

When Recorded Mail To:

Suburban Land Reserve, Inc.  
Attn.: Thane Smith  
51 South Main, Suite 301  
Salt Lake City, UT 84111

With a copy to:

Kirton McConkie  
Attn: Eric Robinson  
50 East South Temple, Suite 400  
Salt Lake City, UT 84111

Tax Parcel Nos.: 58:037:0057 and 58:038:0047  
FATCO NCS - 847549 - 1

(Space Above This Line For Recorder's Use)

**DEED OF TRUST**

THIS DEED OF TRUST (this "**Trust Deed**"), is made this 9<sup>th</sup> day of January, 2019, by, CLAYTON PROPERTIES GROUP II, INC., a Colorado corporation dba Oakwood Homes, as TRUSTOR, whose address is 206 East Winchester Street, Murray, Utah 84107, to FIRST AMERICAN TITLE INSURANCE COMPANY, as TRUSTEE, whose address is 215 South State Street, Ste. 380, Salt Lake City, Utah 84111, in favor of and for the benefit of SUBURBAN LAND RESERVE, INC., a Utah corporation, as BENEFICIARY, whose address is 51 South Main Street, Suite 301, Salt Lake City, Utah 84111.

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

See Exhibit A, attached hereto and by this reference made a part hereof (the "**Trust Property**").

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 thereunto belonging, now or hereafter used or enjoyed with said property, or any part thereof,

FOR THE PURPOSE OF SECURING (1) payment of the indebtedness evidenced by Section 4.3 of that certain Real Property Purchase and Sale Agreement dated April 26, 2017, as the same may be amended from time to time, between Trustor and Beneficiary (the "**Purchase Agreement**"), made by Trustor, payable to the order of Beneficiary at the times, in the manner and with interest as therein set forth, and any extensions and/or renewals or modifications thereof; (2) the performance of each agreement of Trustor herein contained; and (3) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms hereof, together with interest thereon as herein provided.

BENEFICIARY AGREES that with respect to each particular residential Lot (as defined in the Purchase Agreement) within the Trust Property, Beneficiary agrees: (1) that the Trustee, or a successor trustee, is authorized to execute a partial release of the Trust Deed upon Trustor's satisfaction of the obligations set forth in Section 4.3 of the Purchase Agreement with respect to such Lot; and (2) Beneficiary's signature on a settlement statement prepared for the sale of the Home (as defined in the Purchase Agreement) on such Lot which identifies the payment to Beneficiary required under Section 4.3

of the Settlement Agreement, shall be deemed Beneficiary's authorization for Trustee, or a successor trustee, to execute such partial release of this Deed of Trust. The purpose of this provision is to allow each Lot and Home to be sold to residential purchasers without the further encumbrance of this Trust Deed, provided Trustor satisfies the obligations set forth in Section 4.3 of the Purchase Agreement with respect to such Lot. When all the Lots within the Trust Property have been sold to residential purchasers, Beneficiary agrees to execute a complete release of this Trust Deed.

TO PROTECT THE SECURITY OF THIS TRUST DEED, AND FOR OTHER PURPOSES, TRUSTOR AGREES:

1. Trustor covenants, warrants and agrees with Beneficiary, and its successors and assigns, that Trustor owns the Trust Property in fee simple free from any lien or encumbrance with a priority superior to that of this Trust Deed (except those existing at the time Trustor takes title to the Property or those expressly consented to by Beneficiary, which consent shall be in Beneficiary's sole and absolute discretion), that this Trust Deed is and will remain a valid and enforceable first priority lien on the Trust Property, that Trustor, at its expense, will preserve such title and will warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever. Trustor, at its expense, will cause this Trust Deed, and each amendment or supplement hereto, to be filed and recorded in such manner and in such place and will take such action as in the opinion of Trustee may be required by any present or future law in order to perfect, maintain and protect the lien of this Trust Deed, as the same may be amended or supplemented from time to time. Trustor will make such further assurance or assurances to perfect its title to the Trust Property as may be required by Beneficiary.

