

WHEN RECORDED, MAIL TO:

CYPRUS CREDIT UNION  
3876 W. Center View Dr.  
West Jordan, UT 84084

2383395  
BK 4585 PG 1243

E 2383395 B 4585 P 1243-1250  
RICHARD T. MAUGHAN  
DAVIS COUNTY, UTAH RECORDER  
8/1/2008 3:54:00 PM  
FEE \$24.00 Pgs: 8  
DEP eCASH REC'D FOR FIRST AMERICAN TITLE

\*\*TAX PARCEL ID#12-065-0156

## TRUST DEED

With Assignment of Rents  
TO SECURE CREDIT AGREEMENT

THIS TRUST DEED, made this 31<sup>st</sup> day of July 2008, Michael R. Brown as TRUSTOR, whose address is 1435 East Hills Circle, Bountiful, Utah 84010 BRUCE L. RICHARDS, A UTAH ATTORNEY, as TRUSTEE, and CYPRUS FEDERAL CREDIT UNION, a corporation organized and existing under the laws of the State of Utah and the United States, as BENEFICIARY,

WITNESSETH: That Trustor CONVEYS and WARRANTS to TRUSTEE IN TRUST, WITH POWER OF SALE, the following described property, situated in Davis County, State of Utah:

See Exhibit "A"

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; FOR THE PURPOSE OF SECURING (1) payment of the indebtedness and all other lawful charges evidenced by the Cyprus Federal Credit Union Promissory Note and Member Business Loan Agreement and Security Agreement in the maximum sum of \$822,500.00 granted to Trustor, payable by Trustor to the order of Beneficiary at all 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; and (3) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms hereof, together with interest thereon as herein provided.

### TO PROTECT THE SECURITY OF THIS TRUST DEED, TRUSTOR AGREES:

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged, or destroyed thereon; 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; and to do all other acts which from the character or use of said property may be reasonably necessary, the specific enumeration herein not excluding the general; and, if the loan secured hereby or any part thereof is being obtained for the purpose of financing construction of improvements on said property, Trustor further agree to commence construction and promptly and to pursue same with reasonable diligence to completion in accordance with plans and specifications satisfactory to Beneficiary, and (b) To allow Beneficiary to inspect said property at all times during construction.

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 conclusive all facts and statements therein, and to act thereon hereunder.

2. To provide and maintain insurance against such casualties and Beneficiary may require, in an amount, for such term and in company or companies satisfactory to Beneficiary with loss payable clauses in favor of and in a form satisfactory to Beneficiary. In the event of loss or damage, Trustor shall give immediate notice to Beneficiary. Beneficiary may make proof of loss and settle and adjust all claims thereunder, applying the proceeds at its option, to reduction of the amount due hereunder, or to the restoration or repair of the property damaged. Payment of such loss may be made directly to Beneficiary. In the event of the refusal or neglect of Trustor to provide insurance or to maintain same, or to review same in a manner satisfactory to Beneficiary, then Beneficiary may itself procure and maintain such insurance and charge the cost thereof to Trustor under the provisions of paragraph 7 hereof. Beneficiary shall not be required to accept or approve any policy of insurance or any renewal of any existing policy, which is not delivered to it prior to 30 days before the expiration date of existing coverage even though the same may be otherwise satisfactory to Beneficiary.

3. 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.

4. 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 also appear in or defend any such action or proceedings, to pay all costs and expenses, including cost of evidence of title and attorney's fee in a reasonable sum incurred by Beneficiary or Trustee.

5. To pay at least 10 days before delinquency all taxes and assessments affecting said property, including all assessments upon water company stock and all rents, assessments and charges for water, appurtenant to or used in connection with said property; to pay, when due, all encumbrances, charges and liens with interest, on said property or any part thereof, which at any time appear to be prior or superior hereto, to pay all costs, fees, and expenses of this trust.

6. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: 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; commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefore, including cost of evidence of title, employ of title, employ counsel, and pay his reasonable fees.

