

WHEN RECORDED, MAIL TO:

Empyrean Asset Management, LLC  
Attn: N.G.S. Jensen  
189 Hollow Bend Dr.  
Sandy, UT 84070  
(801) 657-2103



\*W3303098\*

E# 3303098 PG 1 OF 9

LEANN H KILTS, WEBER CTY. RECORDER  
26-OCT-23 3:11 PM FEE \$40.00 SED  
REC FOR: N.G.S. JENSEN

Tax Serial No. 13-016-0028

**TRUST DEED**  
(With Assignment of Rents)

THIS TRUST DEED, made this \_\_\_\_ day of October, 2023, is given by Residential Holdings, LLC, a Utah limited liability company, with an address of 900 Gramercy Ave., Ogden, UT 84404, as "**Trustor**," to Laura Lael Prince as "**Trustee**," for the benefit of Empyrean Asset Management, LLC, a Utah limited liability company, with an address of 189 Hollow Bend Dr., Sandy, Utah 84070, as "**Beneficiary**."

WITNESSETH: That Trustor CONVEYS AND WARRANTS TO TRUSTEE IN TRUST, WITH POWER OF SALE, those certain parcels of real property situated in Weber County, State of Utah, and more fully described on Exhibit A attached hereto (the "**Property**"), together with all buildings, fixtures and improvements thereon and all water rights, permits, construction contracts, licenses, surveys, studies, reports, entitlements, rights of way, easements, rents, issues, profits, income, tenements, hereditaments, privileges and appurtenances thereunto belonging, now or hereafter used or enjoyed with the 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: (a) payment of the indebtedness and satisfaction of the other obligations set forth in that certain Secured Promissory Note, of even date herewith, in the original principal amount of \$25,602.50 (referred to hereinafter as the "**Promissory Note**") made by Trustor (also the "**Borrower**"), payable to the order of Beneficiary at the time, in the manner, and with interest as therein set forth, and any extensions, renewals, amendments or modifications thereof, together with interest thereon as therein provided; (b) the performance of each agreement and covenant of Borrower contained in this Trust Deed, the Promissory Note of even date herewith, all the terms and conditions of which are hereby incorporated and made part of this Trust Deed, and any and all other documents now or hereafter required by Beneficiary and executed by Borrower or any other person or party in connection with the loan evidenced by the Promissory Note (all such documents are sometimes referred to herein collectively as the "**Loan Documents**"); (c) the payment of such additional loans or advances as hereafter may be made to Borrower, its successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Trust Deed; and (d) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms hereof, together with interest thereon as herein provided.

AND, Trustor hereby warrants, covenants and agrees that Trustor is the lawful owner of the Property, with good and marketable title, free and clear of all encumbrances, liens or charges excepting only those matters attributed or created by the Loan Documents, as defined in that certain Loan Agreement by and between Trustor and Beneficiary of even date herewith, except such encumbrances, liens or charges as shall be subordinated to Beneficiary's interest in the Property as of the date hereof.

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

1. **Preservation of the Property.** To keep the 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 the Property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon the Property in violation of law; to do all other acts which from the character or use of the Property may be reasonably necessary to preserve the Property in good condition and repair. Trustee, upon presentation to it of an affidavit signed by Beneficiary, setting forth facts showing a default by Trustor under this paragraph, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon pursuant to the provisions contained herein.
2. **Property Insurance.** 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 the Property. Such insurance shall be carried in companies approved by Beneficiary and shall contain a standard "mortgagee protection clause", shall have attached a "lender's loss payable endorsement", and shall name Beneficiary as an additional insured or loss payee, as appropriate. Such insurance shall contain a provision that such insurance will not be cancelled or materially amended or altered without at least thirty (30) days prior written notice to Beneficiary. In 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 reasonably applied by Beneficiary, at its option, to reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged.
3. **Evidence of Title.** 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. **Defense of Actions Affecting the Property.** To appear in and defend any action or proceeding purporting to affect the security hereof, the title to the Property, or the rights or powers of Beneficiary or Trustee; and if, following Borrower's failure to appear in and defend any such action or proceeding, or failure to keep Beneficiary advised of the status thereof, should Beneficiary or Trustee elect to also appear in or defend any such action or proceeding, to pay all

costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum incurred by Beneficiary or Trustee.

