

Assignment of Trust Deed Page 1 of 16  
Gary Christensen Washington County Recorder  
11/17/2022 01:31:11 PM Fee \$40.00 By NELSON  
CHRISTENSEN HOLLINGWORTH & WILLIAMS

When Recorded Return to:

Burns, Figa & Will, P.C.  
Attn: Andrea Welter, Esq.  
6400 S Fiddlers Green Circle  
Greenwood Village, CO 80111

Tax Serial No. H-PNTS-2-68

## ASSIGNMENT OF TRUST DEED AND SECURED PROMISSORY NOTE

FOR VALUABLE CONSIDERATION in the sum of \$10,000 and other valuable consideration, the receipt of which is hereby acknowledged, **MB CONSTRUCTION LENDING, LLC**, a Utah limited liability company ("**MB**"), of 1245 Brickyard Rd., Ste 100, Salt Lake City UT 84106, subject to the terms and conditions set forth in that Line of Credit and Security Agreement between Lender and MB on or about the date hereof, hereby assigns, conveys and transfers ("**Assignment**") to **TIM DOWDESWELL**, of 11811 Bell Cross Way, Parker, CO 80138 ("**Lender**"), all of MB's beneficial interest and rights accrued or to accrue under that certain (1) Secured Promissory Note dated November 1, 2022 executed by MB - Painted Sands, LLC, a Utah limited liability company in favor of MB and that certain (2) Trust Deed dated November 1, 2022, together with the indebtedness secured thereby, executed by MB - Painted Sands, LLC, a Utah limited liability company, as Trustor, to John Lish, Esq., as original Trustee, recorded on November 1, 2022 as Entry No. 20220048710 in the Official Public Records of Washington County, Utah, relating to real property situated in Washington County, State of Utah, and as described in the Attached **Exhibit "A"**.

In consideration for this Assignment, Lender has entered into a Line of Credit Agreement with MB to advance MB funds of up to Three Hundred Fifteen Thousand and 00/100 Dollars (\$315,000.00).

[Signature Page Follows]

DATED this 7 day of November, 2022.

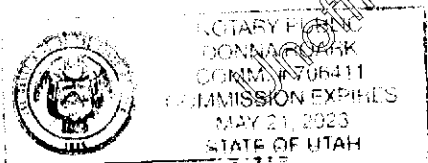
MB Construction Lending, LLC

Scott Heagy  
By: Scott Heagy  
Its: **Manager**

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

On this 7 day of November, 2022 personally appeared before me Scott Heagy who duly acknowledged to me that he executed the foregoing as the **Manager of MB Construction Lending, LLC, a Utah limited liability company.**

Wanda Beck  
Notary Public



**Exhibit "A"**  
**Legal Description**

All of Lot 68, Final Plat of Painted Sands Phase 2, a 26 Lot Residential Subdivision located in the Northeast Quarter of Section 33, Township 41 South, Range 13 West, Salt Lake Base and Meridian, Hurricane City, Utah, according to the official plat thereof recorded in the office of the Washington County Recorder, State of Utah.

## LINE OF CREDIT AND SECURITY AGREEMENT

THIS LINE OF CREDIT AND SECURITY AGREEMENT ("Agreement") is entered into effective as of November 4, 2022, by and between Timothy R. Dowdeswell ("Lender"), and MB Construction Lending, LLC, a Utah limited liability company ("Borrower").

### RECITALS

WHEREAS, Lender desires to provide to Borrower, and Borrower desires to obtain from Lender, a line of credit with a maximum loan amount of Three Hundred Fifteen Thousand and 00/100 Dollars (\$315,000.00) (the "Line of Credit"), on certain terms and conditions as set forth in this Agreement.

WHEREAS, as security to Lender, subject to the terms of this Agreement, Borrower has agreed to assign its interest in the (1) Secured Promissory Note dated November 1, 2022 executed by MB - Painted Sands, LLC, a Utah limited liability company in favor of MB and that certain (2) Trust Deed dated November 1, 2022, together with the indebtedness secured thereby, executed by MB - Painted Sands, LLC, a Utah limited liability company, as Trustor, to John Lish, Esq., as original Trustee, recorded on November 1, 2022 as Entry No. 20220048710 in the Official Public Records of Washington County, Utah, relating to real property situated in Wasatch Washington County, State of Utah, with respect to the following "Property":

All of Lot 68, Final Plat of Painted Sands Phase 2, a 26 Lot Residential Subdivision located in the Northeast Quarter of Section 33, Township 41 South, Range 13 West, Salt Lake Base and Meridian, Hurricane City, Utah, according to the official plat thereof recorded in the office of the Washington County Recorder, State of Utah.

### AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Commitment Fee.

(a) Subject to and in accordance with the provisions of this Agreement, Lender agrees to make disbursements under the Line of Credit, and Borrower may draw upon and borrow, in the manner and upon the terms and conditions expressed in this Agreement, amounts that shall not exceed in the aggregate, Three Hundred Fifteen Thousand and 00/100 Dollars (\$315,000.00) (the "Maximum Amount"). The Line of Credit shall not be a revolving line of credit and advances hereunder shall only be made up to the Maximum Amount, subject to the limitations contained in this Agreement. The Line of Credit shall bear interest on the outstanding principal balance at an annual rate of eight percent (8%), calculated on the basis of a 365-day year and compounded daily, for the first six months of the Note and if extended, shall bear interest on the outstanding principal balance at an annual rate of twelve percent (12%), calculated on the basis of a 365-day year and compounded daily, for any extended term of the Note.

(b) Lender shall be paid the following fees in connection with the Line of Credit: (i) two (2) basis points shall be paid on the Maximum Amount and shall be due at the time of the first Advance; and (ii) one (1) basis point shall be paid on the aggregate amount of all Advances made during the term of the Line of Credit and shall be due at the time of the sale of the Property.

(c) Notwithstanding anything in this Agreement to the contrary, Lender shall have no obligation to make any Advance until such time as Borrower has delivered to Lender a release of the Property from any prior security interest on the Property, including a release of the Property from Miller Bates, LLC, a Utah limited liability company, with respect to the Trust Deed dated July 2, 2021 benefiting Miller Bates, LLC affecting the title to the Property.

2. Maturity Date; Extensions. If not sooner paid by Borrower, all outstanding principal, accrued but unpaid interest and other outstanding sums due under this Agreement shall be paid in full on May 4, 2023, as extended (the "Maturity Date"). So long as Borrower is not in Default and an Event of Default is not occurring, Borrower may exercise the right, by delivery of written notice to Lender, prior to the Maturity Date (or such extension thereof) to extend the Maturity Date up to nine (9) times, each for a one-month period extension (total of a nine (9) month extension).

3. Advances. "Advances" under the Line of Credit will be made by Lender upon receipt by Lender of at least five (5) business days' advance written notice setting forth the amount of advance, accompanied by the certification by the Manager on behalf of Borrower that: (i) neither a Default nor an Event of Default (as defined below) exists, and (ii) that the outstanding principal balance of the Line of Credit after the requested advance will not exceed the Maximum Amount, and (iii) that the warranties and representations made by Borrower herein are true and correct as of the date of each Advance.

4. The Note. Borrower's obligation to pay the principal of and interest on the Line of Credit shall be evidenced by a Secured Promissory Note (the "Note"), substantially in the form attached hereto as **Exhibit A**, which shall (i) be duly executed and delivered by Borrower, (ii) be dated as of the date hereof, (iii) be in the stated principal amount of the Line of Credit, (iv) mature on the Maturity Date, as extended, (v) bear interest as provided in the Note, and (vi) be governed by this Agreement.

5. Collateral. In consideration of the Line of Credit, Borrower hereby grants to Lender a security interest in, and assigns and pledges to Lender, the collateral ("Collateral") described in **Exhibit B** hereto, together with all additions, accessions, substitutions, proceeds, accounts receivable and products therefrom to secure the payment, performance and observance of all indebtedness, obligations and liabilities of Borrower to Lender under this Agreement and the Note and Borrower shall deliver the original executed versions of the note and trust deed constituting the Collateral to Lender following recordation of the same. Borrower shall execute and deliver to Lender an Assignment of Trust Deed and Secured Promissory Note, and shall deliver the original to Lender following recordation of the same, in the form attached hereto as **Exhibit C**.

6. **Default.** The occurrence of any of the following events shall constitute an "Event of Default" hereunder:

(a) the non-payment of any principal or interest due and owing to Lender under the Line of Credit and such failure to make payment shall continue for a period of five (5) days or longer from the due date;

(b) violation by Borrower of any covenant or obligation contained in this Agreement or the Note, or breach of any representation or warranty contained herein or in the Note;

(c) Borrower (i) admits in writing its inability to pay its debts as they become due; (ii) files a petition under any chapter of the Federal Bankruptcy Code or similar law, state or federal, not or hereafter existing; (iii) makes an assignment for the benefit of its creditors; or (iv) is adjudged a bankrupt or insolvent, fails to timely pay or otherwise defaults on any other loan or obligations secured by the Collateral;

(d) Borrower, without prior written consent of Lender, is merged or consolidated with another entity, or sells, transfers or otherwise disposes of substantially all its assets to another person or entity other than in the ordinary course of business;

(e) the making or furnishing of any warranty, representation or statement to the Lender by or on behalf of the Borrower which proves to have been false in any material respect when made or furnished.

