

THIS INSTRUMENT PREPARED BY:  
Ireland Bank  
386 North Main/PO Box 835  
Aberdeen, ID 83210

AFTER RECORDING RETURN TO:  
Ireland Bank  
386 North Main/PO Box 835  
Aberdeen, ID 83210

CTIA 83854-DU

(Space Above This Line For Recording Data)

PARCEL ID NUMBER: 30-002-0088

### COMMERCIAL REAL ESTATE DEED OF TRUST

This COMMERCIAL REAL ESTATE DEED OF TRUST ("Security Instrument") is made on **September 22, 2016** by the trustor(s) **Stokes Brothers Real Estate, LLC**, an Idaho Limited Liability Company, whose address is **1310 Pomerelle Avenue, Burley, Idaho 83318** ("Grantor"). The trustee is **Cottonwood Title Insurance Agency, Inc.** whose address is **1996 East 6400 South Suite 120, Salt Lake City, Utah 84121** ("Trustee"). The beneficiary is **Ireland Bank** whose address is **386 North Main/PO Box 835, Aberdeen, Idaho 83210** ("Lender"), which is organized and existing under the laws of the State of Idaho. Grantor in consideration of loans extended by Lender up to a maximum principal amount of **Two Million Two Hundred Forty Thousand Seven Hundred Nine and 00/100 Dollars (U.S. \$2,240,709.00)** ("Maximum Principal Indebtedness"), and for other valuable consideration, the receipt of which is acknowledged, irrevocably grants, conveys and assigns to Trustee, in trust, with power of sale, the following described property located in the **County of Utah**, State of Utah:

Address: **795 North State Road 198, Salem, Utah 84653**

Legal Description: **See legal description "Exhibit A" attached hereto and by this reference made a part hereof**

Parcel ID/Sidwell Number: **30-002-0088**

Property Size: **4.952** acres.

Together with all easements, appurtenances abutting streets and alleys, improvements, buildings, fixtures, tenements, hereditaments, equipment, rents, income, profits and royalties, personal goods of whatever description and all other rights and privileges including all minerals, oil, gas, water (whether groundwater, subterranean or otherwise), water rights (whether riparian, appropriate or otherwise, and whether or not appurtenant to the above-described real property), wells, well permits, ditches, ditch rights, reservoirs, reservoir rights, reservoir sites, storage rights, dams and water stock that may now, or at any time in the future, be located on and/or used in connection with the above-described real property, payment awards, amounts received from eminent domain, amounts received from any and all insurance payments, and timber which may now or later be located, situated, or affixed on and used in connection therewith (hereinafter called the "Property").

**RELATED DOCUMENTS.** The words "Related Documents" mean all promissory notes, security agreements, prior mortgages, prior deeds of trust, prior deeds to secure debt, business loan agreements, construction loan



agreements, resolutions, guaranties, environmental agreements, subordination agreements, assignments of leases and rents and any other documents or agreements executed in connection with this Indebtedness and Security Instrument, whether now or hereafter existing, including any modifications, extensions, substitutions or renewals of any of the foregoing. The Related Documents are hereby made a part of this Security Instrument by reference thereto, with the same force and effect as if fully set forth herein.

**INDEBTEDNESS.** This Security Instrument secures the principal amount shown above as may be evidenced by a promissory note or notes of even, prior or subsequent date hereto, including future advances and every other indebtedness of any and every kind now or hereafter owing from **Stokes Brothers Real Estate, LLC to Ireland Bank**, howsoever created or arising, whether primary, secondary or contingent, together with any interest or charges provided in or arising out of such indebtedness, as well as the agreements and covenants of this Security Instrument and all Related Documents (hereinafter all referred to as the "Indebtedness").

**MATURITY DATE.** The Indebtedness, if not paid earlier, shall be due on **September 22, 2026**.

**FUTURE ADVANCES.** To the extent permitted by law, this Security Instrument will secure future advances as if such advances were made on the date of this Security Instrument regardless of the fact that from time to time there may be no balance due under the note and regardless of whether Lender is obligated to make such future advances.

**WARRANTIES.** Grantor, for itself, its heirs, personal representatives, successors, and assigns, represents, warrants, covenants and agrees with Lender, its successors and assigns, as follows:

**Performance of Obligations.** Grantor promises to perform all terms, conditions, and covenants of this Security Instrument and Related Documents in accordance with the terms contained therein.

