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U.S. COURTS  
DISTRICT OF IDAHO  
MAY 10 1996  
CLERK OF COURT  
MERIDIAN, IDAHO

Attorney for Debtor

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF IDAHO

In re: )  
          ) Case No. 96-02095  
      HIPWELL, TERRY, )  
          ) CHAPTER 12 PLAN  
          ) Debtor. )  
\_\_\_\_\_ )

Terry Hipwell, above captioned debtor proposes the following plan of reorganization pursuant to Chapter 12 of the Bankruptcy Code:

ARTICLE I  
Definitions

For the purposes of this plan, the following definitions with meaning are to be deemed equally applicable to both the singular and plural forms of the terms and shall apply to this plan:

"Allowed claim": is a claim when and only when a proof of claim has been filed with the Bankruptcy Court within the applicable period of limitation and no objection to the allowance has been filed within the applicable period of limitation, or if an objection has been filed the claim in whole or in part has been allowed by Order of the court and such order is no longer subject to appeal.

"Allowed priority claim" shall mean a claim entitled to priority under 11 U.S.C. §507.

"Allowed secured claim" shall mean a claim which is secured by a lien on property of the debtor to the extent of the value of the interest of the holder of such allowed claim in such property of the debtor as determined by the court pursuant to 11 USC §506(a).

"Bankruptcy Court" shall mean the United States Bankruptcy Court for the District of Idaho having jurisdiction over this case.

"Chapter 12" means Chapter 12 of the Bankruptcy Code.

"Claim" shall mean any right to receive payment from the debtor if it was in existence as of the petition date.

"Claimant" shall mean the holder of an allowed claim.

"Code" shall mean the United States Bankruptcy Code, 11 U.S.C. §101 et seq., and any amendments thereof.

"Date of confirmation" shall mean the date of the entry of an order of the Bankruptcy Court confirming debtor's plan in accordance with the provisions of Chapter 12 of the Code.

"Debtor" is Terry Hipwell.

"Petition date" shall begin August 23, 1996.

"Plan" shall mean this Chapter 12 Plan and any duly authorized amendments or modifications.

"Unsecured claim" shall mean an allowed claim of a creditor which is not secured by a lien on property in which the estate has an interest. To the extent that the allowed claim of a creditor secured by lien on property in which the estate has an interest exceeds

the value of the creditor's interest and the estate's interest in such property (or the amount subject to setoff), the allowed claim is an unsecured claim.

**ARTICLE II**  
**Classifications of Claims**

- A. Administrative Claims and Expenses
- B. Section 507 Priority Claims
  - 1. Idaho States Tax Commission
  - 2. Internal Revenue Service
  - 3. Alejandro Ponce
  - 4. Armondo Rivera V.
  - 5. Felipe Villablados Zavala
  - 6. Fivel Perez
- C. Class I: Liens on Real Property
  - 1. Payette County Assessor
  - 2. Canyon County Assessor
  - 3. Landview Fertilizer, Inc.
  - 4. Travelers Insurance Company
  - 5. Idaho State Tax Commission
- D. Class II: Liens on Crops
  - 1. Reed Grain and Bean
  - 2. Landview Fertilizer, Inc.
  - 3. The Amalgamated Sugar Company

- E. Class III: Liens on Equipment
  - 1. Case Credit Corporation
  - 2. John Deere Credit Corporation
  - 3. Landview Fertilizer, Inc.
  - 4. The Amalgamated Sugar Company
  - 5. West One Bank, N.A.
  - 6. Key Bank, N.A.
  - 7. Travelers Insurance Company
- F. Class IV: Liens on other Personal Property
  - 1. Payette County Assessor
  - 2. Key Bank of Idaho
- G. Class V: Unsecured Creditors

### ARTICLE III

#### Treatment of Claims and Interests

##### A. Administrative Claims and Expenses

The costs and expenses of administration in this case which are allowed pursuant to §503(b) of the Code, are to be borne by the debtor and paid in cash within one (1) year after the date of confirmation of the debtor's plan. As to the allowance to counsel for the debtor for services rendered, the debtor and its counsel have agreed to leave the same to the sole discretion of the court upon application by counsel to the court for fees to which he deems himself entitled based upon his time and hourly charges.

