



## UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
Tailyn Nelson, (206) 426-2437
B. E-MAIL CONTACT AT FILER (optional)
tailyn.nelson@constructionloanservices.com
C. SEND ACKNOWLEDGMENT TO: (Name and Address)
<input type="checkbox"/> Construction Loan Services II, LLC 1019 39th Ave SE, STE 220 Puyallup, WA 98374

**Print**

**Reset**

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here  and provide the Individual Debtor information in Item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME <b>The Waters Edge Properties, L.L.C.</b>				
OR 1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
1c. MAILING ADDRESS <b>967 West Center Street</b>	CITY <b>Orem</b>	STATE <b>UT</b>	POSTAL CODE <b>84057</b>	COUNTRY <b>US</b>
2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here <input type="checkbox"/> and provide the Individual Debtor information in Item 10 of the Financing Statement Addendum (Form UCC1Ad)				
2a. ORGANIZATION'S NAME				
OR 2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)				
3a. ORGANIZATION'S NAME <b>Construction Loan Services II, LLC</b>				
OR 3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
3c. MAILING ADDRESS <b>1019 39th Ave SE, STE 220</b>	CITY <b>Puyallup</b>	STATE <b>WA</b>	POSTAL CODE <b>98374</b>	COUNTRY <b>US</b>

4. COLLATERAL: This financing statement covers the following collateral.

See Attached Exhibit A – Addendum to Item 4, Collateral

5. Check <u>only</u> if applicable and check <u>only</u> one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, item 17 and Instructions) <input type="checkbox"/> being administered by a Decedent's Personal Representative	
6a. Check <u>only</u> if applicable and check <u>only</u> one box.	6b. Check <u>only</u> if applicable and check <u>only</u> one box.
<input type="checkbox"/> Public-Finance Transaction <input type="checkbox"/> Manufactured-Home Transaction <input type="checkbox"/> A Debtor is a Transmitting Utility	<input type="checkbox"/> Agricultural Lien <input type="checkbox"/> Non-UCC Filing
7. ALTERNATIVE DESIGNATION (if applicable) <input type="checkbox"/> Lessee/Lessor <input type="checkbox"/> Consignee/Consignor <input type="checkbox"/> Seller/Buyer	<input type="checkbox"/> Bailee/Balear <input type="checkbox"/> Licensee/Licensor
8. OPTIONAL FILER REFERENCE DATA: <b>Loan No. 72750</b>	

## Instructions for UCC Financing Statement (Form UCC1)

Please type or laser-print this form. Be sure it is completely legible. Read and follow all instructions, especially Instruction 1; use of the correct name for the Debtor is crucial.

Fill in form very carefully; mistakes may have important legal consequences. If you have questions, consult your attorney. The filing office cannot give legal advice.

Send completed form and any attachments to the filing office, with the required fee.

### ITEM INSTRUCTIONS

A and B. To assist filing offices that might wish to communicate with filer, filer may provide information in item A and item B. These items are optional.

C. Complete item C if filer desires an acknowledgment sent to them. If filing in a filing office that returns an acknowledgment copy furnished by filer, present simultaneously with this form the Acknowledgment Copy or a carbon or other copy of this form for use as an acknowledgment copy.

1. **Debtor's name.** Carefully review applicable statutory guidance about providing the debtor's name. Enter only one Debtor name in item 1 – either an organization's name (1a) or an individual's name (1b). If any part of the individual Debtor's name will not fit in line 1b, check the box in item 1, leave all of item 1 blank, check the box in item 9 of the Financing Statement Addendum (Form UCC1Ad) and enter the individual Debtor name in item 10 of the Financing Statement Addendum (Form UCC1Ad). Enter Debtor's correct name. Do not abbreviate words that are not already abbreviated in the Debtor's name. If a portion of the Debtor's name consists of only an initial or an abbreviation rather than a full word, enter only the abbreviation or the initial. If the collateral is held in a trust and the Debtor name is the name of the trust, enter trust name in the Organization's Name box in item 1a.

1a. **Organization Debtor Name.** "Organization Name" means the name of an entity that is not a natural person. A sole proprietorship is not an organization, even if the individual proprietor does business under a trade name. If Debtor is a registered organization (e.g., corporation, limited partnership, limited liability company), it is advisable to examine Debtor's current filed public organic records to determine Debtor's correct name. Trade name is insufficient. If a corporate ending (e.g., corporation, limited partnership, limited liability company) is part of the Debtor's name, it must be included. Do not use words that are not part of the Debtor's name.

