

RECEIVED

JUN 06 2012

STATE OF IDAHO DEPARTMENT OF
WATER RESOURCESDEPARTMENT 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 RightPlease 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): 47-2242, 47-4296 and 7691A
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:
Region IV Development Association, Inc., PO Box 5079, Twin Falls, ID 83303
4. Name of Water Right Owner/Claimant(s) MH Springs, LLC
5. Expiration Date of Notification Period _____
6. Is this a Renewal of Request for Notification? ☐ YES ☒ NO
7. Signature(s) of Security Interest holder(s) _____
(and title if applicable) _____

For Office Use Only

Received by SRF Date 6/6/2012 Fee \$75-
 Receipted by SRF Date 6/6/2012 Receipt No: C095479
 Processed by _____ Date _____ WR _____ Date _____

SUPPORT DATA

IN FILE # 47-2242

63179 6

DEED OF TRUST
(Participation)

TWIN FALLS COUNTY
Recorded for:
TITLEFACT
4:12:12 PM 05-24-2012
2012-009640
No. Pages: 7 Fee: \$ 28.00
KRISTINA GLASCOCK
County Clerk
Deputy: SSNAPP

THIS DEED OF TRUST, made this 24th day of May, 2012, by and between M H Springs, LLC, hereinafter referred to as "Grantor," whose address is 19703 US Highway 30, Buhl Idaho 83316, Titlefact Inc., hereinafter referred to as "Trustee," whose mailing address is 163 Fourth Avenue North, P. O. Box 486, Twin Falls, Idaho 83303-0486 Region IV Development Association, Inc., hereinafter referred to as "Beneficiary," who maintains an office and place of business at 315 Falls Avenue, C.S.I. Campus, P.O. Box 5079, Twin Falls, Idaho 83303-5079.

WITNESSETH, that for and in consideration of \$1.00 and other good and valuable consideration, receipt of which is hereby acknowledged, the Grantor does hereby bargain, sell, grant, assign, and convey unto the Trustee, his successors and assigns, all of the following described property situated and being in the County of Twin Falls, State of Idaho; containing not more than 40 acres.

See Attached Legal Description

Together with all water rights and permits including but not limited to Water Right Numbers 47-2242, 47-4296, and 7691A, Water Permit Numbers 47-7829 and 47-16808.

Common address is: 19703 US Highway 30, Buhl ID 83316

Together with and including all buildings, all fixtures, including but not limited to all plumbing, heating, lighting, ventilating, refrigerating, incinerating, air conditioning apparatus, and elevators (the Trustor hereby declaring that it is intended that the items herein enumerated shall be deemed to have been permanently installed as part of the realty), and all improvements now or hereafter existing thereon; the hereditament and appurtenances and all other rights thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, and the rents, issues, and profits of the above described property. To have and to hold the same unto the Trustee, and the successors in interest of the Trustee, forever, in fee simple or such other estate, if any, as is stated herein in trust, to secure the payment of a promissory note in the principal sum of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00), dated; maturity date (Five) years from date thereof;

Signed by Nathan P. Olsen and Enoch S. Olsen, Manager/Member, and in behalf of M H Springs, LLC

1. This conveyance is made upon and subject to the further trust that the said Grantor shall remain in quiet and peaceable possession of the above granted and described premises and take the profits thereof to his own use until default be made in any payment of an installment due on said note or in the performance of any of the covenants or conditions contained therein or in this Deed of Trust; and, also to secure the reimbursement of the Beneficiary or any other holder of said note, the Trustee or any substitute trustee of any and all costs and expenses incurred, including reasonable attorneys' fees, on account of any litigation which may arise with respect to this Trust or with respect to the indebtedness evidenced by said note, the protection and maintenance of the property hereinabove described or in obtaining possession of said property after any sale which may be made as hereinafter provided.
2. Upon the full payment of the indebtedness evidenced by said note and the interest thereon, the payment of all other sums herein provided for, the repayment of all monies advanced or expended pursuant to said note or this instrument, and upon the payment of all other proper costs, charges, commissions, and expenses, the above

described property shall be released and reconveyed to and at the cost of the Grantor.

