

RECEIVED RECEIVED

JUL 17 2018

JUL 30 2018

WATER RESOURCES
WESTERN REGIONDEPARTMENT OF
WATER RESOURCES

DE✓

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**Notice of Security Interest in a Water Right**and a request to be notified of a change in ownership or any proposed
or final action to amend, transfer, or otherwise modify the water right(s)

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

Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.
65-585			
65-586			
65-587			

2. The following
- REQUIRED**
- information must be submitted with this form:

A) Evidence of the security interest. This may be a copy of a **DEED of TRUST, MORTGAGE, CONTRACT OF SALE** or other legal document indicating your interest in the property and water rights or claims in question, **WITH ATTACHED LEGAL DESCRIPTION.**

B) A FEE of \$25.00 per water right or adjudication claim.

- \$25⁰⁰ applied from
fee received on 7/5/18 ✓ 7/26/18
• \$50⁰⁰ balance - 4
remains

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

Boise Cascade Wood Products, L.L.C.

1111 West Jefferson Street, Suite 300

Boise, ID 83702

ATTN: Kristin Bjorkman, Counsel

Phone 208-384-4926

Email KristinBjorkman@bc.com

SUPPORT DATA

IN FILE # 65-585

4. Name of Water Right Owner/Claimant(s)

Park Hampton LLC

5. Expiration Date of Notification Period

December 31, 2022

6. Is this a Renewal of Request for Notification?

☐ YES☒ NO

7. Signature(s) of Security Interest Holder(s)

Title, if applicable

KB

Dan Hutchinson, Executive V.P.

For Office Use Only

Received by

Date

Receipt No.

Fee

Processed by AJ

Date

WR

Date

7/26/18
7/5/18W046585
W046517\$50⁰⁰
\$25⁰⁰

7-31-18

RECEIVED

JUL 26 2018

WATER RESOURCES
WESTERN REGION

Certified to be a true and
correct copy of the original.
TitleOne Corporation, by:

Recording Requested By and
When Recorded Return to:

BOISE CASCADE WOOD PRODUCTS, L.L.C.
1111 W. Jefferson St., Ste. 300
Boise, ID 83702
Attn: Legal Department

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

18314230

**DEED OF TRUST, SECURITY AGREEMENT,
FIXTURE FILING, AND ASSIGNMENT OF LEASES AND RENTS**

(IDAHO)

THIS DOCUMENT CONSTITUTES A FIXTURE FILING IN ACCORDANCE WITH
ARTICLE 9
OF THE UNIFORM COMMERCIAL CODE AS ADOPTED IN THE STATE OF IDAHO.

PARK HAMPTON LLC
Organizational Identification Number: W39099

THIS DEED OF TRUST, SECURITY AGREEMENT, FIXTURE FILING, AND ASSIGNMENT OF LEASES AND RENTS (the "**Deed of Trust**") dated June 29, 2018, is made by and among PARK HAMPTON LLC, an Idaho limited liability company (the "**Grantor**"), whose address is 116 E. 44th Street, Garden City, ID 83714, in favor of Alliance Title & Escrow Corp. (the "**Trustee**"), whose address is 380 E. Parkcenter Blvd., Ste 105, Boise, Idaho 83706; and BOISE CASCADE WOOD PRODUCTS, L.L.C., a Delaware limited liability company (the "**Beneficiary**"), whose address is 1111 W. Jefferson St., Ste. 300, Boise, Idaho 83702.

1. Granting Clause. For good and valuable consideration, including the indebtedness described below and the trust created hereby, Grantor hereby irrevocably grants, transfers, conveys and assigns to Trustee, in trust, with power of sale and with right of entry and possession as provided herein, for the benefit and security of Beneficiary, all of Grantor's estate, right, title, interest, claim and demand, now owned or hereafter acquired, in and to that certain real property located in Gem County, State of Idaho, more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference (the "**Property**"), which real property either (a) is located within an incorporated city or village at the time of this transfer, (b) does not exceed 80 acres, regardless of its location, provided that it is not principally used for agricultural production of crops, livestock, dairy or aquatic goods, or (c) does not exceed forty (40) acres, regardless of its use or location; together with:

1.1 After-Acquired Title. Any after-acquired title of Grantor in and to the Property and in and to land lying in the streets and roads adjoining the Property

1.2 Access, Etc. All access rights now or hereafter belonging or in any way appertaining to the Property;

1.3 Improvements. All buildings and other improvements and structures now or hereafter erected on, attached to, located on, or used or intended to be used in connection with the Property;

1.4 Leases. All existing and future leases, subleases, subtenancies, licenses, agreements and concessions relating to the use, occupancy or enjoyment of all or any part of the Property, together with any and all guaranties and other agreements relating to or made in connection with any of the foregoing;

1.5 Rents. All rents, issues, income, revenues, royalties, profits, proceeds, earnings and other benefits now or hereafter payable with respect to or otherwise derived from the ownership, use, management, operation, leasing or occupancy of the Property, including, without limitation, cash or security deposited under any of the leases to secure the performance by the lessees of their obligations thereunder;

1.6 Appurtenances. All tenements, hereditaments, appurtenances, privileges, choices in action, options to purchase all or any part of the Property or any interest therein (and any greater estate in the Property now owned or hereafter acquired by Grantor pursuant thereto), and other rights and interests now or in the future benefiting or otherwise relating to the Property, including, without limitation, easements, rights-of-way, sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Property, development rights, oil, gas or other mineral rights and all royalty, leasehold and other rights of Grantor pertaining thereto;

1.7 Water. All water rights, including but not limited to Idaho Department of Water Resources Water Right numbers 65-585, 65-586, and 65-587, water licenses, water permits, stock certificates or shares in any canal or ditch company serving the Property, and all deposits made with or other security given to utility companies by Grantor with respect to the Property;

1.8 Additional Property and Rights. All other property or rights of any kind or nature further set forth herein;

1.9 Proceeds. Any and all interest and estate that Grantor or Grantor's assigns may hereafter acquire in any of the above Property and all the rents, issues, proceeds, products, and profits of such Property; all of which shall be deemed to be and remain a part of the Property and not severable wholly or in any part without material injury to the freehold and shall be included in any references to the Property hereunder.

2. **Security Agreement.** This Deed of Trust shall also constitute a "Security Agreement" under the Uniform Commercial Code as adopted in the State of Idaho (the "UCC") between Grantor as debtor and Beneficiary as secured party. As additional security for the performance of the obligations secured hereby, Grantor further grants and conveys to Beneficiary a security interest and a continuing lien on the following-described property and all proceeds of such property (collectively, the "Collateral"), all of which Collateral shall be deemed a part of and shall be included in any reference to the Property hereunder:

2.1 Property in Section 1. Any of the Property described in Section 1 above that is deemed to be personal property;

2.2 Permits, Plans, and Contracts. All of Grantor's right, title, and interest in any and all licenses, permits, approvals, bonds, commitments, designs, plans, specifications, construction, architectural and engineering agreements, commitments, contracts and subcontracts, surveys, appraisals, warranties, surety, bonding, security, development, financing, guaranty, indemnity, maintenance, management, service, supply agreements, commitments, contracts and subcontracts and insurance policies in any way pertaining to the development, construction, use, occupancy, operation and maintenance of the Property and any business of Grantor therein conducted, and all guarantees of any of the foregoing and any security therefor, and any and all other work product relating to the Property or any part thereof and now or hereafter owned by Grantor, including, without limitation, the Permits, Contracts, and Plans as defined in Section 6 below and any and all rights or claims that relate to the construction of improvements on or to the Property that Grantor may have against any person or entity supplying, or who has supplied, labor, materials, or services in connection with the construction of improvements on the Property;

2.3 Rights Under Covenants. All of Grantor's rights under any declarations of covenants, conditions, and restrictions recorded for the Property, including all of Grantor's rights and powers to elect or select officers and directors for any property owners' association established for the Property;

2.4 Water Stock and Shares. Whether or not included in Section 1.7, above, all water stock, shares of stock or other evidence of ownership of any part of the Property that is owned by the Grantor in common with others, and all documents of membership in any owners' or members' association or similar group having responsibility for managing or operating any part of the Property, and all documents of membership in any membership facility developed on the Property;

2.5 Insurance; Eminent Domain. All of Grantor's rights under any and all contracts and policies of insurance with respect to the Property and to any and all awards made in connection with any eminent domain or condemnation proceedings, or purchases in lieu thereof, of the whole or any part of the Property;

2.6 Rights of Sale. All of Grantor's right, title, and interest in any contracts, options or agreements of sale with respect to the Property, all purchase money indebtedness to Grantor related to any sale, and any cash proceeds of such sale;

2.7 Accounts with Beneficiary. All accounts maintained by Grantor with Beneficiary or any subsidiary or affiliate of Beneficiary;

2.8 Improvement, Fixtures, etc. All improvements, fixtures, equipment, furnishings, appliances, machinery, apparatus, goods, construction materials, and other articles of personal property owned by Grantor and now or hereafter affixed to, placed upon, or used in connection with the Property, including, but not limited to, any structures constructed on the Property, all pipes for water and sewer lines, cables, electrical wires for power systems, and construction materials, and any and all replacements and improvements thereof;

2.9 Tangible Personal Property. All existing and future inventory, furnishings, fixtures, equipment, supplies, construction materials, goods and other tangible personal property, which are now or hereafter owned or acquired by Grantor or in which Grantor now or at any time has rights, wherever located or used or usable in connection with the Property, and whether located at, placed upon or about, or affixed or attached to or installed in or on the Property or any part thereof, or located elsewhere in the possession of Grantor or any warehouseman, bailee, contractor, supplier or any other person, which is used or is intended by Grantor to be used in connection with or otherwise relating to the Property or the ownership, use, development, construction, maintenance, management, operation, marketing, leasing or occupancy thereof, and all accessories, attachments, parts, or repairs of or to any of such property, including but not limited to all appliances, furniture and furnishings, findings, materials, supplies, equipment and fixtures, and all building material, supplies, and equipment now or hereafter delivered to the Property and installed or used or intended to be installed or used therein whether stored on the Property or elsewhere; and all renewals or replacements thereof or articles in substitution thereof;