1b. **Individual Debtor Name.** "Individual Name" means the name of a natural person; this includes the name of an individual doing business as a sole proprietorship, whether or not operating under a trade name. The term includes the name of a decedent where collateral is being administered by a personal representative of the decedent. The term does not include the name of an entity, even if it contains, as part of the entity's name, the name of an individual. Prefixes (e.g., Mr., Mrs., Ms.) and titles (e.g., M.D.) are generally not part of an individual name. Indications of lineage (e.g., Jr., Sr., III) generally are not part of the individual's name, but may be entered in the Suffix box. Enter individual Debtor's surname (family name) in Individual's Surname box, first personal name in First Personal Name box, and all additional names in Additional Name(s)/Initial(s) box.

If a Debtor's name consists of only a single word, enter that word in Individual's Surname box and leave other boxes blank.

For both organization and individual Debtors, Do not use Debtor's trade name, DBA, AKA, FKA, división name, etc. in place of or combined with Debtor's correct name; filer may add such other names as additional Debtors if desired (but this is neither required nor recommended).

- 1c. Enter a mailing address for the Debtor named in item 1a or 1b.
2. **Additional Debtor's name.** If an additional Debtor is included, complete item 2, determined and formatted per Instruction 1. For additional Debtors, attach either Addendum (Form UCC1Ad) or Additional Party (Form UCC1AP) and follow Instruction 1 for determining and formatting additional names.
3. **Secured Party's name.** Enter name and mailing address for Secured Party or Assignee who will be the Secured Party of record. For additional Secured Parties, attach either Addendum (Form UCC1Ad) or Additional Party (Form UCC1AP). If there has been a full assignment of the initial Secured Party's right to be Secured Party of record before filing this form, either (1) enter Assignor Secured Party's name and mailing address in item 3 of this form and file an Amendment (Form UCC3) [see item 5 of that form]; or (2) enter Assignee's name and mailing address in item 3 of this form and, if desired, also attach Addendum (Form UCC1Ad) giving Assignor Secured Party's name and mailing address in item 11.
4. **Collateral.** Use item 4 to indicate the collateral covered by this financing statement. If space in item 4 is insufficient, continue the collateral description in item 12 of the Addendum (Form UCC1Ad) or attach additional page(s) and incorporate by reference in item 12 (e.g., See Exhibit A). Do not include social security numbers or other personally identifiable information.

**Note:** If this financing statement covers timber to be cut, covers as-extracted collateral, and/or is filed as a fixture filing, attach Addendum (Form UCC1Ad) and complete the required information in items 13, 14, 15, and 16.

5. If collateral is held in a trust or being administered by a decedent's personal representative, check the appropriate box in item 5. If more than one Debtor has an interest in the described collateral and the check box does not apply to the interest of all Debtors, the filer should consider filing a separate Financing Statement (Form UCC1) for each Debtor.
- 6a. If this financing statement relates to a Public-Finance Transaction, Manufactured-Home Transaction, or a Debtor is a Transmitting Utility, check the appropriate box in item 6a. If a Debtor is a Transmitting Utility and the initial financing statement is filed in connection with a Public-Finance Transaction or Manufactured-Home Transaction, check only that a Debtor is a Transmitting Utility.
- 6b. If this is an Agricultural Lien (as defined in applicable state's enactment of the Uniform Commercial Code) or if this is not a UCC security interest filing (e.g., a tax lien, judgment lien, etc.), check the appropriate box in item 6b and attach any other items required under other law.
7. **Alternative Designation.** If filer desires (at filer's option) to use the designations lessee and lessor, consignee and consignor, seller and buyer (such as in the case of the sale of a payment intangible, promissory note, account or chattel paper), bailee and bailor, or licensee and licensor instead of Debtor and Secured Party, check the appropriate box in item 7.
8. **Optional Filer Reference Data.** This item is optional and is for filer's use only. For filer's convenience of reference, filer may enter in item 8 any identifying information that filer may find useful. Do not include social security numbers or other personally identifiable information.

**Debtor:** The Waters Edge Properties, L.L.C.  
Utah limited liability company

**Secured Party:** Construction Loan Services II, LLC  
a Washington limited liability company



**UCC1 FINANCING STATEMENT**

**EXHIBIT A – ADDENDUM TO ITEM 4, COLLATERAL**

The collateral shall include each and all of the following:

All appurtenances, permits, plans, licenses, subdivision rights, contracts, contract rights, and other property and interests of any kind or character, including all water and sewer taps belonging to or in any way related to or appurtenant to, the real property described on EXHIBIT A-1 attached hereto (the "*Land*"), that may be reasonably necessary or desirable to promote the present and any reasonable future beneficial use and enjoyment of the Land and all improvements thereon (the "*Improvements*", and the Land, Improvements, related real property, and all personal property now or hereafter installed on or used in connection with the Land and/or Improvements, the "*Project*");

