

**PREPARED BY AND  
AFTER RECORDING RETURN TO:**

HomePace Funding SPV, LLC  
1389 Center Drive, Suite 200  
Park City, UT 84098

**13995683 B: 11362 P: 530 Total Pages: 16**  
**08/04/2022 04:34 PM By: aallen Fees: \$40.00**  
Rashelle Hobbs, Recorder, Salt Lake County, Utah  
Return To: PREMIUM TITLE INSURANCE AGENCY - UT, INC.  
2150 S 1300 E STE 500 SALT LAKE CITY, UT 841064375

APN: 21-21-103-011-0000

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT,  
FINANCING STATEMENT, AND FIXTURE FILING**

**THIS DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, FINANCING STATEMENT, AND FIXTURE FILING** (as amended, restated, supplemented, renewed, or otherwise modified from time to time, this “*Security Instrument*”), is made this 3rd day of August, 2022, by John Michael Rees and Brooke Rees having an address at 6348 South Mount Logan Way, Taylorsville, UT 84129 (“*Trustor*”) to Westcor Land Title Insurance Company Attn: Corporate Counsel as trustee, having an address of 875 Concourse Parkway South Suite 200 Maitland, FL 32751 (“*Trustee*”), for the benefit of HomePace Funding SPV, LLC, a Delaware Limited Liability Company, having an address at 1389 Center Drive, Suite 200, Park City, UT 84098 (together with its successors and assigns, “*Beneficiary*” or “*Optionee*”).

**WHEREAS**, Trustor (as optionor) and Optionee have entered into that certain HomePace Home Equity Agreement of even date herewith (as amended, restated, supplemented, renewed, or otherwise modified from time to time, “*Option Agreement*”) pursuant to which Trustor has agreed to sell, and Optionee has agreed to purchase, an option to purchase an undivided fractional interest (“*Option*”) in that certain real property more particularly described on Exhibit A hereto.

**WHEREAS**, the Option is evidenced by the Option Agreement and secured by this Security Instrument. The Option Agreement, this Security Instrument, and all other documents and instruments delivered in connection with the Option are referred to collectively as the “*Option Documents*.”

**WHEREAS**, it is a condition to the obligation of Optionee to purchase the Option that Trustor executes and deliver this Security Instrument and all other Option Documents.

**NOW, THEREFORE**, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the due and punctual payment and performance of all of the Obligations (as defined herein) as and when the same become due and payable, Trustor hereby represents, warrants, covenants, and agrees as follows:

## **ARTICLE I. Defined Terms**

**Section I.01. Defined Terms.** Capitalized terms used in this Security Instrument and not specifically defined herein shall have the meaning provided in the Option Agreement.

## **ARTICLE II. Grant and Secured Obligations**

**Section 2.01. Grant.** In order to secure the due and punctual payment and performance of all Obligations under the Option Agreement as and when the same become due, whether at a stated due date, maturity date, by acceleration, or otherwise, Trustor does hereby irrevocably grant, mortgage, pledge, bargain, sell, assign, transfer, and convey, unto Trustee, as trustee, IN TRUST WITH THE POWER OF SALE AND RIGHT OF ENTRY AND POSSESSION, for the benefit of Optionee and as security for the Obligations, all of Trustor's present and future estate, right, title, and interest in, to, and under the following described property now owned or held or hereafter acquired from time to time (collectively, the "***Property***"):

**(a) Land.** All that certain tract or parcel of land lying and being in Salt Lake County, Utah and being more particularly described in Exhibit A attached hereto and incorporated herein by reference, together with all utilities, rights, interests, and estates of every kind and nature therein, including, without limitation, and to the full extent owned by Trustor, development rights, air rights, water, water rights, and rights to minerals and other natural resources that can be extracted therefrom (collectively, "***Land***").

**(b) Improvements.** All buildings, structures, and improvements of every kind and nature whatsoever now or hereafter situated on the Land (collectively, "***Improvements***").

**(c) Easements and Appurtenances.** All easements, rights-of-way or use, strips and gores of land, streets, alleyways, passages, utility reservations, capacity rights, water courses, privileges, liberties, tenements, hereditaments, and appurtenances of any kind or nature belonging, relating, or appertaining to the Land or the Improvements, or any part thereof, including, without limitation, any reversionary or remainder estates together with the income and profits therefrom ("***Easements and Appurtenances***").

**(d) Fixtures.** All goods of every kind and nature that becomes attached to, affixed to, or installed on the Land or Improvements thereby creating rights and interests arising under the real property law, together with all replacements and substitutions thereof ("***Fixtures***").

**(e) Personal Property.** All equipment, building systems, machinery, materials, supplies, and items of personal property of every kind and nature (other than Fixtures) now or hereafter located on or used in connection with the operation of the Land or Improvements, together with all replacements and substitutions thereof (collectively, "***Personal Property***").