To date the law firm of Foley & Freeman, Chartered has been paid the sum of

\$700.00. To date Foley & Freeman, Chartered is owed \$7,000.00 and it is anticipated additional costs of \$6,000.00 will be incurred.

B. Section 507 Priority Claims

The administrative expenses of the debtor's Chapter 12 case allowed priority pursuant to §507(a)(7) of the Code, shall be paid in full as follows:

Section 507 priority payments shall be paid to the Chapter 12 trustee who shall disburse such payments to the holders of these claims in accordance with the terms of this plan.

1. Idaho State Tax Commission

The Idaho State Tax Commission is owed as a priority creditor \$1,345.22 for 1995 income taxes. This sum shall be paid in full on or before February, 1998.

2. Internal Revenue Service

The Internal Revenue Service is owed as a priority creditor \$14,752.64 for 1995 income taxes. This sum shall be paid in full on or before beginning in February 1998 in 5 equal annual installments.

3. Alejandro Ponce

Mr. Ponce is owed wages incurred with the priority period of 11 U.S.C. §507 and is owed approximately \$1,350.00. He will be paid in full on February 1998.

4. Armondo V. Rivera

Mr. Rivera is owed wages incurred with the priority period of 11

U.S.C. §507 and is owed approximately \$1,715.00. He will be paid in full on February, 1998.

5. Felipe Villalabos Zavala

Mr. Zavala is owed wages incurred with the priority period of 11 U.S.C. §507 and is owed approximately \$1,400.00. He will be paid in full on or before February, 1998.

6. Fivel Perez

Mr. Perez is owed wages incurred with hte priority period of 11 U.S.C. §507 and is owed approximately \$1,945.00. He will be paid in full on February, 1998.

C. Class I: Liens on Real Proeprty

1. Payette County Assessor

The Payette County Assessor has a lien upon the 480 acres in Payette County for which 1995 taxes in the approximate sum of \$3,549.00 is due. This sum wil lbe paid in full on or before February 1998.

2. Canyon County Assessor

The Canyon County Assessor has a lien upon the 120 acres in Canyon County for which 1995 taxes in the approximate sum of \$1,700.00 is due. This sum wil lbe paid in full on or before February 1998.

3. Landview Fertilizer Inc.

Landview Fertilizer Inc. holds a mortgage against the 120 acres in Canyon County. Landview's lien secures a promissory note dated May 6, 1996 in the sum

of \$130,000 of which a \$60,759.63 installment was due on December 1, 1996. The note carries interest at the rate of 14.5% per annum. Landview has filed a secured claim of \$176,759.80 which is disputed by the debtor. Landview will be paid on its claim as ultimately determined commencing on or before February, 2000.

4. Travelers Insurance Company

The Travelers Insurance Company holds a mortgage against the 480 acres in Payette County and 120 acres in Canyon County. Traveler's lien secures a promissory note in the stipulated claim sum of \$480,030.41 plus continuing interest at the rate of 9.625% per annum. A \$23,876.00 installment was due October 1, 1995, a like installment due April 1, 1996 and another due October 1, 1996, none of which were paid. Travelers total claim of \$480,030.41 shall be paid by a first annual installment on February 1998 in the sum of \$21,500 and a second installment in the sum of \$35,500 on or before February 1 of 1999 and 2000 and then in February 2001 and each year thereafter in the sum of \$40,000 until February 2003 when the entire remaining balance shall become due.

5. Idaho State Tax Commission

The Idaho State Tax Commission has a secured lien for taxes due in the sum of \$985.00 plus interest which shall be paid in full on or before February, 1998.

D. Class II: Liens on Crops

1. Reed Grain & Bean, Inc.

Reed Grain and Bean, Inc. holds a perfected secured seed lien in the sum of \$11,556.02 on debtors 1996 wheat crop. Reed Grain has been paid from cash collateral by the trustee in full on November 19, 1996.

2. Landview Fertilizer, Inc.

Landview Fertilizer holds a perfected secured lien in the sum of \$42,800.00 on the debtor's 1996 wheat crop subject to and subordinate to TASCOS and Reed Grain's claim. Landview also holds a perfected secured lien on the debtor's 1995 sugarbeet crop which has been subrogated to TASCOS claim. Landview has a 3rd mortgage lien filed on debtor's Canyon County property and has filed a UCC-1F on wheat, barley and sugarbeet crops of 1995. All crops have been sold and no lien is present on the proceeds. Landview's lack of proceed lien and 2nd position on the Canyon County land renders it an unsecured creditor and it will be paid pro rata with other unsecured creditors.