3. Upon default in any of the covenants or conditions of this instrument or of the note or loan agreement secured hereby, the Beneficiary or his assigns may without notice and without regard to the adequacy of security for the indebtedness secured, either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by the court, enter upon and take possession of said property or any part thereof, and do any acts which Beneficiary deems proper to protect the security hereof, and either with or without taking possession of said property, collect and receive the rents, royalties, issues, and profits thereof, including rents accrued and unpaid, and apply the same, less costs of operation and collection, upon the indebtedness secured by this Deed of Trust, said rents, royalties issues, and profits, being hereby assigned to Beneficiary as further security for the payment of such indebtedness. Exercise of rights under this paragraph shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice but shall be cumulative to any right and remedy to declare a default and to cause notice of default to be recorded as hereinafter provided, and cumulative to any other right and/or remedy hereunder, or provide by law, any may be exercised concurrently or independently. Expenses incurred by Beneficiary hereunder including reasonable attorney's fees shall be secured hereby.
4. The Grantor covenants and agrees that if he shall fail to pay said indebtedness, or any part thereof, when due, or shall fail to perform any covenant or agreement of this instrument or of the promissory note secured hereby, the entire indebtedness hereby secured shall immediately become due, payable, and collectible without notice, at the option of the Beneficiary or assigns, regardless of maturity, and the Beneficiary or assigns may enter upon said property and collect the rents and profits thereof. Upon such default in payment or performance, and before or after such entry, the Trustee, acting in the execution of this Trust, shall have the power to sell said property in accordance with the applicable law. The Trustee is hereby authorized to execute and deliver to the purchaser at such sale a sufficient conveyance of said property, which conveyance shall contain recitals as to the happening of default upon which the execution of the power of sale herein granted depends; and the said Grantor hereby constitutes and appoints the Trustee as his agent and attorney in fact to make such recitals and to execute said conveyance and hereby covenants shall be effectual to bar all equity or right or redemption, homestead, dower, right of appraisement, and all other rights and exemptions of the Grantor, all of which are hereby expressly waived and conveyed to the Trustee. In the event of a sale as hereinafter provided, the Grantor, or any person in possession under the Grantor, shall then become and be tenants holding over and shall forthwith deliver possession to the purchaser at such sale or be summarily disposed, in accordance with the provisions of law applicable to tenants holding over. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, and are granted as cumulative to all other remedies for the collection of said indebtedness.
5. The Trustee shall be entitled to a reasonable charge for duties or services performed pursuant to a trust deed and this chapter, including compensation for reconveyance services. Said fee shall be in addition to the costs and expenses incurred by the Trustee in conducting such sale. The amount of such costs and expenses shall be deducted and paid from the sale's proceeds. It is further agreed that if said property shall be advertised for sale, as herein provided and not sold, the Trustee shall be entitled to a reasonable fee, in an amount acceptable to the Beneficiary for the services rendered. The Trustee shall also be reimbursed by the Beneficiary for all costs and expenses incurred in connection with the advertising of said property for sale if the sale is not consummated.
6. The proceeds of any sale of said property in accordance with Paragraph 4 shall be applied first to payment of fees, costs, and expenses of said sale; secondly, the expenses incurred by the Beneficiary for the purpose of protecting or maintaining said property and reasonable attorneys' fees; thirdly, to payment of the indebtedness secured hereby; and finally, to pay any surplus or excess to the persons legally entitled thereto.
7. In the event said property is sold pursuant to the authorization contained in this instrument or at a judicial

foreclosure sale and the proceeds are not sufficient to pay the total indebtedness secured by this instrument and evidenced by said promissory note, the Beneficiary will be entitled to a deficiency judgment for the amount of the deficiency without regard to appraisal, the Grantor having waived and assigned all rights of appraisal to the Trustee.