**Defense and Title to Property.** At the time of execution and delivery of this instrument, Grantor is lawfully seized of the estate hereby conveyed and has the exclusive right to mortgage, grant, convey and assign the Property. Grantor covenants that the Property is unencumbered and free of all liens, except for encumbrances of record acceptable to Lender. Further, Grantor covenants that Grantor will warrant and defend generally the title to the Property against any and all claims and demands whatsoever, subject to the easements, restrictions, or other encumbrances of record acceptable to Lender, as may be listed in the schedule of exceptions to coverage in any abstract of title or title insurance policy insuring Lender's interest in the Property.

**Condition of Property.** Grantor promises at all times to preserve and to maintain the Property and every part thereof in good repair, working order, and condition and will from time to time, make all needful and proper repairs so that the value of the Property shall not in any way be impaired.

**Removal of any Part of the Property.** Grantor promises not to remove any part of the Property from its present location, except for replacement, maintenance and relocation in the ordinary course of business.

**Alterations to the Property.** Grantor promises to abstain from the commission of any waste on or in connection with the Property. Further, Grantor shall make no material alterations, additions or improvements of any type whatsoever to the Property, regardless of whether such alterations, additions or improvements would increase the value of the Property, nor permit anyone to do so except for tenant improvements and completion of items pursuant to approved plans and specifications, without Lender's prior written consent, which consent may be withheld by Lender in its sole discretion. Grantor will comply with all laws and regulations of all public authorities having jurisdiction over the Property including, without limitation, those relating to the use, occupancy and maintenance thereof and shall upon request promptly submit to Lender evidence of such compliance.

**Due on Sale - Lender's Consent.** Grantor shall not sell, further encumber or otherwise dispose of, except as herein provided, any or all of its interest in any part of or all of the Property without first obtaining the written consent of Lender. If any encumbrance, lien, transfer or sale or agreement for these is created, Lender may declare immediately due and payable, the entire balance of the Indebtedness.



**Insurance.** Grantor promises to keep the Property insured against such risks and in such form as may within the sole discretion of Lender be acceptable, causing Lender to be named as loss payee or if requested by Lender, as mortgagee. The insurance company shall be chosen by Grantor subject to Lender's approval, which shall not be unreasonably withheld. All insurance policies must provide that Lender will get a minimum of 30 days notice prior to cancellation. At Lender's discretion, Grantor may be required to produce receipts of paid premiums and renewal policies. If Grantor fails to obtain the required coverage, Lender may do so at Grantor's expense. Grantor hereby directs each and every insurer of the Property to make payment of loss to Lender with the proceeds to be applied, only at Lender's option, to the repair and replacement of the damage or loss or to be applied to the Indebtedness with the surplus, if any, to be paid by Lender to Grantor.

**Payment of Taxes and Other Applicable Charges.** Grantor promises to pay and to discharge liens, encumbrances, taxes, assessments, lease payments and any other charges relating to the Property when levied or assessed against Grantor or the Property.

**Environmental Laws and Hazardous or Toxic Materials.** Grantor and every tenant have been, are presently and shall continue to be in strict compliance with any applicable local, state and federal environmental laws and regulations. Further, neither Grantor nor any tenant shall manufacture, store, handle, discharge or dispose of hazardous or toxic materials as may be defined by any state or federal law on the Property, except to the extent the existence of such materials has been presently disclosed in writing to Lender. Grantor will immediately notify Lender in writing of any assertion or claim made by any party as to the possible violation of applicable state and federal environmental laws including the location of any hazardous or toxic materials on or about the Property. Grantor indemnifies and holds Lender harmless from, without limitation, any liability or expense of whatsoever nature incurred directly or indirectly out of or in connection with: (a) any environmental laws affecting all or any part of the Property or Grantor; (b) the past, present or future existence of any hazardous materials in, on, under, about, or emanating from or passing through the Property or any part thereof or any property adjacent thereto; (c) any past, present or future hazardous activity at or in connection with the Property or any part thereof; and (d) the noncompliance by Grantor or Grantor's failure to comply fully and timely with environmental laws.

**Financial Information.** Grantor agrees to supply Lender such financial and other information concerning its affairs and the status of any of its assets as Lender, from time to time, may reasonably request. Grantor further agrees to permit Lender to verify accounts as well as to inspect, copy and to examine the books, records and files of Grantor.