2.10 Accounts, Etc. All (i) accounts, chattel paper, deposit accounts, money, documents and instruments (whether negotiable or nonnegotiable), contract rights, insurance policies, and all rights to payment of any kind relating to or otherwise arising in connection with or derived from the Property, (ii) refunds, rebates, reserves, deferred payments, deposits, cost savings, letters of credit, and payments of any kind due from or payable by (a) any federal, state, municipal or other governmental or quasi-governmental agency, authority or district (individually, a "Governmental Agency"), or (b) any insurance or utility company, in either case relating to any or all of the Property, (iii) refunds, rebates and payments of any kind due from or payable by any Governmental Agency for any taxes, assessments, or governmental or quasi-governmental charges or levies imposed upon Grantor with respect to or upon any or all of the Property, (iv) guarantees of any of the foregoing and any security therefor, (v) cash funds and cash collateral accounts maintained pursuant to any of the Loan Documents secured by or referred to in this Deed of Trust, (vi) proceeds and claims arising on account of any damages to or taking of the Property or any part thereof, and all causes of action and revenues for any loss or diminution in the value of the Property, and (vii) investment property, including certificated securities, uncertificated securities, securities accounts, securities entitlements, commodity accounts, and commodity contracts maintained pursuant to any of the Loan Documents, together with all dividends, distributions and payments with respect thereto, all other rights and interests arising therefrom, and all substitutions and replacements therefor;

2.11 General Intangibles, Etc. All general intangibles relating to or arising out of the ownership, design, development, operation, management, construction and use of the Property, including, but not limited to, (i) all names under which or by which the Property may at any time be operated or known, all rights to carry on business under any such names or any variants thereof, and all goodwill in any way relating to the Property, (ii) all permits, licenses, authorizations, variances, land use entitlements, approvals and consents issued or obtained in connection with the construction of the Property, (iii) all permits, licenses, approvals, consents, authorizations, franchises and agreements issued or obtained in connection with the use, occupancy or operation of the Property, (iv) all rights as a declarant (or its equivalent) under any covenants, conditions and restrictions or other matters of record affecting the Property, including but not limited to the right to receive any and all cash, distributions and proceeds from the exercise of any option agreement against the Property, (v) all materials prepared for filing or filed with any governmental agency, (vi) all rights under any contract in connection with the development, design, use, operation, management and construction of the Property, (vii) all non-privileged books and records prepared and kept in connection with the acquisition, construction, operation and occupancy of the Property, and (viii) all royalties, fees and goodwill associated with any of the foregoing (subject to any franchise or license agreements relating thereto);

2.12 Listing and Sales Agreements, Etc. All listing agreements, sales agreements, escrow agreements, deposit receipts and other documents and agreements for the sale or other disposition of all or any part of the Property, and deposits, proceeds and benefits arising from the sale or other disposition of all or any part of the Property;

2.13 Engineering and Architectural Plans and Specifications; Etc. All engineering and architectural drawings, plans, specifications, soils tests and reports, feasibility studies, appraisals, engineering reports, manuals, computer software, studies, data and drawings pertaining to any or all of the property described in Section 1 and Sections 2.1 through 2.11, above, and all contracts and agreements of Grantor relating to the aforesaid plans and specifications or to the aforesaid studies, data and drawings;

2.14 Operating and Management Agreements, Etc. All operating agreements and management contracts, including without limitation, any and all contracts and agreements, if any, previously, now or at any time hereafter entered into with respect to the acquisition, construction, renovation, expansion, ownership, operation, maintenance, use or management of the Property or otherwise concerning the operations and business of the Property, including without limitation, all bonding, construction, architectural, engineering, development, financing, guaranty, indemnity, commitments, contracts and subcontracts, all insurance policies, all licenses and bonds, any and all service and maintenance contracts, any employment contracts, any and all management agreements, any and all consulting agreements, and other contracts for the operation and maintenance of, or provision of services to, the Property;

2.15 Files and Records. All non-privileged ledger sheets, files, records, documents and instruments (including, but not limited to, computer programs, tapes, and related electronic data processing software) evidencing an interest in or relating to the foregoing collateral in Sections 2.1 through 2.14, above, or in this Section 2.15;

2.16 Other Property. Any and all other property or rights of any kind or nature, relating to the Property, further identified herein or in any UCC financing statement filed in connection herewith; and

2.17 Proceeds. Any and all interest and estate that Grantor or Grantor's assigns may hereafter acquire in any of the above Collateral and all the rents, issues, proceeds, products, and profits of such Collateral.

3. **Fixture Filing**. It is intended that the recording of this Deed of Trust shall be effective as a "fixture filing" under Article 9 of the UCC with respect to any and all fixtures included within the Collateral and all goods or personal property that are now or may hereafter become affixed to the Property, and the Deed of Trust is to be filed and indexed in the real estate records not only as a deed of trust, but also a fixture filing.

4. **Obligations Secured**. This Deed of Trust is given for the purpose of and does secure the following obligations (collectively, the "Secured Obligations"):

4.1 Promissory Note. Payment of all obligations at any time owing under that certain Promissory Note payable by Grantor to the order of Beneficiary or order, of even date herewith (the "Note"), evidencing a loan from Beneficiary to Grantor in the principal amount of Two Million and NO/100ths Dollars (\$2,000,000.00) (the "Loan"), together with interest thereon at a fixed rates set forth therein, and any amendments, modifications, extensions or renewals thereof, whether or not any such modification, extension or renewal is evidenced by a new or additional promissory note or notes.

4.2 Additional Obligations. Payment of any further sums advanced or loaned by Beneficiary to Grantor or any of Grantor's successors or assigns, or otherwise owed by Grantor to Beneficiary, together with interest thereon, if such sums, including reasonable costs and expenses incurred by Beneficiary, are owing pursuant to this Deed of Trust or any of the other documents executed by Grantor securing or otherwise relating to the Note or the loan[s] evidenced thereby, whether executed prior to, contemporaneously with, or subsequent to this Deed of Trust, together with interest thereon at the rate set forth in the relevant document. This Deed of Trust, the Note, and all other documents governing, securing, or otherwise relating to the Note or the Loan evidenced thereby are hereafter referred to collectively as the "Loan Documents", with the exception of (i) any guaranties executed in connection with the Loan; and (ii) any environmental indemnity or other indemnity agreement that by its terms is not secured hereby (the "Indemnity Agreement"). Any guarantee or Indemnity Agreement is specifically not secured by this Deed of Trust.

4.3 Obligations Under Loan Documents. Performance of each agreement, term, and condition set forth or incorporated by reference in the Loan Documents and any modifications, extensions or renewals thereof, whether or not any such modification, extension or renewal is evidenced by a new document or documents.

Grantor further covenants and agrees as follows:

5. **Assignment of Rents.** Grantor hereby assigns and transfers to Beneficiary all its right, title, and interest of Grantor in and under all leases now or hereafter affecting the Property (the "Leases"). This assignment is absolute, unconditional, and not in the nature of a security interest, it being the intention of Grantor to establish a complete and present transfer of all interests assigned hereunder with the right, but without the obligation, to collect all rents and profits of the Property under the Leases. So long as Grantor is not in default hereunder, Grantor may collect assigned rents and profits as the same fall due under the Leases; but, upon the occurrence of any Event of Default hereunder, all rights of Grantor to collect or receive rents and profits shall terminate until Beneficiary is paid in full. Upon the occurrence of an Event of Default hereunder and the exercise by Beneficiary of its rights herein granted, Grantor agrees that payment made by tenants or occupants to Beneficiary shall be considered as though made to Grantor and in discharge of the tenants' obligations to Grantor and such payments shall be credited as payments of Grantor on amounts due Beneficiary under the Loan Documents. Nothing herein contained shall be construed as obligating Beneficiary to perform any of Grantor's covenants under any lease or rental arrangement.

6. **Assignment of Permits, Contracts, and Plans.** In addition to and without in any way derogating from the security interest granted Beneficiary in the Collateral, Grantor hereby assigns, grants, transfers, and sets over unto Beneficiary, Grantor's right, title, and interest in, to, and under any and all permits, approvals, commitments, designs, plans, specifications, construction, architectural and engineering contracts, subcontracts, surveys, appraisals, listing agreements, warranties, and any and all right, title, and interest in, to, and under any and all of the documents or other items listed in Sections 2.2, 2.5 and 2.11 through 2.14, above, and any and all other contracts for work product relating to development or construction on the Property or any part thereof, together with all amendments, modifications, supplements, revisions, and addenda thereto heretofore or hereafter prepared or executed (collectively, the "Permits, Contracts, and Plans").

6.1 Security for Loans. This assignment is made as additional security for the payment and performance of all of the obligations of Grantor set forth in Section 4 above.

6.2 Liabilities. Beneficiary does not assume any obligations or duties of Grantor under the Permits, Contracts, and Plans unless and until Beneficiary shall have given Grantor written notice of the same. If Beneficiary does not directly undertake to complete development or construction of the Property, Beneficiary may assign such Permits, Contracts, and Plans to, and such obligations and duties of Grantor in connection with the Permits, Contracts, and Plans shall be assumed by, the person or entity designated by the Beneficiary for the purpose of completing such development or construction, and Beneficiary shall have no liability whatsoever for the performance of any such obligations and duties.

6.3 Representations and Warranties of Grantor. Grantor represents and warrants to Beneficiary that:

6.3.1 No Prior Assignments. There have been no prior assignments of its rights, title, and interest in, to, and under the Permits, Contracts, and Plans;

6.3.2 Authority. Grantor has full power and authority to assign its rights, title, and interest in, to, and under the Permits, Contracts, and Plans to Beneficiary and no consents or approvals of any other person or entities are necessary in order for Grantor to validly execute, deliver, and perform this assignment; and

6.3.3 No Defaults or Modifications. All covenants, conditions, and agreements set forth in the Permits, Contracts, and Plans have been performed as required as of the date hereof and neither Grantor nor any other party is in default thereunder. Grantor shall not amend or modify any of the terms and conditions of the Permits, Contracts, and Plans without the prior written approval of Beneficiary, nor shall Grantor assign, transfer, mortgage, or otherwise convey or encumber any of its rights, title, or interest in, to, or under the Permits, Contracts, and Plans so long as any of Grantor's obligations under the Loan Documents remain unfulfilled.