8. The Grantor covenants and agrees as follows:

- a. He will promptly pay the indebtedness evidenced by said promissory note at the times and in the manner therein provided.
- b. He will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines or imposition, for which provision has not been made hereinbefore, and will promptly deliver the official receipts therefore to the Beneficiary.
- c. He will pay such expenses and fees as may be incurred in the protection and maintenance of said property, including the fees of any attorney employed by the Beneficiary for the collection of any or all of the indebtedness hereby secured, of such expenses and fees as may be incurred in any foreclosure sale by the Trustee, or court proceedings or in any other litigation or proceeding affecting said property, and attorneys' fees reasonably incurred in any other way.
- d. The rights created by this conveyance shall remain in full force and effect during any postponement or extension of the time of the payment of the indebtedness evidenced by said note or any part thereof secured hereby.
- e. He will continuously maintain hazard insurance of such type or types and in such amounts as the Beneficiary may from time to time require, on the improvements now or hereafter on said property, and will pay promptly when due any premiums therefore. All insurance shall be carried in companies acceptable to Beneficiary and the policies and renewals thereof shall be held by Beneficiary and have attached thereto loss payable clauses in favor of and in form acceptable to the Beneficiary. In the event of loss, Grantor will give immediate notice in writing to Beneficiary and Beneficiary may make proof of loss if not made promptly by Grantor, and each insurance company concerned in hereby authorized and directed to make payment for such loss directly to Beneficiary instead of the Grantor and Beneficiary jointly, and the insurance proceeds, or any part thereof, may be applied by Beneficiary at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In the event of a Trustee's sale or other transfer of title to said property in extinguishment of the indebtedness secured hereby, all right, title, and interest of the Grantor in and to any insurance policies then in force shall pass at the option of the Beneficiary to the purchaser or Beneficiary.
- f. He will keep the said premises in as good order and condition as they are now and will not commit or permit any waste thereof, reasonable wear and tear excepted, and in the event of the failure of the Grantor to keep the buildings on said premises, or improvements thereon, in good repair, the Beneficiary may make such repairs as in the Beneficiary's discretion it may deem necessary for the proper preservation thereof, and any sums paid for such repairs shall bear interest from the date of payment at the rate specified in the note, shall be due and payable on demand and shall be fully secured by this Deed of Trust.
- g. He will not without the prior written consent of the Beneficiary voluntarily create or permit to be created against the property subject to this Deed of Trust any lien or liens inferior or superior to the lien of this Deed of Trust and further that he will keep and maintain the same free from the claim of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on said premises.

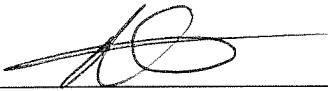
- h. He will not rent or assign any part of the rent of said property or demolish, remove, or substantially alter any building without the written consent of the Beneficiary.
 - i. He will not without the prior written consent of the Beneficiary transfer, encumber or modify the property.
9. In the event the Grantor fails to pay any Federal, State or Local tax assessment, income tax or other tax lien, charge fee, or other expenses charged to the property hereinabove described, the Beneficiary is hereby authorized to pay the same and any sum so paid by the Beneficiary shall be added to and become a part of the principal amount of the indebtedness evidenced by said promissory note. If the Grantor shall pay and discharge the indebtedness evidenced by said promissory note, and shall pay such sums and shall discharge all taxes and liens and the costs, fees, and expenses of making, enforcing, and executing this Deed of Trust, then this Deed of Trust shall be cancelled and surrendered.
 10. The Grantor covenants that he is lawfully seized and possessed of and has the right to sell and convey said property; that the same is free from all encumbrances except as hereinabove recited; and that he hereby binds himself and his successors in interest to warrant and defend the title aforesaid thereto and every part thereof against the lawful claims of all persons whomsoever.
 11. For better security of the indebtedness hereby secured the Grantor, upon the request of the Beneficiary, its successors or assigns, shall execute and deliver a supplemental mortgage or mortgages covering any additional, improvements, or betterments made to the property hereinabove described and all property acquired after the date hereof (all in form satisfactory to Grantee). Furthermore, should Grantor fail to cure any default in the payment of a prior or inferior encumbrance on the property described by this instrument, Grantor hereby agrees to permit Beneficiary to cure such defaults, but Beneficiary is not obligated to do so; and such advances shall become part of the indebtedness secured by this instrument, subject to the same terms and conditions.
 12. That all awards of damages in connection with any condemnation for public use of or injury to any of said property are hereby assigned and shall be paid to Beneficiary, who may apply the same to payment of the installments last due under said note, and the Beneficiary is hereby authorized, in the name of the Grantor, to execute and deliver valid acquittance thereof and the appeal from any such award.
 13. The irrevocable right to appoint a substitute trustee or trustees is hereby expressly granted to the Beneficiary, his successors or assigns, to be exercised at any time hereafter without notice and without specifying any reason therefor, by filing for record in the office where this instrument is recorded an instrument of appointment. The Grantor and the Trustee herein named or that may hereinafter be substituted hereunder expressly waive notice of the exercise of this right as well as any requirement to any court for the removal, appointment or substitution of any trustee hereunder.
 14. Notice of the exercise of any option granted herein to the Beneficiary or to the holder of the note secured hereby is not required to be given the Grantor, the Grantor having hereby waived such notice.
 15. If more than one person joins in the execution of this instrument as Grantor or if anyone so joined by of the feminine sex, the pronouns and relative words used herein shall be read as if written in the plural or feminine, respectively, and the term "Beneficiary" shall include any payee of the indebtedness hereby secured or any assignee or transferee thereof whether by operation of law or otherwise. The covenants herein contained shall bind and the rights herein granted or conveyed shall inure to the respective heirs, executors, administrators, successors, and assignees of the party hereof.
 16. Beneficiary or its agent may make reasonable entries upon and inspections of the property. Beneficiary shall give Grantor notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

