

First Position Deed of Trust

RECORDING REQUESTED BY:
Inwest Title Services, Inc.
2037 W. Commerce Way
West Haven, UT 84401 120
Murray, UT 84121
AND WHEN RECORDED MAIL TO:
A. Craig Hale, Esq.
Hale|Wood, pllc
4766 Holladay Blvd.
Holladay, Utah 84117

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10/30/2018 4:42:00 PM \$26.00
Book - 10726 Pg - 2844-2851
ADAM GARDINER
Recorder, Salt Lake County, UT
INWEST TITLE SRVS SLC
BY: eCASH, DEPUTY - EF 8 P.

Inwest # 252491

**DEED OF TRUST
With Assignment of Rents**

Escrow No. 252491
A.P.N.: 15-01-280-033

This Deed of Trust, made this 30th day of October, 2018, between **10 CLIFT, LLC** a Delaware limited liability company, as TRUSTOR, whose address is 10 West Broadway Suite 100, Salt Lake City, UT 84101, Inwest Title Services, Inc., a Utah Corporation, as TRUSTEE, and Holt Lending #1, LLC, a Utah limited liability company, as BENEFICIARY, and whose address is 423 W Broadway Suite 230, Salt Lake City, UT 84101.

Witnesses: That Trustor CONVEYS AND WARRANTS TO TRUSTEE IN TRUST, WITH POWER OF SALE, the property described in Exhibit A ("Property"), situated in Salt Lake County, Utah.

Said Property is also known by the street address of:

10 West Broadway, Salt Lake City, Utah, 84101

Together with all buildings, fixtures and improvements thereon and all water rights, rights of way, easements, rents, issues, profits, income, tenements, hereditaments, privileges and appurtenances thereunto belonging, now or hereafter used or enjoyed with said Property, or any part thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues, and profits.

1. This Deed of Trust is made for the purpose of securing the following obligations of Trustor: (1) payment of the indebtedness evidenced by a promissory note of even date hereof (the "Promissory Note") in the principal sum of Thirteen Million Five Hundred Thousand Dollars and 00/100 (\$13,500,000.00) made by Trustor, payable to the order of Beneficiary at the times, in the manner and with interest as therein set forth, and any extensions and/or renewals or modifications thereof; (2) the performance of each

agreement of Trustor herein contained; (3) the payment of such additional loans or advances as hereafter may be made to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust; and (4) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms hereof, together with interest thereon as herein provided.

2. Intentionally Omitted.

3. To Protect the Security of This Deed of Trust, Trustor Agrees:

a. To keep said Property in good condition and repair; not to remove or demolish any building thereon;

b. to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon;

c. to comply with all laws, covenants and restrictions affecting said Property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said Property in violation of law to do all other acts which from the character or use of said Property may be reasonably necessary, the specific enumerations herein not excluding the general; and

d. To provide and maintain insurance, of such type or types and amounts as Beneficiary may require, on the improvements now existing or hereafter erected or placed on said Property. Such insurance shall be carried in companies approved by Beneficiary with loss payable clauses in favor of and in form acceptable to Beneficiary. In the event of loss, Trustor shall give immediate notice to Beneficiary, who may make proof of loss, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Beneficiary, instead of to Trustor and Beneficiary jointly, and the insurance proceeds, or any part thereof, may be applied by Beneficiary, at its option, to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged.

e. To deliver to, pay for and maintain with Beneficiary until the indebtedness secured hereby is paid in full, such evidence of title as Beneficiary may require, including abstracts of title or policies of title insurance and any extensions or renewals thereof or supplements thereto.

f. To appear in and defend any action or proceeding purporting to affect the security hereof, the title to said property, or the rights or powers of Beneficiary or Trustee; and should Beneficiary or trustee elect to appear in or defend any such action or proceeding, to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum incurred by Beneficiary or Trustee.

g. To pay all taxes, insurance and assessments of every kind of nature and when required by the Holders of the Senior Encumbrance or when otherwise due in absence of any requirements under the Senior Encumbrance.

h. To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the rate borne by the principal balance under the Note until paid, and the repayment thereof shall be secured hereby.

Trustee, upon presentation to it of an affidavit signed by Beneficiary, setting forth facts showing a default by Trustor under this numbered paragraph, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

4. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation to do so and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may:

a. Make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes;

b. Commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee;

c. Pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and

d. In exercising any of the foregoing powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor, including cost of evidence of title, employ counsel, and pay reasonable legal fees and recover the costs thereof from Trustor.