6.4 Attorney-in-Fact. Grantor hereby irrevocably constitutes and appoints Beneficiary as its attorney-in-fact, upon the occurrence of any defaults hereunder or under any of the other Loan Documents, to demand, receive, and enforce any and all of Grantor's rights under and with respect to the Permits, Contracts, and Plans, and to perform any and all acts with respect to the Permits, Contracts, and Plans that Beneficiary deems necessary or desirable with the same force and effect as if performed by Grantor in the absence of this assignment.

6.5 Assignment for Security. This assignment is for security purposes only. Beneficiary shall have no right pursuant to this assignment to enforce Grantor's rights with respect to the Permits, Contracts, and Plans until Grantor shall be in default under any of its obligations to Beneficiary pursuant to this Deed of Trust or any of the other Loan Documents. On the occurrence of any such default, Beneficiary, without affecting any of its rights or remedies against Grantor under any other instrument, document, or assignment, may exercise its rights under this assignment or in any other manner permitted by applicable law, and in addition, Beneficiary shall have and possess, without limitation, any and all rights and remedies of a secured party under the UCC or as otherwise provided by law.

7. **Nature of Property/Remedies.** Grantor and Beneficiary agree that the filing of a financing statement in the records having to do with personal property in connection with the Security Agreement provided herein shall never be construed as in any way derogating from or impairing the declaration and the stated intention of the parties hereto that the Property and all components thereof are, to the maximum extent possible, real property, subject to Beneficiary's right on default to exercise, in any manner permitted by applicable law, those remedies (a) available to Beneficiary under this Deed of Trust, (b) available to Beneficiary as a secured party under the provisions of the UCC, or (c) otherwise provided for by law or available in equity. Whenever Beneficiary's security shall be deemed to include personal property, Beneficiary shall be entitled to foreclose against such property in connection with and as a part of any judicial or nonjudicial proceeding against the real property secured hereby, the parties hereby acknowledging that such foreclosure constitutes a commercially reasonable method of selling such property, or, in Beneficiary's sole discretion and as permitted by applicable law, to pursue any and all other remedies afforded a secured party under the UCC or other applicable law. In

case of a default hereunder, Grantor agrees to assemble all such property and make it available to the Trustee or Beneficiary as secured party at a place to be designated by such party that is reasonably convenient to all parties.

8. Representations and Warranties. To protect the security of this Deed of Trust and for the benefit of Beneficiary, Grantor does, for Grantor and for Grantor's successors and assigns, represent, covenant, warrant, and agree as follows:

8.1 Warranty of Title. That Grantor has good and marketable title to an indefeasible fee simple estate in all real property described herein subject only to such liens and encumbrances, if any, specifically described herein or otherwise accepted or approved by Beneficiary in writing; that Grantor owns all of the Property described herein free from liens, security interests, and encumbrances of any kind (other than those approved in writing by Beneficiary); that Grantor is vested with the right to convey all real property described herein to Trustee for the benefit of Beneficiary; and that no consent of other parties is required as a condition thereto. Grantor does hereby and will forever warrant and defend title to the Property herein conveyed and defend the validity and priority of the lien of this Deed of Trust against the claims and demands of all persons and parties;

8.2 Commercial Instrument. That the proceeds of the loan secured hereby will be used for business or commercial purposes other than agricultural, livestock, dairy, aquatic, timber, grazing or farming purposes, and not for personal or family purposes;

8.3 Property Not Agricultural. That the Property is not used principally for agricultural, livestock, dairy, aquatic, timber, grazing, or farming purposes;

8.4 Legal Entity, Business, Etc. That while any sums remain outstanding hereunder, Grantor will: (a) maintain its existence in the form under which it currently operates, and preserve in full force and effect all its rights and franchises having a material effect upon its business or the ownership of its properties; and (b) give prompt notice to Beneficiary of any material change in Grantor's business or financial position, any change in any location where Grantor's accounts and/or assets are to be maintained, the location of any new places of business of Grantor and the changing or closing of any of its existing places of business, and any change in Grantor's name; and

8.5 No Subordinate Financing. Grantor agrees that without Beneficiary's prior written consent, there shall be no other financing secured by the Property or any interest therein, and that the Deed of Trust shall be the only lien or encumbrance affecting the Property.

9. Maintenance and Inspection of Improvements. Grantor shall not allow any material changes in the zoning of the Property or its zoning without Beneficiary's consent. Grantor shall not commit or suffer any waste and shall remedy any waste within thirty (30) days following Beneficiary's notice thereof; shall promptly comply with all the requirements of federal, state, and municipal authorities and all other laws, ordinances, regulations, covenants, conditions, and restrictions respecting the Property or the use thereof and shall remedy any failure to so comply within thirty (30) days of notice of the failure to comply; and shall pay all

fees or charges of any kind in connection therewith on the date such fees or charges are due. Beneficiary and its employees and agents shall be entitled from time to time to enter on the Property (including the interior of any structures), at reasonable times and after reasonable notice, to inspect the Property, ascertain compliance with the Hazardous Substances warranties set forth below and other provisions of this Deed of Trust (including the right to take soil samples and conduct other reasonable tests and investigations), conduct appraisals to determine the value of the Property, or to perform any other act authorized hereunder. Costs incurred in obtaining such inspections, appraisals, tests, and other activities described above shall be part of the obligations secured hereby, to the extent Grantor is obligated to pay them under the terms of the Loan Documents. Grantor will permit access to the Property and will fully cooperate with Beneficiary in this regard.

10. Intentionally Deleted.

11. CC&Rs. To promptly and completely observe, perform and discharge each and every condition, obligation, covenant and agreement affecting the Property, whether the same is prior and superior or subject and subordinate hereto, including, without limitation, if the Property is or will be a condominium, community apartment or part of a planned development project, each and every provision to be performed by Grantor under any declaration of covenants, conditions and restrictions pertaining thereto.

12. Hazardous Substances. As used herein, "Hazardous Substance" means any substance that is or becomes regulated under any federal, state or local statute, ordinance, rule, regulation or other law now or hereafter in effect pertaining to environmental protection, contamination or cleanup (collectively, "**Environmental Laws**"). Grantor warrants that, except as otherwise disclosed to Beneficiary in writing, no Hazardous Substance has been generated, processed, stored, transported, incorporated into, handled or disposed of on the Property to Grantor's best knowledge, except in compliance with all applicable laws. Grantor agrees that during the term of this Deed of Trust, Hazardous Substances will not be generated, processed, stored, transported, handled or disposed of on the Property, except in accordance with all Environmental Laws. Grantor is not aware of any actual or alleged violation of any Environmental Laws related to the Property and there is no action or proceeding pending before or appealable from any court or agency relating to Hazardous Substances and the Property. Grantor shall defend, hold harmless, and indemnify Beneficiary against any claims, costs, liens, damages, losses, expenses or liabilities arising out of or related to any alleged violations of Environmental Laws related to the Property. Grantor's obligation to Beneficiary under this Section is strict and absolute without regard to any fault by Grantor. Grantor shall immediately notify Beneficiary if Grantor becomes aware of any alleged or actual violation of Environmental Law related to the Property. Grantor will, at its sole expense, take all action necessary to comply with Environmental Law (including without limitation, any removal, clean-up, containment and remedial actions).

13. Insurance.

13.1 Obligation to Insure. Grantor shall at all times provide, maintain and keep in force, at its own cost and expense, the following policies of insurance, and such additional

insurance as Beneficiary may require from time to time upon thirty (30) days notice against the same or other hazards:

13.1.1 Property Insurance. Insurance against loss or damage to the Property by fire and any and all risks covered by insurance of the type known as of the date hereof as "special form coverage," in an amount not less than one hundred percent (100%) of the full replacement cost of the improvements, as determined from time to time by Beneficiary, without deduction for depreciation. The amount deductible from the loss payable for any casualty shall not exceed \$10,000.00 for any casualty and such deductible shall be the obligation of Grantor. Such policy of insurance shall be maintained for and name Grantor and Beneficiary as insureds, as their respective interests may appear, and shall contain (a) the "replacement cost endorsement," and (b) a lender's loss payable endorsement in favor of Beneficiary in a form reasonably acceptable to Beneficiary.

13.1.2 Liability Insurance. Commercial general liability insurance, including Products and Completed Operations coverage, on an "occurrence basis" insuring against claims for bodily injury, death or property damage occurring in, on or about the Property and adjoining streets, sidewalks and passageways arising out of or in any way connected with the use, occupancy, possession, ownership or condition (whether or not now existing) of the same. The limits of such coverage shall be no less than \$5,000,000.00 per occurrence. Such policy shall insure performance of Grantor's indemnity obligations hereunder and shall name Beneficiary as an additional insured, providing coverage for Beneficiary regardless of whether the asserted claim is also asserted against Grantor.

13.2 Exculpation; General Provisions Related to All Policies. Neither Trustee nor Beneficiary shall be obligated to obtain insurance, nor be responsible for the collection of any insurance monies or for any insolvency of any insurer or insurance underwriter. All policies of insurance required by this Deed of Trust (a) shall contain an endorsement or an agreement of the insurer that any loss shall be payable in accordance with the terms of such policy notwithstanding any act of negligence of Grantor or Beneficiary that might otherwise result in forfeiture of said insurance and further waiving all rights of setoff, subrogation, counterclaim or deductions against Beneficiary; (b) shall be issued in amounts no less than those specified in this Section and shall be issued by companies acceptable to Beneficiary; and (c) shall contain a provision that such policies will not be canceled or amended, or be subject to any reduction in the scope or limits of coverage, without at least thirty (30) days' prior written notice to Beneficiary.