(f) loss, theft, damage, destruction, sale or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon;

(g) change of name, dissolution, merger, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws of, by or against the Borrower;

(h) the occurrence of a default or event of default by the borrower under the Collateral pledged hereby as security for this Note.

Upon occurrence of an Event of Default, Lender shall notify Borrower in writing. If the Event of Default is not cured within ten (10) days after the giving of such notice of default, Borrower shall be deemed to be in default under this Agreement (a "Default").

7. **Remedies.** Upon Default and at any time thereafter, or if it deems itself insecure, the Lender may declare all obligations secured hereby immediately due and payable subject to any notice required by law or agreement, and shall have the remedies of a Lender under Article 9 of the Colorado Uniform Commercial Code. Further, upon Default and at any time thereafter, upon written notice to the Borrower, Lender may exercise its rights as the assignee of the Collateral pursuant to the Assignment of Trust Deed and Secured Promissory Note and may take any and all actions, rights and remedies set forth therein with respect to the underlying property. Following Lender's exercise of its rights as an assignee of the Collateral, Borrower shall no longer have any rights under the Collateral,

and all rights shall devolve to Lender. Expenses of retaking, holding, preparing for sale, selling or the like shall, subject to any applicable limits set forth in the Colorado Uniform Consumer Credit Code, include the Lender's reasonable attorneys' fees and legal expenses (including the allocated fees and expenses of in-house counsel) and such portion of the Lender's overhead as it may in its reasonable judgment deem allocable to and includable in such expenses.

At its option, but without obligation to the Borrower, the Lender may discharge taxes, liens, or security interests or other encumbrances at any time levied or placed on the Collateral, may place and pay for insurance thereon, may order and pay for the repair, maintenance and preservation thereof and may pay any necessary filing or recording fees. The Borrower agrees to reimburse the Lender on demand for any payment made or any expense incurred by the Lender pursuant to the foregoing authorization.

8. **Cumulative Remedies.** All remedies of Lender provided for herein are cumulative and shall be in addition to all other rights and remedies provided by law. The exercise of any right or remedy by Lender hereunder shall not in any way constitute a cure or waiver of default hereunder or invalidate any act done pursuant to any notice of default, or prejudice Lender in the exercise of any of its rights hereunder unless, in the exercise of its rights, Lender realizes all amounts owed to it under the Line of Credit.

9. **Collateral Rights Prior to Default.** Until a Default shall occur and Lender has exercised its rights as assignee of the Collateral, the Borrower shall retain all rights, duties and obligations under the pledged Collateral. Notwithstanding the foregoing, Borrower agrees, that at no time while the obligations under the Note remain outstanding will Borrower permit the trustor under the Trust Deed to take the following actions without Lender's consent:

- (a) Permit any insurance maintained on the Property to lapse;
- (b) Permit any additional liens to be placed on the Property, whether evidenced by additional debt, mechanics liens, tax liens or other liens affecting the Property, or otherwise affect the title to the Property; or
- (c) Sell or otherwise transfer the Property or any interest in the Property.

10. **Default Rate; Acceleration.** Upon Default, Lender shall have the right to collect interest on the outstanding principal balance, together with accrued but unpaid interest under the Line of Credit at a rate of twelve percent (12%) per annum. In addition to any other remedies which Lender has hereunder or by law, upon Default, at its option and upon written notice, Lender may declare the payment of outstanding principal balance and accrued but unpaid interest under the Line of Credit immediately due and payable.

11. **Representations and Warranties of the Borrower.** Borrower hereby represents and warrants as follows:

- (a) ***Organization; Authority to Enter into Agreement.*** Borrower is a limited liability company, duly formed and validly in existence and in good standing under the laws of the State

of Utah. Borrower has full power and authority to enter into this Agreement and to execute and to carry out the provisions of this Agreement. The execution, delivery and performance of this Agreement have been duly authorized by all necessary action of Borrower.