**Lender's Right to Enter.** Lender or Lender's agents shall have the right and access to inspect the Property at all reasonable times in order to attend to Lender's interests and ensure compliance with the terms of this Security Instrument. If the Property, or any part thereof, shall require inspection, repair or maintenance which Grantor has failed to provide, Lender, after reasonable notice, may enter upon the Property to effect such obligation; and the cost thereof shall be added to the Indebtedness and paid on Lender's demand by Grantor.

**ASSIGNMENT OF LEASES AND RENTS.** As additional security for the payment of the Indebtedness and the performance of the covenants contained herein, Grantor hereby assigns and transfers over to Lender all rents, income and profits ("Rents") under any present or future leases, subleases or licenses of the Property, including any guaranties, extensions, amendments or renewals thereof, from the use of the Property. So long as Grantor is not in default, Grantor may receive, collect and enjoy all Rents accruing from the Property, but not more than one month in advance of the due date. Lender may also require Grantor, tenant and any other user of the Property to make payments of Rents directly to Lender. However, by receiving any such payments, Lender is not, and shall not be considered, an agent for any party or entity. Any amounts collected may, at Lender's sole discretion, be applied to protect Lender's interest in the Property, including but not limited to the payment of taxes and insurance premiums and to the Indebtedness. At Lender's sole discretion, all leases, subleases and licenses must first be approved by Lender.



**CONDEMNATION.** Grantor shall give Lender notice of any action taken or threatened to be taken by private or public entities to appropriate the Property or any part thereof, through condemnation, eminent domain or any other action. Further, Lender shall be permitted to participate or intervene in any of the above described proceedings in any manner it shall at its sole discretion determine. Lender is hereby given full power, right and authority to receive and receipt for any and all damages awarded as a result of the full or partial taking or appropriation and in its sole discretion, to apply said awards to the Indebtedness, whether or not then due or otherwise in accordance with applicable law. Unless Lender otherwise agrees in writing, any application of proceeds to the Indebtedness shall not extend or postpone the due date of the payments due under the Indebtedness or change the amount of such payments.

**GRANTOR'S ASSURANCES.** At any time, upon a request of Lender, Grantor will execute and deliver to Lender, and if appropriate, cause to be recorded, such further mortgages, assignments, assignments of leases and rents, security agreements, pledges, financing statements, or such other document as Lender may require, in Lender's sole discretion, to effectuate, complete and to perfect as well as to continue to preserve the Indebtedness, or the lien or security interest created by this Security Instrument.

**ATTORNEY-IN-FACT.** Grantor appoints Lender as attorney-in-fact on behalf of Grantor. If Grantor fails to fulfill any of Grantor's obligations under this Security Instrument or any Related Documents, including those obligations mentioned in the preceding paragraph, Lender as attorney-in-fact may fulfill the obligations without notice to Grantor. This power of attorney shall not be affected by the disability of the Grantor.

**EVENTS OF DEFAULT.** The following events shall constitute default under this Security Instrument (each an "Event of Default"):

- (a) Failure to make required payments when due under Indebtedness;
- (b) Failure to perform or keep any of the covenants of this Security Instrument or a default under any of the Related Documents;
- (c) The making of any oral or written statement or assertion to Lender that is false or misleading in any material respect by Grantor or any person obligated on the Indebtedness;
- (d) The death, dissolution, insolvency, bankruptcy or receivership proceeding of Grantor or of any person or entity obligated on the Indebtedness;
- (e) Any assignment by Grantor for the benefit of Grantor's creditors;
- (f) A material adverse change occurs in the financial condition, ownership or management of Grantor or any person obligated on the Indebtedness; or
- (g) Lender deems itself insecure for any reason whatsoever.

**REMEDIES ON DEFAULT.** Upon the occurrence of an Event of Default, Lender may, without demand or notice, pay any or all taxes, assessments, premiums, and liens required to be paid by Grantor, effect any insurance provided for herein, make such repairs, cause the abstracts of title or title insurance policy and tax histories of the Property to be certified to date, or procure new abstracts of title or title insurance and tax histories in case none were furnished to it, and procure title reports covering the Property, including surveys. The amounts paid for any such purposes will be added to the Indebtedness and will bear interest at the rate of interest otherwise accruing on the Indebtedness until paid. In the event of foreclosure, the abstracts of title or title insurance shall become the property of Lender. All abstracts of title, title insurance, tax histories, surveys, and other documents pertaining to the Indebtedness will remain in Lender's possession until the Indebtedness is paid in full.

