

*Recording Requested By;
After Recording Return to:*

KEYBANK NATIONAL ASSOCIATION
Home Builder Group
Mailcode: UT-51-CL-0120
1100 East 6600 South, Suite 120
Salt Lake City, UT 84121
Attn: Kirsten Carlson
RE: 23 Lots in Eagle Mountain, Various parcels in
Spanish Fields, Jordan Willows, Plat M

Bt 5061

**SPREADING AMENDMENT TO CONSTRUCTION DEED OF TRUST,
SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS,
AND FIXTURE FILING**

THIS SPREADING AMENDMENT TO CONSTRUCTION DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS, AND FIXTURE FILING (the "*Amendment*") is made as of June 27, 2006 by and among:

Grantor/Trustor: FIELDSTONE HOMES UTAH, L.L.C,
1265 East Fort Union Blvd, Suite 350
Cottonwood Heights, UT 84047

Address for Notice Purposes:

14 Corporate Plaza
Newport Beach, CA 92660

Grantee/Trustee: KEYCORP REAL ESTATE CAPITAL MARKETS, INC.
127 Public Square
Cleveland, OH 44114

Grantee/Beneficiary: KEYBANK NATIONAL ASSOCIATION
Home Builder Group
Mailcode: UT-51-CL-0120
1100 East 6600 South, Suite 120
Salt Lake City, UT 84121

NOTICE TO RECORDER: THE DOCUMENT MODIFIED HEREBY CONTAINS A FIXTURE FILING AND IS FILED AND INDEXED IN THE REAL ESTATE RECORDS NOT ONLY AS A DEED OF TRUST/TRUST DEED, BUT ALSO AS A FIXTURE FILING. BOTH THE DEED OF TRUST/TRUST DEED AND THE FIXTURE FILING ARE BEING MODIFIED HEREBY.

Grantor/Trustor is also referred to herein as "*Borrower*" and Grantee/Beneficiary as "*Lender*".

Notice to Borrower: The Restated Notes secured by the deed of trust amended hereby contain provisions for a variable interest rate and include revolving lines of credit. Under the revolving lines, Lender will make periodic advances to Borrower, which may be repaid and subsequently re-advanced, subject to the terms and conditions of the Restated Notes and the other loan documents referenced below. The unpaid balance may from time to time be reduced to zero. A zero balance does not terminate the revolving line and the lien of this Deed of Trust will remain in full force notwithstanding such reductions. However, nothing herein shall be construed as obligating Lender to make any future advance to Borrower.

RECITALS

A. Borrower obtained a revolving land acquisition, development, and residential construction borrowing base facility from Lender (the "**Loan**" or the "**Facility**") pursuant to the terms of a Revolving Land Acquisition, Development, and Residential Construction Borrowing Base Facility Agreement dated November 24, 2003 (the "**Original Loan Agreement**") and further evidenced by a Promissory Note dated November 24, 2003, in the original maximum principal amount of \$35,000,000.00 (the "**Original Note**"). The amount of the Loan was subsequently increased to \$55,000,000.00 and the Facility was otherwise modified pursuant to the terms of a Restated Revolving Land Acquisition, Development, and Residential Construction Borrowing Base Facility Agreement dated December 2, 2004, (the "**Restated Loan Agreement**") and a Restated Promissory Note of the same date (the "**Restated Note**").

B. Pursuant to the First Amendment to Restated Borrowing Base Facility dated June 16, 2005, Borrower executed a new note with the same interest rate and payment terms as the Restated Note in an amount not to exceed \$7,000,000.00 under which Lender is to make all advances allowed under the terms of the Facility based on the Collateral Basis Amount of Non-Conforming Land, as defined in the Loan Agreement (the "**Non-Conforming Land Note**"); *provided, however*, that the outstanding principal balance of the Non-Conforming Land Note together with all other principal outstanding under the Borrowing Base Line of Credit Sub-Limit under the Facility shall at no time exceed the applicable Borrowing Base Line of Credit Sub-Limit as set forth in the Loan Agreement.

