

WHEN RECORDED MAIL TO:
STATE OF UTAH, OLENE WALKER
HOUSING LOAN FUND
324 SOUTH STATE, SUITE 500
SALT LAKE CITY, UTAH 84111

W1979064



6

TRUST DEED
With Assignment of Rents

This space reserved for recording

05-136-0010
05-136-0027
05-136-0041

THIS TRUST DEED, made this 29th day of September, 2003

between EDINBURGH PROPERTIES, LLC., a Utah limited Limited Liability Company AS TRUSTOR,

whose address is 313 South Maryfield Drive, Salt Lake City, Utah 84108
(Street and number) (City) (State)

FIRST AMERICAN TITLE INSURANCE COMPANY as TRUSTEE, and

STATE OF UTAH OLENE WALKER HOUSING LOAN FUND as BENEFICIARY,

WITNESSETH: That Trustor CONVEYS AND WARRANTS TO TRUSTEE IN TRUST, WITH POWER OF SALE, the following described property, situated in Weber County, State of Utah:

Legal Description;

See Attached Exhibit A

22478 JLB

Tax Parcel No. 05-136-0010 ✓
05-136-0027 ✓
05-136-0041 ✓

E# 1979064 PG 1 OF 6
DOUG CROFTS, WEBER COUNTY RECORDER
01-OCT-03 944 AM FEE \$22.00 DEP SGC
REC FOR: FIRST.AMERICAN.TITLE

Said property also known by the street address of:
3757 South Grant Avenue, Ogden, UT

Together with all buildings, fixtures and improvements thereon and all water rights, rights of way, easements, rents, issues, profits, income, tenements, hereditaments, privileges and appurtenances there unto belonging, now or hereafter used or enjoyed with said property, or any part 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 (1) payment of the indebtedness evidenced by A TRUST DEED NOTE even date herewith, with the total principal sum of \$960,000.00, made by Trustor, payable to the order of Beneficiary at the times, in the manner and with interest as therein set forth respectively,

*NOTE: Trustee must be a member of the Utah State Bar; a bank, building and loan association or savings and loan association authorized to do such business in Utah; a corporation authorized to do a trust business in Utah; or a title insurance or abstract company authorized to do such business in Utah.

TO PROTECT THE SECURITY OF THIS TRUST DEED, TRUSTOR 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; to comply with all laws, covenants and restrictions affecting said property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to 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; and, if the loan secured hereby or any part thereof is being obtained for the purpose of financing construction of improvements on said property, Trustor further agrees:

(a) To commence construction promptly and to pursue same with reasonable diligence to completion in accordance with plans and specifications satisfactory to Beneficiary, and

(b) To allow Beneficiary to inspect said property at all times during construction.

Trustee, upon presentation to it of an affidavit signed by Beneficiary, setting forth facts showing a default by Trustor under this numbered paragraph, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

2. To provide and maintain insurance, of such type or types and amounts as Beneficiary may require, on the improvements now existing or hereafter erected or placed on said property. Such insurance shall be carried in companies approved by Beneficiary with loss payable clauses in favor of and in form acceptable to Beneficiary. In event of loss, Trustor shall give immediate notice to Beneficiary, who may make proof of loss, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Beneficiary instead of to Trustor and Beneficiary jointly, and the insurance proceeds, or any part thereof, shall be applied by Beneficiary, so long as no default has occurred and its continuing hereunder to the restoration or repair of the property damaged.

3. To deliver to, pay for and maintain with Beneficiary until the indebtedness secured hereby is paid in full, such evidence of title as Beneficiary may require, including abstracts of title or policies of title insurance and any extensions or renewals thereof or supplements thereto.

4. To appear in and defend any action or proceeding purporting to affect the security hereof, the title to said property, or the rights or powers of Beneficiary or Trustee; and should Beneficiary or Trustee elect to also appear in or defend any such action or proceeding, to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum incurred by Beneficiary or Trustee.

5. To pay at least 10 days before delinquency all taxes and assessments affecting said property, including all assessments upon water company stock and all rents, assessments and charges for water, appurtenant to or used in connection with said property; to pay, when due, all encumbrances, charges, and liens with interest, on said property or any part thereof, which at any time appear to be prior or superior hereto; to pay all costs, fees, and expenses of this Trust.