IN THE EVENT OF THE SALE OF THIS PROPERTY UNDER THE PROCEDURE FOR FORECLOSURE OF A SECURITY INSTRUMENT BY ADVERTISEMENT, AS PROVIDED BY APPLICABLE LAW, OR IN THE EVENT LENDER EXERCISES ITS RIGHTS UNDER THE ASSIGNMENT OF LEASES AND RENTS, THE GRANTOR HEREBY WAIVES ANY RIGHT TO ANY NOTICE OTHER THAN THAT PROVIDED FOR SPECIFICALLY BY STATUTE, OR TO ANY JUDICIAL HEARING PRIOR TO SUCH SALE OR OTHER EXERCISE OF RIGHTS.

Upon the occurrence of an Event of Default, Lender may, without notice unless required by law, and at its option, declare the entire Indebtedness due and payable, as it may elect, regardless of the date or dates of maturity thereof



**ASSIGNABILITY.** Lender may assign or otherwise transfer this Security Instrument or any of Lender's rights under this Security Instrument without notice to Grantor. Grantor may not assign this Security Instrument or any part of the Security Instrument without the express written consent of Lender.

**GOVERNING LAW.** This Security Instrument will be governed by the laws of the State of Utah including all proceedings arising from this Security Instrument.

**SEVERABILITY.** If a court of competent jurisdiction determines any term or provision of this Security Instrument is invalid or prohibited by applicable law, that term or provision will be ineffective to the extent required. Any term or provision that has been determined to be invalid or prohibited will be severed from the rest of the Security Instrument without invalidating the remainder of either the affected provision or this Security Instrument.

**WAIVER OF JURY TRIAL.** All parties to this Security Instrument hereby knowingly and voluntarily waive, to the fullest extent permitted by law, any right to trial by jury of any dispute, whether in contract, tort, or otherwise, arising out of, in connection with, related to, or incidental to the relationship established between them in this Security Instrument or any other instrument, document or agreement executed or delivered in connection with this Security Instrument or the Related Documents.

**UNIFORM COMMERCIAL CODE (U.C.C.)** Grantor grants to Lender a security interest in all goods that Grantor owns now or in the future and that are or will become fixtures related to the Property. Grantor agrees that this Security Instrument shall suffice as a financing statement and may therefore be filed of record as a financing statement for the purposes of Article 9 of the Uniform Commercial Code. Grantor authorizes Lender to file any financing statements required under the Uniform Commercial Code.

**ORAL AGREEMENTS DISCLAIMER.** This Security Instrument represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

**By signing this Security Instrument, each Grantor acknowledges that all provisions have been read and understood. Signed and sealed by Grantor(s):**



Stokes Brothers Real Estate, LLC

[Signature] 9-22-16 (Seal)

By: Steven Brett Stokes Date  
Its: Member

[Signature] 9-22-16 (Seal)

By: John Robert 2nd Stokes Date  
Its: Member

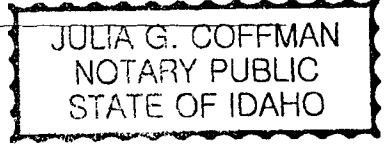
**BUSINESS ACKNOWLEDGMENT**

STATE OF IDAHO )  
COUNTY OF Cassia )

On this the September 22, 2016, before me, the undersigned a notary public, personally appeared **Steven Brett Stokes, Member** and **John Robert 2nd Stokes, Member** on behalf of **Stokes Brothers Real Estate, LLC**, an Idaho Limited Liability Company, to me personally known or who having proven to me on the basis of satisfactory evidence to be the persons whose names are subscribed within this instrument and who acknowledged that they hold the positions set forth and that they being authorized to do so, executed the foregoing instrument for the purpose therein contained, by signing the name of the Limited Liability Company by themselves as **Member** and **Member** of **Stokes Brothers Real Estate, LLC**, and that the foregoing instrument is the voluntary act and deed of the Limited Liability Company. In witness whereof, I hereunto set my hand and official seal.

