

RECEIVED

MAY 20 2016

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

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

1.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.
	63-10620			

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

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

Larry and Vicki Kuenzli

P.O. Box 2602

Nyssa, Oregon 97913

Phone 541-372-8020

Email vikin@q.com

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

Fun and Games, LLC

5. Expiration Date of Notification Period

December 31, 2020

6. Is this a Renewal of Request for Notification?

☐ YES☒ NO

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

Title, if applicable

For Office Use OnlyReceived by AJ Date 5-20-16 Receipt No. C102072 Fee \$25.00Processed by AJ Date 8-1-16 WR gm

RECORDING REQUESTED BY:

2016-018834	
RECORDED	
05/17/2016 03:57 PM	
CHRIS YAMAMOTO	
CANYON COUNTY RECORDER	
Pgs=7 BJBROWN	\$28.00
TYPE MTG D OF T	
STEWART TITLE - EMERALD OFFICE	
ELECTRONICALLY RECORDED	

01094-13554 PP

DEED OF TRUST

THIS DEED OF TRUST, Made this 16 day of May, 2016, between **FUN AND GAMES, LLC, an Idaho limited liability company**, ("GRANTOR"), whose address is P.O. Box 755 Star, Idaho, 83669; **STEWART TITLE COMPANY** ("TRUSTEE"), whose address is 9196 W. Emerald, Ste. 100, Boise, Idaho 83704, and **LARRY AND VICKI KUENZLI, husband and wife** ("BENEFICIARY").

WITNESSETH: That Grantor does hereby irrevocably GRANT, BARGAIN, SELL AND CONVEY TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Canyon County, Idaho, described as follows and containing not more than forty acres:

All that certain lot, piece or parcel of land situated in Canyon County, Idaho and more particularly described at **Exhibit A** attached hereto and hereinafter incorporated by reference, including all appurtenances, water and mineral rights appurtenant thereto (collectively the "Property").

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

FOR THE PURPOSE OF SECURING payment of the indebtedness evidenced by a promissory note, of even date herewith, executed by Grantor in the sum of **FOUR HUNDRED THIRTY-FIVE THOUSAND AND NO/100 DOLLARS (\$435,000.00)**, with interest thereon, final payment due **May 2, 2020**, and to secure payment of all such further sums as may hereafter be loaned or advanced by the Beneficiary herein to the Grantor herein, or any or either of them, while record owner of present interest, for any purpose, and of any notes, drafts or other instruments representing such further loans, advances or expenditures together with interest on all such sums at the rate therein provided. **PROVIDED, HOWEVER**, that the making of such further loans, advances or expenditures shall be optional with the Beneficiary, and further provided that it is the express intention of the parties to this Deed of Trust that it shall stand as continuing security until paid for all advances together with interest thereon.

A. To protect the security of this Deed of Trust, Grantor agrees:

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefore; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

Larry W. Kuenzli
Vicki L. Kuenzli

2. To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of beneficiary the entire amount so collected or any part thereof may be released to Grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

4. To pay, at least ten days before delinquency all taxes and assessments affecting said property, and when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto, and all costs, fees and expenses of this Trust. In addition to the payments due in accordance with the terms of the note hereby secured the Grantor shall, at the option, and on demand of the Beneficiary, pay each month 1/12 of the estimated annual taxes, assessments, insurance premiums, maintenance and other charges upon the property, nevertheless in trust for Grantor's use and benefit and for the payment by Beneficiary of any such items when due. Grantor's failure so to pay shall constitute a default under this Deed of Trust.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof with interest from date of expenditure at the rate of 12% per annum.

6. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, or in enforcing this Deed of Trust by judicial foreclosure, pay necessary expenses, employ counsel and pay counsel's reasonable fees.

B. It is mutually agreed that:

1. Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such monies received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive the right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

3. At any time or from time to time, without liability therefore and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and of this deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey all or any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

James W. Hurd
Richard S. Hurd

4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in any reconveyance executed under this Deed of Trust of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".