All existing and future leases, subleases, sub-tenancies, licenses, occupancy agreements, and concessions relating to the use and enjoyment of all or any part of the Project, written or oral, now in existence or hereafter arising, and extensions or renewals thereof, together with the right, power, and authority of Debtor to alter, modify or change the terms thereof or surrender, cancel or terminate the same, and any and all deposits, guaranties and other agreements relating to or made in connection with any of the foregoing;

All goods, materials, supplies, chattels, furniture, appliances, furnishings, fixtures, equipment and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Project, whether stored on the Land or elsewhere;

All building materials, equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, that have been or later will be acquired for the purpose of being delivered to, incorporated into, or installed in or about the Land or Improvements;

All of Debtor's interest in and to the proceeds of the Secured Party's loan or loans to Debtor, whether disbursed or not. All present and future monetary deposits given by Debtor to any public or private utility with respect to utility services furnished to the Land or Improvements; and any accounts established in connection with the Secured Party's loan or loans to Debtor;

All income, rents, security or similar deposits, revenues, issues, royalties, profits, leases, earnings, products and proceeds of the Land or Improvements, including, without limitation, all rights to the payment of money, accounts, accounts receivable, reserves, deferred payments, refunds, cost savings, insurance or condemnation proceeds, payments and deposits, and any proceeds from the sale of any lots comprising the Land and any residences constructed thereon, and any deposits on account thereof;

All contracts of every kind relating to development, construction, marketing, and sale of the Project, including, without limitation, any construction contracts and subcontracts, contracts with architects, engineers, and other service providers, supply contracts, consulting agreements, financing commitments and agreements, joint development agreements, service and maintenance agreements, marketing and listing agreements, lot reservation agreements, and purchase and sale agreements, and any other existing and future contracts of any kind relating to the Project, together with all deposits, escrows, payments, or other proceeds thereunder, as well as all existing and future amendments, modifications, and supplements thereof; and all designs, drawings, plans, specifications, trademarks, logos, and other work product prepared or to be prepared in connection with the development, construction, marketing, and sale of the Project, together with all existing and future amendments, modifications, and supplements thereof;

All insurance policies pertaining to the Collateral or Debtor's operations thereon; together with all proceeds thereof and rights thereto, including: all unearned premiums returnable upon cancellation; all claims to and demands for them, of the voluntary or involuntary conversion of any of the Land, Improvements or the other Collateral described above into cash or liquidated claims,

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Utah limited liability company

**Secured Party:** Construction Loan Services II, LLC  
a Washington limited liability company



including proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, Improvements or the other Collateral described herein or any part of that Collateral, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud or concealment of a material;

Any and all personal property of any kind whatsoever, whether tangible or intangible, that is used or will be used in construction of, or is or will be placed upon or is derived from or used in any connection with the use, occupancy or enjoyment of, the Land or Improvements;

All books and records pertaining to any and all of the property described above, including records stored on computer readable media, and a limited sublicense to use the computer hardware or software necessary to access such records;

All of Debtor's right, title and interest in and to any and all units, declarant rights, and any other rights relating to the Land or the Improvements, whether now existing or subsequently arising, under any and all covenants, conditions, restrictions, development agreements, laws or other agreements now existing or later enacted relating to the Land and Improvements, including, without limitation, those relating to condominiums; and

All proceeds of, supporting obligations for, additions and accretions to, substitutions and replacements for, and changes in any of the property described above.

**Debtor:** The Waters Edge Properties, L.L.C.  
Utah limited liability company



**Secured Party:** Construction Loan Services II, LLC  
a Washington limited liability company

EXHIBIT A-1 TO UCC FINANCING STATEMENT  
LOAN NO. 72750

**Exhibit "A"**  
**Property Description**

Property 1:

Lake Residences at Bear Lake Phase 7A, Building "C", located in Garden City, Rich County, Utah, according to the official plat thereof.

Tax Parcel #: 41-21-403-0101, 41-21-403-0102, 41-21-403-0201, 41-21-403-0202, 41-21-403-0301, 41-21-403-0302, 41-21-403-0401 & 41-21-403-0402

Property 2:

Lake Residences at Bear Lake Phase 7B, Building "B", located in Garden City, Rich County, Utah, according to the official plat thereof.

Tax Parcel #: 41-21-404-0101, 41-21-404-0102, 41-21-404-0201, 41-21-404-0202, 41-21-404-0301, 41-21-404-0302, 41-21-404-0401 & 41-21-404-0402