3. The Amalgamated Sugar Company (TASCO)

TASCO has a recorded farm lien on the debtor's 1995 sugar beet crop which filing is senior to the lien on the same crop by Landview by virtue of a subrogation agreement. The crop has been sold without the retention of a lien on the proceeds and as a consequence, TASCO has no crop lien. TASCO has a lien on certain farm equipment and vehicles. These liens are subject to set off by virtue of litigation pending in state court in the Third Judicial District which set off exceeds the creditors claim and no provision will be made for this creditor until such litigation is completed.

E. Class III: Liens on Equipment

1. Case Credit Corporation

Case Credit holds a perfected security interest in an IH 7140 Magnum Tractor in the sum of \$32,634. Case Credit will be paid \$5,500 annually commencing

February 1998 until paid in full.

2. John Deere Credit Corporation

John Deere holds a perfected, first position security interest in items of farm equipment. The following equipment pursuant to court order, following notice and hearing, was surrendered:

Case 2470 tractor

Parma triple drum beater

John Deere 230 tandem disc

12-row power harrow

Parma M910 6 row harvester

6 row loader

Brittonia 36 row sprayer

Debtor estimates that after liquidation of those items the creditors claim will equal \$67,000. The creditor will be offered a junior mortgage position on the Payette County property as adequate protection. The creditor will be paid \$10,000 annually commencing February 1998 until its secured claim is paid in full with a final balloon payment in February 2003.

3. Landview Fertilizer, Inc.

Landview Fertilizer Inc. holds a mortgage against the 120 acres in Canyon County. Landview's lien secures a promissory note in the sum of \$130,000 plus interest @ 14.5% per annum of which \$60,759.63 installment was due on December 1. Landview has filed a secured claim of \$176,759.80 which is disputed by the debtor.

Landview will be paid on its claim as ultimately determined commencing on or before February, 2000.

4. The Amalgamated Sugar Company (TASCO)

TASCO has a recorded farm lien on the debtor's 1995 sugar beet crop which filing is senior to the lien on the same crop by Landview. TASCO has refused to pay over \$35,000 to the trustee claiming a right of set off to those proceeds. TASCO also holds a lien on certain equipment. Both of these liens or claims are subject to set off by virtue of litigation pending in the Third Judicial District which set off exceeds the creditors claim and no provision will be made for this creditor until such litigation is completed. TASCO has filed a claim in the amount of \$105,561.09.

5. West One Bank, N.A.

West One Bank, now Bank of America is secured with a lien of Debtor's 1994 Chevrolet pickup valued at \$12,000. The creditor will be paid commencing February 1998 \$2,400 annually until paid in full.

6. Key Bank, N.A.

Key Bank held a security interest in a 1992 Chevrolet pickup which was being used solely by debtor's brother. The stay has been lifted by Key Bank and debtor will therefore pay nothing to Key Bank as a secured claimant.

7. Travelers Insurance Company

Travelers Insurance Company holds a perfected security interest in debtor's farm land in Payette and Canyon counties. The creditor will be paid as set forth in paragraph C(4) and retain its liens in the land and equipment.

trustee as required by local court rules.

All tax refunds received by the debtor during the term of this plan shall be paid over to the trustee. Furthermore, the debtors shall pay all post-petition taxes when they become due. In the event any pre-petition tax liability exists and is determined to be due and owing to the Idaho State Tax Commission or the Internal Revenue Service, the trustee shall calculate the annual payment to be made by the debtors during the term of the plan.

#### ARTICLE VII

##### Claims Must Be Filed

Payments shall be made only to those secured and unsecured creditors who have timely filed allowed proofs of claim.

#### ARTICLE VIII

##### Creditors Position & Liquidation Analysis

Attached hereto and marked Tab 1 is the Creditor Position and Liquidation Analysis which by this reference is incorporated herein as if fully set forth.

#### ARTICLE IX

##### Effective Date of the Plan

The effective date of this plan shall be the date on which the order confirming the plan is non-appealable.