5. **Taxes and Assessments.** To pay at least ten (10) days before delinquency all taxes and assessments affecting the Property, including all assessments upon water company stock and all rents, assessments and charges for water, appurtenant to or used in connection with the Property; to pay, when due, all encumbrances, charges, and liens with interest on the 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 Deed.

6. **Hazardous Substances.** Not to cause, permit, allow or suffer the presence, use, generation, manufacture, release, discharge, storage or disposal of any hazardous or toxic materials, substances or wastes as designated or regulated by applicable federal, state or local environmental laws (collectively, "***Hazardous Materials***") on, under, in or about the Property, or the transportation of any Hazardous Materials to or from the Property. Trustor shall immediately notify Beneficiary in writing of: (a) any enforcement, cleanup, removal or other governmental or regulatory action instituted, completed or threatened in connection with any Hazardous Materials; (b) any claim made or threatened by any third party against Trustee or the Property relating to damage, contribution, cost recovery, compensation, loss or injury resulting from any Hazardous Materials; and (c) Trustee's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Property that could cause all or any portion of the Property to be subject to any restrictions on the ownership, occupancy, transferability or use.

7. **Protection of Beneficiary's Rights in the Property.** 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 and 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 reasonably deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the Property for such purposes; to the extent that Borrower fails to appear in and defend any such action or proceeding purporting to affect the security hereof or the rights of powers of Beneficiary or Trustee, or fails to keep Beneficiary advised of the status thereof, commence, appear in and defend any such action or proceeding; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the reasonable judgment of Beneficiary or Trustee appears to be senior in priority hereto; and in exercising any such 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 fees. Trustor acknowledges and agrees that Beneficiary assumes no obligations related to the Property, including without limitation, any obligation of Trustor under any contract, license or permit comprising part of the property.

8. **Payments of Expenses.** To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the rate of ten percent (10%) per annum until paid, and the repayment thereof shall be secured hereby.



IT IS MUTUALLY AGREED THAT:

9. **Condemnation.** Subject to the conflicting rights of any superior lienholder, should the 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, 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. Subject to the conflicting rights of any superior lienholder, all such compensation, awards, damages, rights of action and proceeds, including the proceeds of any policies of fire and other insurance affecting the Property, are hereby assigned to Beneficiary, who may, after deducting therefrom all its expenses, including attorneys' 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. **Consents; Subordination; Reconveyance.** 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 Promissory Note for endorsement (or 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 the 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 the 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 truthfulness thereof. Upon satisfaction of any conditions precedent imposed by Trustee, the parties hereto shall exercise best efforts to complete each authorized reconveyance in a timely and efficient manner. Trustor agrees to pay reasonable Trustee's fees for any of the services mentioned in this paragraph.

11. **[RESERVED]**

12. **Due on Sale.** Other than (a) a transfer by devise, descent or by operation of law upon the death of a joint tenant, or (b) the grant of any leasehold interest of three (3) years or less not containing an option to purchase, Trustor shall not sell, convey or otherwise transfer the Property or any part thereof or interest therein, without the prior written consent of Beneficiary. Subject to the foregoing sentence, if the Property, or any part thereof, or any interest therein, is sold, conveyed or otherwise transferred without the prior written consent of Beneficiary, or if Trustor be divested of title to the Property, or any part thereof or interest therein, in any manner, whether voluntarily or involuntarily, then the full principal indebtedness of the Promissory Note and all other indebtedness secured hereby, at the option of Beneficiary and without demand or notice, shall immediately become due and payable; provided that Beneficiary shall not exercise such option if such exercise is prohibited by applicable law. Trustor shall be deemed to hold in trust, for the sole benefit of Beneficiary, any proceeds Trustor may receive from such unauthorized



transfer. It is expressly acknowledged and agreed that any transfer of more than ten percent (10%) of the capital stock, partnership or member interests of Trustor, as the case may be, shall constitute a transfer of the entire Property within the meaning of this Section 12.

13. **Assignment of Rents.** As additional security, Trustor hereby assigns Beneficiary, during the continuance of these trusts, 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, 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 monies shall cease and Beneficiary shall, in its own name or in the name of and on behalf of Trustor, 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 monies 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 an assumption of liability under, nor a subordination of the lien or charge of this Trust Deed to any such tenancy, lease or option. Trustor agrees that it will not collect rent on the Property more than one month in advance or lease the Property other than on commercially reasonable terms.