**(f) Leases and Rents.** All of Trustor's right, title, and interest in all leases, ground leases, subleases, licenses, and other agreement granting another the right to use or occupy any part of the

Property, together with all restatements, renewals, extensions, amendments, or supplements thereof (individually, a “**Lease**” and, collectively, “**Leases**”), whether now or hereafter existing, and all Rents thereon. The term “**Rents**” shall mean, collectively:

(i) All rents, ground rents, additional rents, income, revenues, profits, cash proceeds, and other monetary benefits now due or hereafter becoming due from the tenancy, use, occupancy, or bailment of any portion of the Property;

(ii) All guaranties, letters of credit, promissory notes, security deposits, and other credit support given by any tenant, occupant, or guarantor in connection with any Lease.

(iii) All claims and rights to the payment of damages arising from the rejection of any Lease under the Bankruptcy Code; and

(iv) All rights to casualty and condemnation proceeds assigned to Trustor under any Lease.

**(g) Right to Receive and Apply Rents.** The right to receive and apply Rents to the payment of the Obligations and to do all such other things which Trustor is or may become entitled to do with Rents pursuant to the Leases or as permitted by law or equity.

**(h) Condemnation Awards.** All awards or payments (including any interest thereon) with respect to the Property, whether from the exercise of the right of eminent domain including, without limitation, any transfer made in lieu of or in anticipation of that right or paid as compensation for any injury or diminution in value to the Property.

**(i) Insurance Proceeds.** All proceeds and unearned premiums in respect of any insurance policies covering the Property, including, without limitation, the exclusive right to receive and apply the proceeds of any claims, awards, or judgments, or any settlements made in lieu thereof.

**(j) Tax Refunds.** All refunds, rebates, and credits in connection with any reduction in taxes, including, without limitation, rebates as a result of tax certiorari or other such proceedings.

**(k) Property Operating Agreements.** All agreements, services contracts, supply contracts, permits, licenses (including, without limitation and to the extent assignable, liquor licenses), and franchises pertaining to the ownership or operation of the Property, together with all amendments, restatements, supplements, renewals, extensions, and substitutions thereof and all of Trustor’s rights, if any, to sums due Trustor thereunder (collectively, “**Property Operating Agreements**”).

**(l) Intangibles.** All chattel paper, claims, trade names, trademarks, service marks, logos, copyrights, goodwill, books and records, and all other general intangibles related to or used in connection with the ownership or operation of the Property.

**(m)Accounts.** All accounts, reserves, escrows, cash, checks, sight drafts, certificates, and securities maintained by Trustor with respect to the Property, including, without limitation, escrows,

reserves, deposit accounts, and lockbox accounts established pursuant to the Option Agreement, together with all interest, proceeds, distributions, and dividends thereon.

**(n) Right to Conduct Legal Actions.** The right, in the name and on behalf of Trustor, to commence any action or proceeding to protect the Property or the interest of Optionee or Trustee therein, or to appear in and defend any action or proceeding brought with respect to the Property.

**(o) Proceeds of Property Sale.** All proceeds and profits arising from the sale or conversion (voluntary or involuntary) of any of the foregoing into cash (whether made in one payment or in a stream of payments) and any liquidation claims applicable thereto.

**(p) Omnibus Rights.** Any and all other rights of Trustor in and to the Property, including any other rights to the items set forth in the foregoing subsections (a) through (o) inclusive.

**Section II.02. Secured Obligations.** This Security Instrument is made and intended to secure the due and punctual payment and performance of all Obligations set forth in the Option Agreement and other Option Documents as and when the same shall become due, whether at the stated due date, at maturity, by acceleration, or otherwise.

**TO HAVE AND TO HOLD** the Property and the rights, remedies, and privileges hereby granted and conveyed unto Trustee and Trustee's successors, substitutes, and assigns, IN TRUST, forever, subject, however, to the provisions of Section 6.02(e) hereof.

### **ARTICLE III.**

#### **Assignment of Leases and Rents**

##### **Section III.01. Assignment of Leases and Rents.**

**(a) Assignment of Leases and Rents.** In furtherance of the grant, pledge, and conveyance of all Leases and Rents pursuant to Section 2.01(f) hereof, Trustor hereby absolutely, presently, irrevocably, and unconditionally grants, bargains, sells, conveys, assigns, and transfers to Optionee all of Trustor's present and future right, title, interest, and estate in, to, and under all Leases and Rents, whether now owned or hereafter acquired, and the absolute, present, irrevocable, and unconditional right to receive, collect, and possess all Rents to the full extent permitted by applicable law.