#### ARTICLE X

##### Liquidation Analysis

For liquidation analysis purposes it is assumed all values would lose approximately 26% due to :

Trustee fee	10%
Sales Commission	6%
Administrative fee	5%
Quick sale	5%

A) Real Property and Improvements

Appraised value	\$803,300	
Less 26%	<u>- 208,858</u>	
Asset value		\$594,442
<u>Less claims:</u>		
1. Travelers	\$480,030	
2. State Tax	\$ 985	
3. Payette Property:		
Payette Assessor	\$ 3,500	
4. Canyon County:		
Landview	\$176,800	
Canyon Assessor	<u>\$ 1,700</u>	
Total claims		<u>\$659,515</u>
Difference		<u>(\$65,073)</u>

B. Crops

1996 wheat	\$ 57,600	
1995 sugar beets	<u>\$ 41,155</u>	
Total value		\$98,755
<u>Less claims:</u>		
1. Paid Reed Grain	\$ 11,560	
2. Paid to debtor	\$ 19,900	
3. TASC0 claim	\$105,562	
4. Landview claim	<u>\$176,756</u>	
Total claim		<u>\$313,778</u>
Difference		<u>(\$215,023)</u>

C. Personal Property

1. Tractors	\$119,800	
Less 26%	\$ 31,148	
Total Value		<u>\$ 88,652</u>
<u>Less Claims:</u>		
a. Claims of John Deere		
I. 2470 case surrendered	\$ 16,000	

ii. Balance due after liquidation of all surrender items	\$ 63,000		
b. Claims of Case	\$ 32,700		
(re: 7140 Magnum valued at \$38,000 e.g. \$50,000 less 26%)			
c. Claims of TASCO	\$ 5,300		
(re: 7140 Magnum)			
Remaining claim	\$ 88,261		
d. Claim of Landview	<u>\$176,759</u>		
Total Claim		<u>\$378,017</u>	
Difference			<u>(\$289,365)</u>

## 2. Vehicles

a. 1994 Chevy pickup	\$12,000		
Less 26%	8,800		
West One claim	<u>\$12,000</u>		
			(\$ 3,120)
b. Remaining vehicles	\$43,800		
Less 26%	<u>\$32,412</u>		
			\$ 11,338

### Less claims:

TASCO holds liens of \$105,561 in the remaining vehicles except the 1976 Ford 900 w/20' bed and hoist. (Asset value not subject to lien) \$ 14,000

## c. Other Equipment

1. Less surrendered to John Deere	\$ 72,000		
2. Remainder:	\$109,900		
i. Less 26% Balance			\$81,326
ii. John Deere 1st lien	\$ 71,000		
iii. TASCO 1st lien	\$ 42,950		
iv. Travelers 1st lien	\$ 30,700		
v. West One	\$ 2,000		

vi. Landview \$176,756

Has a 2nd position on numerous items but because the 1st position lien holders will not recognize sufficient sums to fully pay their claim therefore Landview has no valid lien position.

Total Assets Value	\$ 81,326
Total 1st lien claims	\$146,650
Total all liens	\$323,406

#### APPROXIMATE INCOME

Clover Seed	260 acres @ 800	\$ 208,000.00
Beans	220 acres @ 20	88,000.00
Other: ASCS Payment		3,000.00
Total Income:		<u>\$ 299,000.00</u>

#### EXPENSES

Hired labor	\$ 35,000.00
Machinery repair	15,000.00
Seed	18,000.00
Pesticides & Spray materials	18,000.00
Other supplies	18,000.00
Machinery hire	9,000.00
Fuel and oil	18,000.00
Personal property tax	2,000.00
Real estate taxes	7,000.00
Water charges	35,000.00
Property insurance	7,000.00
Auto & truck expense	1,000.00
Utilities	4,000.00
Bees \$30.00 per acre	<u>8,000.00</u>
Subtotal:	\$ 202,000.00
Family living	20,000.00
Pickup reel for combine	6,000.00
Bean planter and cutter	<u>4,000.00</u>
Total expenses:	\$ 232,000.00

Available to fund plan:

Total income:	\$299,000.00
LESS expenses:	<u>232,000.00</u>
	<u>\$ 67,000.00</u>

#### ARTICLE XI

##### Means for Execution and Implementation of Plan

Implementation of this plan will primarily come from proceeds derived from debtor's farming operation. The following cash flow statement is submitted to show repayment. The income and expenses are the anticipated income and expenses during the term of the Plan.