13.3 Delivery of Insurance Policies, Payment of Premiums. Grantor shall furnish Beneficiary with a copy of each policy of insurance required hereunder and a certificate of each policy of insurance required hereunder evidencing the required coverage, each such certificate setting forth the coverage, the limits of liability, the name of the carrier, the policy number and the expiration date. At least thirty (30) days prior to the expiration of each such policy, Grantor shall furnish Beneficiary with an original of all policies required hereunder marked "premium paid" and with evidence, satisfactory to Beneficiary, of the reissuance of such policy continuing insurance in force as required by this Deed of Trust. In the event any such

insurance policy and/or evidence of payment of premium are not so delivered to Beneficiary as required hereunder, Grantor, by executing this Deed of Trust, specifically requests Beneficiary to obtain and pay for, and Beneficiary may obtain and pay for, such insurance for such risks covering Beneficiary's interest in the Premises (without notice to or demand upon Grantor and without releasing Grantor from any obligation hereunder), and Grantor shall pay all premiums thereon promptly upon demand by Beneficiary, and until such payment is made by Grantor the amount of all such premiums together with interest thereon at the Default Rate (defined in the Note) from the date of payment by Beneficiary shall be secured by this Deed of Trust.

14. Liens and Taxes.

14.1 Payment. To (a) pay at least ten (10) days prior to delinquency, all real property taxes and assessments, general and special, and all other taxes, assessments and charges of any kind or nature whatsoever, which are imposed upon, assessed against or affect the Property or any part thereof, (b) pay when due all encumbrances, charges or liens of any kind or nature whatsoever, which create or may create a lien upon the Property or any part thereof (provided, that with respect to Mechanic's Liens, as defined in Section 14.2, Grantor shall have the rights set forth in Section 14), or any interest therein, whether prior and superior or subject and subordinate to the lien hereof, and (c) deliver, upon Beneficiary's request, to Beneficiary, within ten (10) days after the date upon which any such tax, assessment, encumbrance, charge or lien is due and payable by Grantor, official receipts of the appropriate taxing authority (or other proof satisfactory to Beneficiary) evidencing the payment thereof. If Grantor has failed to comply with this requirement for a period of not less than thirty (30) days, then, at Beneficiary's option, Beneficiary may require Grantor to establish and maintain an impound account with Beneficiary, into which Grantor monthly shall deposit an amount established by Beneficiary as Beneficiary's estimate of one-twelfth (1/12th) of the annual amount of all taxes, assessments, encumbrances, charges and liens coming due during each calendar year, such sums to be applied by Beneficiary to payment of these amounts when due, to be replenished by Grantor at any time upon ten (10) days notice if Beneficiary determines the amount it holds to be insufficient to pay the foregoing obligations as they become due. Beneficiary, except as otherwise required by applicable law, shall (i) not be required to pay interest on any funds held hereunder, (ii) be authorized to assign any funds held by it to any successor holder of the Beneficiary's interest in this Deed of Trust and thereupon be relieved of any further obligation for the application or refund of such sums, and (iii) at any time, at its option, following default, apply funds held hereunder to the Secured Obligations.

14.2 Discharge of Mechanics Liens. Grantor will pay, bond or otherwise discharge, from time to time when the same shall become due, all claims and demands of mechanics, material suppliers, laborers and others which, if unpaid, might result in, or permit the creation of, a lien on the Property, or on the revenues, rents, issues, income or profits arising therefrom (herein collectively "**Mechanic's Liens**") and, in general, Grantor shall do, or cause to be done, at Grantor's sole cost and expense, everything necessary to fully preserve the lien and priority of this Deed of Trust; provided, however, Grantor shall not be obligated to pay, bond or discharge such Mechanic's Liens if payment is not yet due under the contract that is the foundation of such Mechanic's Liens; and provided further that so long as an Event of Default

shall not have occurred and be continuing hereunder, Grantor shall have the right to contest or object to the amount or validity of any such claim and demand by appropriate administrative or judicial proceedings, in which event all of the following provisions shall apply: (a) Grantor shall give Beneficiary written notice of Grantor's intent to so contest or object to such Mechanic's Liens; (b) Grantor shall thereafter diligently proceed to cause such Mechanic's Liens to be removed and discharged; and (c) Grantor, if requested by Beneficiary, shall deposit with Beneficiary a bond or other assurance reasonably satisfactory to Beneficiary in such amounts as Beneficiary shall reasonably require, but not more than 150% of the amount of the Mechanic's Liens plus costs, expenses, including reasonable attorneys' fees, and interest.

14.3 Creation of Liens. Except as otherwise set forth herein, Grantor will not, without Beneficiary's consent, create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any deed of trust, mortgage, voluntary or involuntary lien, whether statutory, constitutional or contractual (except for normal ad valorem real property taxes that are not yet due and payable), security interest, encumbrance or charge, or conditional sale or other title retention document, against or covering the Property, prior to, on a parity with or subordinate to the lien of this Deed of Trust. If any of the foregoing becomes attached to the Property without such consent, Grantor will promptly cause the same to be discharged and released.

14.4 No Consent. Nothing in the Loan Documents shall be deemed or construed in any way as constituting the consent or agreement by Beneficiary, express or implied, to pay any contractor, subcontractor, laborer, mechanic or materialman for the performance of any labor or the furnishing of any material for any improvement, construction, alteration or repair of the Property, or to constitute any such person as a beneficiary of any obligation Beneficiary may incur to Grantor concerning such matters, or to create a trust fund for any such person. Grantor further agrees that neither Trustee nor Beneficiary stands in any fiduciary relationship to Grantor.

15. **Books and Records.** Grantor shall keep and maintain, or cause to be kept and maintained, proper and accurate books, records and accounts of the Property and of its own financial affairs to permit the preparation of financial statements therefrom. Beneficiary, through its agents, representative or employees, shall have the right, from time to time, at any time and at all times, during normal business hours, to examine, copy and audit such books, records and accounts. If the Property is at any time used for commercial or residential income purposes, Grantor shall deliver to Beneficiary, within thirty (30) days following Beneficiary's request, certified financial statements and profit-and-loss statements for Grantor and the Property prepared in accordance with generally accepted accounting principles.

16. **Defense of Title.** Grantor shall appear in and defend any suit, action, or proceeding that might affect the value of this Deed of Trust, the Deed of Trust itself, or the rights and powers of Beneficiary or Trustee, including, without limitation, any condemnation or public improvement proceeding, and Beneficiary or Trustee shall have the right to elect also to appear and defend any such action or proceeding, be made a party to such by reason of this Deed of Trust, or elect to prosecute such action as appears necessary to preserve said value, Grantor will,

at all times, indemnify from and, on demand, reimburse Beneficiary or Trustee for any and all loss, damage, expense, or cost, including cost of evidence of title and attorneys' fees, arising out of or incurred in connection with any such suit, action, or proceeding.

17. No Changes. Grantor agrees that so long as any amount or obligation is outstanding by Grantor to Beneficiary under any of the Loan Documents, and except if and to the extent otherwise expressly provided in the Loan Documents, Grantor will not, without the written consent of Beneficiary:

17.1 Change in Use. Change the use of the Property or allow any material permits or licenses required for such use of the Property to expire, lapse or be suspended or terminated.

17.2 Consent to Assessment District. Cause or otherwise consent to the formation of any community facilities district that includes the Property or any part of the Property, any assessment district that includes the Property or any part of the Property, or any other comparable or similar district, area or territory that includes the Property or any part of the Property pursuant to any restriction, or cause or otherwise consent to the levying of assessments by any such assessment district against the Property or any part thereof, the levying of special taxes by any community facilities district against the Property or any part thereof, or the levying of assessments, taxes or other imposition by any such district, area or territory. Grantor shall immediately give notice to Beneficiary of any notification or advice that Grantor may receive from any municipality or other third party of any intent or proposal to include all or any part of the Property in a community facilities district. Beneficiary shall have the right to file a written objection to the inclusion of all or any part of the Property in a community facilities district, either in its own name or in the name of Grantor, and to appear at, and participate in, any hearing with respect to the formation of any such district.

18. Notices Required. Grantor shall comply with and promptly, but not later than ten (10) days following receipt thereof, furnish to Beneficiary true and complete copies of any notices pertaining to the Property by any governmental authority of the United States, or the State, County, or City, or any other political subdivision in which the Property is located or which exercised jurisdiction over Grantor or the Property. Grantor shall promptly notify Beneficiary of any material fire or other material casualty or any notice of taking or eminent domain proceeding affecting the Property. Grantor shall promptly, but not later than ten (10) days following receipt thereof, notify Beneficiary of any other action, proceeding or investigation concerning the Property, or any party thereof, of which it acquires notice.

19. Beneficiary Authorized to Act. Should Grantor fail to make any payment or to do any act as herein provided, Beneficiary or Trustee may, but without obligation to do so and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereunder: (a) make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof; (b) commence, appear in, and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; (c) pay, purchase, contest, or compromise any encumbrance, charge, or lien that in the sole judgment of Beneficiary either appears to be prior or superior to this Deed of Trust; and, (d)

in exercising any such power, incur any liability and expend whatever amounts in its absolute discretion it may deem necessary therefor, including cost of evidence of title and reasonable attorneys' fees, which cost will immediately be due from Grantor and will be one of the Secured Obligations under this Deed of Trust.

20. Condemnation Proceeds. In the event that all or any portion of the Property is taken under the right of eminent domain or condemnation, Beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable as compensation for such taking be paid to Beneficiary and applied by it first to any reasonable costs, expenses, and attorneys' fees, both in trial and appellate courts, necessarily paid or incurred by Beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby. Grantor further agrees, at its own expense, to take such actions and execute such instruments as shall be necessary to obtain such compensation.

21. Actions by Trustee. From time to time upon written request by Beneficiary, payment of fees, and presentation of this Deed of Trust and any note secured hereby for endorsement (in the case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, Trustee may (a) consent to the making of any map or plat of the Property; (b) join in granting an easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Deed of Trust or the lien or charge thereof; and (d) reconvey, without warranty, all or any part of the Property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters of fact shall be conclusive proof of the truthfulness thereof.