**(b) Nature of Assignment.** The assignment made in Section 3.01(a) constitutes an absolute, present, irrevocable, and unconditional assignment of Leases and Rents and is not merely given as a collateral assignment, lien, or mortgage on such Leases and Rents.

**(c) Optionee Exculpation.** Notwithstanding the present, absolute nature of the assignments made under this Article III, such assignments shall not be construed to:

(i) Bind Optionee to the performance of any of the covenants, conditions, or provisions contained in any Lease or otherwise impose any obligation upon Optionee; or

(ii) Create or impose, any responsibility, obligation, or liability upon Optionee of any kind or nature, including without limitation, for:

- Property;
- 1) The control, care, maintenance, management, or repair of the
  - 2) Any dangerous or defective condition of the Property, including,
  - 3) without limitation, the presence of any environmental contamination or conditions;
  - 4) Any waste committed on the Property by any Person; or
  - 5) Any negligence in the management, upkeep, repair, or control of the Property.

**(d) Assignments of Rent Act.** This Section is subject to the Utah Uniform Assignment of Rents Act, Utah Code Annotated § 57-26-101 et seq. and in the event of any conflict or inconsistency between the provisions of this Section and the provisions of the Act, the provisions of the Act will control.

#### **ARTICLE IV. Security Agreement and Fixture Filing**

##### **Section IV.01. Security Agreement.**

**(a) Attachment and Security.** This Security Instrument shall also constitute a security agreement within the meaning of the Uniform Commercial Code (“UCC”) with respect to all of Trustor’s present and future estate, right, title, and interest in and to all Fixtures and Personal Property. Trustor hereby grants to Optionee and Trustee a security interest in and to the Fixtures and Personal Property and hereby transfers and assigns to Optionee all of Trustor’s present and future estate, right, title, and interest in and to Fixtures and Personal Property to secure the due and punctual payment and performance of all of Obligations as and when the same become due and payable, whether at the stated maturity, by acceleration, or otherwise.

**(b) Election of Remedies.** With respect to the Fixtures and Personal Property, upon the occurrence of an Event of Default, Optionee shall also have the right:

(i) To proceed against the Fixtures and Personal Property in accordance with Optionee’s rights and remedies at law with respect to the Land, in which event the provisions of the UCC shall not govern the default and Optionee’s remedies; or

(ii) To proceed against the Fixtures and Personal Property separately from the Land in accordance with the UCC. If Optionee elects to proceed under the UCC, then reasonable notice of the sale shall be as set forth in applicable state law.

**(c) Other Optionee Rights.** Optionee shall be entitled to the reasonable expenses of retaking, holding, preparing for sale, and selling any Fixture or Personal Property including, without

limitation, Option servicing and attorneys' fees and expenses. At Optionee's request, Trustor shall assemble the Personal Property and make it available to Optionee at a place designated by Optionee. Trustor hereby authorizes Optionee to file financing and continuation statements under the UCC in such filing offices as may be necessary, advisable, or required to create, establish, perfect, preserve, and protect the security interests created hereunder.

**Section IV.02. Fixture Filing.** To the extent permitted under applicable law, the filing or recording of this Security Instrument is intended to and will constitute a fixture filing with respect to that portion of the Property which is or is to become Fixtures. The name, type of organization, jurisdiction of organization, and mailing addresses of the Optionee and of the Trustor are set out in the preamble to this Security Instrument. The organizational identification number of Trustor appears below its signature on the signature page of this Security Instrument. The land to which the Fixtures are related is owned by the Trustor and defined herein as the Land.

## **ARTICLE V. Trustor Covenants**

### **Section V.01. Trustor's Covenants.**

**(a) Performance of Obligations.** Trustor shall pay the Obligations at the time and in the manner prescribed by the Option Documents and shall fully and punctually perform the Obligations when and as required by the Option Documents. Trustor acknowledges and agrees not to prepay the Obligations except in strict accordance with the Option Documents.

**(b) Compliance with Covenants and Agreements.** Trustor shall comply with all covenants and agreements in the Option Agreement and other Option Documents, which are hereby incorporated by specific reference, including, without limitation all covenants and agreements regarding the ownership, operation, and management of the Property and the perfection and protections of all Liens. Without limiting the foregoing or modifying any provision contained in the Option Agreement or other Option Documents, Trustor agrees:

(i) To pay, before delinquency, all taxes and assessments affecting the Property; and all encumbrances, charges and liens, with interest, on the Property (or any part of the Property), which are prior or could obtain priority to the lien or to the rights granted under this Security Instrument;

(ii) To perform ordinary and necessary maintenance on the Property; and to restore or repair the Property as required by the Option Agreement and the Option Documents;

(iii) To occupy the Property as Trustor's principal place of residence in accordance with the requirements of the Option Agreement and other Option Documents;

(iv) To obtain and maintain in full force and effect at all times, all insurance coverages required by the Option Agreement and other Option Documents;

(v) To cooperate with any appraisals and requests for information relating to the Property as required by the Option Agreement and other Option Documents;

(vi) Not to sell, transfer, convey, lease, let, Option, pledge, encumber, create, or permit a lien on or security interest in, or otherwise hypothecate all or any part of the Property except for liens, encumbrances, and transfers expressly permitted under the Option Agreement; and

(vii) Not to settle, pay, or administer any proceeds recovered from any claim or award in casualty or condemnation except in strict accordance with the Option Agreement and other Option Documents.