IT IS MUTUALLY AGREED THAT:

5. Should said Property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, Beneficiary shall be entitled to all compensation, awards, and other payments or relief therefor up to an amount equal to the outstanding principal and interest, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage. All such compensation, awards, damages, rights of action and proceeds, including the proceeds of any policies of fire and other insurance affecting said Property, are hereby assigned to Beneficiary, who shall, after deducting therefrom all its expenses, including attorney's fees, apply the same on any indebtedness secured hereby. Trustor agrees to execute such further assignments of any compensation, award, damages, and rights of action and proceeds as Beneficiary or Trustee may require.

6. At any time and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Deed of Trust and the note for endorsement (in case of full reconveyance, for cancellation and retention) without affecting the liability of any person for the payment of the indebtedness secured hereby, and without releasing the interest of any party joining in this Deed of Trust, Trustee may (a) consent to the making of any map or plat of said Property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Deed of trust or the lien or charge thereof; (d) grant any extension or modification of the terms of this loan; (e) reconvey, without warranty, all or any part of said Property. The grantee in any reconveyance may be described as "the person or persons entitled thereto", and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustor agrees to pay reasonable Trustee's fees for any of the services mentioned in this paragraph.

7. As additional security, Trustor hereby assigns to Beneficiary, during the continuance of this Deed of Trust, all rents, issues, royalties and profits of the Property affected by this Deed of Trust and of any personal property located thereon. Until Trustor shall default in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, Trustor shall have the right to collect all such rents, issues, royalties and profits earned prior to default as they become due and payable. If Trustor shall default as aforesaid, Trustor's right to collect any of such moneys shall cease and Beneficiary shall have the right, with or without taking possession of the Property affected hereby, to collect all rents, royalties, issues, and profits. Failure or discontinuance of Beneficiary at any time or from time to time to collect any such moneys shall not in any manner affect the subsequent enforcement by Beneficiary of the right, power, and authority to collect the same. Nothing contained herein, nor the exercise of the right by Beneficiary to collect, shall be, or construed to be, an affirmation by Beneficiary of any tenancy, lease or option, nor an assumption of liability under, nor a subordination of the lien or charge of this Deed of Trust to any such tenancy, lease or option.

8. Upon any default by Trustor hereunder, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court (Trustor hereby consenting to the appointment of Beneficiary or Beneficiary's designee as such receiver), and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said Property or any part thereof, in its own name sue for or otherwise collect said 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's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine.

9. The entering upon and taking possession of said Property, the collection of such rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking or damage of said property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

10. The failure on the part of the Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Beneficiary of any default shall not constitute a waiver of any other or subsequent default.

11. Time is of the essence hereof.

12. Upon and Event of Default, as that term is defined in the Note, all sums secured hereby shall immediately become due and payable at the option of Beneficiary. In the event of such default, Beneficiary may execute or cause Trustee to execute a written notice of default and of election to cause said Property to be sold to satisfy the obligations hereof and Trustee shall file such notice for record in each county wherein said Property or some part or parcel thereof is situated. Beneficiary also shall deposit with Trustee, the note and all documents evidencing expenditures secured hereby.

13. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of default and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said Property on the date and at the time and place designated in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine (but subject to any statutory right of Trustor to direct the order in which such Property, if consisting of several known lots or parcels, shall be sold), at public auction to the highest bidder, the purchase price payable in lawful money of the United States at the time of sale. The person conducting the sale may, for any cause he deems expedient, postpone the sale from time to time until it shall be completed and, in every such case, notice of postponement shall be given in the manner provided by statute. Trustee shall execute and deliver to the purchaser its Deed conveying said Property so sold, but without any covenant of warranty, express or implied. The recitals in the Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Beneficiary, may bid at the sale. Trustee shall apply the proceeds of the sale to payment of (1) the costs and expenses of exercising the power of sale and of the sale, including the payment of the Trustee's and attorney's fees; (2) cost of any evidence of title procured in connection with such sale and revenue stamps on Trustee's Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at three percent (3%) per annum from date of expenditure; (4) all other sums then secured hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto, or the Trustee, in its discretion, may deposit the balance of such proceeds with the District Court for the State of Utah of the country in which the sale took place.