Trustee or Beneficiary may from time to time apply in any court of competent jurisdiction for aid and direction in the execution of the trusts hereunder and the enforcement of the rights and remedies available hereunder, and Trustee or Beneficiary may obtain orders or decrees directing, confirming or approving acts in the execution of said trusts and the enforcement of said remedies. Grantor shall pay to Trustee reasonable compensation and reimbursement for services and expenses in the administration of the trusts created hereunder, including reasonable attorneys' fees, but in no event more than allowed by any then applicable statute. Grantor agrees to and does hereby indemnify Trustee and Beneficiary against all losses, claims, demands and liabilities that either may incur, suffer or sustain in the execution of the trusts created hereunder or in the performance of any act required or permitted hereunder or by law.

22. Non-Waiver of Defaults. The entering upon and taking possession of the Property, the collection of rents, issues, and profits, or the proceeds of fire and other insurance policies or compensation or awards for any kind of taking or damage of the Property, and the application or release thereof as provided in this Deed of Trust shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice of default. Further, by accepting payment of any sums secured hereby after their due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare the failure to pay such sums an Event of Default.

23. Events of Default. Notwithstanding any cure periods described below, Grantor shall immediately notify Beneficiary in writing when Grantor obtains knowledge of the occurrence of any default specified below (individually, an "Event of Default"). Regardless of whether Grantor has given the required notice, the occurrence of one or more of the following shall constitute an Event of Default:

23.1 Payment Default. Failure to pay (i) any interest, required reserves or any other payment under the Note, or any fees, charges, costs or expenses under this Deed of Trust or any of the other Loan Documents when due; or (ii) any principal amount of the Note when due;

23.2 Default Under Loan Documents. Failure by Grantor to perform, when due, any of the terms, covenants and conditions set forth in the Loan Documents, other than the obligations mentioned in Section 23.1 above and Section 23.3 below;

23.3 Default on Obligations Secured by Property. Any failure to perform any obligation that is secured by any lien against or any interest in the Property, rights, or interests encumbered hereby or any portion thereof, regardless of whether such lien or interest is prior or subordinate to the Deed of Trust, subject to any applicable cure provisions;

23.4 Default on Other Obligations. The Grantor, or any other obligated party fails to comply with or to perform any other term, obligation, covenant or condition under the terms of any loan agreement, promissory note, conditional sale contract, lease or other agreement, document or instrument evidencing, governing or securing any indebtedness owing by the Grantor to the Beneficiary; or any indebtedness in excess of \$10,000 owing by Grantor to any third party and the period of grace, if any, to cure said default under such third party agreement shall have passed;

23.5 Judgments. Any judgment shall be obtained against the Grantor, which, together with all outstanding unsatisfied judgments against the Grantor, shall exceed the sum of \$10,000 and shall remain unvacated, unbonded or unstayed for a period of 30 days following the date of entry thereof;

23.6 Inability to Perform; Bankruptcy; Insolvency; Change in Ownership. (a) Grantor shall die or cease to exist; or (b) any bankruptcy, insolvency or receivership proceedings, or an assignment for the benefit of creditors, shall be commenced under any Federal or state law by or against Grantor; or (d) Grantor shall become the subject of any out of court settlement with its creditors; or (e) Grantor is unable or admits in writing its inability to pay its debts as they mature;

23.7 Default Under Leases. Any defaults by Grantor under any lease affecting the Property, any termination of such lease, or any modification, surrender, or cancellation of such lease without Beneficiary's prior written consent;

23.8 Adverse Change; Insecurity. Any material adverse change in the Property, including, without limitation, actual or threatened removal, demolition, or impairment of the

Property, or any improvements thereon, or in the financial condition of Grantor, or Beneficiary in good faith deems itself insecure; and

23.9 Impact on Use of Property. Any impending or proposed: (a) condemnation, (b) rezone, or (c) modification or enactment of any ordinances or regulations that could materially affect any proposed development of the Property or the use or value thereof.

The waiver by Beneficiary of any Event of Default shall not constitute a waiver of any other or subsequent Event of Default.

24. Acceleration Upon Default; Additional Remedies. Upon any Event of Default, Beneficiary may, at its option and without notice to or demand upon Grantor, exercise any one or more of the following actions: declare all amounts secured by this Deed of Trust immediately due and payable; bring a court action to enforce the provisions of this Deed of Trust or any of the other Loan Documents; foreclose this Deed of Trust as a mortgage; cause any or all of the Property to be sold under the power of sale granted by this Deed of Trust in any manner permitted by applicable law; exercise Beneficiary's rights with respect to any leases and rents; and/or exercise any or all of the other rights and remedies under this Deed of Trust and the other Loan Documents or available under law or in equity. To the extent permitted by law, every right and remedy provided in this Deed of Trust or afforded by law or equity or any other agreement between Beneficiary and Grantor may be exercised concurrently, independently, or successively, in any order whatsoever. Beneficiary may exercise any of its rights and remedies at its option without regard to the adequacy of its security.

25. Foreclosure by Power of Sale. Should Beneficiary elect to foreclosure by exercise of the power of sale herein contained, Beneficiary shall notify Trustee and request that Trustee proceed with all notices required by law.

25.1 Notice of Default – Nonjudicial Sale. Upon receipt of such notice from Beneficiary, Trustee shall cause to be recorded, published, and delivered to Grantor such notices as are required by law and by this Deed of Trust. Trustee shall, without demand on Grantor, after lapse of such time as may then be required by law and after recordation of the required notice of trustee's sale, at public auction to the highest bidder, for cash in lawful money of the United States payable at the time of sale, sell the Property, either as a whole, or in separate lots or parcels or items as Trustee shall deem expedient, and in such order as it may determine, upon any terms and conditions specified by Beneficiary and permitted by applicable law. The Property, real, personal and mixed, may be sold in one parcel. To the extent any of the Property sold by the Trustee is personal property, then Trustee shall be acting as the agent of the Beneficiary in selling such Property. Any person or entity permitted by law to do so may purchase at any sale. Upon any sale, Trustee will execute and deliver to the purchaser or purchasers a deed or deeds conveying the Property sold, but without any covenant or warranty, express or implied.

25.2 Application of Sale Proceeds. After deducting all costs, fees, and expenses of Trustee and of this trust, including costs of evidence of title in connection with the sale, Trustee shall apply the proceeds of sale to payment of: (a) all sums expended under the

terms hereof, not then repaid, with accrued interest at the Default Rate provided in any note secured hereby; (b) all other obligations then secured hereby; and (c) the remainder, if any, to the person or persons legally entitled thereto in accordance with the law.

25.3 Postponement of Sale. Trustee may postpone the sale of all or any portion of the Property by public announcement at the time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement or subsequently noticed sale, and without further notice make such sale at the time fixed by the last postponement, or may, in its discretion, give a new notice of trustee's sale.

25.4 Request for Notice. Grantor hereby requests a copy of any notice of default and that any notice of trustee's sale hereunder, as well as any other written notifications required by other provisions hereof, be mailed to it at the address set forth in the first paragraph of this Deed of Trust.

26. Foreclosure as Mortgage. Should Beneficiary elect to foreclose this Deed of Trust in the manner provided by law for the foreclosure of mortgages on real property, Beneficiary shall be entitled to recover in such proceeding all costs and expenses incident thereto (including costs on appeal), including reasonable attorneys' fees (and attorneys' fees on appeal), in such amount as shall be fixed by the court. Beneficiary shall be entitled to possession of the Property during any redemption period allowed under the laws of the State of Idaho.

27. Appointment of Receiver. Upon the occurrence of an Event of Default and in accordance with applicable law, Trustee or Beneficiary personally or by its agents or attorneys, or through a duly appointed receiver, may enter into and upon all or any part of the Property, and each and every part thereof, and may exclude the Grantor and its agents wholly therefrom; and having and holding the same may possess, use, operate, manage, improve and control the Property and conduct the business thereof; and the Trustee or Beneficiary shall be entitled to collect and receive all earnings, revenues, rents, issues, profits, income, accounts, accounts receivable, contract rights and general intangibles included in the Property or generated by operations of the Property and every part thereof whether or not Beneficiary, Trustee, or a receiver is then in possession of the Property. Beneficiary shall be entitled to the appointment of a receiver as a matter of right, whether or not the apparent value of the Property exceeds the indebtedness secured hereby, and any receiver appointed may serve without bond. Employment by Beneficiary shall not disqualify a person from serving as a receiver. The exercise of any right under this Section 27 shall not be deemed an election of remedies nor a "pending action" so as to preclude the exercise of any other right or remedy. Upon taking possession of all or any part of the Property, the receiver may:

27.1.1 Possess, use, operate, manage, control, and conduct the business of the Property and make expenditures for all maintenance and improvements as in its judgment are proper;

27.1.2 Collect all room rates, rents, revenues, income, issues, profits, contract rights, accounts, accounts receivable and general intangibles from the Property and apply such sums or the proceeds thereof to the expenses of use, operation and management; and

27.1.3 Complete any construction in progress and, in that connection, pay bills, borrow funds, employ contractors and make any changes in plans or specifications as it deems appropriate. If the revenues produced by the Property are insufficient to pay expenses, the receiver may borrow, from Beneficiary or otherwise, such sums as it deems necessary for the purposes stated herein and repayment of such sums shall be secured by the lien hereof. The amounts borrowed from or advanced by Beneficiary shall bear interest at the Default Rate (defined in the Note) from the date of expenditure until repaid, and such amounts and interest shall be an indebtedness of Grantor secured hereby.

28. Remedies Not Exclusive. Trustee and Beneficiary, and each of them, shall be entitled to enforce payment and performance of any obligations secured hereby and to exercise all rights and powers under this Deed of Trust, under any Loan Document or other agreement, or under any laws now or hereafter in force, notwithstanding some or all of the said obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, guaranty, assignment or otherwise. Neither the acceptance of this Deed of Trust nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Trustee's or Beneficiary's right to realize upon or enforce any other security now or hereafter held by Trustee or Beneficiary, it being agreed that Trustee and Beneficiary, and each of them, shall be, to the extent permitted by applicable law, entitled to enforce this Deed of Trust and any other security now or hereafter held by Beneficiary or Trustee in such order and manner as they or either of them may in their absolute discretion determine. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein or by law permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute, or given by any of the Loan Documents to Trustee or Beneficiary, and either of them may pursue inconsistent remedies. The failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right.