**(c) Warranty of Title.** Trustor represents to Optionee it has good, marketable, and insurable fee simple title to the Property in accordance with the Option Agreement. Trustor shall forever warrant, defend, and preserve such title to the Property and the validity and priority of the lien of this Security Instrument against the claims of all persons whomsoever.

## **ARTICLE VI.**

### **Default, Remedies, and Waivers**

**Section VI.01.Events of Default.** The occurrence of an Event of Default as that term is defined under the Option Agreement shall constitute an “*Event of Default*” under this Security Instrument.

**Section VI.02.Optionee’s Rights and Remedies.** Upon the occurrence of an Event of Default, Optionee or Trustee may, but without obligation to do so, acting directly or through agents, nominees, or attorneys, exercise all rights and remedies set forth in the Option Agreement and other Option Documents, which are hereby incorporated by specific reference, in addition to any other rights and remedies that Optionee may have at law or in equity, and may immediately take such action, without notice or demand, as it deems advisable to protect and enforce the lien and security interest herein created.

**(a) Remedies Cumulative; No Waiver.** The remedies afforded to Optionee hereunder are cumulative with those provided in other Option Documents at law or in equity and may be exercised independently, concurrently, or successively in Optionee’s sole discretion and as often as occasion for their exercise shall arise. Optionee’s delay or failure to accelerate the Option or exercise any other remedy upon the occurrence or during the continuance of any Event of Default shall not be deemed a waiver of any such right or remedy. No partial exercise by Optionee and/or Trustee of any right or remedy shall preclude further exercise thereof. Notice or demand given to Trustor in any instance shall not entitle Trustor to notice or demand in other or similar circumstances, nor shall it constitute a waiver by Optionee of the right to take any future action in any circumstance or require notice or demand of any such action except as expressly required by the Option Documents or by law. Optionee may release any security for the Obligations, may release any party liable for the Obligations, may grant extensions, renewals, or forbearances with respect to the Obligations or Obligations, may accept a partial or past due payment or grant such other indulgences, or apply such other security to the payment of the Obligations, in each case without prejudice to its rights under this Security Instrument and without such action being deemed an accord and satisfaction or a reinstatement of the Obligations. Optionee and/or Trustee shall not be deemed as a consequence of delaying or failing to act, or granting any forbearance, to have waived or be estopped from exercising any of its rights and remedies reserved hereunder.

**(b) Discontinuance of Proceedings.** If Optionee commences enforcement of any right, power, or remedy, whether afforded under this Security Instrument or elsewhere, and including without limitation foreclosure or entry upon the Property, and such enforcement is then discontinued or abandoned for any reason, or is determined adversely to Optionee, then and in every such case, Trustor and Optionee shall be restored to their former positions and rights hereunder, without waiver of any Event of Default and without novation, and all rights, powers, and remedies of Optionee shall continue as if no such enforcement had been commenced.

**(c) Enforcement Costs.** Trustor shall reimburse Optionee, on demand, for all costs, fees, and expenses incurred (including attorneys' fees) enforcing the rights and remedies granted to or reserved by Optionee hereunder. All such costs, fees, and expenses shall be secured by this Security Instrument. Statutory rights of reinstatement, if any, are expressly conditioned upon full payment by Trustor of all sums required under applicable reinstatement statutes and full payment and performance of all Obligations due under the Option Documents.

**(d) Application of Proceeds.** The proceeds of the Property, together with any other sums held by Optionee pursuant to the Option Documents may be applied to the Obligations and Obligations in such priority and proportion as Optionee and/or Trustee shall determine in its sole discretion.

**(e) LIMITATION ON PERSONAL LIABILITY.** NOTWITHSTANDING ANY PROVISION HEREOF TO THE CONTRARY, TRUSTOR'S PERSONAL LIABILITY FOR THE PAYMENT OF THE OBLIGATIONS AND PERFORMANCE OF THE OBLIGATIONS IS LIMITED HEREUNDER IN THE SAME MANNER AND TO THE SAME EXTENT AS EXPRESSLY PROVIDED IN THE OPTION AGREEMENT.