C. Pursuant to the Second Amendment to Restated Borrowing Base Facility dated July 27, 2005, the maximum principal amount of the Facility was increased to \$70,000,000.00 and Borrower executed a second restated note for the Facility in the amount of \$70,000,000.00 (the "**Second Restated Note**") and a restated version of the Non-Conforming Land Note in an amount not to exceed \$7,000,000.00 (the "**Restated Non-Conforming Land Note**" and, collectively, together with the Second Restated Note, the "**Restated Notes**").

D. Borrower's obligations under the Facility are secured by a Deed of Trust, Security Agreement, Fixture Filing and Assignment of Rents recorded in the official records of Utah County, Utah, on August 3, 2005, under Instrument No. 84539:2005 against the real property legally described therein and in the subsequent amendments thereto, duplicate originals of which have also been recorded in other counties in which property securing the Facility is located (including all duplicate originals and as amended, the "**Deed of Trust**"). Subsequent to the recording of the Deed of Trust, a portion of the property subject thereto may have been reconveyed from the lien of the Deed of Trust. That portion of the property described in the Deed of Trust that has not been reconveyed is referred to herein as the "**Current Property**". (The Facility may also be secured by one or more additional deeds of trust against other property, but those deeds of trust are not the subject of this Amendment.)

D. The Restated Loan Agreement, Restated Notes, Deed of Trust, and all other documents evidencing, securing, or otherwise governing the Facility, as previously modified or amended, including any prior spreading amendments to the Deed of Trust, are referred to herein collectively as the "**Loan Documents**".

E. Borrower is prepared to purchase, or has already purchased, certain additional real property in Utah County, Utah, that is to be encumbered by the Deed of Trust, which property is legally described on EXHIBIT A attached hereto (the "*Additional Property*"). The Additional Property and the Current Property not previously reconveyed from the lien of the Deed of Trust are described herein collectively as the "*Combined Property*".

E. Borrower now desires to encumber the Additional Property with the Deed of Trust in order to obtain financing available under the Loan for the acquisition and development, and/or residential construction on, the Additional Property. Borrower is entering into this Amendment to extend the Deed of Trust to the entire Combined Property.

AGREEMENTS

In consideration of the mutual promises, covenants, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **TERMINOLOGY.** All capitalized terms used herein shall have the meaning given to them in the Loan Documents, unless a different meaning is assigned herein or required from the context in which such term is used.

2. **AMENDMENT TO DEED OF TRUST.**

2.1 The definition of the term "*Loan Documents*" as used in the Deed of Trust is hereby modified to include this Amendment.

2.2 Exhibit A of the Deed of Trust, which is the legal description of the Current Property, is hereby amended to include the Additional Property and to extend to all of the Combined Property. For this purpose, Borrower hereby irrevocably and unconditionally grants, transfers, bargains, conveys, sets over, and assigns to Trustee, in trust, with power of sale and right of entry and possession, and grants a security interest in, all estate, right, title and interest that Borrower now has or may later acquire in the Additional Property and all personal property, including fixtures, associated therewith, upon the same terms as are set forth in the Deed of Trust and already applicable to the Current Property. The Additional Property is not used principally or primarily for agricultural or farming purposes.

3. **LIEN PRIORITY.** The Current Property not previously reconveyed from the lien of the Deed of Trust shall remain and continue in all respects subject to the Deed of Trust, and nothing in this Amendment, or done pursuant to this Amendment, shall affect or be construed to affect the lien of the Deed of Trust or the priority thereof as to such Current Property. Borrower shall provide, at Borrower's sole cost and expense, such modification, date down, spreading, or other endorsements to Lender's existing ALTA Extended Coverage Policy of Title Insurance as Lender may request insuring the first-lien position of the Deed of Trust as to all of the Combined Property, with priority over all encumbrances not agreed to by Lender in writing. Alternatively, Lender may obtain, at Borrower's expense, a separate ALTA extended coverage loan policy with respect to the Additional Property, with an aggregation endorsement to combine the coverage provided thereunder with the coverage provided under the loan policy issued with respect to the Current Property. Borrower shall obtain such priority agreements, lien waivers, or other instruments from any and all parties who have performed work on or supplied materials to the Combined Property, and shall execute such indemnity agreements, as may be required by the title company in connection with the issuance of such endorsements or policy.