6. Should Trustor fail to make any payment within the applicable cure period in the Note(s), or to do any act as herein provided within thirty (30) days of written notice, from the Beneficiary to Trustor, then Beneficiary or Trustee, but without obligation so to do and without further notice to or demand upon Trustor and without releasing Trustor 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 said property for such purposes; (b) commence, 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, incur any liability, expend whatever amounts in its reasonable discretion it may deem necessary therefore, including cost of evidence of title, employ counsel, and pay his reasonable fees.

7. To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the rate of ten per cent (10%) per annum until paid, and the repayment thereof shall be secured hereby.

8. Not to sell, convey, dispose, assign, or make any inter vivos transfer of the premises or any part thereof or to vest the title thereto in any other person or persons in any manner whatsoever, or to encumber said property or any part thereof or any interest therein. In the event that the Trustor dies, becomes insolvent, bankrupt, either voluntary or involuntary, or make a general assignment for the benefit of creditors, or if any proceeding for enforcement of a judgment or writ or order of attachment against the property of Trustor or petition of relief or readjustment of indebtedness filed by Trustor, such action shall constitute a default under the terms of this instrument and the Note it secures. In the event the Trustor defaults or undertakes any such act or agrees to undertake any act prohibited by this paragraph without written consent of the Beneficiary first obtained, such undertaking or agreement to undertake shall constitute a default under the terms of this instrument and the Note it secures, and the Beneficiary may cause the same to be foreclosed, and the premises sold, according to law and the provisions hereof; if Trustor refinances the first lien on the above described property, the Trust Deed Note of even date hereof is immediately due and payable in full.

IT IS MUTUALLY AGREED THAT:

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9. Should said property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, Beneficiary shall be entitled to all compensation, awards, and other payments or relief therefore, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage. All such compensation, awards, damages, rights of action and proceeds, including the proceeds of any policies of fire and other insurance affecting said property, are hereby assigned to Beneficiary, who shall, after deducting there from all its expenses, including attorney's fees, apply the same to the restoration or repair of remaining property. Trustor agrees to execute such further assignments of any compensation,

award, damages, and rights of action and proceeds as Beneficiary or Trustee may require.

10. At any time and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Trust Deed and the Note for endorsement (in case of full reconveyance, for cancellation and retention), without affecting the liability of any person for the payment of the indebtedness secured hereby, Trustee may (a) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Trust Deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of said property. The grantee in any reconveyance may be described as "the person or persons entitled thereto", and the recitals therein of any matters or facts shall be conclusive proof of truthfulness thereof. Trustor agrees to pay reasonable Trustee's fees for any of the services mentioned in this paragraph.

11. As additional security, Trustor hereby assigns Beneficiary, during the continuance of these trusts, all rents, issues, royalties, and profits of the property affected by this Trust Deed and of any personal property located thereon. Until Trustor shall default in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, Trustor shall have the right to collect all such rents, issues, royalties, and profits earned prior to default as they become due and payable. If Trustor shall default as aforesaid, Trustor's right to collect any of such moneys shall cease and Beneficiary shall have the right, with or without taking possession of the property affected hereby, to collect all rents, royalties, issues, and profits. Failure or discontinuance of Beneficiary at any time or from time to time to collect any such moneys shall not in any manner affect the subsequent enforcement by Beneficiary of the right, power, and authority to collect the same. Nothing contained herein, nor the exercise of the right by Beneficiary to collect, shall be, or be construed to be, an affirmation by Beneficiary of any tenancy, lease or option, nor an assumption of liability under, nor a subordination of the lien or charge of this Trust Deed to any such tenancy, lease or option.

12. Upon any default by Trustor hereunder which is not cured within 30 days following written notice from Beneficiary or Trustee, Beneficiary may, without further notice, either in person, by agent, or by a receiver to be appointed by a court (Trustor hereby consenting to the appointment of Beneficiary as such receiver), 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 said rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine.

13. The entering upon and taking possession of said property, the collection of such rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking or damage of said property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

14. The failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Beneficiary of any default shall not constitute a waiver of any other or subsequent default.