**Section VI.03.Trustor's Waivers.** Except as otherwise provided in the other Option Documents, Trustor hereby waives, to the fullest extent permitted by applicable law, the rights and benefits set forth in this Section and to the extent permitted by applicable law, these waivers shall bind all successors and persons deriving rights and benefits from or through Trustor.

**(a) Right of Redemption.** Trustor waives the right to stay or extend any proceeding involving the sale of the Property, or to require the Optionee to sell the Property in separate tracts or parcels. Trustor further waives all rights to occupy the Property during the pendency of any sale proceedings or to redeem the Property after all or any portion thereof is sold in such proceeding.

**(b) Right of Appraisal and Marshalling of Assets.** Trustor waives any right to a valuation or appraisal of the Property prior to any sale and waives all rights pertaining to the marshalling of assets in connection with any such sale.

**(c) Moratorium, Exemption, and Homestead.** Trustor waives and renounces all right of homestead exemption in the Property and waives all benefits, if any, to rights of moratorium, or to designate all or any portion of the Property as exempt from forced sale under any provision of the Constitution or laws of the United States, or as exempt from attachment, levy, or sale under civil process.



**(d) Statute of Limitations and Laches.** Trustor waives the benefit of any statute of limitations or laches defense as to the payment of the Obligations or the performance of the Obligations.

**(e) Right to Notices.** Except as expressly provided in the Option Documents, Trustor waives the right to receive any notice of Optionee's intent to exercise any right, remedy, or power, in connection with the Obligations, including without limitation, notice of intent to accelerate the Obligations, notice of presentment, demand for payment, protest, notice of dishonor, or notice of maturity.

**(f) Right of Counterclaim.** Trustor waives the right to assert any counterclaim, other than a mandatory or a compulsory counterclaim, in any action or proceeding brought by Optionee arising out of, or in any way connected with, the Option, the Property, or the Obligations.

## **ARTICLE VII.**

### **Miscellaneous**

**Section VII.01. Amendments, Extensions, and Modifications.** This Security Instrument may not be amended, supplemented, or otherwise modified except in accordance with the Option Agreement. No amendment, supplement, or other modification of this Security Instrument shall be effective unless it is in writing and executed by Trustor and Optionee.

**Section VII.02. Power of Attorney.** Trustor hereby irrevocably appoints Optionee as Trustor's attorney-in-fact (such agency being coupled with an interest), and as such attorney-in-fact Optionee may, after providing notice to Trustor pursuant to the Option Agreement, without the obligation to do so, in Optionee's name, or in the name of Trustor, prepare, execute and file or record financing statements, continuation statements, applications for registration and like documents necessary to create, perfect or preserve any of Optionee's security interests and rights in or to any of the Property, and, upon a default under this Security Instrument, take any other action required of Trustor; provided, however, that Optionee as such attorney-in-fact shall be accountable only for such funds as are actually received by Optionee.

**Section VII.03. Multiple Owners.** If there are multiple Trustors of the Property:

(a) This Security Instrument must be signed by each such Trustor;

(b) All rights and powers specified for Trustor in this Security Instrument must be approved and exercised unanimously by all such multiple Trustors;

(c) All such multiple Trustors shall be jointly and severally liable for all liabilities and obligations specified for Trustor under this Security Instrument; and

(d) Optionee may treat any notice received from any one Trustor as notice from all Trustors.

**Section VII.04. Revocable Trust.** If any Trustor is/are the trustee(s) and/or trustor(s) of a revocable trust, revocable living trust, *inter vivos* trust, revocable family trust or similar trust:

(a) All trustees and all trustors of the Revocable Trust must sign this Security Instrument in their capacities as individuals and as trustees and/or trustors of the Revocable Trust, and each trustee and

trustor of the Revocable Trust who signs this Security Instrument hereby represents and warrants that all trustees and trustors of the Revocable Trust have been disclosed to Optionee;

(b) Any trustee of the Revocable Trust who is also a Trustor of the Revocable Trust need only sign this Security Instrument once for it to be binding on such person both as trustee and as trustor of the Revocable Trust;

(c) All rights and powers specified for, and all actions required of, Trustor in this Security Instrument must be approved and exercised unanimously by all trustees of the Revocable Trust;

(d) All trustees and all trustors of the Revocable Trust, in their capacities as individuals, shall be jointly and severally liable with Trustor for all liabilities and obligations specified for Trustor under this Security Instrument;

(e) All representations and warranties by Trustor in this Security Instrument are made by all trustees of the Revocable Trust on behalf of the Revocable Trust and by all trustees and all Trustors of the Revocable Trust in their capacities as individuals;

(f) Notice required to be given by, or to, any trustor will be deemed adequate given if given by, or to, any of the trustees of the Revocable Trust using the contact information set forth in this Security Instrument; and

(g) Optionee may treat any notice received from any one trustee of the Revocable Trust as notice from all trustees of the Revocable Trust and from Trustor.