2. Subject to Trustor's right to develop the Trust Property for residential purposes and to engage in construction and development activities therein, to keep the Trust Property in good condition and repair; to comply with all laws, covenants and restrictions now and hereafter affecting the Trust Property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon the Trust Property in violation of law; to do all other acts which from the character or use of the Trust Property may be reasonably necessary, the specific enumerations herein not excluding the general.

3. To provide and maintain insurance of such type or types and amounts as commercially reasonable for similarly situated developers of residential property. In the event of Beneficiary's exercise of the power of sale contained herein, or in the event of foreclosure, all right, title and interest of Trustor in and to any insurance policy then in force shall pass to the purchaser at the trustee's sale or foreclosure sale. In the event of loss or damage by fire or other casualty, Beneficiary, at its sole option, may require Trustor to use any insurance proceeds to either immediately rebuild any portion or all of the improvements.

4. To deliver to, pay for and maintain with Beneficiary until this Trust Deed has been released, such evidence of title as is commercially reasonable for similarly situated developers of residential property, including policies of title insurance and any extensions or renewals thereof, or supplements thereto, and including such evidence of title and proof of the absence of other security interests as Beneficiary may from time to time require in regard to fixtures and equipment and goods now held or subsequently acquired which may become fixtures.

5. To execute or procure any and all documents as may be reasonably necessary from time to time in order to protect Beneficiary's security interest and priority in the Trust Property as provided for herein.

6. To appear in and defend any action or proceeding purporting to affect the rights or powers of Beneficiary or Trustee at Trustor's sole expense; and should Beneficiary or Trustee elect to also appear in or defend any such action or proceeding, to pay all costs and expenses, including costs of evidence of title and attorneys' fees in a reasonable sum incurred by Beneficiary or Trustee.

7. To pay or cause to be discharged at least ten (10) days before delinquency all taxes and assessments affecting the Trust Property, together with costs or penalties thereon, including all rents, assessments and charges for water appurtenant to or used in connection with the Trust Property; to immediately pay and discharge when due all encumbrances, charges, and liens on the Trust Property or any part thereof which at any time appear to be prior or superior hereto and to pay all costs, fees, and expenses of this Trust.

8. Should Trustor fail to do any act as herein provided within ten (10) business days of written notice thereof by Trustee or Beneficiary (or such longer period if such is reasonably necessary in order to cure the default, not to exceed thirty (30) days, provided that Trustor commences such cure within the initial ten (10) business day period and thereafter diligently pursues the cure to completion), then Beneficiary or Trustee, but without obligation so to do and without releasing Trustor from any obligation hereof, may: 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 Trust Property for such purposes; commence, appear in and defend any action or proceeding purporting to affect the security hereof or the powers or rights of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto except those existing as of the date Trustor took title to the Trust Property; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor, including cost of evidence of title and employment of counsel, and payment of reasonable attorneys' fees. Provided, however, that nothing in this paragraph shall prevent Trustor from contesting, in good faith and according to law, any lien or assessment against the Trust Property if Trustor shall first furnish to Beneficiary a bond, either cash or by a bonding company satisfactory to Beneficiary, in sum sufficient and conditioned to pay the contested obligation should Trustor be unsuccessful. Nothing contained in this paragraph shall require Beneficiary to incur any expense or take any action hereunder. Trustor irrevocably authorizes and empowers Beneficiary to enter upon the Trust Property as Trustor's agent and, in Trustor's name or otherwise, to perform any and all covenants and agreements to be performed by Trustor as herein provided. Beneficiary shall, at its option, be subrogated to any encumbrance, lien, claim or demand and to all rights and securities for the payment thereof paid or discharged by Beneficiary under the provisions hereof and any such subrogation rights shall be additional and cumulative security for this Trust Deed.

IT IS MUTUALLY AGREED THAT:

9. Should the Trust 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 additional or other security and/or real property owned by Trustor as security for the obligations set forth in this Trust Deed, 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. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Trust Property, or any part thereof, or for conveyance in lieu of or in anticipation of condemnation, are hereby assigned to and shall be paid to Beneficiary.

