

WHEN RECORDED RETURN TO:

Scott C. McLachlan
Box 37
Saratoga Springs, UT 84043

ENT 113912:2018 PG 1 of 9
Jeffery Smith
Utah County Recorder
2018 Nov 30 03:24 PM FEE 27.00 BY SM
RECORDED FOR Cottonwood Title Insurance Agency, Inc.
ELECTRONICALLY RECORDED

91836-DP

DEED OF TRUST

THIS DEED OF TRUST (this "Deed of Trust") is made this 30 day of November 2018, by and between D.R. HORTON, INC., a Delaware corporation ("Trustor"), whose mailing address is 12351 South Gateway Park Place, Suite D-100, Draper, Utah 84020, COTTONWOOD TITLE INSURANCE AGENCY, INC., a Utah corporation ("Trustee"), whose mailing address is 1996 East 6400 South, Suite 120, Salt Lake City, Utah 84121, and SCOTT C. McLACHLAN ("Beneficiary"), whose mailing address is Box 37, Saratoga Springs, Utah 84043.

WITNESSETH:

TRUSTOR DOES HEREBY IRREVOCABLY GRANT, BARGAIN, SELL, CONVEY AND WARRANT TO TRUSTEE IN TRUST WITH FULL POWER OF SALE, the following described property situated in Utah County, State of Utah, the record owner of which is Trustor, more particularly described on Exhibit A, attached hereto and by this reference made a part hereof (the "Trust Property"), together with all buildings, fixtures, improvements and personal property thereon, and all rights of way, easements, rents, general intangibles, issues, profits, income, tenements, hereditaments, privileges and appurtenances thereunto belonging, now or hereafter acquired, used or enjoyed with the Trust Property, or any part thereof, including, but not limited to, all of the rights Beneficiary assigned to Trustor at the time of the sale of the Trust Property from Beneficiary to Trustor.

FOR THE PURPOSE OF SECURING all of Trustor's obligations set forth in that certain Secured Promissory Note in the principal amount of Three Million Three Hundred Forty Thousand Dollars (\$3,340,000) of even date herewith executed by Trustor and payable to the order of Beneficiary (the "Note").

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR COVENANTS AND AGREES AS FOLLOWS:

1. Title. Trustor covenants, warrants and agrees with Beneficiary, and its successors and assigns, that Trustor owns the Trust Property in fee free from any prior lien or encumbrance, and that this Deed of Trust is and will remain a valid and enforceable first priority lien on the Trust Property.

2. Charges; Liens. Trustor will keep the Trust Property free from all charges, liens and encumbrances, whether statutory, voluntary or involuntary (other than the lien created by this Deed of Trust), and whether superior or inferior to this Deed of Trust, excluding however non-delinquent real estate tax liens, and special assessment liens.

3. Preservation and Maintenance of Trust Property. Trustor will keep the Trust Property at all times in good repair and condition, and Trustor shall not commit, suffer or permit any waste or deterioration of the Trust Property, ordinary wear and tear excepted. Trustor will not do any act or thing which would unduly impair or materially depreciate the value of the Trust Property. Trustor will comply with all present and future ordinances, requirements and regulations of any governmental body which are applicable to the Trust Property and to the occupancy and use thereof.

Trustor shall have the right, without seeking any further consent from Beneficiary, to construct, install and complete on and within the Trust Property, all roads and all underground wet and dry utility improvements as may be approved by the City of Saratoga Springs in connection with the improvement and development of the Trust Property by Trustor, which underground utility improvements may include, without limitation, sewer lines, culinary water lines, secondary water lines, storm drain improvements, electrical power lines, natural gas lines, and lines for the delivery of communication and cable television service.

4. Inspection. Beneficiary or its agents may, at all reasonable times, enter upon the Trust Property for the purpose of inspection at Beneficiary's sole cost and expense. Beneficiary shall have no duty to make such inspection and shall not be liable to Trustor or to any person in possession if it makes or fails to make any such inspection. Notwithstanding the foregoing, Beneficiary shall have the duty to immediately repair any damage to the Trust Property resulting from such entry upon or inspection of the Trust Property. Beneficiary shall indemnify, defend, save and hold Trustor harmless from any losses, costs, expenses, damages, injuries, deaths, causes of action, liens, penalties, fines and liabilities of any and all kinds whatsoever, including without limitation, reasonable attorneys' fees and costs caused by, or in any way related to, the acts or omissions of Beneficiary and its employees, contractors and agents during and in connection with any such inspection of the Trust Property.