**Section VII.05.      Extent of Lien.** The lien and security interests granted to Optionee under this Security Instrument shall encumber Trustor's entire interest in the Property, notwithstanding the fact that the Option Agreement relates to only a fractional interest in the Property.

**Section VII.06.      Incorporation by Reference.** All provisions contained in Article 13 of the Option Agreement are incorporated into this Security Instrument by this reference, as if fully set forth herein.

**Section VII.07.      Further Acts and Assurances.** At Optionee's request, Trustor shall take such further actions and execute such additional documents as Optionee may reasonably request to carry out the intent of this Security Instrument, establish and protect the rights and remedies created (or intended to be created) in favor of Optionee hereunder, and protect the priority of the Liens and security interests created herein. In furtherance thereof and without limitation, Trustor agrees to promptly correct any defect, error, or omission which may be discovered in any Option Document by executing, acknowledging, delivering, recording, and/or filing such further instruments, and to perform such further acts and pay such additional fees, taxes, or expenses, in each case, as may be deemed necessary or advisable in Optionee's reasonable discretion.

**Section VII.08.      No Merger.** In the event that Optionee's interest under this Security Instrument and title to the Property or any estate therein shall become vested in the same person or entity, this Security Instrument shall not merge in such title but shall continue as a valid lien on the Property for the amount secured hereby, unless expressly provided otherwise in writing executed by the Person in whom such interests, title, and estate are vested.

**Section VII.09. Relationship of Parties.** The relationship of Optionee to Trustor is that of an obligor to an obligee. Trustor acknowledges and agrees that Optionee and Trustee have no fiduciary, trust, advisor, business consultant, guardian, representative, partnership, joint venture, or other similar relationship to or with Trustor. No such relationship shall be drawn or implied from this Security Instrument or any other Option Document, or from any actions of Optionee, or from any prior relationship between the parties. Optionee has no obligation to Trustor or any other person with respect to the Property or any part thereof and nothing herein shall render Optionee liable for any debts, obligations, acts, omissions, representations, or covenants of Trustor.

**Section VII.10. After-Acquired Property.** This Security Instrument shall encumber, cover, and apply to and include any and all “after-acquired property” of Trustor located at, adjacent to or adjoining, or in any way associated with, the use or operation of the Property, and such after-acquired property shall be a part of the Property. In furtherance of the foregoing, Trustor, by these presents does give, grant, bargain, sell, and convey unto Optionee all of Trustor’s right, title, and interest in and to said after-acquired property. The after-acquired property identified by Optionee from time to time may also be identified in a notice of extension filed in the real property records in which this Security Instrument is recorded or in any other county in which the after-acquired property is located. Trustor agrees that Optionee has the absolute and irrevocable right and power, which right and power is coupled with an interest, to file one or more notices of extension, and that all after-acquired property of Trustor identified by Optionee, whether through a notice of extension or otherwise, shall secure the due and punctual payment and performance of all of the Obligations as and when the same becomes due and payable, with interest (including post-petition interest) thereon, and all renewals, extensions, rearrangements, modifications, replacements, amendments, and restatements or supplements thereof. This Section 7.10 is intended to be and is an “after-acquired property clause” and shall be construed in accordance with the provisions of applicable law of the state in which the Land and Improvements are located that authorizes or governs after-acquired property clauses in mortgages.

**Section VII.11. Successors and Assigns.** This Security Instrument may be assigned or transferred, in whole or in part, by Optionee to any person, at any time, without notice to or the consent of Trustor. Trustor may not assign or transfer this Security Instrument or any of its rights hereunder without the prior written consent of Optionee. This Security Instrument shall inure to the benefit of and be binding upon the parties hereto and their permitted assigns. The terms “Trustor” and “Optionee” shall include the legal representatives, heirs, executors, administrators, successors, and assigns of the parties hereto, and all those holding under either of them. The term “Optionee” shall include any transferee or assignee thereof, whether by operation of law or otherwise.

**Section VII.12. Commercial Transaction.** The interests of Optionee under this Security Instrument and the liabilities and obligation of Trustor hereunder arise from a commercial transaction.

**Section VII.13. Time Is of the Essence.** Time is of the essence of each and every term herein.

**Section VII.14. Joint and Several Liability.** If more than one party executes this Security Instrument as a mortgagor, the term “Trustor” means all parties signing, and each of them, and each agreement, obligation, Obligations, and Obligations of Trustor shall be and mean the several as well as joint undertaking of each of them.

**Section VII.15. Headings.** The headings of the various articles, sections, and subsections in this Security Instrument are for reference only and shall not define, expand, or limit any of the terms or provision thereof.

