

When Recorded, Mail to:

SAMPLE

SPACE ABOVE THIS LINE RESERVED FOR RECORDING PURPOSES

DEED OF TRUST

THIS DEED OF TRUST, made this [_____] day of [____], 200[_] BETWEEN [_____] whose address is [_____] (“GRANTOR”); [_____] whose address is [_____] Idaho [_____] (“TRUSTEE”); and **Idaho Community Reinvestment Corporation**, an Idaho non-profit corporation, its successors and assigns, whose address is P.O. Box 2002, Boise, Idaho 83701-2002, (“BENEFICIARY”):

WITNESSETH:

That Grantor does hereby irrevocably GRANT, BARGAIN, SELL and CONVEY TO TRUSTEE, IN TRUST, WITH POWER OF SALE, that property in the County of [____], State of Idaho, described on Exhibit A attached hereto, and incorporated herein by this reference, 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 “Property”).

This Deed of Trust is given to secure the payment and performance of a promissory note, of even date, executed by Grantor in the original principal amount of _____ Dollars (\$[____]) (“the Note”) and to secure payment of all such further sums or services as may hereafter be loaned or advanced by the Beneficiary to the Grantor, or any or either of them for any purpose, and of any notes or other instruments representing such further expenditures together, with interest on all such sums at the rate therein provided (if any). Provided, however, that making of such further expenditures shall be optional with the Beneficiary, and provided, further, 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 such advances together with interest thereon (if any).

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.

2. To provide, maintain and deliver to Beneficiary fire insurance satisfactory to, and with loss payable to, Beneficiary and the holder of any Senior Deed of Trust (the "Insureds"). The amount collected under any fire or other insurance policy may be applied by the Insureds upon any indebtedness secured hereby and in such order as the Insureds may determine, or at the option of Insureds 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 the cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

4. To pay all taxes and assessments affecting the Property, when due, all encumbrances, charges and liens, with interest, on the Property or any part thereof, which appear to be prior or superior hereto.

5. Should Grantor fail 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: (a) 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 the Property for such purposes; (b) 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 which in the judgment of either appears to be prior or superior hereto; and, (d) in exercising any such powers, or in enforcing this Deed of Trust by judicial foreclosure, pay necessary expenses, employ counsel and pay his reasonable fees.

B. GRANTOR'S COVENANTS WITH RESPECT TO SENIOR SECURITY INTERESTS:

1. This Deed of Trust is subject and subordinate to a first priority Deed of Trust recorded against the Property ("**Senior Deed of Trust**") in favor of [] whose address is [] given by Grantor that secures a first priority promissory note (the "**Senior Note**").

2. Grantor covenants and agrees to comply with all of the terms and provisions of the Senior Note and Senior Deed of Trust, including the requirement to make the regular installment payments of principal and interest from time to time when due under said Senior Note and Senior Deed of Trust, in accordance with their terms. Nothing contained herein shall require the

Beneficiary of the Note secured hereby to perform the terms and provisions contained in the Senior Note or Senior Deed of Trust to be performed by Grantor.

3. Grantor will not request or enter into any amendment or other modification of any provisions of the Senior Note or Senior Deed of Trust without the prior written consent of the Beneficiary.

4. If for any reason the indebtedness secured by the Senior Deed of Trust is accelerated or the Property or any part thereof is sold, or attempted to be sold, pursuant to such Senior Deed of Trust, or any remedial action or proceeding is taken or instituted in respect of the Property or any part thereof under the Senior Deed of Trust, Grantor will indemnify Beneficiary against any loss, cost or expense incurred by Beneficiary, including reasonable attorney fees: (a) in contesting any such action taken or instituted or in attempting to reinstate such Senior Deed of Trust; or (b) incurred by Beneficiary on account of the acceleration of the Senior Note secured by the Senior Deed of Trust or the sale of the Real Estate or any portion thereof.

5. Any default on the part of the Grantor herein under the terms of the Senior Note and Senior Deed of Trust shall constitute a default under the terms of this Deed of Trust and the Grantor's obligations secured hereby and shall entitle Beneficiary herein to exercise any and all rights and remedies given Beneficiary under the Loan Documents as described in the Note.

C. IT IS MUTUALLY AGREED THAT:

1. Notwithstanding any other provision in this Deed of Trust, if, pursuant to the Senior Deed of Trust, insurance proceeds in respect of any damage or destruction or any award or payment applicable to a taking by eminent domain are applied wholly or partially against the Senior Note secured by the Senior Deed of Trust, Beneficiary herein may declare the obligations of Grantor secured hereby due and payable at any time thereafter. Any additional awards of damages in connection with any condemnation for public use of or injury to the Property or any part thereof not applied to the Senior Note, is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by it in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

2. At any time or from time to time, without liability therefore and without notice, upon written request of Beneficiary and presentation 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 the 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.

3. Upon the failure to pay the Note, any breach under the Note, or the failure to perform under the terms of this Deed of Trust, Grantor hereby consents to the Property being sold through foreclosure proceedings and that Beneficiary shall direct the Trustee to initiate such foreclosure proceedings against the Property to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the recorder of each county wherein the 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 the 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 expressed 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, including cost of evidence of title and reasonable counsel fees in connection with sale, Trustee shall apply the proceeds of sale to payment of the debt evidenced by the Note, and the remainder, if any, to the person or persons legally entitled thereto.

4. If: (a) Grantor makes, or allows to be made, any sale or transfer of all or any part of the Property, including, but not limited to, any contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Grantor at a future date to a purchaser; or (b) Grantor ceases to use the Property as [his / her / their] primary residence, the Note shall be due and payable in full.

5. This Deed 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.

6. 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.

7. In the event of dissolution or resignation of the Trustee, the Beneficiary may substitute a trustee or trustees, 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.

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 [his / her / their] address as set forth below:

[The Remainder of this page is left intentionally blank]

DATED as of the date first above written.

[_____]
Address: [_____]

STATE OF IDAHO)
) ss.
County of [_____])

On this ____ day of [_____] 200[_], before me, a notary public in and for said State, personally appeared [_____] [OPTIONAL: husband and wife], personally known or identified to me to be the person[s] whose name [is / are] subscribed to the within instrument and acknowledged to me that [he / she / they] 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: _____

EXHIBIT A

Description of Property

SAID PROPERTY IS LOCATED IN THE COUNTY OF [_____], IDAHO, CONTAINING NOT MORE THAN FORTY (40) ACRES IS DESCRIBED AS FOLLOWS:

[Insert Full Legal Description]

More commonly known as [Insert Street Address]