29. Uniform Commercial Code Remedies. In the event of a default, Beneficiary may exercise any or all of the rights and remedies available to a secured party under the Uniform Commercial Code as in effect in the State of Idaho. Upon request, Grantor will assemble and make the personal property Collateral available to Beneficiary or its agent at a place to be designated by Beneficiary which is reasonably convenient to both parties. Beneficiary may sell (at public or private sale), lease or otherwise dispose of such Collateral in accordance with the Uniform Commercial Code. Unless such Collateral is perishable or threatens to decline rapidly in value or is of a type customarily sold on a recognized market, Beneficiary will give Grantor prior written notice of the time and place of any public sale of such Collateral or of the time after which any other intended disposition of such Collateral will occur, and notice will be deemed reasonably and properly given if mailed at least ten (10) days prior to such sale or other disposition. Beneficiary may elect to judicially foreclose its security interest. Beneficiary and its agents will have the right to enter the Property to exercise Beneficiary's rights with regard to such Collateral.

30. Appointment of Successor Trustee. Beneficiary may, for any reason permitted by law, from time to time appoint a successor or successors to any Trustee named herein or to

any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers, and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made after giving a notice of intention to appoint a successor trustee, if required by law. After the passage of any required notice period, Beneficiary may effect such appointment and substitution by executing a written instrument containing reference to this Deed of Trust and its place of record, which, when recorded in the office of the county clerk or recorder of the county or counties in which the Property is situated, shall be conclusive proof of proper appointment of the successor trustee.

31. Duties of Trustee. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Except as otherwise provided herein, Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Beneficiary, or Trustee shall be a party unless such action or proceeding is brought by Trustee.

32. Repayment of Beneficiary's Expenditures and Advances. Grantor shall immediately pay, without demand by Beneficiary, all sums expended or advanced hereunder or under any of the other Loan Documents, and all costs incurred by Beneficiary or Trustee in enforcing or protecting their rights or interests hereunder or under any of the other Loan Documents (including, without limitation, attorneys' fees, accountants' fees, and any other costs or expenses whatsoever), with interest from the date of any such expenditure or advance at the Default Rate provided in any note secured hereby, and the same shall constitute advances made under this Deed of Trust and repayment thereof shall be secured hereby. If Grantor fails to pay any such expenditures, advances, costs, or expenses, together with interest thereon, Beneficiary may, in addition to the other remedies provided hereunder to the extent permitted by applicable law, at its sole discretion: (a) commence an independent action against Grantor for the recovery of such sums; and/or (b) advance any undisbursed loan proceeds to pay the same.

33. Due on Sale or Encumbrance. Grantor acknowledges and agrees that the obligations secured by this Deed of Trust are personal to Grantor and that Grantor's personal responsibility, financial condition, and control of the Property were material inducements on which Beneficiary relied. Grantor agrees that neither the Property nor any interest therein shall be encumbered, sold (by contract or otherwise), conveyed, leased, or otherwise transferred by Grantor, nor shall there be any change in (i) the ownership of Grantor's stock if Grantor is a corporation, (ii) the ownership of any general partnership interest in Grantor if Grantor is a general or limited partnership, (iii) the ownership of any membership interest in Grantor if Grantor is a limited liability company, (iv) the ownership of any beneficial interests if Grantor is not a natural person(s), or (v) the ownership of stock or any general partnership or membership interest in any corporation, partnership or limited liability company that has an ownership interest in Grantor, without the prior written consent of Beneficiary. Any such action, which is not otherwise permitted within the Loan Documents, without Beneficiary's prior written consent shall be deemed to increase Beneficiary's risk, and shall be an Event of Default hereunder. If Beneficiary elects, in its sole discretion, to consent to any such action, then (i) Beneficiary may condition its consent on such terms and conditions as Beneficiary may require, such as payment

of a transfer review fee and/or assumption fee, and/or an increase in the interest rate on the obligations secured hereby; and (ii) Grantor agrees to execute any documents as Beneficiary deems necessary to preserve or maintain its security interest in the Property. Beneficiary shall not be required to release the original obligor or any other party liable for such obligations.

34. Indemnification by Grantor. Grantor agrees to indemnify and hold Beneficiary and Trustee harmless from and against any and all losses, liabilities, suits, obligations, damages, costs, and expenses, including attorneys' fees and costs, that may be imposed on, incurred or paid by, or asserted against Beneficiary or Trustee by reason or account of: (a) any action by Grantor in connection with the Property; (b) any good faith and commercially reasonable exercise of any of the rights and remedies or performance of any of the duties of Trustee or Beneficiary under any of the Loan Documents; or (c) any other liability arising in any manner in connection with the Property other than as a result of the gross negligence or willful misconduct of Beneficiary or Trustee, and such obligation shall be secured by this Deed of Trust, except to the extent that it falls within the scope of any separate Indemnity Agreement that by its terms is not secured hereby. If any claim, action, or proceeding is brought against Beneficiary or Trustee that is the subject of the indemnity set forth in this Section, Grantor shall resist or defend against the same, if necessary in the name of the Trustee or Beneficiary, by attorneys for Grantor's insurance carrier or otherwise by attorneys approved by Beneficiary.

35. Further Assurances. Grantor, from time to time, within fifteen (15) days after request by Beneficiary, shall execute, acknowledge, and deliver to Beneficiary such additional security instruments, in form and substance satisfactory to Beneficiary, which, in the reasonable opinion of Beneficiary, is essential to the operation of the Property covered by this Deed of Trust, and shall execute, acknowledge, and deliver any financing statement, renewal, affidavit, certificate, continuation statement, or other document as Beneficiary may reasonably request in order to perfect, preserve, continue, extend, or maintain Beneficiary's security interests under or the priority of this Deed of Trust. Grantor shall pay all costs in connection with the preparation, execution, recording, filing, and refiling of any such documents.

36. Multiple Grantors. If Grantor is comprised of more than one person or entity, then the term "**Grantor**" used herein shall refer to all such persons or entities collectively and to each such person or entity individually, such that all obligations, covenants, warranties, requirements, restrictions and other provisions of this Deed of Trust shall apply both collectively and individually, and each such person or entity shall be jointly and severally liable for all obligations secured by this Deed of Trust.

37. Assignment. Beneficiary may assign this Deed of Trust in whole or in part to any person and may grant participation in any of its rights under the Deed of Trust without notice and without affecting Grantor's liability under this Deed of Trust. In connection with any proposed assignment, participation, or similar arrangements, Beneficiary may make available to any person all credit and financial data furnished or to be furnished to Beneficiary by Grantor under the Loan Documents. Beneficiary and all other parties to whom Grantor's credit and financial data is furnished shall treat such data as confidential. Grantor may not assign the Deed of Trust to any person at any time, except in connection with a transaction approved in writing by

Beneficiary under the terms of this Deed of Trust. Subject to such prohibitions against Grantor's assignment, this Deed of Trust shall inure to the benefit of and bind all of the parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors, and assigns.

38. Applicable Law. This Deed of Trust is made with reference to and is to be construed in accordance with the laws (without regard to the choice of law rules) of the State of Idaho.

39. Miscellaneous. The term Beneficiary shall mean the holder and owner, including pledgee, of the obligations secured hereby, whether or not named as Beneficiary herein. In construing this Deed of Trust and whenever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural. This Deed of Trust may be executed in two or more counterparts, all of which will constitute one and the same instrument and lien.

40. Disclosures/Disclaimers. Beneficiary makes the following disclosures and disclaimers in connection with this Deed of Trust:

40.1 Actions Solely for Benefit of Beneficiary. Any and all subsequent purchasers of the Property, and any other parties acquiring an interest in the Property, are hereby put on notice that any inspection or approval of any part of any development, construction, renovation, or improvement of the Property by Beneficiary or any agent of Beneficiary shall be made exclusively for the benefit of Beneficiary, and Beneficiary makes no representations to any third party acquiring any interest in the Property. Such third party shall have no rights of reliance upon any action taken by Beneficiary. Beneficiary makes no representations whatsoever to any third party as to the adequacy or legality of any action of Grantor and any action of Beneficiary is solely for the benefit of Beneficiary.

40.2 Changes in Interest Rate. One or more notes secured hereby contain provisions permitting (a) increases and decreases in the rate of interest provided in the note, and (b) increases and decreases in the periodic payments required under the note.

41. Possession and Maintenance of the Property.

41.1 Possession and Use. Until the occurrence of an Event of Default, Grantor may (a) remain in possession and control of the Property, (b) use, operate or manage the Property, and (c) collect any rents from the Property.

41.2 Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

41.3 Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Specifically without limitation, Grantor will not remove, or grant to any other party

the right to remove, any timber, minerals (including oil and gas), soil, gravel or rock products without the prior written consent of Beneficiary.

41.4 Removal of Improvements. Grantor shall not alter, demolish, or remove any Improvements from the Property without the prior written consent of Beneficiary. As a condition to the alteration, demolition, or removal of any Improvements, Beneficiary may require Grantor to make arrangements satisfactory to Beneficiary to replace such Improvements with Improvements of at least equal value.

41.5 Beneficiary's Right to Enter. Beneficiary and its agents and representatives may enter upon the Property at all reasonable times to attend to Beneficiary's interests and to inspect the Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

41.6 Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Beneficiary in writing prior to doing so and so long as, in Beneficiary's sole opinion, Beneficiary's interests in the Property are not jeopardized. Beneficiary may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Beneficiary, to protect Beneficiary's interest.

41.7 Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this Section, which from the character and use of the Property are reasonably necessary to protect and preserve the Mortgaged Property.