14. Upon the occurrence of any default hereunder, Beneficiary shall have the option to declare all sums secured hereby immediately due and payable and foreclose this Deed of Trust in the manner provided by law for the foreclosure of mortgages and trust deeds on real property and Beneficiary shall be entitled to recover in such proceedings all costs and expenses incident thereto, including a reasonable attorney's fee.

15. Beneficiary may appoint a successor trustee at any time by filing for record in the office of the County Recorder of each county in which said property or some part thereof is situated, a substitution of trustee. From the time the substitution is

filed for record, the new trustee shall succeed to all the powers, duties, authority and title of the Trustee named herein or of any successor trustee. Each such substitution shall be executed and acknowledged, and notice thereof shall be given and proof thereof made, in the manner provided by the law.

16. This Deed of Trust shall apply to, inure to the benefit of, and bind all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. All obligations of Trustor hereunder are joint and several. The term "Beneficiary" shall mean the owner and holder, including any pledge, of the Promissory Note secured hereby. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

17. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party, unless brought by Trustee.

18. This Deed of Trust shall be construed according to the laws of the State of Utah.

19. 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.

20. Notwithstanding anything herein to the contrary, Trustor shall have a ten (10) day cure period after the due date of any payment or obligation hereunder before such payment or obligation may be considered late and before Trustor may be considered in default hereunder.

TRUSTOR: 10 CLIFT, LLC, a Delaware limited liability company

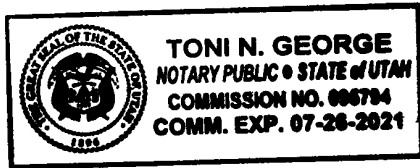
By: MC Clift, LLC, a Utah limited liability company, Its Sole Member

By: Mountain Classic Real Estate, Inc., a Utah corporation, Its Manager

By: 
David Phipps, CEO

STATE OF Utah)
COUNTY OF Salt Lake) : ss.

On the 30 day of October, 2018, David Phipps, the CEO of Mountain Classic Real Estate, Inc., the Manager of MC Clift, LLC, a Utah limited liability company, the sole Member of 10 Clift, LLC, a Delaware limited liability company, personally appeared before me, a notary public in and for said State, and acknowledged to me that he executed the same.



Toni N. George
NOTARY PUBLIC

EXHIBIT "A"

(15-01-280-033)

PARCEL 1:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 1, BLOCK 58, PLAT "A", SALT LAKE CITY SURVEY; AND RUNNING THENCE NORTH ALONG THE EAST LINE OF SAID BLOCK 58, 80.30 FEET TO THE NORTH LINE OF THAT CERTAIN BUILDING DESCRIBED AS BEING THE BOUNDARY LINE IN AN AGREEMENT, RECORDED JANUARY 06, 1925, AT 4:00 P.M., IN 3-U OF LIENS AND LEASES, PAGES 564-5, IN THE OFFICE OF THE SALT LAKE COUNTY RECORDER; THENCE WEST ALONG SAID NORTH LINE OF BUILDING AND PARALLEL TO THE SOUTH LINE OF SAID BLOCK 58, 170.00 FEET; THENCE SOUTH PARALLEL TO THE EAST LINE OF SAID BLOCK 58, 80.30 FEET TO THE SOUTH LINE OF SAID BLOCK 58; THENCE EAST ALONG SAID SOUTH LINE 170.00 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION OF THE ABOVE DESCRIBED PROPERTY LYING NORTH OF A LINE 79.5 FEET NORTH AND PARALLEL TO THE SOUTH LINE OF SAID LOT 1.

PARCEL 1A:

SUBJECT TO AND TOGETHER WITH A RIGHT-OF-WAY BEGINNING WEST ALONG THE SOUTH LINE OF BLOCK 58, PLAT "A", SALT LAKE CITY SURVEY 165.00 FEET FROM THE SOUTHEAST CORNER OF SAID BLOCK 58 AND RUNNING THENCE NORTH PARALLEL TO THE EAST LINE OF SAID BLOCK 58, 79.50 FEET; THENCE WEST PARALLEL TO THE SOUTH LINE OF SAID BLOCK 58, 30.00 FEET; THENCE SOUTH PARALLEL TO THE EAST LINE OF SAID BLOCK 58, 79.50 FEET TO THE SOUTH LINE OF SAID BLOCK 58; THENCE EAST ALONG THE SOUTH LINE OF SAID BLOCK 58, 30.00 FEET TO THE POINT OF BEGINNING.

SITUATE IN SALT LAKE COUNTY, STATE OF UTAH.