17. A judicial decree, order, or judgment holding any provision or portion of this instrument invalid or unenforceable shall not in any way impair or preclude the enforcement of the remaining provisions or portions of this instrument.

18. In the event the property secured by this Deed of Trust is sold or conveyed in any manner without written consent of the beneficiary hereunder, said beneficiary may, at his/her option, declare the entire remaining balance, plus accrued interest, due and payable.

IN WITNESS WHEREOF, the Grantor has executed this instrument and the Trustee and Beneficiary have accepted the delivery of this instrument as of the day and year aforesaid.

M H Springs, LLC

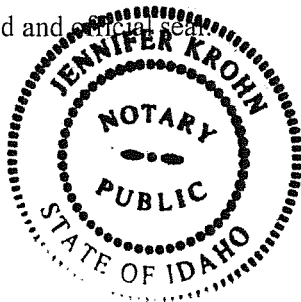
By: 
Nathan P. Olsen, Manager/Member

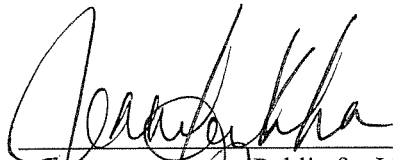
By: 
Enoch S. Olsen, Manager/Member

STATE OF IDAHO
COUNTY OF Twin Falls

On this 24th day of May, 2012, before me a Notary Public in and for said State personally appeared Nathan P. Olsen, known or identified to me to be a Manager/Member of M H Springs, LLC., that executed the instrument 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

WITNESS my hand and official seal.

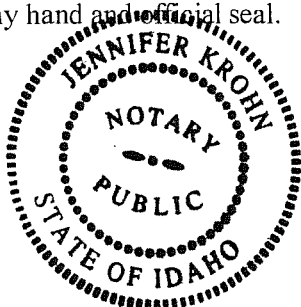


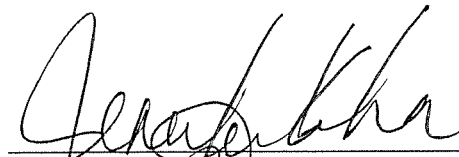

Notary Public for Idaho
Residing in: Boise ID
Commission Expires: 4-9-2014

STATE OF IDAHO
COUNTY OF Twin Falls

On this 24th day of May, 2012, before me a Notary Public in and for said State personally appeared Enoch S. Olsen, known or identified to me to be a Manager/Member of M H Springs, LLC., that executed the instrument 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

WITNESS my hand and official seal.