41.8 Access Laws.

41.8.1 Grantor agrees that Grantor and the Property shall at all times strictly comply with the requirements of the federal Americans with Disabilities Act of 1990; the federal Fair Housing Amendments Act of 1988; and other federal, state, or local laws or ordinances related to disabled access; or any statute, rule, regulation, ordinance, order of governmental bodies and regulatory agencies, or order or decree of any court adopted or enacted with respect thereto, as now existing or hereafter amended or adopted (collectively, the "Access Laws"). At any time, Beneficiary may require a certificate of compliance with the Access Laws and Indemnification agreement in a form reasonably acceptable to Beneficiary. Beneficiary may also require a certificate of compliance with the Access Laws from an architect, engineer, or other third party acceptable to Beneficiary.

41.8.2 Notwithstanding any provisions set forth herein or in any other document, Grantor shall not alter or permit any tenant or other person to alter the Property in any manner that would increase Grantor's responsibilities for compliance with the Access Laws without the prior written approval of Beneficiary. In connection with such approval, Beneficiary

may require a certificate of compliance with the Access Laws from an architect, engineer, or other person acceptable to Beneficiary.

41.8.3 Grantor agrees to give prompt written notice to Beneficiary of the receipt by Grantor of any claims of violation of any of the Access Laws and of the commencement of any proceedings or investigations that relate to compliance with any of the Access Laws.

41.8.4 Grantor shall indemnify, defend and hold harmless Beneficiary from and against any and all claims, demands, damages, costs, expenses, losses, liabilities, penalties, fines and other proceedings including without limitation reasonable attorney fees and expenses arising directly or indirectly from or out of or in any way connected with any failure of the Property to comply with any of the Access Laws. The obligations and liabilities of Grantor under this Section shall survive any termination, satisfaction, assignment, judicial or nonjudicial foreclosure proceeding or delivery of a deed in lieu of foreclosure.

41.9 Reappraisals. Beneficiary shall have the right to obtain at Grantor's cost and expense reappraisals of the Property from any licensed or certified appraiser designated by Beneficiary, from time to time (a) whenever such reappraisal may be required by any law, rule, or regulation applicable to the conduct of Beneficiary's business, or (b) whenever reasonably deemed appropriate by Beneficiary following the occurrence or during the continuation of an Event of Default. Beneficiary may use the results of such reappraisal to evaluate and restructure such loan or loans if necessary in Beneficiary's reasonable discretion.

42. Leases. In the event Beneficiary shall institute judicial proceedings to foreclose the lien hereof, and shall be appointed as a mortgagee in possession of the Property, Beneficiary, during such time as it shall be mortgagee in possession, shall have, and Grantor hereby gives and grants to Beneficiary, the right, power and authority, by itself or through a duly appointed receiver, to make and enter into leases of the Property or any portion thereof for such rents and for such periods of occupancy and upon such conditions and provisions as such mortgagee in possession may deem desirable, and Grantor expressly acknowledges and agrees that the term of any such lease may extend beyond the date of any sale of the Property hereunder, it being the intention of Grantor that, while Beneficiary is a mortgagee in possession of the Property, Beneficiary or the receiver shall be deemed to be and shall be the attorney-in-fact of Grantor for the purpose of making and entering into leases of parts or portions of the Property for the rents and upon the terms, conditions and provisions deemed desirable by Beneficiary or the receiver. The power and authority hereby given and granted by Grantor to Beneficiary shall be deemed to be coupled with an interest and shall not be revocable by Grantor.

43. Marshaling of Assets. Grantor hereby expressly waives all rights to require a marshaling of assets by the Trustee or Beneficiary or to require Trustee or Beneficiary to first resort to the sale of any portion of the Property that might have been retained by Grantor before foreclosing upon and selling any other portion thereof.

44. Severability. If any term of this Deed of Trust or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this

Deed of Trust or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each term of this Deed of Trust shall be valid and enforceable to the fullest extent permitted by law.

45. Modifications. This Deed of Trust may not be amended, modified or changed, nor shall any waiver of any provision hereof be effective, except by an instrument in writing and signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought.

46. Priority of Trust Deed. The terms of the obligations secured hereby may provide that the interest rate, payment terms or balance due may be indexed, adjusted, renewed or renegotiated. The priority of this Deed of Trust shall not be affected by renegotiation or adjustment of the interest rate provided in the Note (which may increase or decrease the amount of periodic payments or extend or shorten the term of this Deed of Trust), any increase in the underlying obligation as a result of deferment of all or a portion of interest payments and the addition of such payments to the outstanding balance of the obligation, or the execution of new agreements that reflect such changes.

47. Commercial Trust Deed. Grantor warrants that the loan secured hereby is for commercial purposes and is not for residential, household, personal, agricultural or consumer purposes.

48. Mutual Negotiation. Beneficiary and Grantor confirm that they have mutually negotiated this Deed of Trust and that none of the terms or provisions of this Deed of Trust shall be presumptively construed against either party.

49. Jury Trial Waiver. GRANTOR KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY ACTION, PROCEEDING OR COUNTERCLAIM RELATED TO THIS DEED OF TRUST, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THE NOTE OR ANY INSTRUMENT OR OTHER AGREEMENT THAT EVIDENCES ANY OF THE SECURED OBLIGATIONS, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. GRANTOR ACKNOWLEDGES THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR BENEFICIARY MAKING THE LOAN EVIDENCED BY THE NOTE.

50. Merger. No merger shall occur as a result of Beneficiary acquiring any other estate in or lien on the Property, unless Beneficiary consents to a merger in writing.

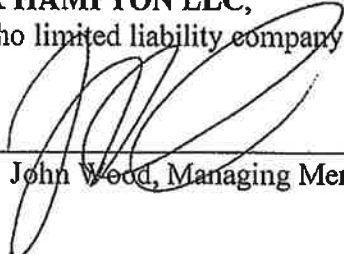
51. Attorney-in-Fact. Grantor hereby irrevocably appoints Beneficiary, and its successors and assigns, as its attorney-in-fact, which agency is coupled with an interest, (a) to execute and/or record any notices of completion, cessation of labor, or any other notices that Beneficiary reasonably deems appropriate to protect Beneficiary's interest, if Grantor shall fail to do so within ten (10) days after written request by Beneficiary, (b) upon the issuance of a deed pursuant to the foreclosure of this Deed of Trust or the delivery of a deed in lieu of foreclosure, to execute all instruments or assignment, conveyance or further assurance with respect to

Property in favor of the grantee of any such deed and as may be necessary or desirable for such purpose, and (c) to prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve Beneficiary's security interests and rights in or to any of the Property; provided, however: (1) Beneficiary shall not under any circumstances be obligated to perform any obligation of Grantor; (2) any sums advanced by Beneficiary in such performance shall be included in the Secured Obligation and shall bear interest at the Default Rate (as defined in the Note); (3) Beneficiary as such attorney-in-fact shall only be accountable for such funds as are actually received by Beneficiary; and (4) Beneficiary shall not be liable to Grantor or any other person or entity for any failure to take any action that it is empowered to take under this Section. Beneficiary, in exercising any of its rights or powers pursuant to the powers of attorney, may do so for the sole benefit of Beneficiary and not for Grantor.

DATED as of the day and year first above written.

GRANTOR:

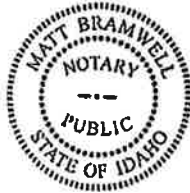
PARK HAMPTON LLC,
an Idaho limited liability company

By: 
John Wood, Managing Member

STATE OF IDAHO)
) ss.
County of Ada)

On this 29th day of June, 2018, before me, the undersigned, a Notary Public in and for said State, personally appeared John Wood, known or identified to me to be the managing member Park Hampton LLC, or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.

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




Notary Public for Idaho
Residing at _____
My commission
expires _____

Residing In: Star, ID
Commission expires: 5/11/2024

Exhibit A

Parcel I:

A portion of Government Lots 7 and 8, and a portion of the Northwest Quarter of the Southeast Quarter, and a portion of the Northeast Quarter of the Southeast Quarter, lying North of the Idaho Northern and Pacific Railroad right-of-way within Section 12, Township 6 North, Range 2 West, Boise Meridian and a portion of Government Lot 3, 4, and 5, North of the Idaho Northern and Pacific Railroad right-of-way and the occupied line along the North side of the Idaho Northern and Pacific Railroad, within Section 7, Township 6 North, Range 1 West, Boise Meridian, Emmett, Gem County, Idaho, more particularly described as follows:

COMMENCING at a found 5/8 inch rebar with plastic cap stamped "FLSI PLS 7612" at the Center Quarter corner of said Section 12 as shown on Corner Record Instrument No. 220495, from which a found 1/2" rebar with plastic cap stamped "PLS 6552" marking the South Quarter Corner of said Section 12 as shown on Corner Record Instrument No. 243284, bears

South 01°12'37" West a distance of 2641.90 feet; thence along the Center of Section line of Section 12,

South 01°12'37" West, a distance of 187.19 to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612"; thence

South 80°01'11" East, a distance of 228.45 feet to the Northerly right-of-way of Idaho Northern and Pacific Railroad, marked by a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612"; thence along the said Northerly right-of-way,

North 75°06'37" East, a distance of 42253 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612", the POINT OF BEGINNING;

1) thence leaving said Northerly right-of-way, North 00°01'29" East, a distance of 631.09 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612";

2) thence North 87°31'04" East, a distance of 718.03 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612";

3) thence North 29°29'33" East, a distance of 287.50 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612";

4) thence South 75°23'47" East, a distance of 564.29 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612" at a point of intersection with the Southwesterly extension of the Southeast line of Parcel A as shown on Record of Survey Instrument No. 239356;

5) thence along the extension of the said Southeasterly line, North 48°31'52" East, a distance of 1,418.66 feet to the Government Meander Line of the left bank of the Payette River, witnessed by a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612" that bears South 48°31'52" West, a distance of 24.83;

6) thence along the said Government Meander Line on the left bank of the Payette River the following two (2) courses;

1. South 69°26'56" East, a distance of 330.70 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";

2. South 66°00'24" East, a distance of 466.37 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612";

7) thence leaving said Government Meander Line on the left bank of the Payette River, and continuing along the Ordinary High Water Line as described in the Disclaimer of Interest Instrument No. 239286 the following two (2) courses;