5. Protection of Security. If Trustor fails to perform any of the covenants and agreements contained in this Deed of Trust and such failure continues for a period of thirty (30) days after written notice from Beneficiary to Trustor (except in the event of emergency in which case no notice need be given to Trustor), or if any action or proceeding is commenced which does or may adversely affect the Trust Property or the interest of Trustor or Beneficiary therein or the title of Trustor thereto, then Beneficiary, at its option, may perform such covenants and agreements, make such appearances, defend against and investigate such action or proceeding and take such other action as Beneficiary deems reasonably necessary to protect its interest including, but not limited to, disbursement of reasonable attorney fees and entry upon the Trust Property to make repairs. Any amounts disbursed by Beneficiary pursuant to this Section 6, with interest thereon, shall constitute indebtedness of Trustor secured by this Deed of Trust (together with all other amounts due to Beneficiary under this Deed of Trust, collectively, the "Indebtedness"). Unless Trustor and Beneficiary agree to other terms of payment, such amounts shall be payable upon written demand from Beneficiary to Trustor and shall bear interest at a rate

of ten percent (10.0%) per annum (the "Default Rate") commencing twenty (20) days after the date Beneficiary demands payment therefor by written notice to Trustor. 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 Deed of Trust.

6. Condemnation. 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. Trustor irrevocably authorizes and empowers Beneficiary, in the name of Trustor or otherwise, to file, prosecute, settle or compromise any such claim and to collect, receipt for and retain the proceeds. The proceeds of any award or claim may, after deducting all reasonable costs and expenses, including attorney fees, which may have been incurred by Beneficiary in the collection thereof, at the sole discretion of Beneficiary, be released to Trustor and applied to the restoration of the Trust Property.

7. Assignment of Rents. Trustor hereby assigns to Beneficiary all rents, issues and profits now due or which may hereafter become due under or by virtue of any lease, whether written or verbal, or letting of, or of any agreement for the use or occupancy of the Trust Property, or any part thereof (the "Rents") and Trustor hereby confirms upon Beneficiary the right, power and authority to collect all Rents hereby irrevocably appointing Beneficiary its true and lawful attorney-in-fact to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue in the name of Trustor for all Rents. Without limiting the foregoing, Beneficiary shall have the right to notify all tenants and occupants of the Trust Property to pay Beneficiary all Rents due or to become due. Prior to the occurrence of an Event of Default (defined below), Trustor shall hold a revocable license to collect the Rents; immediately upon the occurrence of an Event of Default, such license shall be revoked and all Rents shall be paid to Beneficiary.

8. Time is of the Essence. Time is of the essence in all of Trustor's obligations and duties hereunder.

9. Forbearance by Beneficiary Not a Waiver. Any forbearance by Beneficiary in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

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

11. Successors and Assigns Bound; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and

assigns of Beneficiary, Trustee and Trustor. The captions and headings of the paragraphs of this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

12. Notice. Except for any notice required under applicable law to be given in another manner, all notices or other communications which are required or permitted herein shall be in writing and sufficient if delivered personally, sent by prepaid overnight air courier, or sent by registered or certified mail, postage prepaid, return receipt requested, addressed to Trustor at its mailing address set forth above or at such other address as Trustor may designate by notice to Beneficiary as provided herein, and addressed to Beneficiary at its mailing address set forth above or at such other address as Beneficiary may designate by notice to Trustor as provided herein. Any such communication shall be deemed to have been given when delivered if delivered personally, on the business day after dispatch if sent by overnight air courier, or on the third business day after posting if sent by mail.

13. Governing Law; Severability. This Deed of Trust shall be governed by the laws of the State of Utah. In the event any provision or clause of this Deed of Trust conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust which can be given effect without the conflicting provisions, and to this end the provisions of this Deed of Trust are declared to be severable.

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

- (a) Any default by Trustor in the performance of its obligations under the Note;
- (b) Any failure by Trustor to adequately protect the Trust Property as set forth in this Deed of Trust;
- (c) Any representation or warranty made by Trustor to Beneficiary in this Deed of Trust shall prove false or misleading in any material respect;
- (d) 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; or
- (e) 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.