#### ARTICLE XII

##### Debt Service per Plan on Annual Basis

**February 1998**

§501 Priority Claims:

Idaho State Tax Commission	\$1,345.00	
Internal Revenue Service	3,000.00	
Alexandro Ponce	1,350.00	
Rivera Armondo	1,715.00	
Felipe Zavala	1,400.00	
Fivel Perez	1,945.00	
Trustee @ 8.5%	5,700.00	
Attorneys fees	<u>5,000.00</u>	
Total:		<u>\$21,455.00</u>

Class I

Payette Assessor	\$3,549.00	
Canyon Assessor	1,700.00	
Landview	0.00	
Travelers	21,500.00	
Idaho State Tax Commission	<u>985.00</u>	<u>\$27,734.00</u>

Class II

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Reed Bean	Paid in full	
Landview	0.00	
TASCO	0.00	

Class III

Case Credit	\$5,500.00	
John Deere Credit Corp.	10,000.00	
Landview	0.00	
TASCO	0.00	
West One	2,400.00	
Key Bank	0.00	
Travelers	<u>per class one</u>	

\$17,900.00

Class IV

Payette County Assessor per Class I.

Class V

Unsecured creditors	0.00	
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**February 1999**

§507 Priority Claims:

Internal Revenue Service	\$3,000.00	
Trustee	5,700.00	
Attorneys fees	<u>5,000.00</u>	

\$13,700.00

Class I

Landview	\$ 0.00	
Travelers	35,500.00	

\$30,500.00

Class II

Landview	\$ 0.00	
TASCO	<u>0.00</u>	

\$ 0.00

Class III

Case Credit	\$5,500.00	
John Deere	10,000.00	
Landview	0.00	
TASCO	0.00	
West One	2,400.00	
Travelers	<u>per class</u>	

17,900.00

\$21,540.00

Class IV

Payette County

Per class one

Class V  
Unsecured Creditors \$ 0.00

**February 2000\***

**§507 Priority Claims:**

Internal Revenue Service	\$3,000.00	
Trustee	7,000.00	
Attorneys fees	<u>5,000.00</u>	<u>\$15,000.00</u>

Class I		
Landview	\$10,000.00	
Travelers	<u>35,500.00</u>	<u>\$45,500.00</u>

Class II		
Landview	Per Class I	
TASCO	0	

Class III		
Case Credit	\$5,500.00	
John Deere	10,000.00	
Landview	Per Class I	
TASCO	0.00	
West One	2,400.00	
Travelers	<u>Per Class I</u>	<u>\$17,900.00</u>

Class IV  
None

Class V  
Unsecured \$5,000.00

\*It is anticipated that the present litigation between the debtor and TASCO and Hulet Management Company will be completed. If the debtor is successful in one or both suits, he will have sufficient funds to increase payments to all classes of creditors. If the debtor is unsuccessful he will amend his plan to account for additional claims of TASCO.

This Plan will need to be amended to begin 3 year annual payments to Landview commencing in February 2000 if a secured balance is found due Landview. The source of payment, besides successful litigation in 2000, is the expected increase in

yield for clover seed. The average yield is 900 bu/per acre, but debtor has estimated only 800 bu per acre. With time and added experience the yield will increase. Additionally, debtor's expenses include \$10,000 in capital expenditures for 1997 and will not be needed every year and in a margin for such acquisitions and emergency needs.

**February 2001 - 2003**

**§507 Priority Claims:**

Internal Revenue Service	\$3,000.00	
Trustee	6,550.00	
Attorneys Fees	<u>5,000.00</u>	<u>\$14,500.00</u>
<b>Class I</b>		
Landview	\$10,000.00	
Travelers	<u>40,000.00*</u>	<u>\$50,000.00</u>
<b>Class II</b>		
Landview	Per Class I	
TASCO	0	
<b>Class III</b>		
Case Credit	\$9,000.00	
John Deere	10,000.00*	
TASCO	0.00	
West One	2,400.00	
Travelers	<u>Per Class I</u>	<u>\$21,400.00</u>
<b>Class IV</b>		
None		
<b>Class V</b>		
Unsecured	\$5,000.00*	<u>\$5,000.00</u>

\*With a balloon payment of all sums due on or before February 1, 2003.