1. South 86°08'59" East, a distance of 106.86 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612";

2. North 69°07'46" East, a distance of 115.58 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612" on the Easterly line of Parcel A as shown on Record of Survey Instrument No. 222731;

8) thence along said Easterly line, South 32°43'03" East, a distance of 313.68 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612" on the common occupied line between Boise Cascade and the Idaho Northern and Pacific Railroad;

9) thence along the said common occupied line between Boise Cascade and the Idaho Northern and Pacific Railroad the following fifteen (15) courses;

1. 128.19 feet along a non-tangent curve to the left having a radius of 2,889.12 feet, a central angle of $02^{\circ}32'32''$, subtended by a chord bearing South $56^{\circ}00'41''$ West a distance of 128.18 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
2. South $54^{\circ}44'25''$ West, a distance of 94.00 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
3. North $35^{\circ}15'35''$ West, a distance of 10.00 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
4. South $54^{\circ}44'25''$ West, a distance of 114.05 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612" on the line common to Government Lots 3 and 4;
5. continuing South $54^{\circ}44'25''$ West, a distance of 23.11 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
6. South $38^{\circ}01'58''$ East, a distance of 7.08 feet to a point witnessed by a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612" that bears South $54^{\circ}45'37''$ West, a distance of 2.00 feet;
7. South $54^{\circ}45'37''$ West, a distance of 66.82 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
8. South $55^{\circ}03'12''$ West, a distance of 329.60 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
9. South $54^{\circ}29'56''$ West, a distance of 373.03 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
10. South $54^{\circ}54'44''$ West, a distance of 221.69 feet to a chain link fence post stamped "PLS 7612" on the South face approximately 4.00 feet up;
11. North $44^{\circ}06'35''$ West, a distance of 15.44 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
12. South $54^{\circ}44'25''$ West, a distance of 355.90 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
13. South $58^{\circ}44'38''$ West, a distance of 176.20 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
14. North $85^{\circ}24'47''$ West, a distance of 5.61 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
15. South $54^{\circ}44'25''$ West, a distance of 41.85 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612" on the line common to Section 7, Township 6 North, Range 1 West, Boise Meridian and Section 12, Township 6 North, Range 2 West, Boise Meridian;
- 10) thence leaving said common occupied line between Boise Cascade and the Idaho Northern and Pacific Railroad, along said Section line, North $00^{\circ}32'34''$ East, a distance of 6.99 feet to a 1/2" rebar with plastic cap stamped "FISHER PLS 4108" marking the Quarter Corner Common to said Sections 7 and 12, as shown on Corner Record Instrument No. 280018;
- 11) thence along said Section line, North $00^{\circ}58'12''$ East, a distance of 7.78 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612" on the Northerly right-of-way of the Idaho Northern and Pacific Railroad;
- 12) thence along the said Northerly right-of-way of the Idaho Northern and Pacific Railroad the following nine (9) courses;
1. 166.85 feet along a non-tangent curve to the right having a radius of 508.70 feet, a central angle of $18^{\circ}47'34''$, subtended by a chord bearing South $86^{\circ}16'20''$ West a distance of 166.10 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
2. North $85^{\circ}16'47''$ West, a distance of 925.08 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
3. 160.72 feet along a non-tangent curve to the left having a radius of 2,089.63 feet, a central angle of $04^{\circ}24'24''$, subtended by a chord bearing South $85^{\circ}46'01''$ West a distance of 160.68 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
4. North $85^{\circ}16'36''$ West, a distance of 104.78 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
5. 144.80 feet along a non-tangent curve to the left having a radius of 1,853.95 feet and, central angle of $04^{\circ}28'30''$, subtended by a chord bearing South $79^{\circ}26'02''$ West a distance of 144.76 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
6. South $75^{\circ}28'36''$ West, a distance of 122.14 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";
7. North $89^{\circ}32'56''$ West, a distance of 114.02 feet to a found 5/8" rebar with plastic cap stamped

"FLSI PLS 7612";

8. South 00°27'04" West, a distance of 41.19 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";

9. South 75°06'37" West, a distance of 272.23 feet to the POINT OF BEGINNING.

Parcel II:

A parcel of land within the North Half of the North Half of the Southeast Quarter; and within the South Half of the South Half of the Northeast Quarter of Section 12, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho, being a portion of Grantor's parcel granted under WARRANTY DEED Instrument No. 6-28905 (recorded June 11th, 1932), and a portion of Grantor's parcel granted under WARRANTY DEED Instrument No. 9292 (recorded September 27th, 1920) and a portion of Grantor's parcel granted under WARRANTY DEED Inst. No. 1384 (made on June 9th, 1916) more particularly described as follows;

COMMENCING at the Corner of Sections 12 and 13 of Township 6 North, Range 2 West, and 7 and 18 of Township 6 North, Range 1 West, monumented by a found 2½" brass cap as described in CP&F Instrument No. 309880 at the intersection of South Mill Road and West 12th Street, thence along the Easterly boundary of Range 2 West,

North 00°32'34" East, 2641.33 feet to the Quarter Corner to said Sections 12 and 7 monumented by a found ½" rebar as described in CP&F Instrument No. 280018; thence,

South 86°59'11" West, 495.22 feet to the intersection of the Southerly right-of-way of Idaho Northern and Pacific Railroad (IDN&PRR) and the new Northerly right-of-way of Cascade Road, monumented by a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612", and the POINT OF BEGINNING; thence along said new Northerly right-of-way parallel with and 40.00 foot offset with the centerline established by the Steward Subdivision Plat,

South 75°03'39" West, 528.92 feet to a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612"; thence

North 00°39'54" East, 170.30 feet to the Southerly right-of-way of IDN&PRR, monumented by a set 5/8" rebar with plastic cap stamped "FLSI PLS 7612"; thence along said Southerly right-of-way the following three (3) courses:

1) South 89°32'56" East, 18.37 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";

2) North 00°27'04" East, 6.72 feet to a found 5/8" rebar with plastic cap stamped "FLSI PLS 7612";

3) South 85°16'47" East, 492.31 feet to the POINT OF BEGINNING.



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER

Governor

August 1, 2018

GARY SPACKMAN

Director

BOISE CASCADE WOOD PRODUCTS LLC
ATTN KRISTIN BJORKMAN
1111 W JEFFERSON ST STE 300
BOISE ID 83702

RE: Notice of Security Interest for Water Right Nos: 65-585, 65-586, and 65-587

Dear Party Holding Security Interest:

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

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing an ownership change notice, the department does not review the history of water use to determine if the right has been forfeited 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 that as of July 1, 1996, water right owners are required to report any change of water right ownership and any change of mailing address of the owner of a water right to the department. Notice of the change must be provided to the department within 120 days of the change. Change reporting forms are available from any office of the department or online www.idwr.idaho.gov.

Please feel free to contact this office if you have any questions regarding this matter.

Sincerely,

Debbi Judd

Technical Records Specialist

Enclosures

c: Park Hampton LLC



ATTORNEYS AND COUNSELORS

Hawley Troxell Ennis & Hawley LLP
877 Main Street, Suite 1000
P.O. Box 1617
Boise, Idaho 83701-1617
208.344.6000

www.hawleytroxell.com

RECEIVED

JUL 30 2018

DEPARTMENT OF
WATER RESOURCES

RECEIVED

JUL 26 2018

WATER RESOURCES
WESTERN REGION

SARAH ZELLER
EMAIL: SZELLER@HAWLEYTROXELL.COM
DIRECT DIAL: 208-388-4924

July 26, 2018

VIA HAND DELIVERY

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

Re: *Security Interest for Water Rights No. 's: 65-585, 65-586 & 65-587*

Dear Chad:

Regarding your letter to Kristin Bjorkman dated July 17, 2018, please see the following enclosed documents to complete our documentation in regard to the above referenced matter.

- Special Warranty Deed
- Deed of Trust
- Check in the amount of \$50 for filing fee

If you have any questions please do not hesitate to contact Sarah Reed at 208-388-4968 or sreed@hawleytroxell.com. Thank you again for your assistance.

Best regards,

HAWLEY TROXELL ENNIS & HAWLEY LLP

Sarah Zeller
Legal Administrative Assistant to Sarah Reed

SZ:
Enclosures



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region • 2735 Airport Way • Boise, Idaho 83705-5082

Phone: (208) 334-2190 • Fax: (208) 334-2348 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

July 17, 2018

BOISE CASCADE WOOD PRODUCTS LLC
C/O KRISTIN BJORKMAN
1111 W JEFFERSON ST STE 300
BOISE ID 83702

PARK HAMPTON LLC
116 E 44TH ST
GARDEN CITY ID 83714

RE: Ownership Change & Security Interest for Water Right No's: 65-585, 65-586 & 65-587

Dear Applicants,

The Department of Water Resources acknowledges receipt of your request for an ownership change and security interest on the water rights mentioned above. However, after reviewing the request, it was determined the form was not completed and additional documentation is needed to complete this request.

Please complete and submit the requested documentation listed below:

- No supporting documentation was submitted with either notice. For the ownership change, the following required information needs to be submitted: **A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.** For the security interest, the following required information needs to be submitted: **Evidence of the security interest. This may be a copy of a DEED of TRUST, MORTGAGE, CONTRACT OF SALE or other legal document indicating your interest in the property and water rights or claims in question, WITH ATTACHED LEGAL DESCRIPTION.**
- The filing fee for a Notice of Change in Water Right Ownership and/or Security Interest is **\$25.00 per undivided water right**. \$100.00 was submitted to the Department on July 5th, 2018. There is still a balance owed of \$50.00 to cover the required fees. \$75.00 has been applied to the 3 water rights on the ownership change and \$25.00 to the security interest. Please submit the remaining \$50.00 as soon as possible.

Because the Department cannot process this request at this time, we will hold any action on your notice pending receipt of the necessary documentation. If we do not receive the required documentation within 30 days, the notice will be returned and will not be processed.

Thank you for your cooperation. If you have any questions please, contact this office at 208-334-2190.

Sincerely,

A handwritten signature in black ink, appearing to read "Chad Jones", with a stylized, cursive script.

Chad Jones
Tech Records Specialist I
Western Regional Office

Enclosures