

When Recorded, Mail to:
Community Development Corp. of Utah
501 East 1700 South
Salt Lake City, Utah 84105

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1/25/2016 3:59:00 PM \$17.00
Book - 10398 Pg - 921-924
Gary W. Ott
Recorder, Salt Lake County, UT
OLD REPUBLIC TITLE SO JORDAN
BY: eCASH, DEPUTY - EF 4 P.

OWN IN SALT LAKE COUNTY
TRUST DEED

THIS TRUST DEED is made this 20 day of Jan, 2015, between
Arthur J. Blauvelt as Trustor, whose address is:

2862 S Cyprus Lane, Magna, UT 84044

Old Republic Title as Trustee*,

And **SALT LAKE COUNTY** as Beneficiary.** (hereinafter called "CDCU": as administrator)

*Note: Trustee must be a member of the Utah State Bar, a bank, building and loan association or savings and loan association authorized to do such business in Utah; a corporation authorized to do such business in Utah; or a title insurance or abstract company authorized to do such business in Utah.

**Note: Should CDCU no longer be operating as a private, non-profit agency within the State of Utah, the County would assume the responsibility for administration of the loan, in lieu of CDCU.

Trustor hereby conveys and warrants to trustee in trust, with power of sale, the following described property situated in Salt Lake County, Utah:

Lots 9 and 10, in block 5, Reynolds Subdivision No. 2, according to the plat thereof, as recorded in the office of the County Recorder, Salt Lake County, State of Utah

Tax ID: **14-29-106-025**

Address: **2862 S Cyprus Lane, Magna, UT 84044**

together with all buildings, fixtures and improvements thereon and all water rights, rights of way, easements, rents, issues, profits, income, tenements, hereditament, privileges and appurtenances thereunto now or hereafter used or enjoyed with said property, or any part thereof.

FOR THE PURPOSE of securing payment of the indebtedness evidenced by a promissory note of even date herewith, in the principal sum of **\$5,000.00 (Five Thousand and 00/100 Dollars)** payable to the order of Beneficiary at the times, in the manner, and with the interest as therein set forth, and payment of any sums expended or advanced by Beneficiary to protect the security hereof.

1. **Payment of Taxes and Liens.** Trustor agrees to pay all taxes and assessments on the above property, to pay all charges and assessments on water or water stock used on or with said property. Trustor agrees to pay all taxes, special assessments, water and sewer rents or assessments, and all other charges imposed by law upon or against the Property.
2. **Maintenance and Repair.** Trustor agrees: (a) To keep the Property in a decent, safe, sanitary, tenantable condition and repair and permit no waste thereof; (b) not to commit or suffer to be done or exist on or about the Property any condition causing the Property to become less valuable; (c) remove, demolish or structurally alter any buildings and improvements now or hereinafter located on the Property; (d) to repair, restore or rebuild promptly any buildings or improvements on the Property that may become damaged or be destroyed while subject to the lien of this Deed of Trust; (e) to comply with all applicable laws, ordinances and governmental regulations affecting the Property or requiring any alteration or improvement thereof, and not to suffer or permit any violations of any such law, ordinance or governmental regulation, nor of any covenant, condition or restriction affecting the Property; (f) not to initiate or acquiesce in any change in any zoning or other land use or legal classification which affects any of the Property without the Lender's written consent; and (g) not to alter the use of all or any part of the Property without the prior written consent of the Lender.
3. **Insurance.** Trustor agrees to keep the Property insured with loss payable to the Beneficiary, against loss or damage by fire and such other hazards, casualties and contingencies and by such companies on such forms and in the amount of the replacement cost of the Property, and when requested to deliver receipts satisfactory to CDCU evidencing payment of the premiums. All such policies provide that CDCU shall be given thirty (30) days advance written notice of the cancellation, expiration or termination of any such policy or any material change in the coverage afforded by it. Neither Trustee nor CDCU shall by reason of accepting, rejecting, approving or obtaining insurance incur any liability for the existence, nonexistence, form or legal sufficiency of such insurance, or solvency of any insurer for payment of losses. All insurance proceeds for such losses must be utilized for the repair or restoration of the insured property.
4. **Reimbursement of Costs.** Trustor agrees to pay all costs and expenses of collection (including Trustee's and attorney's fees) in event of default of payment of the indebtedness secured hereby and to pay reasonable Trustee's fees for any services performed by trustee hereunder, including a reconveyance hereof, except in cases of a violation of the owner-occupancy requirement.
5. **Transfer and Encumbrance.** Trustor agrees not to sell, convey, dispose, rent, lease, or make any inter vivos transfer of the premises or any part thereof, or to vest the title thereto in any other person or persons in any manner whatsoever, or to encumber said property or any part thereof or any interest therein.
6. **Default and Foreclosure.** In the event that the Trustor becomes insolvent, bankrupt, either voluntarily or involuntarily, or makes a general assignment for the benefit of creditors, or if any proceeding for enforcement of a judgment or writ or order of attachment against the property of the Trustor or petition of relief or readjustment of indebtedness filed by Trustor, such action shall constitute a default under the terms of this instrument and the Note it secures. In the event the Trustor defaults or undertakes any such act or agrees to undertake any act prohibited by this paragraph without written consent of the Beneficiary first obtained, such undertaking or agreement to undertake shall constitute a default under the terms of this instrument and the Note it secures, and the Beneficiary may cause the same to be foreclosed, and the premises sold, according to law and the provisions thereof.