15. Time is of the essence hereof. Upon default by Trustor in the payment of any indebtedness secured hereby within the applicable cure period in the Note, or upon default by Trustor or in the performance of any agreement hereunder which is not cured within 30 days following written notice from Beneficiary or Trustee, all sums secured hereby shall immediately become due and payable at the option of Beneficiary. In the event of such default, Beneficiary may execute or cause Trustee to execute a written notice of default and of election to cause said property to be sold to satisfy the obligations hereof, and Trustee shall file such notice for record in each county wherein said property or some part or parcel thereof is situated. Beneficiary also shall deposit with Trustee, the note and all documents evidencing expenditures secured hereby.

16. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of default and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property on the date and at the time and place designated in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine (but subject to any statutory right of Trustor to direct the order in which such property, if consisting of several known lots or parcels, shall be sold), at public auction to the highest bidder, the purchase price payable in lawful money of the United States at the time of sale. The person conducting the sale may, for any cause he deems expedient, postpone the sale from time to time until it shall be completed and, in every case, notice of postponement shall be given by public declaration thereof by such person at the time and place last appointed for the sale; provided, if the sale is postponed for longer than one day beyond the day designated in the notice of sale, notice thereof shall be given in the same manner as the original notice of sale. Trustee shall execute and deliver to the purchaser its Deed conveying said property so sold, but without any covenant or warranty, express or implied. The recitals in the Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Beneficiary, may bid at the sale. Trustee shall apply the proceeds of the sale to payment of (1) the costs and expenses of exercising the power of sale and of the sale, including the payment of the Trustee's and attorney's fees; (2) cost of any evidence of title procured in connection with such sale and revenue stamps on Trustee's Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at 10% per annum from date of expenditure; (4) all other sums then secured hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto, or the Trustee, in its discretion, may deposit the balance of such proceeds with the County Clerk of the county in which the sale took place.

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17. Upon the occurrence of any default hereunder, which is not cured within 30 days, following written notice from Beneficiary to Trustor, Beneficiary shall have the option to declare all sums secured hereby immediately due and payable and foreclose this Trust Deed in the manner provided by law for the foreclosure of mortgages on real property and Beneficiary shall be entitled to recover in such proceeding all costs and expenses incident thereto, including a reasonable attorney's fee in such amount as shall be fixed by the court.

18. Beneficiary may appoint a successor trustee at any time by filing for record in the office of the County Recorder of each county in which said property or some part thereof is situated, a substitution of trustee. From the time the substitution is filed for

record, the new trustee shall succeed to all the powers, duties, authority and title of the trustee named herein or of any successor trustee. Each such substitution shall be executed and acknowledged, and notice thereof shall be given and proof thereof made, in the manner provided by law.

19. This Trust Deed shall apply to, inure to the benefit of, and bind all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. All obligations of Trustor hereunder are joint and several. The term "Beneficiary" shall mean the owner and holder, including any pledgee, of the note secured hereby. In this Trust Deed, whenever the context requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

20. Trustee accepts this Trust when this Trust Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Trust Deed or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party, unless brought by Trustee.

21. This Trust Deed shall be construed according to the laws of the State of Utah.

22. The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to him/her at the address herein before set forth.

THE UNDERSIGNED has caused this Certificate to be executed on the above-stated date.

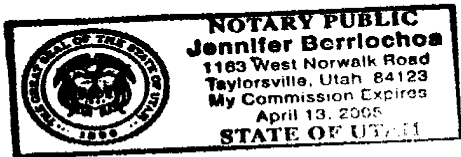
Edinburgh Properties, LLC.,
a Utah limited Liability Company,

By: **Edinburgh Management, L.L.C.,**
a Utah limited liability company,
its Manager

By: _____
Benjamin Logue, Manager of
Edinburgh Management, L.L.C.

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 29th day of September, 2003, by Benjamin Logue, the Manager of Edinburgh Management, L.L.C., a Utah limited liability company, the Manager of Edinburgh Properties, L.L.C, a Utah limited Liability Company, who signed such instrument on behalf of Edinburgh Properties, L.L.C., and duly acknowledged that Edinburgh Properties, L.L.C., signed the foregoing instrument.