15. Foreclosure. Upon the occurrence of any Event of Default, or any time thereafter, Beneficiary may, at its option and in its sole discretion, without any further notice or demand to or upon Trustor, do one or more of the following:

- (a) Beneficiary may enter upon, take possession of, manage and operate the Trust Property or any part thereof; make repairs and alterations and do any acts which Beneficiary deems proper to protect the security thereof, and either with or without taking possession, in its own name, sue for or otherwise collect and receive 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 fees and Beneficiary's costs, upon the Indebtedness secured hereby and in such order as Beneficiary may determine. Upon request of Beneficiary, Trustor shall assemble and shall make available to Beneficiary any of the Trust Property which has been removed. The entering upon and taking possession of the Trust Property, the collection of any rents, issues and profits, and the application thereof as aforesaid, shall not cure or waive any default theretofore or thereafter occurring, or affect any notice of default or notice of sale hereunder or invalidate any act done pursuant to any such notice. Notwithstanding Beneficiary's continuance in possession or receipt and application of rents, issues or profits, Beneficiary shall be entitled to exercise every right provided for in this Deed of Trust or by law upon or after the occurrence of an Event of Default, including the right to exercise the power of sale. Any actions referred to in this paragraph may be taken by Beneficiary at such time as Beneficiary may determine without regard to the adequacy of any security for the Indebtedness.
- (b) Beneficiary shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession of, protect and manage the Trust Property and operate the same and collect the rents, issues and profits therefrom.
- (c) Beneficiary may bring any action in any court of competent jurisdiction to foreclose this Deed of Trust or enforce any of the covenants hereof.
- (d) Beneficiary may elect to cause the Trust Property or any part thereof to be sold under the power of sale, 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 Trust 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.

All costs and expenses incurred by Beneficiary in enforcing any right under this Deed of Trust, 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.

16. Security Agreement and Fixture Filing. This Deed of Trust shall constitute a security agreement and, after recording, shall be effective as a financing statement filed as a fixture filing under the Utah Uniform Commercial Code with respect to all goods constituting a part of the Trust Property including, without limitation, those which are or are to become fixtures related to the real estate described herein, together with all substitutions and replacements therefor and all other property of Trustor, either similar or dissimilar to the same, together with all proceeds thereof. For this purpose, the following information is provided:

(a) Name & Address of Trustor (Debtor):

D.R. Horton, Inc.
Utah Division
12351 South Gateway Park Place, Suite D-100
Draper, UT 84020
Attn: Boyd A. Martin, Division President

(b) Name & Address of Beneficiary (Secured Party):

Scott C. McLachlan
Box 37
Saratoga Springs, UT 84043

17. Substitute Trustee. Beneficiary, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder by an instrument recorded in the county in which this Deed of Trust is recorded. Without conveyance of the Trust Property, the successor trustee shall succeed to all title, power and duties conferred upon Trustee herein and by applicable law.

18. Request for Notice. Each party to this Deed of Trust hereby requests that copies of any notice of default and notice of sale be sent to them at their respective mailing addresses set forth above.

19. CORPORATE APPROVAL OF TRUSTOR. NOTWITHSTANDING ANYTHING CONTAINED IN THIS DEED OF TRUST TO THE CONTRARY, NEITHER THIS DEED OF TRUST NOR ANY AMENDMENT HERETO SHALL BE A VALID AND ENFORCEABLE OBLIGATION OF TRUSTOR UNLESS THIS DEED OF TRUST (OR ANY AMENDMENT) IS EXECUTED BY EITHER ONE OF DONALD R. HORTON, MICHAEL MURRAY, DAVID AULD, J. MATT FARRIS, OR BILL WHEAT, EACH AN OFFICER OF TRUSTOR, WITHIN FIVE (5) BUSINESS DAYS OF THE EXECUTION OF THIS DEED OF

TRUST (OR SUCH AMENDMENT) BY TRUSTOR'S REPRESENTATIVE ("CORPORATE APPROVAL").

[SIGNATURE TO FOLLOW]

IN WITNESS WHEREOF, this Deed of Trust has been executed by Trustor as of the day and year set forth above.