If the property goes into foreclosure or Borrower deeds the property in lieu of foreclosure, CDCU shall calculate the Recapture amount using the *Shared Net Proceeds method*. Under this method, if there are no net proceeds or the net proceeds are insufficient to repay the HOME investment due CDCU will only Recapture the net proceeds, if any. The net proceeds are the sales price minus superior loan repayment (other than HOME funds) and any closing costs.

Shared Net Proceeds: If the net proceeds are not sufficient to Recapture the full HOME investment (or a reduced amount as provided for in paragraph 24 CFR 92.254(a)(5)(ii)(A)(2)) plus enable the homeowner to recover the amount of the homeowner's down payment and any capital improvement investment made by the owner since purchase, CDCU will share the net proceeds. Next the homeowner may recover their investment (down payment and principal pay down) in the property. CDCU will permit the homebuyer to recover up to the homebuyer's entire investment (down payment and capital improvements made by the owner since purchase) after recapturing the HOME investment. The Homeowner must provide documentation, including but not limited to receipts for materials or services performed. "Sweat Equity" by the homebuyer or any member of their family will not be considered investment. Only work performed by licensed professionals in an arms-length transaction and paid for by the homeowner will be considered in this calculation. Only actual investment will be considered; appreciation of the property will be considered to be a function of the Market, and will be shared per the formulas described above, up to the total amount of HOME subsidy originally provided.

The net proceeds may be divided proportionally as set forth in the following mathematical formulas. If the entire amount cannot be recaptured because the sale does not cover all that is owed, the net proceeds will be shared on the following formula:

$$\frac{\text{HOME Investment}}{\text{HOME Investment} + \text{Homeowner Investment}} \times \text{Net Proceeds} = \text{Amount of HOME funds to be recaptured}$$

$$\frac{\text{Homeowner Investment}}{\text{HOME Investment} + \text{Homeowner Investment}} \times \text{Net Proceeds} = \text{Amount to Homeowner}$$

7. **Requirement of Owner-occupancy and Permitted Transfers.** Trustor agrees occupy the Property as Trustor's principal place of residence during the term of the Note. Notwithstanding any other provision of the Note or this Deed of Trust, the following transfers shall not be deemed to be a default under the Note or this Deed of Trust:
- (a) The transfer of the Property to the surviving joint tenant by devise, descent or operation of the law, on the death of a joint tenant.
 - (b) A transfer of the Property where the spouse becomes an owner of the property;
 - (c) A transfer of the Property resulting from a decree of dissolution of marriage, legal separation or from an incidental property settlement agreement by which the spouse becomes an owner of the Property.
 - (d) A transfer to an inter vivos trust in which the Trustor is and remains the beneficiary and occupant of the property.

8. **Due-On-Sale or Encumbrance.** The deferred loan funds provided by the Grantor shall be repaid by the Grantee(s), **in full**, if the Grantee(s) sell, exchange, transfer title, obtain a second mortgage, decide to refinance for any reason other than to reduce their interest rate to lower their monthly payment (nor combining a first and second mortgage where equity was taken out) or cease using the purchased property as their primary residence. CDCU will not subordinate to any cash out/equity refinance.
9. **Subordination.** Beneficiary and Trustor acknowledge and agree that this Trust Deed is subject and subordinate in all respects to the liens, terms, covenants and conditions of the First Deed of Trust and to all advances heretofore made or which may hereafter be made pursuant to the First Deed of Trust including all sums advanced for the purpose of protecting or further securing the lien of the First Deed of Trust, curing defaults by the Trustor under the First Deed of Trust or for any other purpose expressly permitted by the First Deed of Trust. The terms and provisions of the First Deed of Trust are paramount and controlling, and they supersede any other terms and provisions hereof in conflict therewith. In the event of a foreclosure or deed in lieu of foreclosure of the First Deed of Trust, any provisions herein or any provisions in any other collateral agreement restricting the use of the Property to low or moderate income households or otherwise restricting the Trustor's ability to sell the Property shall have no effect on subsequent owners or purchasers of the Property. Any person, including his successors or assigns (other than the Trustor or a related entity of the Trustor), receiving title of the Property through a foreclosure or deed in lieu of foreclosure of the First Deed of Trust shall receive title to the Property free and clear from such restrictions. The Property shall also be considered free and clear from such restrictions in the event that the First Deed of Trust is assigned to the U.S. Department of Housing and Urban Development.

Further, if the Senior Lien Holder acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Trust Deed shall automatically terminate upon the Senior Lien Holder's acquisition of title, provided that (i) the Mortgagee has been given written notice of a default under the First Deed of Trust and (ii) the Mortgagee shall not have cured the default under the First Deed of Trust, or diligently pursued curing the default as determined by the Senior Lien Holder and (iii) CDCU has received written notice of the intent to transact a deed in lieu of foreclosure.

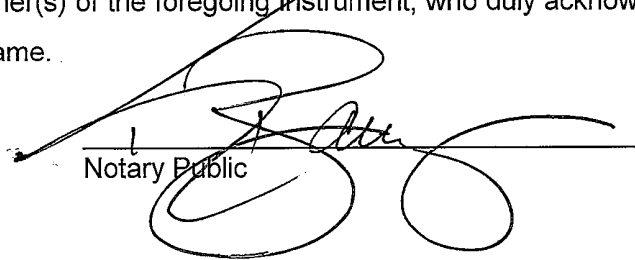
The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to him at the address hereinbefore set forth.



Trustor: **Arthur J. Blauvelt**

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

On the 20 day of June, 2016, 2016, personally appeared before me Arthur J. Blauvelt, the signer(s) of the foregoing instrument, who duly acknowledged to me that he/she/they executed the same.



Notary Public