7. To pay immediately and without demand on all sums expended hereunder by Beneficiary or Trustee with interest from the date of expenditure until paid at the rate specified in the promissory note executed in connection herewith.

8. Not to make any voluntary inter vivos transfer of the premises or any part thereof without first obtaining the written consent of the Beneficiary. Any such transfer, if the Beneficiary shall not so consent, shall constitute a default under the terms of this instrument and the note it secures, and Beneficiary may cause same to be foreclosed, and the premises sold, according to law and to the provisions hereof.

**IT IS MUTUALLY AGREED THAT:**

9. Should said property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceedings, or damaged by fire, or earthquake, or in any other manner. Beneficiary shall be entitled to all compensation, awards, and other payments or relief therefore, and shall be entitled at its own 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 may, 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.

10. At any time and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Trust Deed 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. 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 Trust Deed or the lien or charge thereof; (d) 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 fee for any of the services mentioned in this paragraph.

11. As additional security, Trustor hereby assigns to Beneficiary all rents, issues, royalties, and profits of the property affected by this Trust Deed 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, 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 be construed to be, an affirmation by Beneficiary of any tenancy, lease or option, nor any assumption of liability under, nor a subordination of the lien or charge of this Trust Deed to any such tenancy, lease or option.

12. Upon default by Trustor hereunder, Beneficiary may at any time without notice, either in person, by agent, or by receiver to be appointed by a court (Trustor hereby consenting to the appointment of Beneficiary 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, and in its own name sue 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.

13. 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 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.

14. The failure on the part of 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 subsequent default.

15. Time of the essence hereof. Upon default by Trustor in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, 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 of parcel thereof is situated. Beneficiary also shall deposit with Trustee, the note and all documents evidencing expenditures secured hereby.

16. After the lapse of such time 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 of 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 by public declaration thereof by such person at the time and place as appointed for the sale; provided, if the sale is postponed for longer than one day beyond the day designated in the notice of sale, notice thereof shall be given in the same manner as the original notice of sale. Trustee shall execute and deliver to the purchaser its Deed conveying said property so sold, but without any covenant or warranty, expressed or implied.

The recitals in the Deed of any matters or fact 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 the 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 actually incurred by the Trustee and the Beneficiary; (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 thereon from the date of expenditure (4) all other sums then secured hereby; (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 County Clerk of the County in which the sale took place.

17. Upon the occurrence of any default hereunder, Beneficiary shall have the option to declare all sums secured hereby immediately due and payable and foreclose their Trust Deed in the manner provided by law for the foreclosure of mortgages 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 in such amount as shall be fixed by the court.

18. 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 of the substitution is filed for record, the new trustee shall succeed to all the powers, duties, authority and the title of the trustee named herein or 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 law.

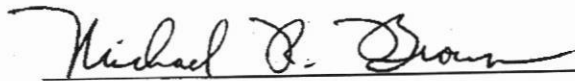
19. This Trust Deed shall apply to, inure to the benefit of, and bind all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Beneficiary" shall mean the owner and holder, including any pledgee, of the note secured hereby. In this Trust Deed, whenever the text so requires, masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

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

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

22. 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.

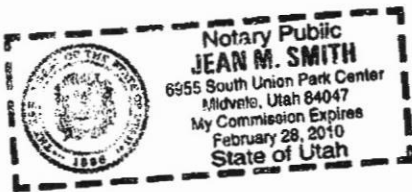
IN WITNESS WHEREOF THE Trustor has caused this present to be executed the day and year first above written.

  
Michael R. Brown

## ACKNOWLEDGMENT

STATE OF UtahCOUNTY OF Salt Lake

On the 31<sup>st</sup> of July, 2008, personally appeared before me Michael R. Brown, the signer of the above instrument, who duly acknowledged to me that he executed the same.