10. Without affecting the liability of any person, including Trustor, for the payment of any Indebtedness or obligations secured hereby, or the lien of this Trust Deed on the remainder of the Trust

Property for the full amount of any Indebtedness unpaid, Beneficiary and Trustee are respectively empowered as follows: Beneficiary may from time to time and without notice: (a) release any person liable for the payment of any of the Indebtedness or performance of any obligations, (b) extend the time or otherwise alter the terms of payment of any of the Indebtedness or performance of any obligations, (c) alter, substitute or release any property securing the Indebtedness or performance of any obligations; Trustee may, at any time, and from time to time, upon the written request of Beneficiary (i) consent to the making of any map or plat of the Trust Property, (ii) join in granting any easement or creating any restriction thereon, (iii) join in any subordination or other agreement affecting this Trust Deed or the lien or charge thereof, and (iv) release or reconvey, without warranty, all or any part of the Trust Property.

11. Upon written request of Beneficiary stating that all obligations secured hereby have been fulfilled, and upon surrender of this Trust Deed to Trustee for cancellation and retention and upon payment of his fees, Trustee shall release this Trust Deed and record such release against the Trust Property. The recitals in such release of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustor agrees to pay reasonable Trustee's fees for any of the services mentioned in this paragraph 12 and the preceding paragraph 11 or elsewhere herein.

12. The Indebtedness and obligations secured by this Trust Deed may now or hereafter be further secured by mortgages, trust deeds, pledges, contracts of guaranty, security agreements, assignments of rent or other additional securities. Beneficiary or Trustee may, at the option of both or either of them, exhaust any one or more of said securities as well as the security hereunder, either concurrently or independently, and in such order as they or either of them may determine, and apply the proceeds received upon the Indebtedness secured hereby without affecting the status of, or waiving any right to exhaust all or any other security, including the security hereunder, and without waiving any breach or default or any right or power whether exercised hereunder or contained herein, or in any such other security.

13. Each of the following occurrences shall constitute an event of default hereunder (each an **"Event of Default"**):

- (a) Any failure by Trustor to timely comply with all of the terms of this Trust Deed or with the Trustor's obligations arising under Section 4.3 of the Purchase Agreement;
- (b) Any failure by Trustor to maintain this Trust Deed's priority as set forth above with respect to any encumbrance on the Trust Property;
- (c) Any failure by Trustor to protect the Trust Property as required under this Trust Deed; or
- (d) Any representation or warranty made by Trustor to Beneficiary in this Trust Deed shall prove false or misleading in any material respect.
- (e) A trustee, receiver or liquidator of the Trust Property or of Trustor shall be appointed, or any of the creditors of Trustor shall file a petition in bankruptcy against Trustor, or for the reorganization of Trustor pursuant to the United States Bankruptcy Code, or any similar law, whether federal or state, and if such order or petition shall not be discharged or dismissed within sixty (60) days after the date on which such order or petition was filed;
- (f) Trustor shall file a petition pursuant to the United States Bankruptcy Code or any similar law, federal or state, or if Trustor shall be adjudged bankrupt, or be declared insolvent, or shall make an assignment for the benefit of creditors, or shall admit in writing its inability

to pay its debts as they become due, or shall consent to the appointment of a receiver of all or any part of the Trust Property; or

- (g) Final judgment for the payment of money shall be rendered against Trustor and Trustor shall not discharge the same, or cause it to be discharged, within thirty (30) days after the entry thereof, or shall not appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment was granted, based, or entered, and secure a stay of execution pending such appeal.

**“Indebtedness”** shall constitute (i) the payment Trustor’s obligations set forth in Section 4.3 of the Purchase Agreement and (ii) all costs and expenses incurred by Beneficiary in enforcing any right under this Trust Deed, including without limitation, abstract or title fees, appraisal fees, premiums for title insurance, attorney fees and court costs, shall, to the extent permitted by law, be and constitute Indebtedness.

