.mxd

LEGEND

Certificate 55948

- Subject to Ownership Update, 287.88 ac.
- Not Subject to Ownership Update, 5.02 ac.

All Other Features

- Tax Lot
- Waterbody
- Watercourse

DISCLAIMER

This map was prepared for the purpose of identifying the location of a water right only and it is not intended to provide legal dimensions or location of property ownership lines.

MAP NOTES

Date: October 26, 2015
Data Sources: Linn Co GIS, USGS, ESRI
Prepared By: GSI Water Solutions, Inc.

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PARCEL 1:

Parcels 1 and 2, PARTITION PLAT NO. 2011-32, Linn County, Oregon.

Together with a 20.00 foot wide easement over Parcel 3, PARTITION PLAT NO. 2011-32, as shown on the plat thereof.

PARCEL 2:

Beginning at the Southeast corner of the Donation Land Claim of John McKinney and wife, in Section 12, Township 14 South, Range 3 West of the Willamette Meridian, Linn County, Oregon, the same being Notification No. 2135 and Claim No. 38 in said Township and Range; thence West 40 chains, thence North 25 chains, thence East 40 chains, thence South 25 chains to the place of beginning.

EXCEPTING THEREFROM, any portion of the above described premises lying within the limits of Linn County Road No. 508, (aka Lake Creek Drive).

PARCEL 3:

Tract A:

Beginning at a point on the West boundary line of the Donation Land Claim of Alexander Kirk and wife, being Notification No. 2136 and Claim No. 37, in Township 14 South, Range 3 West of the Willamette Meridian, Linn County, Oregon, 27.50 chains North of the Southwest corner of said claim; and running thence North 14.075 chains; thence East 480 feet; thence South 14.075 chains; thence West 480 feet to the point of beginning, Linn County, Oregon.

Tract B:

Beginning at a point 41.575 chains North and 480 feet East of the Southwest corner of the Donation Land Claim of Alexander Kirk and wife, Notification No. 2136 and Claim No. 37 in Township 14 South, Range 3 West of the Willamette Meridian, Linn County, Oregon; and running from thence East 540 feet; thence South 14.075 chains; thence West 540 feet; thence North 14.075 chains to the place of beginning.

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SALEM, OR

STATE OF OREGON

COUNTY OF

LINN

CERTIFICATE OF WATER RIGHT

This is to certify, That JOHN R. KOOS & SONS

of 30929 Seven Mile Lane, Tangent, State of OR 97389, has made proof to the satisfaction of the Water Resources Director, of a right to the use of the waters of two wells

a tributary of Calapooia River for the purpose of irrigation of 292.9 acres

under Permit No. G-9138 and that said right to the use of said waters has been perfected in accordance with the laws of Oregon; that the priority of the right hereby confirmed dates from November 19, 1980 that the amount of water to which such right is entitled and hereby confirmed, for the purposes aforesaid, is limited to an amount actually beneficially used for said purposes, and shall not exceed 2.88 cubic feet per second; being 1.44 cfs from each well

or its equivalent in case of rotation, measured at the point of diversion from the well. The well is located in the #1 - SE 1/4 SW 1/4, as projected within J. McKinney DLC 38; #2 - SE 1/4 NE 1/4, as projected within A. Kirk DLC 37, Section 1, T14S, R3W, WM; #1 - 1280 feet North and 900 feet West; #2 - 3540 feet North and 1740 feet East; both from SW corner A. Kirk DLC 37.

The amount of water used for irrigation, together with the amount secured under any other right existing for the same lands, shall be limited to one-eightieth of one cubic foot per second per acre, or its equivalent for each acre irrigated and shall be further limited to a diversion of not to exceed 2.5 acre-feet per acre for each acre irrigated during the irrigation season of each year,

and shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use under the right hereby confirmed, and to which such right is appurtenant, is as follows:

SEE NEXT PAGE

3.6 acres SW 1/4 NW 1/4 as projected within A. Kirk DLC 37
Section 6
Township 14 South, Range 2 West, WM

21.2 acres NE 1/4 NE 1/4 as projected within A. Kirk DLC 37
13.2 acres NW 1/4 NE 1/4 as projected within A. Kirk DLC 37
2.9 acres NW 1/4 NE 1/4 as projected within J. McKinney DLC 38
7.9 acres SW 1/4 NE 1/4 as projected within J. McKinney DLC 38
30.1 acres SW 1/4 NE 1/4 as projected within A. Kirk DLC 37
32.9 acres SE 1/4 NE 1/4 as projected within A. Kirk DLC 37
9.5 acres NE 1/4 NW 1/4 as projected within J. McKinney DLC 38
14.7 acres SW 1/4 NW 1/4 as projected within J. McKinney DLC 38
40.0 acres SE 1/4 NW 1/4 as projected within J. McKinney DLC 38
40.0 acres NE 1/4 SW 1/4 as projected within J. McKinney DLC 38
30.2 acres NW 1/4 SW 1/4 as projected within J. McKinney DLC 38
7.1 acres SW 1/4 SW 1/4 as projected within J. McKinney DLC 38
9.4 acres SE 1/4 SW 1/4 as projected within J. McKinney DLC 38
9.1 acres NW 1/4 SE 1/4 as projected within J. McKinney DLC 38
19.0 acres NW 1/4 SE 1/4 as projected within A. Kirk DLC 37
2.1 acres SW 1/4 SE 1/4 as projected within J. McKinney DLC 38
Section 1
Township 14 South, Range 3 West, WM

The right to the use of the water for the purposes aforesaid is restricted to the lands or place of use herein described.

WITNESS the signature of the Water Resources Director, affixed

this date. March 23, 1987

/s/ William H. Young

Water Resources Director

Recorded in State Record of Water Right Certificates, Volume 51 , page 55948

8590D/SB
G-10027