**Section VII.16. No Merger.** In the event that Optionee's interest under this Security Instrument and title to the Property or any estate therein shall become vested in the same Person, this Security Instrument shall not merge in such title but shall continue as a valid lien on the Property for the amount secured hereby, unless expressly provided otherwise in writing executed by the Person in whom such interests, title, and estate are vested.

**Section VII.17. Severability.** If any term or provision of this Security Instrument is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Security Instrument or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon any determination that any term or other provision hereof is invalid, illegal, or unenforceable, Trustor and Optionee shall negotiate in good faith to modify this Security Instrument so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

**Section VII.18. Consent to Jurisdiction.** Trustor hereby consents and submits to the exclusive jurisdiction and venue of any state or federal court sitting in the county and state where the Land is located in any legal action or proceeding arising with respect to the lien and interests secured by this Security Instrument. Trustor hereby irrevocably and unconditionally waives all objections to such jurisdiction and venue. Nothing herein shall preclude or prevent Optionee from bringing actions or proceedings against Trustor in any other jurisdiction or venue. Optionee may bring an action to enforce or realize upon the Obligations secured hereby in any jurisdiction or venue as may be necessary or advisable in Optionee's sole discretion.

**Section VII.19. Release of Lien.** Upon Trustor's full payment and performance of all Obligations under the Option Documents, Optionee (or Trustee on behalf of Optionee) shall, upon written request of Trustor, to execute and deliver at Trustor's sole cost and expense a release, reconveyance, satisfaction, or cancellation of this Security Instrument and such other documentation in recordable form (including without limitation UCC-3 termination statements) as may be required by applicable law to effectuate the release and termination of Optionee's liens and security interests on the Property (individually and collectively, a "***Release***").

**Section VII.20. Notices.** Unless specifically stated otherwise in this Security Instrument, all notices, requests, and communications required or permitted to be delivered hereunder shall be in writing and delivered to all persons at the addresses below, by one of the following methods: (a) Hand delivery, whereby delivery is deemed to have occurred at the time of delivery; (b) a nationally recognized overnight courier company, whereby delivery is deemed to have occurred the business day following deposit with the courier; or (c) by electronic mail with confirmation of receipt.

**Section VII.21. Successor Trustee.** Optionee and its successors and assigns, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by Optionee and duly acknowledged and recorded in

the office of the recorder of the county or counties where said Property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Security Instrument is recorded and the name and address of the new Trustee.

**Section VII.22. Subrogation.** To the extent that Option proceeds shall be used to pay, satisfy, discharge, renew, or extend any obligations or indebtedness secured by a pre-existing mortgage, deed of trust, or other security instrument encumbering the Property, Optionee shall automatically, and without further action, be subrogated to all rights of the holder of such prior lien, whether or not such prior lien is released, and such rights shall continue in full force and effect for the benefit of Optionee and shall be merged with the lien and security interests created herein for the purpose of securing the payment and performance of the Obligations.

**Section VII.23. Entire Agreement.** This Security Instrument and the other Option Documents constitute the entire contract of Trustor and Optionee with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto. Delivery of an executed counterpart of a signature page to this Security Instrument and the Option Documents or any amendment, modification, or supplement thereto by facsimile or in electronic (i.e., “pdf” or “tif”) format shall be effective as delivery of a manually executed counterpart of this Security Instrument and the Option Documents.

**Section VII.24. Counterparts.** This Security Instrument and any amendments, waivers, consents, or supplements hereto may be executed in counterparts, each of which shall constitute an original, but all taken together shall constitute a single contract.

## **ARTICLE VIII.**

### **State Specific Provisions**

**Section VIII.01. State-Specific Provisions Control.** In the event of any conflict between the terms and provisions set forth in this Article VIII and the other terms and provisions of this Security Instrument or the Option Agreement, this Article VIII shall control.

**Section VIII.02. Additional Remedies.** Optionee or Trustee (as applicable and at Optionee’s direction) may, in addition to the exercise of any or all of the other remedies specified in Article VI:

(a) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of its security, enter upon and take possession of the Property, or any part thereof, in its own name or in the name of Trustee, and do any acts that it deems necessary or desirable to preserve the value, marketability or rentability of the Property, or any part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Property, sue for or otherwise collect the Rents, or any part thereof, including, without limitation, those past due and unpaid, and apply the same, less costs and expenses of operation and collection (including, without limitation, attorneys’ fees) to the Obligations, all in such order as Optionee may determine. The entering upon and taking possession of the Property, the collection of such Rents and the application thereof as aforesaid, will not cure or waive

any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of all or any portion of the Property or the collection, receipt and application of Rents, Trustee or Optionee will be entitled to exercise every right provided for in any of the Option Documents or by law upon occurrence of any Event of Default, including, without limitation, the right to exercise the power of sale contained herein;

(b) Commence an action to foreclose the lien of this Security Instrument (i) non-judicially, or (ii) as a mortgage in accordance with Utah law, appoint a receiver), or specifically enforce any of the covenants hereof;

(c) Exercise the power of sale herein contained and deliver to Trustee a written statement of default or breach and cause Trustee to execute and record a notice of default and election to cause Trustor's interest in the Property to be sold in accordance with applicable law.