My commission expires: 6-20-2020  
[Signature] Idaho residing at  
[Signature]

[Signature]  
Identification Number \_\_\_\_\_



(Official Seal)

**ADDRESS FOR TAX NOTICES**

Tax notices should be sent to the following: **Stokes Brothers Real Estate, LLC**, whose address is **1310 Pomerelle Avenue, Burley, Idaho 83318**.

## EXHIBIT A PROPERTY DESCRIPTION

Beginning at a fence corner which lies East 1495.22 feet and North 914.61 feet, according to Utah Coordinate Bearings, Central Zone, from the West one quarter corner of Section 1, Township 9 South, Range 2 East, Salt Lake Base and Meridian; and running thence South 89°14'50" East 580.64 feet along an existing fence to a fence on a Westerly line of State Road 198; thence North 23°02'16" East 387.85 feet along said fence; thence North 88°21'00" West 731.38 feet; thence South 00°12'00" West 370.35 feet to the point of beginning.

LESS AND EXCEPTING THEREFROM the following:

Beginning at a point which lies East 1495.22 feet and North 914.61 feet from the West quarter of Section 1, Township 9 South, Range 2 East, Salt Lake Base and Meridian and running thence South 89°14'50" East 580.64 feet; thence North 23°02'16" East 26.48 feet; thence North 55°05'46" West 4.75 feet; thence South 32°05'10" West 1.21 feet; thence 21.16 feet along a 15 foot radius curve to the right (chord bears: South 67°19'03" West 19.45 feet); thence North 70°35'42" West 3.5 feet; thence 102.32 feet along a 265 foot radius curve to the left (chord bears: North 78°11'11" West 101.69 feet); thence North 89°14'50" West 436.71 feet; thence 40.19 feet along a 25 foot radius curve to the right (chord bears: North 37°44'18" West 36 feet); thence West 6.69 feet; thence South 00°12'00" West 67.12 feet to the point of beginning.

ALSO LESS AND EXCEPTING THEREFROM the following:

A part of the Northwest quarter of Section 1, Township 9 South, Range 2 East, Salt Lake Base and Meridian, U.S. Survey: Beginning at a point 1012.45 feet North and 783.37 feet East from the West quarter corner of said section; and running thence North 00°13'36" East 78.014 feet; thence South 88°44'39" East 22.72 feet; thence Southeasterly along the arc of a 508.54 foot radius curve to the right a distance of 264.63 feet (long chord bears South 73°50'22" East 261.65 feet); thence Southeasterly along the arc of a 422.37 foot radius curve to the left a distance of 223.51 feet (long chord bears South 74°05'31" East 220.91 feet); thence South 89°15'06" East 143.29 feet; thence Northeasterly along the arc of a 21.00 foot radius curve to the left a distance of 33.19 feet (long chord bears North 45°28'27" East 29.84 feet); thence North 00°12'00" East 537.09 feet; thence South 88°30'00" East 66.02 feet; thence South 00°12'00" West 635.43 feet; thence North 89°15'06" West 231.24 feet; thence Northwesterly along the arc of a 500.37 foot radius curve to the right a distance of 264.78 feet (long chord bears North 74°05'32" West 261.70 feet); thence Northwesterly along the arc of a 430.54 foot radius curve to the left a distance of 224.04 feet (long chord bears North 73°50'22" West 221.52 feet); thence North 88°44'39" West 21.32 feet to the point of beginning.

The above-described property also being described of record as follows:

Commencing North 1284.81 feet and East 1501.79 feet from the West quarter corner of Section 1, Township 9 South, Range 2 East, Salt Lake Base and Meridian; thence South 88°21'00" East 726.1 feet; thence South 23°02'16" West 361.37 feet; thence North 55°05'46" West 4.75 feet; thence South 32°05'37" West 1.21 feet; thence along a 15.01 foot radius curve to the right (chord bears: South 67°19'02" West 19.45 feet); thence North 70°35'53" West 3.5 feet; thence along a 265.93 foot radius curve to the left (chord bears: North 78°11'11" West 101.69 feet); thence North 89°14'50" West 436.71 feet; thence along a 25 foot radius curve to the right (chord bears: North 37°44'19" West 36 feet); thence West 1.41 feet; thence North 00°12'00" East 308.08 feet to the point of beginning.

Tax Id No.: 30-002-0088