14. Upon the occurrence of any Event of Default, or any time thereafter, Beneficiary may, at its option, without any further notice or demand to or upon Trustor, except as may be required under applicable law, do one or more of the following:

- (a) Beneficiary may seek any remedy available at law or equity;
- (b) Beneficiary may bring any action in any court of competent jurisdiction to foreclose this Trust Deed or enforce any of the covenants hereof;
- (c) Beneficiary may elect to cause the Trust Property or any part thereof to be sold under the power of sale as provided for under the laws of the State of Utah, and in such event, Beneficiary or Trustee shall give such notice of default and notice of sale as may be then required by law. Thereafter, upon the expiration of such time and the giving of such notice of sale as may then be required by law, Trustee, at the time and place specified by the notice of sale, shall sell such Property, or any part thereof specified by Beneficiary (subject to applicable law), at public auction to the highest bidder for cash in lawful money of the United States of America. Upon receipt of payment of the price bid, Trustee shall apply the proceeds in the following order: (i) to the costs and expenses of exercising the power of sale and of the sale, including the payment of trustee’s fees actually incurred, (ii) to the Indebtedness, and (iii) the excess, if any, to the person or persons legally entitled thereto. The sale or sales contemplated hereby shall be governed, at all times, by Utah law, and Trustee and Beneficiary shall have, to the fullest extent permitted by law, all rights and remedies afforded them under such statutes with regard to the foreclosure hereof.

15. Trustor agrees that:

- (a) The duties and obligations of Trustee and Beneficiary shall be determined solely by the express provisions of this Trust Deed and the Trustee and/or Beneficiary shall not be liable except for the performance of such duties and obligations as are specifically set forth herein, and no implied covenants or obligations shall be imposed upon Trustee;
- (b) No provision of this Trust Deed shall require Trustee or Beneficiary to expend or risk its own funds, or otherwise incur any financial obligation in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers;

- (c) Trustee and/or Beneficiary may consult with counsel of its own choosing and the advice of such counsel shall have full and complete authorization and protection in the respect of any action taken or suffered by it hereunder in good faith and reliance thereon; and
- (d) Neither Trustee nor Beneficiary shall be liable for any action taken by it in good faith and reasonably believed by it to be authorized or within its discretion or rights or powers conferred upon it by this Trust Deed.

16. 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.

17. Trustor agrees to surrender possession of the hereinabove described Property to the purchaser at the aforesaid sale, immediately after such sale, in the event such possession has not previously been surrendered by Trustor.

18. Upon the occurrence of any default hereunder and failure to cure such default within ten (10) business days of written notice thereof by Trustee or Beneficiary (or such longer period if such is reasonably necessary in order to cure the default, not to exceed thirty (30) days, provided that Trustor commences such cure within the initial ten (10) business day period and thereafter diligently pursues the cure to completion), Beneficiary shall have the option to declare all sums secured hereby immediately due and payable, and pursue all remedies available at law or equity, including, without limitation judicial and non-judicial foreclosure in the manner provided by law, and Beneficiary shall be entitled to recover in such proceedings all costs and expenses incident thereto, including a reasonable attorney's fees.

19. Beneficiary may appoint a successor trustee at any time by complying with the statutory requirements therefor. The new trustee shall succeed to all the powers, duties, authority and title of the trustee named herein or of any successor trustee.

20. In any action involving the interpretation hereof or performance hereunder by a party hereto or the breach of any provision hereby by a party hereto, including but not limited to an action to obtain possession of the above described trust property after exercise of the power of sale granted hereunder, the non-prevailing party shall be liable for the prevailing party's costs and expenses, including reasonable attorney's fees. Whenever, in this Trust Deed, a party agrees to pay costs, expenses and/or attorneys' fees, such costs, expenses and fees shall include, without limitation: all such items incurred in connection with any insolvency, bankruptcy, reorganization, arrangement or similar proceeding affecting the exercise of any rights or remedies hereunder or under any instrument or agreement secured hereby; and all such items incurred on appeal; and all such items incurred in defending any action or counterclaim relating to this Trust Deed or any instrument or agreement secured by the Trust Deed in which such party does not prevail.

21. 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, and shall run with the land. If Trustor consists of more than one person, all obligations of Trustor hereunder are joint and several. The term "Beneficiary" shall mean Suburban Land Reserve, Inc., its successors and assigns, affiliates or related entities.

22. 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.

23. Trustor requests that one copy of any notice of default and of any notice of sale required hereunder or by applicable law be mailed to it (collectively) at the address hereinbefore set forth, and notice of any change of Trustor's address shall only be effective if given by Trustor to both the Trustee and to the Beneficiary by certified mail, return receipt requested.