(d) Exercise all other rights and remedies provided herein, in the Option or other document or agreement now or hereafter securing or guarantying all or any portion of the Obligations, or by law.

**Section VIII.03. Personal Property.** It is the express understanding and intent of the parties that as to any personal property interests subject to Article 9a of the Uniform Commercial Code, Optionee, upon the occurrence and during the continuance of an Event of Default, may proceed under the Uniform Commercial Code or may proceed as to both real and personal property interests in accordance with the provisions of this Security Instrument and its rights and remedies in respect of real property, and treat both real and personal property interests as one parcel or package of security as permitted applicable law.

**Section VIII.04. Appointment of Receiver.** Upon the occurrence, and during the continuance, of an Event of Default, Optionee, as a matter of right and without notice to Trustor or any one claiming under Trustor, and without regard to the then value of the Property or the interest of Trustor therein, will have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Property, and Trustor hereby irrevocably consents to such appointment and waives notice of any application therefor and consents to Optionee being appointed as such receiver if Optionee so elects. Any such receiver or receivers will have all the usual powers and duties of receivers in like or similar cases, and all the powers and duties of Optionee in case of entry as provided herein, and will continue as such and exercise all such powers until the later of the date of confirmation of sale of the Property or the date of expiration of any redemption period, unless such receivership is sooner terminated.

**Section VIII.05. Notice.** The parties request copy of any notice of default and that any notice of sale hereunder and under any other deed of trust affecting the Property now or at any time in the future be mailed to all parties to this Security Instrument.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Trustor has caused this Security Instrument to be executed on the date set forth in the acknowledgment below and to be effective as of the date first set forth above.

[Trustor]

By John Michael Rees

Name: John Michael Rees

Date: 08/03/2022

By Brooke Rees

Name: Brooke Rees

Date: 08/03/2022

### ACKNOWLEDGEMENT

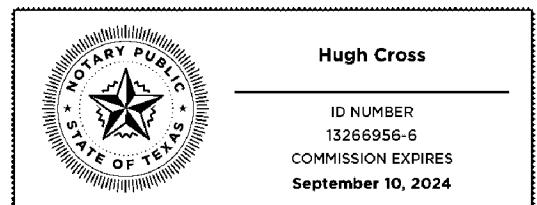
State of ~~Utah~~ <sup>Texas</sup>

County of Bell

On this 3rd day of August, in the year 2022, before me, Hugh Cross a notary public, personally appeared John Michael Rees and Brooke Rees, proved on the basis of satisfactory name of document signer evidence to be the person(s) whose name(s) (is/are) subscribed to this instrument, and acknowledged (he/she/they) executed the same.

Witness my hand and official seal.

Hugh Cross  
(notary signature)



Notarized online using audio-video communication

~~XXXXXXXXXX~~

(seal)

**EXHIBIT A**  
**Property Description**

ALL OF LOT NO. 1016, CONTAINED WITHIN IVORY HIGHLANDS PHASE 10, P.U.D., A PLANNED UNIT DEVELOPMENT, AS THE SAME IS IDENTIFIED IN THE RECORD OF PLAT MAP RECORDED IN SALT LAKE COUNTY, UTAH, AS ENTRY NO. 9105671, IN BOOK 2004P, AT PAGE 170 (AS SAID RECORD OF PLAT MAP MAY HAVE HERETOFORE BEEN AMENDED OR SUPPLEMENTED) AND IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE IVORY HIGHLANDS, P.U.D., A PLANNED UNIT DEVELOPMENT, RECORDED IN SALT LAKE COUNTY, UTAH, AS ENTRY NO. 7274382, IN BOOK 8254, AT PAGE 7042, (AS SAID DECLARATION MAY HAVE HERETOFORE BEEN AMENDED OR SUPPLEMENTED), TOGETHER WITH AN UNDIVIDED PERCENTAGE OF OWNERSHIP INTEREST IN THE ASSOCIATION. LESS AND EXCEPTING THEREFROM ANY AND ALL OUTSTANDING OIL AND GAS, MINING AND MINERAL RIGHTS, MINERALS AND ORES SITUATED IN, UPON, OR UNDER THE ABOVE DESCRIBED TRACT OF LAND.