(b) *No Consents.* The execution, delivery and performance by Borrower of this Agreement does not require consent, approval, authorization or license of any governmental authority or a third party.

(c) *Validity.* When executed and delivered to the Borrower, this Agreement will be a binding obligation of the Borrower enforceable in accordance with its terms.

(d) *Collateral Agreements.* The Collateral represents valid and enforceable agreements between Borrower and the borrower defined therein and is a perfected and valid first priority security interest in the Property.

12. Warranties and Covenants Regarding Collateral. Borrower expressly warrants and covenants the following: (i) except for the security interest granted hereby now or hereafter existing, the Collateral is free from any adverse lien; and Borrower will defend the Collateral against all claims and demands of all persons at any time claiming the same or interest therein except for those security interests set forth above; and (ii) except as otherwise permitted herein, Borrower shall not permit or allow any adverse lien, security interest, or encumbrance upon the Collateral now or hereafter existing, and shall not permit the same to be attached. Borrower further covenants that, until all of the obligations of Borrower under this Agreement have been satisfied in full, Borrower will: (i) not enter into any agreement(s), which are inconsistent with the Borrower's undertakings and covenants under this Agreement or which restrict or impair Lender's rights hereunder; and (ii) sign any documentation requested by Lender which is reasonably necessary or advisable to preserve Lender's security interest in the Collateral.

13. Additional Provisions:

(a) Irrespective of whether the Lender claims a security interest in proceeds hereunder, the Borrower will not sell or offer to sell or otherwise transfer or encumber the Collateral or any interest therein without the prior written consent of the Lender.

(b) The Borrower will pay all taxes and assessments of every nature which may be levied or assessed against the Collateral.

(c) The Borrower will keep the Collateral at all times insured against risks of loss or damage by fire (including so-called extended coverage), theft and such other casualties as the Lender may reasonably require, including collision in the case of any motor vehicle, all in such amounts, under such forms of policies, upon such terms, for such periods, and written by such companies or underwriters as the Lender may approve, losses in all cases to be payable to the Lender and the Borrower as their interest may appear. All policies of insurance shall provide for at least thirty (30) days' prior written notice of cancellation to the Lender; and the Borrower shall furnish the Lender with certificates of such insurance or other evidence satisfactory to the Lender as to compliance with the provisions of this paragraph. The Lender may act as attorney for the Borrower in making, adjusting



and settling claims under or cancelling such insurance and endorsing the Borrower's name on any drafts drawn by insurers of the Collateral.

(d) The Borrower shall enforce all rights, obligations and covenants of the borrower under the Collateral documents, and agrees to take such actions as Lender may request with respect to such enforcement.

(e) The Borrower will not use the Collateral in violation of any applicable statutes, regulations.

14. Fee, Costs and Expenses. Any and all fees, costs and expenses including reasonable attorneys' fees and expenses incurred by Lender in connection with the enforcement of its rights under this Agreement, including those incurred in defending or prosecuting any actions or proceedings arising out of or related to the Collateral, shall be paid by Borrower on demand by Lender and, until paid, shall be added to the amounts due to Lender under the Line of Credit. Additionally, Borrower agrees to pay Lender's attorney's fees in connection with the drafting of this Agreement and related and/or ancillary documents related to the transaction.

15. Waiver. No waiver by the Lender of an Event of Default shall operate as a waiver of any other Event of Default or of the same Event of Default on a future occasion. The taking of this security agreement shall not waive or impair any other security the Lender may have or hereafter acquire for the payment of the obligations, nor shall the taking of any such additional security waive or impair this security agreement; but the Lender may resort to any security it may have in the order it may deem proper, and notwithstanding any additional security, the Lender shall retain its rights of setoff against the Borrower.

16. Assignment. The terms hereof shall be binding upon and shall inure to the benefit of the parties hereto and their personal representatives, successors and assigns, provided, however, that Borrower may not assign its rights or delegate its duties and obligations hereunder without the prior written consent of Lender.