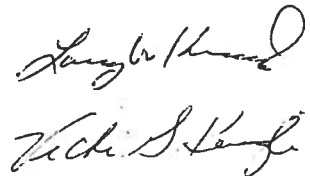
5. As additional security, Grantor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Grantor the right, prior to any default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

6. Upon default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In the event of default, Beneficiary shall execute or cause the Trustee to execute a written notice of such default and of his election to cause to be sold the herein described property to satisfy the obligation hereof, and shall cause such notice to be recorded in the office of the recorder of each county wherein said real property or some part thereof is situated.

Notice of sale having been given as then required by law, and not less than the time then required by law having elapsed, Trustee, without demand on Grantor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Grantor, Trustee or Beneficiary, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Deed of Trust, including cost of evidence of title and reasonable counsel fees in connection with sale, Trustee shall apply the proceeds of sale to payments of: all sums expended under the terms hereof, not then repaid, with accrued interest thereon; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

7. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby; or, if the note has been pledged, the pledgee thereof. In this Deed of Trust, whenever the context so requires, the gender used shall also include the masculine, feminine and/or neuter, and the singular number includes the plural.



8. 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 brought by Trustee.

9. In the event of dissolution or resignation of the Trustee, the Beneficiary may substitute a trustee or trustees to execute the trust hereby created, and when any such substitution has been filed for record in the office of the Recorder of the county in which the property herein described is situated, it shall be conclusive evidence of the appointment of such trustee or trustees and such new trustee or trustees shall succeed to all of the powers and duties of the trustee or trustees named herein.

10. If the Note Holder has not received the full payoff of the Deed of Trust by Maturity, a late charge of ten percent (10%) of the payment due will be paid to the Note Holder, and the remaining balance will incur annual charges of ten percent (10%) until paid.

11. In case of default and this note is collected by an attorney, either with or without suit, the undersigned hereby agree to pay reasonable attorneys fees.

12. In the event Grantor declares bankruptcy, regardless of the Chapter or proceedings filed, Grantor agrees to pay interest at the rate of Eighteen percent (18%) on any and all sums in default as of the date bankruptcy is filed, and such interest on default sums shall continue until bankruptcy is cured.

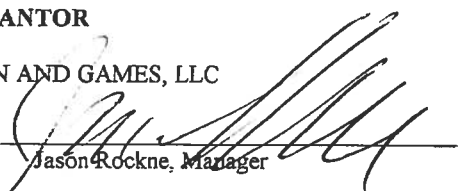
13. Notwithstanding anything to the contrary herein, the debt secured hereby shall become immediately due and payable upon the sale, conveyance, or alienation of the above described real property, or any part thereof, or any interest therein, or upon the transfer of the possession of said property, voluntarily or involuntarily, or upon the assignment by Grantor of this Trust Deed or the Trust Deed Note secured hereby or upon the assumption of the obligations of the same by any other party.

14. Until such time as the balance due under the Note secured hereby is reduced to the amount of Three Hundred Seventy-Five Thousand Dollars (\$375,000.00) Grantor shall not make any improvements, alterations, changes, or allow construction of any kind to occur on or under the Property. It being the intent of the parties hereto that the Property remain in its' current condition until such time as the Note is reduced to the amount stated in this section 14.

Request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale hereunder be mailed to the Grantor at the address of Grantor which is set forth above.

GRANTOR

FUN AND GAMES, LLC

By: 

Jason Rockne, Manager

By: 

Heather Rockne, Member

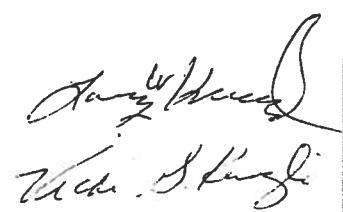


EXHIBIT A
(Property Description)

All water rights appurtenant to the Property, including without limitation Water Right No. 63-10620;

And the following described real property:

See attached

Samy Williams
Trish A. King

STATE OF IDAHO)
)ss.
County of Ada)

On this 17 day of May 2016, before me a notary public, personally appeared Jason Rockne and Heather Rockne, known or identified to me to be the members and/or managers of the limited liability company that executed the instrument on behalf of said company, and acknowledged to me that such company executed the same.