14. **Possession and Collection of Rents.** 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 as such receiver), and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the 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 attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine.

15. **Forbearance by Beneficiary Not a Waiver.** The entering upon and taking possession of the 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 the 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.

16. **Possession or Collection of Rents Not a Waiver.** 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 or subsequent default.

17. **Default.** Time is of the essence hereof. Upon default by Borrower in the payment of any indebtedness secured hereby or in the performance of any obligation of Borrower under any of the Loan Documents, 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 the Property to be sold to satisfy the obligations hereof, and Trustee shall file such notice for record in each county wherein the Property or some part or parcel thereof is situated. Beneficiary also shall deposit with Trustee the Promissory Note and all documents evidencing expenditures secured hereby.

18. **Sale of Property Upon Default.** 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 the 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 case, notice of postponement shall be given by public declaration thereof by such person at the time and place last appointed for the sale; provided, if the sale is postponed for longer than 45 days beyond the original 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 the Property so sold, but without any covenant or warranty, express or implied. The recitals in the Deed of any matters or facts shall be prima facie 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 reasonable costs and expenses of exercising the power of sale and of the sale, including the payment of the Trustee's and attorneys' fees; (2) reasonable cost of any evidence of title procured in connection with such sale and revenue stamps on Trustee's Deed; (3) all reasonable sums expended under the terms hereof, not then repaid, with accrued interest at ten percent (10%) per annum from date of expenditure; (4) all other reasonable 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 of the county in which the sale took place, provided that Trustee, within five (5) days of such deposit, provides notice of such deposit to Trustor.

19. **Acceleration.** 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 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 proceeding all costs and expenses incident thereto, including a reasonable attorneys' fee in such amount as shall be fixed by the court.

20. **Successor Trustee.** 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 the 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 law.

21. **Successors and Assigns.** 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. All obligations of Trustor hereunder are joint and several. The term "Beneficiary" shall mean the owner and holder, including any pledgee, of the note secured hereby. In this Trust Deed, whenever the context requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

22. **Governing Law.** This Trust Deed shall be construed according to the laws of the State of Utah.

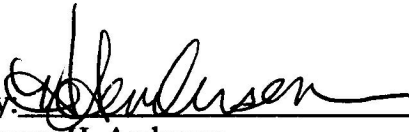
23. **Notice of Default.** The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to it at the address hereinbefore set forth.

*[Signatures Follow]*



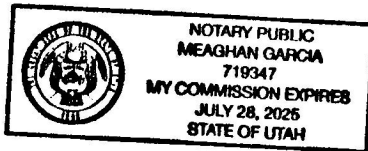
IN WITNESS WHEREOF, Trustor has executed this Trust Deed (With Assignment of Rents) as of the date first set forth above.

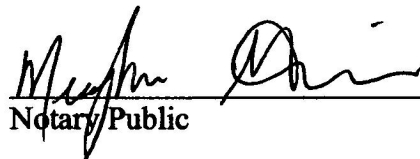
**Residential Holdings, LLC, a**  
Utah limited liability company

By:   
Name: H. Anderson  
Title: Manager

STATE OF UTAH                    )  
  : ss.  
COUNTY OF Wade            )

The foregoing instrument was acknowledged before me this 26 day of October 2023, by H. Anderson, the Manager of Residential Holdings, LLC, a Utah limited liability company, who signed on behalf of said limited liability company.



  
Notary Public

**EXHIBIT A**

**(LEGAL DESCRIPTION)**

**PART OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 6  
NORTH, RANGE 1 WEST, SALT LAKE MERIDIAN, U.S. SURVEY:  
BEGINNING AT A POINT ON THE EAST LINE OF SAID QUARTER SECTION  
543.75 FEET SOUTH OF THE NORTHEAST CORNER OF SAID QUARTER  
SECTION; THENCE RUNNING WEST 165 FEET; THENCE SOUTH 123  
FEET; THENCE EAST 165 FEET; THENCE NORTH 123 FEET TO THE  
PLACE OF BEGINNING. EXCEPT THAT PORTION IN GRAMERCY AVENUE.**

**TAX SERIAL NO. 13-016-0028**