Jennifer Berrlochoa
Notary Public
Residing at: Taylorsville, UT
My Commission Expires: 4-13-2005

EXHIBIT "A "

PARCEL 1: 05-136-0041 F

Part of the Southeast Quarter of Section 5, Township 5 North, Range 1 West, Salt Lake Base and Meridian, U.S. Survey: Beginning at a point which is North 20.61 chains and West 1757.72 feet and South 165 feet and West 330.52 feet and North 13° East 28.47 feet from the Southeast corner of said Quarter Section; and running thence North 13° East 442.11 feet; thence North 52° West 38.46 feet, more or less, to boundary line fence as described in that certain agreement recorded in the office of the Weber County Recorder on March 29, 1974 as Entry No. 612108; thence South 12°58'19" West 386.90 feet along said fence; thence North 52° West 4.8 feet to property of Frontiers West, Inc.; thence South 12°15' West 55.51 feet; thence South 52° East 42.23 feet, more or less, to the place of beginning.

PARCEL 2: 05-136-0027 F

Part of the Southeast Quarter of Section 5, Township 5 North, Range 1 West, Salt Lake Meridian, U.S. Survey: Beginning at a point 22 chains West and South 38° West 1108.8 feet and South 52° East 165 feet and South 12°15' West 388.57 feet from Northeast corner of said Southeast Quarter; and running thence South 12°15' West 55.51 feet; thence North 52° West 179.08 feet; thence North 15°21' East 54.31 feet to a point North 52° West of point of beginning; thence South 52° East 175.86 feet to the point of beginning.

PARCEL 3: 05-136-0010 F

Part of the Southeast Quarter of Section 5, Township 5 North, Range 1 West, Salt Lake Meridian, U.S. Survey: Beginning at a point North 20.61 chains and West 1627.53 feet from the Southeast corner of said Quarter Section and running thence West 130.19 feet; thence South 165 feet; thence West 330.52 feet; thence North 13° East 470.58 feet; thence East 138.6 feet; thence North 53° East to the South line of Lot 17, Block 26, Lakeview Addition Subdivision; thence East to the West line of Grant Avenue; thence South 0°58' West 326.70 feet to the point of beginning. Excepting that portion thereof, if any, which lies South of a line which is 13 feet North of and parallel to the South line of 38th Street extended West from Washington Blvd.

Subject to right of way: Beginning at a point North 20.61 chains and West 1627.53 feet from the Southeast corner of said Quarter Section and running thence North 0°58' East 66 feet; thence West 50.19 feet; thence South 0°58' West 66 feet; thence East to the point of beginning.

Parcels 1, 2 and 3 as surveyed:

A part of the Southeast Quarter of Section 5, Township 5 North, Range 1 West, Salt Lake Base and Meridian, U.S. Survey:

Beginning at a point on the West line of Grant Avenue, said point being 1361.65 feet North 0°58'58" East and 1630.14 feet North 89°37'02" West from the Southeast Corner

EXHIBIT "A" CONTINUED

of said Section 5; and running thence North 89°37'02" West 139.95 feet; thence South 0°22'58" West 165.02 feet; thence North 89°37'02" West 330.52 feet; thence North 13°22'58" East 28.62 feet; thence North 51°37'02" West 225.52 feet to the Southerly right of way line of Chimes View Circle; thence along said Southerly right of way line, the following two (2) courses: North 16°01'26" East 46.26 feet to a point of curvature along the arc of a 176.09 foot radius curve to the left, through a central angle of 02°33'48, a distance of 7.88 feet; thence South 51°37'02" East 184.71 feet to the West edge of a 10 inch concrete wall with a fence on top as described in an Agreement recorded in the Office of the Weber County Recorders Office on March 29, 1974, as Entry No. 612108; thence North 13°21'17" East along said wall, 386.90 feet; thence South 51°37'02" East 38.46 feet; thence South 89°37'02" East 138.40 feet; thence North 53°27'58" East 54.92 feet to the South line of Lot 17, Block 26, LAKEVIEW ADDITION TO SOUTH OGDEN CITY, Weber County, Utah; thence South 88°43'53" East 187.32 feet to the West right of way line of Grant Avenue; thence South 01°16'07" West 323.65 feet along said line to the point of beginning.

Said property is also known by the street address of
3757 South Grant Avenue, Ogden, UT