17. Notices. Any notice required or permitted to be given hereunder shall be in writing and will be deemed received (a) upon personal delivery or upon confirmed electronic mail or other similar transmission, (b) on the first business day after receipted delivery to a courier service which confirms next-business-day delivery, or (c) on the third business day after mailing, by registered or certified United States mail, postage prepaid, to the appropriate party at its address set forth below:

If to LENDER:

Timothy R. Dowdeswell  
11811 Bell Cross Way  
Parker, CO 80138  
E-Mail: timdowdeswell1@gmail.com

With a Copy to:

Burns Figa & Will, P.C.  
Attn: Dana L. Eismeier  
6400 S. Fiddlers Green Circle  
Suite 1000  
Greenwood Village, CO 80111  
E-Mail: deismeier@bfiwlaw.com

If to BORROWER:

MB Construction Lending LLC  
Att: Taylor Berbert, Manager  
1245 Brickyard Rd., Ste 100  
Salt Lake City, UT 84106  
E-Mail: taylor.berbert@millerbates.com

18. Amendments. No amendment, modification or termination of any provisions of this Agreement shall in any event be effective unless the same shall be in writing and signed by all parties hereto.

19. Survival of Representations and Warranties. All agreements, representations and warranties made herein shall survive the execution and delivery of this Agreement and continue in full force and effect until the obligations of Borrower hereunder evidenced by the Note have been fully paid and satisfied.

20. Entire Agreement, Severability. This Agreement, together with all Exhibits hereto, constitutes the entire agreement of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings. Should any provision of this Agreement violate any federal, state or local law or ordinance, that provision shall be deemed amended to so comply with such law or ordinance, and shall be construed in a manner so as to comply. In the event that any clause or provision of this Agreement shall be determined to be invalid, illegal or unenforceable, such clause or provision may be severed or modified to the extent necessary, and as severed and/or modified, this Agreement shall remain in full force and effect.

21. Governing Law. This Agreement and other documents delivered pursuant hereto and the legal relations between the parties shall be governed and construed in accordance with the law of the State of Utah.

22. Counterparts. Facsimile and electronic signatures on this Agreement shall be sufficient and acceptable to bind the Borrower and/or the Lender for execution of this Agreement. This Agreement shall only be effective and binding when executed by both the Borrower and the Lender. This Agreement may be executed in counterparts, each of which so executed shall be deemed an original and constitute one and the same document.

[Signature Page Follows]

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first above written.

**LENDER:**

\_\_\_\_\_  
Timothy R. Dowdeswell

**BORROWER:**

**MB Construction Lending, LLC**

By: Scott Heagy  
Name: Scott Heagy  
Title: Manager

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**EXHIBIT A**

**SECURED PROMISSORY NOTE**

\$315,000.00

Littleton, Colorado  
November 4, 2022

FOR VALUE RECEIVED, the undersigned **MB Construction Lending, LLC**, a Utah limited liability company ("Borrower"), hereby promises to pay to the order of **Timothy R. Dowdeswell** ("Lender"), at 11811 Bell Cross Way, Parker, CO 80138, or at such other place as Lender or any subsequent holder hereof (the "Holder") may, from time to time, designate in writing, the principal sum OF THREE HUNDRED FIFTEEN THOUSAND AND 00/100 DOLLARS (\$315,000.00), or so much of that sum as may be advanced under this Note by Lender pursuant to the Credit Agreement (defined below), with principal and interest thereon payable as specified in this Promissory Note (this "Note"). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

**1. Principal and Interest.** Interest shall accrue on the Line of Credit from and after the date of disbursement at an annual rate of eight percent (8%) for the first six months of the Note and if extended, shall bear interest on the outstanding principal balance at an annual rate of twelve percent (12%) for any extended term of the Note. If not sooner paid by Borrower, all outstanding principal, accrued but unpaid interest and other outstanding sums due under the Agreement or this Note shall be paid in full on May 4, 2023 (the "Maturity Date"). So long as Borrower is not in Default and an Event of Default is not occurring, Borrower may exercise the right, by delivery of written notice to Holder, prior to the Maturity Date (or such extension thereof) to extend the Maturity Date up to nine (9) times, each for a one-month period extension (total of a nine (9) month extension).

All payments under this Note shall be made only in lawful money of the United States of America, at such place as the Holder hereof may designate in writing from time to time.

**2. Line of Credit Loan.** Up to Three Hundred Fifteen Thousand and 00/100 Dollars (\$315,000.00) of the principal amount of this Note may be disbursed in accordance with the terms of the Credit Agreement, provided that the aggregate of such advances does not exceed Three Hundred Fifteen Thousand and 00/100 Dollars (\$315,000.00).

**3. Prepayment.** This Note may be prepaid in part (or in full) at any time prior to the Maturity Date, and from time to time, without premium or penalty, and without the prior consent of the Holder hereof, on the conditions that (a) Borrower shall concurrently pay all accrued but unpaid interest on the amount of principal outstanding at the time of each prepayment, and that (b) Borrower shall provide Holder with five (5) days' prior written notice of such prepayment.

