

RECEIVED

JUL 11 2016

DEPT OF WATER RESOURCES
SOUTHERN REGIONSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**Notice of Security Interest in a Water Right****And Request for Notification of a Change in Ownership or Any Proposed
Or Final Action to Amend, Transfer, or Otherwise Modify a Water Right**Please print or type. Attach pages with additional information. Instructions are on the back of this page.
Incomplete forms will be returned.

1. Water Right No(s): 37-47D, 37-307D

Adjudication Claim No(s):

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

D. L. Evans Bank

P.O. Box 87

Twin Falls, ID 83303

4. Name of Water Right Owner/Claimant(s) William Louis Kyes and Cristyn Kay Kyes

5. Expiration Date of Notification Period 07/01/2056

6. Is this a Renewal of Request for Notification? ☐ YES ☒ NO

7. Signature(s) (and title if applicable)

Loan Officer

For Office Use Only

Received by

Received by

Processed by

Date

Date

Date

Fee

Receipt No.

WR

Date

SUPPORT DATA

IN FILE # 37-47D

RECORDATION REQUESTED BY:

D. L. Evans Bank
Halley Branch
12 E. Bullion Suite A
Halley, ID 83333

STATE OF IDAHO
COUNTY OF BLAINE

I, JOLYNN DRAGE, EX-OFFICIO RECORDER IN AND FOR SAID COUNTY AND STATE DO HEREBY CERTIFY THAT THE FOREGOING IS A FULL TRUE AND CORRECT COPY OF THAT CERTAIN INSTRUMENT OF RECORD IN MY OFFICE AS INSTRUMENT NO. 635632

Instrument # 635632

HAILEY, BLAINE, IDAHO
06-10-2016 2:40:07 PM No. of Pages: 6
Recorded for: PIONEER TITLE COMPANY OF BLAINE CO
JOLYNN DRAGE Fee: \$25.00
Ex-Officio Recorder Deputy: GWR
Electronically Recorded by Simplifile

WHEN RECORDED MAIL:

D. L. Evans Bank
Halley Branch
12 E. Bullion Suite A
Halley, ID 83333

RECORDS OF BLAINE COUNTY, STATE OF IDAHO
WITNESS MY NAME AND OFFICIAL SEAL THIS 28 DAY
OF June

SEND TAX NOTICES TO:

William Louis Kyes
Cristyn Kay Kyes
P.O. Box 436
Bellevue, ID 83313

BY Gary W. Whitmore
DEPUTY EX-OFFICIO RECORDER

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

DEED OF TRUST

THIS DEED OF TRUST is dated June 10, 2016, among William Louis Kyes and Cristyn Kay Kyes ("Grantor"); D. L. Evans Bank, whose address is Halley Branch, 12 E. Bullion Suite A, Halley, ID 83333 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and Pioneer Title Co., whose address is 100 10th Avenue South, Nampa, ID 83651 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor does hereby irrevocably grant, bargain, sell and convey in trust, with power of sale, to Trustee for the benefit of Lender as Beneficiary, all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Blaine County, State of Idaho:

Lot 8A-1, Block 1 Poverty Flat Subdivision Amended Lot 8A1 Block 1, according to the plat thereof, filed as Instrument No. 462460, records of Blaine County, Idaho.

Together with the water rights represented by Idaho State Department of Water Resources Water Right No. 37-47D with a claimed priority of October 31, 1889 to 0.6 cfs of Irrigation Water of Big Wood River a tributary of the Malad River and Water Right No. 37-307D with a claimed priority of June 10, 1887 to 0.14 cfs of Irrigation Water of Big Wood River a tributary of the Malad River together with any and all other water rights and ditch rights appurtenant to the above described premises.

The Real Property or its address is commonly known as 340 Glendale Road, Bellevue, ID 83313. The Real Property tax identification number is RP004700008A.

Grantor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the Related Documents.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property. The following provisions relate to the use of the Property or to other limitations on the Property. THE REAL PROPERTY IS NOT MORE THAN EIGHTY (80) ACRES AND IS NOT PRINCIPALLY USED FOR THE AGRICULTURAL PRODUCTION OF CROPS, LIVESTOCK, DAIRY OR AQUATIC GOODS, OR IS NOT MORE THAN FORTY (40) ACRES REGARDLESS OF USE, OR IS LOCATED WITHIN AN INCORPORATED CITY OR VILLAGE.

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

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

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. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written