All disposable income not used for the farming operation shall be paid to the trustee who, at his discretion, may use said disposable income to make additional payments to unsecured creditors during the term of the plan.

**ARTICLE XIII**

### Use of Cash Collateral and Incurring Secured Debt

In the event a creditor, pursuant to this plan or the subsequent Order Confirming Plan, retains a lien on cash collateral as defined by 11 U.S.C. 363(a), then debtors may continue to use such cash collateral in the farming operation provided the plan payments stated above are current. The right to use cash collateral shall terminate if debtors do not make the payments stated above. Continued use shall be allowed only when the payments are brought current. Debtor shall also continue to be entitled to incur secured debt in accordance with the provisions of §364 of the Bankruptcy Code if the need for such can be demonstrated.

### ARTICLE XIV

#### Title to Realty

Debtor will execute such deeds as necessary to place the trustee in the title to the realty and all improvements comprising debtors farm. In the event debtor cannot complete the plan as proposed, the trustee will be able to immediately list and sell the property to assume all creditors the maximum recovery possible.

### ARTICLE XV

#### Yearly Farm Budget

Debtor shall file with the Court and the Chapter 12 trustee a yearly budget for their farming operation using the form provided by the trustee. The budget shall be submitted on or before February 15 of each year during the term of this plan.

### ARTICLE XVI

#### Compliance with Chapter 12

This plan complies with the provisions of Chapter 12 and all other applicable provisions of Title 11 of the United States Code. Any fee, charge or amount required to be paid before confirmation either under Chapter 12 of Title 28 or the terms of this amended plan, has or will be paid prior to confirmation. This amended plan has been proposed in good faith and not be any means forbidden by law.

I declare the foregoing statements in my Chapter 12 Plan to be true and correct under penalty of perjury.

DATED this \_\_\_ day of December, 1996.

  
\_\_\_\_\_  
Terry L. Hipwell  
Debtor

TAB #1  
CREDITOR POSITION &  
LIQUIDATION ANALYSIS

I. Real Property	Fair Market Value*	Claims Secured	Unsecured
A. Residence	\$161,800		
30932 Shelton			
Parma, ID 83660			
Claims:			
1st: Travelers	\$480,030	\$161,800	
2nd: State Tax Comm	\$ 985		985
3rd: Landview	\$176,800		176,800
4th: Canyon Assessor	\$ 1,700		1,700
B. Shop	\$ 24,800		
Claims:			
1st: Travelers	\$480,030	24,800	
2nd: State Tax Comm	\$ 985		985
3rd: Landview	\$176,800		176,800
4th: Canyon Assessor	\$ 1,700		1,700
C. Equip/Storage Buildings	\$ 36,700		
Claims:			
1st: Travelers	\$400,000	36,700	
2nd: State Tax Comm	\$ 985		985
3rd: Landview	\$176,800		176,800
4th: Canyon Assessor	\$ 1,700		1,700
D. 480 Acres - Payette County	\$464,000		
Claims:			
1st: Travelers	\$480,030	464,000	
2nd: State Tax Comm	\$ 1,700		1,700
3rd: Payette County	\$ 3,500		3,500

(CONTINUE)

Fair Market Value\*      Claims Secured      Claims Unsecured

E.    120 Acres - Canyon County      \$116,000

Claims:

1st: Travelers	\$480,030	116,000	
2nd: Landview	\$176,800		176,800
3rd: Canyon County	\$ 1,700		1,700

II.	<u>Creditor</u>	<u>Total Claim</u>	<u>Value of Real Property With Lien</u>
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A.	Travelers	\$480,030	\$803,300
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Travelers holds the first lien on all real property and improvements.

B. Idaho State Tax Commission

The Idaho State Tax Commission holds a second lien for taxes on all real property \$985.

C.	Landview	\$176,800	\$464,000
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Landview holds the third lien on the real property and improvements in Canyon County

D.	Canyon County	\$ 1,700	\$464,000
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Canyon County holds fourth lien on 120 Acres in Canyon County with improvements

D.	Payette County	\$ 3,500	\$339,000
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Payette County holds third lien on 480 Acres - Payette County.

<sup>0</sup> A.R.A. Appraisal, April 28, 1994, Land Office Appraisal

III. Crops

1. Reed Bean & Grain held a \$11,556 secured lien on the 1996 wheat crop and has been paid in full.

2. Landview Fertilizer has filed a 2nd position lien of the 1996 wheat crop of \$42,800 but lost its lien when the crop sold and the lien failed to attach to the proceeds of that sale.