[Signature]  
Notary Public  
Residing at:

S.L.C., Utah

My Commission Expires:

2-28-10

**EXHIBIT "A"**

**BEGINNING ON THE NORTH LINE OF A ROAD AT A POINT NORTH 33.47 FEET AND WEST 816.91 FEET AND NORTH 89°58' WEST 303.10 FEET FROM THE SOUTHEAST CORNER OF SECTION 11, TOWNSHIP 4 NORTH, RANGE 2 WEST, SALT LAKE MERIDIAN, IN THE CITY OF CLEARFIELD, AND RUNNING THENCE NORTH 89°58' WEST 273 FEET ALONG SAID ROAD; THENCE NORTH 31°58'30" WEST 296.13 FEET; THENCE NORTH 58°01'30" EAST 231.54 FEET; THENCE SOUTH 31°58'30" EAST 440.85 FEET TO THE POINT OF BEGINNING.**

**LESS AND EXCEPTING THAT PORTION OF LAND CONVEYED TO UTAH DEPARTMENT OF TRANSPORTATION AS DISCLOSED BY WARRANTY DEED RECORDED NOVEMBER 06, 2002 ENTRY NO. 1801931 IN BOOK 3162 AT PAGE 103 OF OFFICIAL RECORDS BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

**A PARCEL OF LAND IN FEE FOR THE WIDENING OF AN EXISTING HIGHWAY, STATE ROUTE 108, KNOWN AS PROJECT NO. 0108, BEING PART OF AN ENTIRE TRACT OF PROPERTY, SITUATE IN THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 4 NORTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN. THE BOUNDARIES OF SAID PARCEL OF LAND ARE DESCRIBED AS FOLLOWS:**

**BEGINNING ON THE NORTHERLY RIGHT-OF-WAY LINE OF SAID EXISTING HIGHWAY AT THE SOUTHEAST CORNER OF SAID ENTIRE TRACT, WHICH POINT IS 10.40 FEET PERPENDICULARLY DISTANT NORTHERLY FROM THE CENTER LINE OF SAID PROJECT AT ENGINEER STATION 156+40.08, SAID POINT BEING 33.47 FEET NORTH AND 816.91 FEET WEST AND 303.10 FEET NORTH 89°58'00" WEST FROM THE SOUTHEAST CORNER OF SAID SECTION 11, AND RUNNING THENCE NORTH 89°58'00" WEST 273.03 FEET (BY DEED=273 FEET) ALONG SAID NORTHERLY RIGHT-OF-WAY LINE TO THE SOUTHEAST CORNER OF SAID ENTIRE TRACT; THENCE NORTH 31°58'30" WEST 92.86 FEET ALONG THE WESTERLY BOUNDARY LINE OF SAID ENTIRE TRACT TO A POINT 88.45 FEET PERPENDICULARLY DISTANT NORTHERLY FROM SAID CENTER LINE AT ENGINEER STATION 159+52.27; THENCE SOUTH 59°58'00" EAST 66.91 FEET TO A POINT 55.00 PERPENDICULARLY**

PAGE 2 OF EXHIBIT "A"

**DISTANT NORTHERLY FROM SAID CENTER LINE AT ENGINEER STATION 159+04.32; THENCE SOUTH 89°58'00" EAST 144.48 FEET ALONG A LINE PARALLEL TO SAID CENTER LINE; THENCE SOUTH 89°38'05" EAST 91.85 FEET ALONG A LINE PARALLEL TO SAID CENTER LINE TO THE EASTERLY BOUNDARY LINE OF SAID ENTIRE TRACT AT A POINT OPPOSITE ENGINEER STATION 156+68.31; THENCE SOUTH 31°58'30" EAST 52.78 FEET ALONG SAID EASTERLY BOUNDARY LINE TO THE POINT OF BEGINNING AS SHOWN ON THE OFFICIAL MAP OF SAID PROJECT ON FILE IN THE OFFICE OF THE UTAH DEPARTMENT OF TRANSPORTATION.**