4. **BORROWER WAIVERS.** Borrower hereby specifically, unconditionally, and irrevocably waives and releases, to the extent permitted by applicable law, all rights and claims it may

have in or to the Combined Property as a homestead exemption or other exemption under and by virtue of any act or law now existing or which may hereinafter be passed in relation thereto, as well as all rights of a property owner granted under any statute or judicial decision that provides for allocation of condemnation proceeds between a property owner and a lienholder.

5. **ACCEPTANCE OF TRUST.** The acceptance by Trustee of the extension of the trust created under the Deed of Trust to all of the Combined Property shall be evidenced when this Amendment, duly executed and acknowledged, is made a public record as provided by law. The trust created by the Deed of Trust and amended hereby is irrevocable by Borrower.


6. **BINDING EFFECT.** This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.


7. **APPLICABLE LAW.** This Amendment is to be construed in all respects and enforced according to the laws of the State of Utah, without regard to that state's choice of law rules.

8. **ORAL AGREEMENTS NOTICE.** ORAL AGREEMENTS, PROMISES OR COMMITMENTS TO: (1) LOAN MONEY, (2) EXTEND CREDIT, (3) MODIFY OR AMEND ANY TERMS OF ANY COMMITMENT OR THE LOAN DOCUMENTS, (4) RELEASE ANY GUARANTOR, (5) FORBEAR FROM ENFORCING REPAYMENT OF ANY LOAN OR THE EXERCISE OF ANY REMEDY UNDER THE LOAN DOCUMENTS, OR (6) MAKE ANY OTHER FINANCIAL ACCOMMODATION RELATING TO ANY LOAN ARE NOT ENFORCEABLE.

IN WITNESS WHEREOF, Borrower has executed this Amendment as the Grantor/Trustor hereunder, and as a Debtor under the Uniform Commercial Code, as of the date set forth above.

Grantor/Trustor/Debtor/Borrower: **FIELDSTONE HOMES UTAH, L.L.C.,**
formerly known as Fieldstone Partners, L.L.C.,
a Utah limited liability company

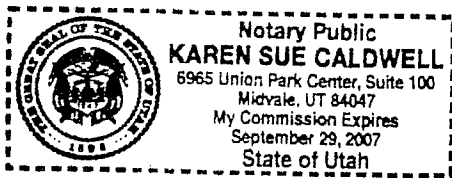
By: 
Name: KEVIN M. JOHNSON
Title: ASSISTANT SECRETARY

By: 
Name: BERNARD WILSON
Title: REGIONAL VP OF OPERATIONS

STATE OF UTAH }
COUNTY OF SALT LAKE } ss.

On this 29th day of June, 2006, personally appeared before me GRIFFIN M. JOHNSON and BERNARD WILSON, who being by me duly sworn (or affirmed), did say that they are the ASSISTANT SECRETARY and REGIONAL VP OF OPERATIONS respectively, of FIELDSTONE HOMES UTAH, L.L.C, a Utah limited liability company, and that said instrument was signed in behalf of said limited liability company by authority of an appropriate consent and acknowledged to me that said limited liability company executed the same.

SEAL



(Signature) Karen Sue Caldwell
My commission expires: September 29, 2007

EXHIBIT A**LEGAL DESCRIPTION OF ADDITIONAL PROPERTY**

The land referred to is located in Utah County, State of Utah, and is described as follows:

Parcel 1:

Lots 2, 3, 4, 5, 7, 12, 37, 38, 39, 41, 44, 45, 77, 84, 85, 86, 87, 89, 91, 92, 93, 94 and 95, Pioneer Addition Subdivision, Phase IV, Eagle Mountain City, Utah County, Utah, according to the official plat thereof on file in the office of the Utah County Recorder.