3. Landview Fertilizer also has a lien on the 1995 sugar beet crop. This lien is in conjunction with liens on real property and equipment. The lien is subordinate by agreement to the claim of the Amalgamated Sugar Company to the sugar beet crop. All cash crops are sold and no evidence of a lien on the proceeds has been produced.

4. The Amalgamated Sugar Company, (Tasco) claims a lien on all sugar beet proceeds in the sum of \$105,561.49 by virtue loan and security agreements signed on April 13, 1995. The security agreement is on all crops for a period of two (2) years from the date of signature. Landview Fertilizer, West One Bank and the Hulet Management Company all have signed a subordination agreement regarding all crops.

5. The value of the crops are:

1996 wheat	\$103,000	
Paid Reed		\$11,556
Paid Debtor		\$19,900
Held by Trustee		\$ _____ ??????

1995 beets:	
Final payment	<u>\$ 35,000</u>
(Held by Tasco)	
Total crops & proceeds	

V. Personal Property	Fair Market Value
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A. Case IH 7140 Magnum Tractor	\$50,000
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Claims:

(CONTINUE)

Fair Market  
Value

1st: Case Credit           \$32,700  
2nd: TASC0                 \$ 5,300  
3rd: Landview             0

B.   Parma Triple Drum Beater                 \$18,000

Claims:

1st: John Deere           (Surrendered to John Deere)  
2nd: Landview             0

C.   Parma M910 6 Row Tank Beet  
Harvester                                     \$32,000

Claims:

1st: John Deere           (Surrendered to John Deere)  
2nd: TASC0  
3rd: Landview

D.   Used Miller Disk 18' Offset             \$ 4,000

Claims:

1st: John Deere  
2nd: Landview

E.   IHC 1480 Combine                       \$22,500

Claims:

1st: John Deere  
2nd: TASC0  
3rd: Landview

F.   4600 J.D. 5 Bottom Plow               \$ 2,000

Claims:

1st: John Deere

(CONTINUE)

Fair Market  
Value

2nd: Landview

G. 6 Row Parma Lifter Loader \$12,000

Claims:

1st: John Deere (Surrendered to John Deere)

2nd: Landview

H. 12 Row Power Harrow \$ 2,000

Claims:

1st: John Deere (Surrendered to John Deere)

2nd: Landview

I. 12 Row Brillion cultivator \$ 7,500

Claims:

1st: John Deere

2nd: TASC0

3rd: Landview

J. 2470 Case Tractor \$10,000

Claims:

1st: John Deere (Surrendered to John Deere)

2nd: Landview

K. 1983 J.D. 4850 Tractor \$35,000

Claims:

1st: John Deere \$35,000

2nd: Landview

L. J.D. 230 Tandem Disc \$ 3,000

(CONTINUE)

Fair Market  
Value

Claims:

1st: John Deere (Surrendered to John Deere)  
2nd: Landview

M. Used Brittonya Sprayer, 36 row \$ 2,000

Claims:

1st: John Deere (Surrendered to John Deere)

N. Front Tires and Rims: set of  
13.6x28 \$ 500

Claims:

1st: TASCO  
2nd: Landview

O. 1976 Ford 9000 w/20' bed & hoist \$14,000

Claims: None

P. 1980 Ford 8000 w/20' bed & hoist \$15,000

Claims:

1st: TASCO

Q. Tires and Rims: set of 14.9 x 38 \$ 450

Claims:

1st: TASCO  
2nd: Landview

R. Tires and Rims: 2 sets of  
14.9 x 38 \$ 800

(CONTINUE)

Fair Market  
Value

Claims:

1st: TASC0  
2nd: Landview

S. 986 IHC Tractor \$ 8,000

Claims:

1st: TASC0  
2nd: Landview

T. Tires: set of 14.9 x. 38 duals \$ 600

Claims:

1st: TASC0  
2nd: Landview

U. 12 row bedding bar w/markers \$ 5,000

Claims:

1st: TASC0  
2nd: Landview

V. Farmall H. Gas Tractor \$ 800

Claims:

1st: TASC0  
2nd: Landview

W. John Deere 4630 Tractor \$16,000

Claims:

1st: TASC0  
2nd: John Deere

(CONTINUE)

Fair Market  
Value

2nd: Landview

X. 1973 GMC C-65 w/bed & hoist \$ 9,000

Claims:

1st: TASCO  
2nd: Landview

Y. Land Pride 3 pt. Terrace blade \$ 2,000

Claims:

1st: TASCO  
2nd: Landview

Z. 1976 Ford 750 w/16' bed &  
hoist (rough) \$ 5,800

Claims:

1st: TASCO

AA. 12 row Milton Planter \$ 3,600

Claims:

1st: TASCO  
2nd: Landview

BB. J.D. 900 7 shank ripper \$ 2,000

Claims:

1st: Tasco  
2nd: Landview

CC. 12 row Dammer Diker \$10,000

Claims:

(CONTINUE)

Fair Market  
Value

	1st: TASC0	
	2nd: Landview	
DD.	Pipe trailer	\$ 500
	Claims:	
	1st: TASC0	
	2nd: Landview	
EE.	2 sets of ACE Saddle tanks	\$ 1,600
	Claims:	
	1st: TASC0	
	2nd: Landview	
FF.	24 row band sprayer	\$ 2,000
	Claims:	
	1st: TASC0	
	2nd: Landview	
GG.	IHC 140 Plow	\$ 2,500
	Claims:	
	1st: TASC0	
	2nd: Landview	
HH.	Air Compressor	\$ 100
	Claims:	
	1st: TASC0	
II.	Fertilizer Pump	\$ 100
	Claims:	

(CONTINUE)

Fair Market  
Value

1st: TASC0

JJ. 24 row 3 pt. Sprayer \$ 2,000

Claims:

1st: TASC0

2nd: Landview

KK. 12 row Cultivator bar w/tools \$ 5,000

Claims:

1st: TASC0

2nd: Landview

LL. 4 pieces, 5" x 50' PVC mainline \$ 4,450

Claims:

1st: Travelers

MM. 10" aluminum mainline,  
32 pieces 50' \$ 4,450  
35 pieces 50' mainline

Claims:

1st: Travelers

NN. 8 inch aluminum mainline,  
30 pieces 50' \$ 4,450

Claims:

1st: Travelers

OO. 6" aluminum mainline;  
11 pieces 50' \$ 4,450

(CONTINUE)

Fair Market  
Value

Claims:

1st: Travelers

PP. 4" aluminum mainline;  
18 pieces 40' \$ 4,450

Claims:

1st: Travelers

QQ. 3" aluminum mainline;  
misc. pieces \$ 4,450

Claims:

1st: Travelers

RR. Buried mainline approx.  
7/8 mi. steel \$ 4,450

Claims:

1st: Travelers

SS. 3" hand lines - hook and latch \$ 4,000  
714 pieces 3" x 40' center risers  
21 pieces 3" x 20' end risers  
54 pieces 3" x 40' end risers

Claims:

1st: Travelers

TT. 1/8 mile of 8" PVC supply line \$ 4,450

Claims:

1st: Travelers

(CONTINUE)

Fair Market  
Value

UU. 1994 Chevrolet Pickup \$12,000

Claims:

West One Bank

VV. 20' Comination Grain &  
Beet Bed with Hoist \$2,000

Claims:

West One Bank

WW. Fertilizer and Spray Equipment \$ 100

Claims:

Tasco

XX. Mobile Homes \$3,000

Claims:

Payette County Assessor

YY. Tools and Equipment

Drill - hand	\$ 25
Drill - grain	\$1,500
Grinder - hand	\$ 25
Grinder - Bench	\$ 25
Motors - 12 wheel line	\$2,000
Office desk & file cabinet	\$ 200
Pump, fuel w/ tank	\$ 500
Roller, 12 row smyzer	\$2,500
Shop tools	\$ 500
Welders (2)	\$ 100

Claims: None

TOTAL EQUIPMENT

1.	Case Credit	\$ 32,000
2.	John Deere	\$156,000
3.	Landview	\$130,000*
4.	TASCO	\$108,000**
5.	Travelers	<u>\$400,000***</u>

TOTAL \$826,000

TOTAL EQUIPMENT \$387,700

\* Disputed maybe wholly unsecured.

\*\* Disputed and subject to set-off.

\*\*\* Has fully secured position in real property and equipment