Notary Public for Idaho
My Commission Expires: 4/16/21

EXHIBIT A

Order Number: 01096-13556

LEGAL DESCRIPTION

Parcel I

A parcel of land being a portion of the SE1/4 NE1/4 of Section 10, Township 4 North, Range 2 West, Boise Meridian, Canyon County Idaho, more particularly described as follows:

Commencing at the southeast corner of SE1/4 NE1/4;

Thence N 00°45'18" E a distance of 69.30 feet along the east boundary of said SE1/4 NE1/4 to the POINT OF BEGINNING;

Thence along the northerly right of way of State Highway 44 the following courses and distances;

Thence along a spiral curve to the right having a length of 95.15 feet, a theta of 00°28'51" and whose long chord bears N 86°37'45" W a distance of 95.15 feet to the beginning of a curve;

Said curve to the right through an angle of 05°44'44", having a radius of 5669.58 feet, and whose long chord bears N 83°21'11" W a distance of 568.29 feet to a point of intersection with a non-tangential line;

Thence leaving said right of way N 00°45'18" E a distance of 496.63 feet parallel with the east boundary of said SE1/4 NE1/4 to a point

Thence S 89°15'10" E a distance of 302.34 feet to a point;

Thence S 00°45'18" W a distance of 196.95 feet parallel with the east boundary of said SE1/4 NE1/4 to a point;

Thence S 89°14'42" E a distance of 358.00 feet to a point on the east boundary of said SE1/4 NE1/4;

Thence S 00°45'18" W a distance of 362.40 feet along said east boundary to the POINT OF BEGINNING.

Parcel II

The following describes a parcel of real property lying within the Southeast Quarter of the Northeast Quarter (SE1/4 NE1/4) of Section 10, Township 4 North, Range 2 West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

Commencing at the southeast corner of said SE1/4 NE1/4; thence, along the east boundary line of said Section 10, North 00°56'08" East, 628.70 feet to the northeast corner of Parcel 3, shown on Record of Survey, Instrument No. 2008066398, Canyon County Records, being the POINT OF BEGINNING.

Thence, along the North boundary line of said Parcel 3, North 89°04'20" West, 40.00 feet;

Thence, North 00°56'08" East, 69.48 feet;

Thence, North 84°33'08" East, 40.25 feet to said east boundary line;

Thence, along said East boundary line, South 00°56'08" West, 73.95 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 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

August 1, 2016

LARRY KUENZLI
VICKI KUENZLI
PO BOX 2602
NYSSA OR 97913

RE: Notice of Security Interest for Water Right/Permit No(s): 63-10620

Dear Party Holding Security Interest:

The Department of Water Resources acknowledges receipt of correspondence adding security interest of the above referenced water right(s) to you. The department has modified its records to reflect the change in security interest and has enclosed a computer-generated report for 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 Sections 42-222 and 42-223, Idaho Code.

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,

A handwritten signature in black ink, appearing to read "Jean Hersley", with a long, sweeping underline that extends to the right.

Jean Hersley
Technical Records Specialist II

Enclosure

c: Fun and Games LLC



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 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

May 23, 2016

LARRY KUENZLI
VICKI KUENZLI
PO BOX 2602
NYSSA OR 97913

RE: Notice of Security Interest in a Water Right No.: 63-10620

Dear Security Interest Holder:

The Idaho Department of Water Resources received an application for Notice of Security Interest in a Water Right for the above mentioned water rights on May 20, 2016. During the initial review, it was determined that the additional information is needed to complete this request.

The information needed is evidence of security interest. This may be a copy of a Deed of Trust, Mortgage, Contract of Sale or other legal document indicting your interest in the property and water rights in question, with attached legal description.

Because the Department cannot process the Notice of Security Interest without the proper information, we will hold any action on your notice pending receipt of the necessary information. If we do not receive the necessary information within 30 days we will return your notice and all attachments and your notice will not be processed. You can send the documents to the address above, fax it to (208) 287-6700, attention Jean or email to jean.hersley@idwr.idaho.gov.

If you have any questions, please contact me at (208) 287-4942.

Sincerely,

Jean Hersley

Technical Records Specialist II

Enclosure