**4. Default and Acceleration.** Time is of the essence in the performance of Borrower's obligations pursuant to this Note. Upon the occurrence of a Default as defined in the Credit

Agreement, at the option of the Holder hereof, (i) the entire outstanding principal balance, all accrued but unpaid interest at once shall become due and payable upon written notice to Borrower, (ii) the Holder may fully enforce its rights in the Collateral given to secure the payment of this Note, and (iii) the Holder may pursue all other rights and remedies available under this Note, any instrument securing payment of this Note, or by law.

**5. Default Rate of Interest.** Upon the occurrence of a Default, Borrower promises to pay interest on the outstanding principal balance of this Note, together with all accrued but unpaid interest, at a rate of interest equal to twelve percent (12%) per annum.

**7. Remedies Cumulative.** The rights or remedies of the Holder as provided in this Note and any instrument securing payment of this Note shall be cumulative and concurrent and may be pursued at the sole discretion of the Holder singly, successively, or together against Borrower and/or the Collateral described in the Credit Agreement. The failure to exercise any such right or remedy shall in no event be construed as a waiver or release of such rights or remedies or the right to exercise them at any later time.

**8. Forbearance.** Any forbearance of the Holder in exercising any right or remedy hereunder or under the Credit Agreement, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. The acceptance by the Holder of payment of any sum payable hereunder after the due date of such payment shall not be a waiver of the Holder's right to either require prompt payment when due of all other sums payable hereunder or to declare a Default for failure to make prompt payment. The Holder shall at all times have the right to proceed against any portion of the security held here for in such order and in such manner as the Holder may deem fit, without waiving any rights with respect to any other security. No delay or omission on the part of the Holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note.

**9. Application of Payments.** All payments made on this Note shall be applied first to any collection costs the Holder may have incurred by procuring Borrower's performance hereunder, then to payment of accrued but unpaid interest and the remainder of all such payments shall be applied to the reduction of the outstanding principal balance on this Note.

**10. Usury.** In the event the interest provisions hereof, any exactions provided for herein or in the Credit Agreement or any other instrument securing this Note, shall result, in an effective rate of interest which, exceeds the limit of the usury or any other applicable law, all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied upon the outstanding principal balance of this Note immediately upon receipt of such moneys by the Holder, and any such amount in excess of such outstanding principal balance shall be returned to Borrower.

**11. Line of Credit and Security Agreement.** This Note is executed by Borrower in connection with that certain Credit Agreement between Borrower and Lender of even date herewith (the "Credit Agreement") and this Note is secured by the Collateral described in the Credit Agreement. In the event of any conflict between any provision of the Credit Agreement and any provisions of this Note, the provision of the Credit Agreement shall control.

**12. Jurisdiction.** This Note is to be governed according to the laws of the State of Utah, without giving effect to conflict of law principles

**13. Binding Effect.** This Note shall be binding upon Borrower and its successors and assigns and shall inure to the benefit of the Holder and its successors and assigns.

**14. Notice.** All notices required or permitted in connection with this Note shall be given at the place and in the manner provided in the Credit Agreement for the giving of notices.

**15. Attorneys' Fees.** Borrower further promises to pay all reasonable attorneys' fees incurred by the Holder in connection with any Default hereunder and in any proceeding brought to enforce any of the provisions of this Note.

IN WITNESS WHEREOF, Borrower has duly executed this Secured Promissory Note effective as of the day and year first above written.

**BORROWER:**

MB Construction Lending, LLC

By: Scott Heagy  
Name: Scott Heagy  
Title: Manager

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**EXHIBIT B**

**DESCRIPTION OF COLLATERAL:**

Borrower's obligations under the Line of Credit and Security Agreement and Secured Promissory Note are secured with the following:

All of Borrower's beneficial interest and rights accrued or to accrue under that certain (1) Secured Promissory Note dated November 1, 2022 executed by MB - Painted Sands, LLC, a Utah limited liability company in favor of MB and that certain (2) Trust Deed dated November 1, 2022, together with the indebtedness secured thereby, executed by MB - Painted Sands, LLC, a Utah limited liability company, as Trustor, to John Lish, Esq., as original Trustee, recorded on November 1, 2022 as Entry No. 20220048710 in the Official Public Records of Washington County, Utah, relating to real property situated in Wasatch Washington County, State of Utah

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**EXHIBIT C**

**Assignment of Trust Deed and Secured Promissory Note**

[Attached]