Parcel 2:

A portion of the Southwest quarter of Section 24, Township 8 South, Range 2 East, Salt Lake Base and Meridian, located in Spanish Fork, Utah, more particularly described as follows:

Beginning at a point on the South line of Plat "E", Spanish Fields Subdivision, according to the official plat thereof on file in the office of the Utah County Recorder, said point being located South 89°36'05" East along a lot line 54.38 feet from the Southwest corner of Lot 566 of said Plat "E", said point of beginning is also located South 89°55'25" East along the quarter Section line 983.65 feet and South 1,521.23 feet from the West quarter corner of Section 24, Township 8 South, Range 2 East, Salt Lake Base and Meridian; thence along said Plat "E", the following three courses: South 89°36'05" East 165.62 feet; thence South 63°02'11" East 67.08 feet; thence South 89°36'05" East 112.66 feet; thence South 0°00'55" West 642.40 feet; thence North 81°24'31" East 45.84 feet; thence Southwesterly along the arc of a 640.00 foot radius curve (radius bears: North 54°17'12" West) 68.80 feet through a central angle of 6°09'32" (chord: South 38°47'34" West 68.76 feet); thence South 41°52'20" West 37.60 feet to the North line of Plat "B", Spanish Fields Subdivision, according to the official plat thereof on file in the office of the Utah County Recorder; thence along said Plat the following eight courses: North 48°07'40" West 60.00 feet; thence South 41°52'20" West 63.34 feet; thence North 48°07'40" West 220.00 feet; thence North 38°39'55" West 60.83 feet; thence North 48°07'40" West 120.00 feet; thence North 41°52'20" East 11.84 feet; thence North 48°07'40" West 100.00 feet; thence North 37°42'10" West 63.22 feet; thence South 86°47'50" East 165.41 feet; thence North 0°29'48" East 365.85 feet to the point of beginning.

Parcel 3:

Beginning at the Southwest corner of Lot 330, Plat "C", Spanish Fields Subdivision, located West 14.97 feet and South 688.66 feet from the West quarter corner of Section 24, Township 8 South, Range 2 East, Salt Lake Base and Meridian; thence along the following courses and distances: South 88°01'42" East 501.19 feet along Plat "C"; thence South 00°23'55" West 104.54 feet along Plat "B"; thence South 07°03'11" West 60.41 feet along Plat "B"; thence South 00°23'55" West 500.00 feet along Plat "B"; thence South 26°09'53" East 73.79 feet along Plat "B"; thence South 00°23'55" West 110.00 feet along Plat "B"; thence North 89°36'05" West 560.00 feet along Plats "B" and "C"; thence North 00°23'55" East 110.00 feet along Plat "C"; thence North 03°00'04" East 66.07 feet along Plat "C"; thence North 00°23'55" East 500.00 feet along Plat "C"; thence North 26°57'49" East 67.09 feet along Plat "C"; thence North 00°23'55" East 118.30 feet to the point of beginning.

EXHIBIT A

LEGAL DESCRIPTION OF ADDITIONAL PROPERTY

Parcel 4:

A portion of the Southeast corner of Section 23, Township 8 South, Range 2 East, Salt Lake Base and Meridian, in Spanish Fork, Utah, more particularly described as follows:

Beginning at a point at a fence corner at the North end of that Boundary Line Agreement described in Deed Entry No. 56563:2004 in the official records of Utah County located South 511.56 feet and West 316.51 feet from the East quarter corner of Section 23, Township 8 South, Range 2 East, Salt Lake Base and Meridian, (Basis of Bearing = North 1°09'22" East along the Section Line from the East quarter to the Northeast corner of said Section 23); thence along said Boundary Line Agreement and the extension thereof the following (9) courses: South 2°36'00" West 46.17 feet; thence South 0°35'00" West 131.00 feet; thence South 0°26'00" East 171.25 feet; thence South 1°50'00" West 81.65 feet; thence South 0°10'30" East 89.00 feet; thence South 0°46'30" West 258.50 feet; thence South 0°55'00" West 301.50 feet; thence South 0°14'30" East 480.30 feet; thence South 1°06'00" East 263.12 feet to the Northerly line of that Barney property described in Deed Book 3688, at Page 150 in the official records of Utah County; thence along said Barney property and the extension thereof the following (7) courses: South 57°46'06" West 117.83 feet; thence South 64°33'47" West 108.35 feet; thence South 75°43'57" West 108.34 feet; thence North 66°56'23" West 68.81 feet; thence North 70°47'44" West 56.01 feet; thence North 74°28'32" West 141.66 feet; thence North 80°16'43" West 118.47 feet to the intersection with the extension of an existing fence referred to in that Boundary Line Agreement described in Deed Book 2661, at Page 387 in the official records of Utah County; thence along said fence line the following (26) courses: North 1°36'43" East 42.91 feet; thence North 1°19'43" West 77.06 feet; thence North 0°12'45" East 389.71 feet; thence North 1°16'30" East 47.28 feet; thence North 0°09'40" East 226.54 feet; thence North 89°41'58" West 13.43 feet; thence North 1°38'00" East 26.31 feet; thence North 0°27'01" West 51.27 feet; thence North 4°00'59" West 25.71 feet; thence North 7°10'43" West 97.65 feet; thence North 1°59'32" East 38.45 feet; thence North 16°07'01" East 24.29 feet; thence North 7°57'33" East 31.70 feet; thence North 4°14'37" East 21.30 feet; thence North 2°08'55" West 19.62 feet; thence North 45°34'50" West 19.11 feet; thence North 57°13'46" West 77.76 feet; thence North 68°27'27" West 32.06 feet; thence North 4°13'27" West 38.16 feet; thence North 0°56'32" West 86.29 feet; thence North 1°05'47" East 84.15 feet; thence North 8°26'52" East 50.64 feet; thence North 24°42'38" East 82.72 feet; thence North 20°38'03" East 66.13 feet; thence North 19°10'04" East 144.58 feet; thence North 83°05'17" East 24.44 feet to the Easterly line of that Moroni Feed property described in Deed Book 2665, at Page 652 in the official records of Utah County; thence North 0°37'43" East along said Moroni Feed Deed Line 643.92 feet to the Southerly boundary of the Southern Pacific Transportation Co. Railroad right of way; thence North 47°18'08" East along said railroad right of way 28.87 feet; thence South 0°37'43" West 666.38 feet to the Southerly bank of an existing concrete irrigation ditch and fence line; thence along said ditch and fence line the following (3) courses: North 77°13'59" East 565.09 feet; thence North 80°53'09" East 30.50 feet; thence North 82°17'27" East 61.69 feet to the point of beginning.

EXHIBIT A

LEGAL DESCRIPTION OF ADDITIONAL PROPERTY

Parcel 5:

A portion of the Southeast quarter of Section 23, Township 8 South, Range 2 East, Salt Lake Base and Meridian, in Spanish Fork, Utah, more particularly described as follows:

Beginning at a point on the Easterly line of that real property described in Deed Book 2665, at Page 652 in the official records of Utah County located South 1°08'36" West along the Section line 232.29 feet and West 970.67 feet from the East quarter corner of Section 23, Township 8 South, Range 2 East, Salt Lake Base and Meridian (Basis of Bearing = North 1°09'22" East along the Section line from the East quarter to the Northeast corner of said Section 23); thence along said Easterly line South 0°37'43" West 414.43 feet; thence South 83°05'03" West 24.44 feet to a fence line; thence along said fence line the following (26) courses: South 19°10'04" West 144.58 feet; thence South 20°38'03" West 66.13 feet; thence South 24°42'38" West 82.72 feet; thence South 8°26'52" West 50.64 feet; thence South 1°05'47" West 84.15 feet; thence South 0°56'32" East 86.29 feet; thence South 4°13'27" East 38.16 feet; thence South 68°27'27" East 32.06 feet; thence South 57°13'46" East 77.76 feet; thence South 45°34'50" East 19.11 feet; thence South 2°08'55" East 19.62 feet; thence South 4°14'37" West 21.30 feet; thence South 7°57'33" West 31.70 feet; thence South 16°07'01" West 24.29 feet; thence South 1°59'32" West 38.45 feet; thence South 7°10'43" East 97.65 feet; thence South 4°00'59" East 25.71 feet; thence South 0°27'01" East 51.27 feet; thence South 1°38'00" West 26.31 feet; thence South 89°41'58" East 13.43 feet; thence South 0°09'40" West 226.54 feet; thence South 1°16'30" West 47.28 feet; thence South 0°12'45" West 389.71 feet; thence South 1°19'43" East 77.06 feet; thence South 1°36'43" West 42.91 feet; thence South 80°16'43" East 3.97 feet to the Easterly line of said real property; thence along said real property the following (8) courses: South 0°03'47" East 60.60 feet; thence South 60°14'00" West 262.96 feet; thence North 75°14'00" West 119.09 feet; thence North 30°57'34" West 60.18 feet; thence North 0°21'11" East 2,176.78 feet; thence North 47°11'47" East 142.66 feet; thence South 54°10'57" East 39.22 feet; thence South 88°26'52" East 239.51 feet to the point of beginning.