Notary Public for Idaho
Residing in: Boise ID
Commission Expires: 4-9-2014

LEGAL DESCRIPTION

Township 8 South, Range 14 East, Boise Meridian, Twin Falls County, Idaho

A parcel of land located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 30 and the N $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 31 being more specifically described as follows:

COMMENCING at the North quarter corner of Section 31, Township 8 South, Range 14 E., B.M.;

THENCE North 89°07'36" East 1416.28 feet along the Northerly boundary of the NE $\frac{1}{4}$ of said Section 31 to a point on the Westerly right-of-way line of U.S. Highway 30, said point being the REAL POINT OF BEGINNING;

THENCE South 27°14'07" East 397.93 feet along the Westerly right-of-way line of U.S. Highway 30;

THENCE South 56°20'17" West 411.54 feet;

THENCE South 44°36'20" West 297.86 feet;

THENCE South 39°45'43" West 88.06 feet;

THENCE South 22°52'57" West 114.25 feet;

THENCE North 69°37'00" West 170.32 feet to the centerline of Salmon Falls Creek;

THENCE along the centerline of Salmon Falls Creek the following seven courses and distances:

North 22°26'36" West 275.63 feet;

North 17°41'55" East 97.38 feet;

North 59°33'25" East 453.29 feet;

South 54°21'02" East 157.69 feet;

North 57°52'20" East 62.22 feet;

North 9°21'36" West 219.18 feet;

North 29°52'36" East 273.88 feet to the Westerly right of way of U.S. Highway 30;

THENCE South 27°14'07" East 72.54 feet along the Westerly right-of-way line of U.S. Highway 30 to the REAL POINT OF BEGINNING.

SUBJECT TO a restriction on a twenty-foot-wide strip of land adjacent to the Westerly right-of-way line of U.S. Highway 30 restricting construction to irrigation or drainage structures.

AND

Township 8 South, Range 14 East, Boise Meridian, Twin Falls County, Idaho

Section 31: A parcel of land located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ more particularly described as follows:

COMMENCING at the North quarter corner of said Section 31;

THENCE South 0°11'15" West 1375.52 feet along the Westerly boundary of the W $\frac{1}{2}$ NE $\frac{1}{4}$ of said Section 31 to the centerline of Salmon Falls Creek, said point being the REAL POINT OF BEGINNING;

THENCE continuing Southeasterly along the centerline of Salmon Falls Creek the following three courses and distances:

South 63°21'16" East 112.17 feet;

South 42°34'44" East 99.38 feet;

North 81°37'09" East 107.13 feet;

THENCE South 38°38'57" East 81.02 feet;

THENCE South 50°17'06" West 111.15 feet;

THENCE North 87°52'07" West 75.70 feet;

THENCE South 75°32'53" West 169.23 feet to a point on the Westerly boundary of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 31;

THENCE North 0°11'15" East 281.61 feet to the centerline of Salmon Falls Creek, said point being the REAL POINT OF BEGINNING.

AND

Township 8 South, Range 14 East, Boise Meridian, Twin Falls County, Idaho

Section 31: A portion of the W $\frac{1}{2}$ NE $\frac{1}{4}$ more particularly described as follows:

COMMENCING at the North quarter corner of said Section 31;

THENCE South 0°11'15" West 1375.52 feet along the Westerly boundary of said W $\frac{1}{2}$ NE $\frac{1}{4}$ to a point on the centerline of Salmon Falls Creek;

THENCE Southeasterly along the centerline the following two courses and distances:

South 63°21'16" East 112.17 feet;

South 42°34'44" East 55.47 feet to the REAL POINT OF BEGINNING;

THENCE continuing along the centerline of Salmon Falls Creek the following six courses and distances:

South 42°34'44" East 43.91 feet;

North 81°37'09" East 107.13 feet;

North 45°57'43" East 238.00 feet;

North 66°29'49" East 146.45 feet;

North 33°37'10" East 408.54 feet;

North 22°26'36" West 60.30 feet;

THENCE South 46°53'31" West 882.47 feet to the REAL POINT OF BEGINNING.

Together with all water rights and permits including but not limited to Water Right Numbers 47-2242, 47-4296, and 7691A, Water Permit Numbers 47-7829 and 47-16808.