TRUSTOR:

D.R. HORTON, INC.,
a Delaware corporation

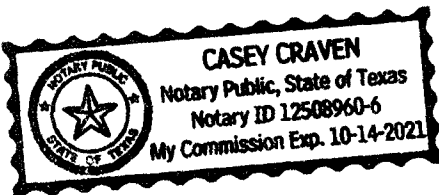
By: Bill W. Wheat

Name: Bill W. Wheat
Chief Financial Officer

Title: _____

STATE OF ~~UTAH~~ Texas)
COUNTY OF ~~SALT LAKE~~ Tarrant : ss.)

The foregoing document was duly acknowledged before me this 16th day of November, 2018, by Bill Wheat, the Chief Financial Officer of D.R. HORTON, INC., a Delaware corporation, for and in behalf of such corporation.



Casey Craven
Notary Public
Residing at: 1841 Horton Cir. Arlington, TX 76011

My Commission Expires:
10-14-2021

EXHIBIT "A"

A portion of the Southeast quarter and the Northeast quarter of Section 24, Township 5 South, Range 1 West, and the Southwest quarter of Section 19, Township 5 South, Range 1 East, Salt Lake Base and Meridian, located in Saratoga Springs, Utah, described as follows:

Beginning at a point on the East line of that real property described in Deed Entry No. 117221:2013, said point being located South 00°10'34" East 184.61 feet and East 216.60 feet from the East quarter corner of Section 24, Township 5 South, Range 1 West, Salt Lake Base and Meridian; thence South 00°31'08" West along said real property 120.28 feet to an existing fence; thence along an existing fence line the following three (3) courses: North 89°25'18" West 680.77 feet; thence South 01°26'00" West 326.59 feet; thence South 02°10'00" East 193.89 feet; thence South 89°42'16" West 79.01 feet; thence North 00°17'42" West 68.32 feet; thence South 89°42'18" West 54.00 feet; thence South 89°49'06" West 519.50 feet; thence North 81°50'47" West 60.00 feet; thence South 89°43'36" West 22.40 feet; thence South 00°16'24" East 84.65 feet; thence South 89°43'36" West 125.00 feet; thence South 00°18'40" East 136.49 feet to the Northwest corner of that real property described in Deed Entry No. 70517:2014; thence along said real property the following two (2) courses: South 00°10'28" East 417.27 feet; thence South 89°18'32" East 1.31 feet to a fence corner; thence South 00°08'00" West along a fence line 244.29 feet to the Southeast corner of that real property described in Deed Entry No. 117221:2013; thence along said real property and an existing fence line the following five (5) courses: South 89°45'14" West 662.94 feet; thence North 00°14'29" West 798.08 feet; thence North 89°30'02" East 663.55 feet; thence North 00°16'25" West 824.57 feet; thence North 00°03'11" East 186.55 feet to the South line of that real property described in Deed Entry No. 11728:2013; thence along said real property the following two (2) courses: West 1.10 feet; thence North 00°04'00" West 463.54 feet to the Westerly extension of the South line of that real property described in Deed Entry No. 109533:2015; thence along said real property the following three (3) courses: North 89°59'55" East 60.23 feet; thence North 00°08'11" West 281.16 feet; thence North 89°59'55" East 309.96 feet; thence South 00°47'40" East 61.93 feet; thence South 89°12'20" West 4.71 feet; thence South 613.48 feet; thence South 59°10'24" East 259.31 feet; thence South 55°07'14" East 75.71 feet; thence Northeasterly along the arc of an 888.00 foot radius non-tangent curve to the left (radius bears: North 55°07'14" West) 34.71 feet through a central angle of 02°14'22" (chord: North 33°45'35" East 34.71 feet); thence South 65°35'52" East 176.12 feet; thence South 00°00'16" West 129.28 feet; thence South 89°59'44" East 39.92 feet; thence South 00°33'07" West 82.88 feet; thence South 89°26'53" East 678.12 feet to the point of beginning.

LESS AND EXCEPTING THEREFROM the following described Parcels owned by Saratoga Springs City:

Beginning at a point located 1,104.90 feet West and 2,264.96 feet South, from the Northeast corner of Section 24, Township 5 South, Range 1 West, Salt Lake Base and Meridian to the point of beginning running thence West a distance of 200.00 feet; thence South a distance of 200.00 feet; thence East a distance of 200.00 feet; thence North a distance of 200.00 feet to said point of beginning.