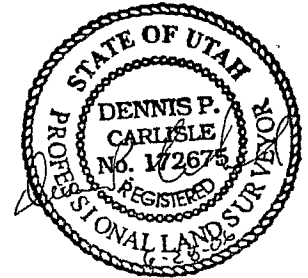
Parcel 6:

Lots 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445 and 446, Plat M, Jordan Willows II, a Planned Residential Development, according to the official plat thereof on file and of record in the office of the Utah County Recorder, Utah.

EXHIBIT "A" continued

Parcel 7:

**LEGAL DESCRIPTION
PREPARED FOR
FIELDSTONE HOMES
JORDAN WILLOWS PROJECT
LEHI, UTAH
(February 22, 2006)**



**PROPOSED
PLAT "O"**

JORDAN WILLOWS II SUBDIVISION

A portion of Sections 13 and 14, Township 5 South, Range 1 West, Salt Lake Base & Meridian, more particularly described as follows:

Beginning at a point located N89°51'12"E along the ¼ Section line 314.56 feet and South 210.59 feet from the West ¼ Corner of Section 13, T5S, R1W, S.L.B. & M.; thence S45°16'18"W 154.17 feet; thence S44°43'42"E 18.65 feet; thence S45°16'18"W 280.00 feet; thence S37°09'22"W 85.33 feet; thence S22°04'31"W 83.67 feet; thence S9°18'21"W 21.91 feet; thence N76°05'00"W 109.51 feet; thence Northeasterly along the arc of a 472.00 foot radius non-tangent curve (radius bears: S76°05'03"E) 16.99 feet through a central angle of 2°03'45" (chord: N14°56'49"E 16.99 feet); thence N74°02'42"W 140.16 feet; thence S3°33'37"W 103.53 feet; thence S2°28'20"W 56.01 feet; thence S2°40'15"E 100.60 feet; thence N86°26'03"W 61.28 feet; thence S6°27'49"E 454.12 feet; thence East 72.72 feet; thence S64°16'44"E 147.25 feet; thence N39°47'25"E 118.71 feet; thence S49°47'09"E 100.00 feet; thence S39°47'25"W 5.45 feet; thence S50°12'35"E 200.81 feet; thence S42°37'30"W 204.24 feet; thence Southeasterly along the arc of a 784.00 foot radius non-tangent curve (radius bears: S48°21'20"W) 29.26 feet through a central angle of 2°08'18" (chord: S40°34'31"E 29.26 feet); thence S50°29'38"W 157.40 feet; thence N44°51'30"W 104.73 feet; thence S41°04'11"W 153.58 feet; thence Northwesterly along the arc of a 472.00 foot radius non-tangent curve (radius bears: S40°50'37"W) 113.82 feet through a central angle of 13°48'58" (chord: N56°03'52"W 113.54 feet) to a point of reverse curvature; thence along the arc of a 303.00 foot radius curve to the right 56.16 feet through a central angle of 10°37'07" (chord: N57°39'42"W 56.08 feet); thence S37°38'46"W 7.34 feet; thence N65°10'37"W 155.00 feet; thence S86°14'35"W 41.47 feet; thence N5°42'20"W 160.90 feet; thence S84°17'40"W 10.59 feet; thence N5°42'20"W 194.77 feet; thence N14°14'56"W 414.16 feet; thence N75°45'04"E 82.06 feet; thence N20°21'27"W 108.49 feet; thence along the arc of a 972.00 foot radius non-tangent curve (radius bears: S10°05'23"E) 37.42 feet through a central angle of 2°12'21" (chord: S78°48'27"W 37.42 feet); thence N12°17'42"W 254.14 feet; thence N51°13'05"E 92.67 feet; thence N47°57'38"E 279.32 feet; thence N40°52'09"E 315.03 feet; thence N40°03'13"E 205.44 feet; thence N36°57'54"E 98.61 feet; thence S44°46'08"E 550.04 feet to the point of beginning.

Contains: 21.57+/- acres