24. If, from any circumstances whatsoever, fulfillment of any provision in this Trust Deed or any other agreement between the parties, at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity. This provision shall never be superseded or waived and shall control every other provision of all agreements between the parties hereto.

25. Except as otherwise provided by law, Trustor agrees that its obligation shall continue in full force and effect notwithstanding the death, bankruptcy (or commencement thereof), dissolution or release of any other Trustor and notwithstanding the taking or release of other or additional security and notwithstanding any waiver, amendment or modification (including but not limited to extensions of time or performance) by Beneficiary or Trustee as to the obligations hereunder or under any other document of any of the other Trustor, with or without notice.

26. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

27. This Trust Deed shall be governed by the laws of the State of Utah, without regard to conflicts of law principles. In the event any provision or clause of this Trust Deed conflicts with applicable law, such conflict shall not affect other provisions of this Trust Deed which can be given effect without the conflicting provisions and to this end the provisions of this Trust Deed are declared to be severable. Venue for any matter or dispute arising under this Trust Deed shall occur in Salt Lake City, Utah.

28. All remedies provided in this Trust Deed are distinct and cumulative to any other right or remedy under this Trust Deed or afforded by law or equity, and, to the extent permitted under applicable law, may be exercised concurrently, independently or successively

(Signatures and acknowledgments to follow)

Executed to be effective as of the day and year first set forth above.

CLAYTON PROPERTIES GROUP II, INC.,  
a Colorado corporation dba Oakwood Homes

By: \_\_\_\_\_  
Name: Ryan Smith  
Title: Assistant Secretary

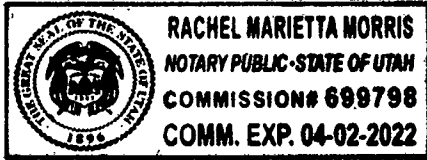
STATE OF Utah )  
 ):ss.  
COUNTY OF Salt Lake )

The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of January, 2019,  
by Ryan Smith, the Assistant Secretary of Clayton Properties Group II, Inc., a  
Colorado corporation dba Oakwood Homes, on behalf of the Corporation.

Witness my hand and official Seal

Rachel Marietta Morris  
Notary Public for the State of Utah

(SEAL)



SUBURBAN LAND RESERVE, INC.,  
a Utah corporation

By: \_\_\_\_\_  
Name: R. Steven Romney  
Its: President

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

On this \_\_\_ day of January, 2019, before me personally appeared R. Steven Romney, whose  
identity is personally known to or proved to me on the basis of satisfactory evidence, and who, being duly  
sworn (or affirmed), did say that he is the President of SUBURBAN LAND RESERVE, INC., a Utah  
corporation, and that the foregoing document was signed by him on behalf of said corporation in his  
capacity as President.

\_\_\_\_\_  
Notary Public



Executed to be effective as of the day and year first set forth above.

CLAYTON PROPERTIES GROUP II, INC.,  
a Colorado corporation dba Oakwood Homes

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
  ):ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2019,  
by \_\_\_\_\_, the \_\_\_\_\_ of Clayton Properties Group II, Inc., a  
Colorado corporation dba Oakwood Homes, on behalf of the Corporation.

Witness my hand and official Seal

(SEAL)

\_\_\_\_\_  
Notary Public for the State of \_\_\_\_\_

SUBURBAN LAND RESERVE, INC.,  
a Utah corporation

*JS*  
*SR*  
By: *R. Steven Romney*  
Name: R. Steven Romney  
Its: President

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

On this 8 day of January, 2019, before me personally appeared R. Steven Romney, whose  
identity is personally known to or proved to me on the basis of satisfactory evidence, and who, being duly  
sworn (or affirmed), did say that he is the President of SUBURBAN LAND RESERVE, INC., a Utah  
corporation, and that the foregoing document was signed by him on behalf of said corporation in his  
capacity as President.

*Marilyn F. Nielson*  
Notary Public



**EXHIBIT A**

(Legal Description of the Trust Property)

That certain real property located in Utah County, Utah, described as follows:

PARCEL A AND PARCEL B OF THE JORDAN PROMENADE SUBDIVISION, VILLAGE 1 PHASE 1, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE UTAH COUNTY RECORDER.