

WHEN RECORDED, MAIL TO:

MERACOR MORTGAGE
6925 SOUTH UNION PARK CENTER #160
MIDVALE, UTAH 84047

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

LOAN NO: 0175618
ORDER NO: 86018919

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4280589

DEED OF TRUST

THIS DEED OF TRUST ("Security Instrument") is made on JULY 11th 1986. The grantor is JOHN H. SHORP and CALLI W. SHORP, husband and wife ("Borrower"). The trustee is STEWART TITLE OF UTAH MeraBank, A FEDERAL SAVINGS BANK, 310 EAST 4500 SOUTH #150, MURRAY, UTAH 84107, which is organized and existing under the laws of UNITED STATES, and whose address is 3003 NORTH CENTRAL, PHOENIX, ARIZONA 85012 ("Lender"). Borrower owes Lender the principal sum of ONE HUNDRED THIRTY THREE THOUSAND TWO HUNDRED FIFTY AND NO/100THS Dollars (U.S. \$133,250.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on AUGUST 1, 2001. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in SALT LAKE County, Utah:

Lot 3, MONUMENT PARK SUBDIVISION PLAT A, according to the official plat thereof.

1891

Stewart Title
Penni Korolovos

STEWART TITLE OF UTAH

JUL 18 11 24 AM '86

KATIE L. OIXON
RECORDER
SALT LAKE COUNTY,
UTAH

which has the address of 2463 MICHIGAN AVENUE, SALT LAKE CITY, Utah 84108 ("Property Address");
(Street) (City) (Zip Code)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property; Mortgage Insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If the power of sale is invoked, Trustee shall execute a written notice of the occurrence of an event of default and of the election to cause the Property to be sold and shall record such notice in each county in which any part of the Property is located. Lender or Trustee shall mail copies of such notice in the manner prescribed by applicable law to Borrower and to the other persons prescribed by applicable law. Trustee shall give public notice of the sale to the persons and in the manner prescribed by applicable law. After the time required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it or to the county clerk of the county in which the sale took place.

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

21. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs.

22. Substitute Trustee. Lender, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

23. Request for Notices. Borrower requests that copies of the notices of default and sale be sent to Borrower's address which is the Property Address.

24. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

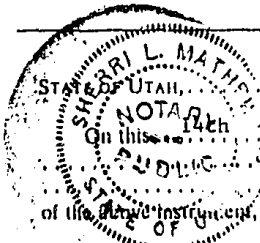
- Adjustable Rate Rider
- Condominium Rider
- 2-4 Family Rider
- Graduated Payment Rider
- Planned Unit Development Rider
- Other(s) [specify] _____

RIDER TO UNIFORM DEED OF TRUST AND NOTE

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

.....(Seal)
 —Borrower
 JOHN H. SHORT
(Seal)
 —Borrower
 CALLI W. SHORT

[Space Below This Line For Acknowledgment]



My Commission expires: May 25, 1988

.....SALT LAKE..... County ss:
 On this day of July 19. 86, personally appeared before me
 JOHN H. SHORT AND CALLI W. SHORT the signer(s)

.....
 Notary Public residing at:
 Salt Lake County, Utah

REQUEST FOR RECONVEYANCE

TO TRUSTEE:

The undersigned is the holder of the note or notes secured by this Deed of Trust. Said note or notes, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel said note or notes and this Deed of Trust, which are delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

Date:

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RIDER TO UNIFORM DEED OF TRUST AND NOTE

FOR VALUE RECEIVED, the undersigned Borrowers(s) agree(s) that the following provisions shall be incorporated into the Deed of Trust of even date to which this Rider is attached (hereinafter the "Deed of Trust") as well as the Note(s) which said Deed of Trust secures (hereinafter called the "Note"). So long as this Rider shall remain in effect, to the extent that its provisions are inconsistent with the provisions of the Deed of Trust or Note, the provisions of this Rider shall prevail and shall supersede any such inconsistent provisions. This Rider shall remain in full force and effect until the Note or any part of the indebtedness evidenced by the Note is assigned or otherwise transferred to the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, or to a successor of either; or until at the option of the noteholder, the noteholder elects that the provisions of this Rider shall be of no further force or effect, at such time the provisions of the Deed of Trust as well as the Note shall be in effect thereafter unaffected by the provisions of this Rider. Provided, however that in the event paragraph No. 8 of this Rider, entitled "Additional Security Agreement" is applicable to this loan transaction such paragraph shall remain in full force and effect regardless of the occurrence of any of the abovementioned assignments or transfers.

1. Numbered paragraph 3 of the Deed of Trust is hereby deleted in its entirety, and the following language is inserted in its stead:

"3. APPLICATION OF PAYMENTS. Unless applicable law provides otherwise, all payments received by Lender under the Note and Paragraph 1 and 2 hereof shall be applied at Lender's discretion, in any manner Lender so determines."

2. The following provision is hereby added to the Deed of Trust as Paragraph 25.

"25. CONSTRUCTION OF IMPROVEMENTS. If the loan secured hereby, or any part thereof, is being obtained for the purpose of constructing improvements on the property, Borrower promises and agrees that said improvements will be constructed as provided in the Building and Loan Agreement entered into by Borrower, Borrower's Contractor and Lender with respect to the construction of said improvements. Any default of Borrower under the provisions of the said Building and Loan Agreement shall constitute a default under this Deed of Trust. Notice is hereby given to all concerned that the proceeds of any construction loan secured hereby may be collaterally assigned under such Building and Loan Agreement, pending completion of improvements in accordance with approved plans and specifications, and that a portion of such loan proceeds may be disbursed for land acquisition costs or for the payments or encumbrances previously existing on said realty."

3. The following provision is hereby added to the Deed of Trust as Paragraph 26:

"26. WAIVER OF STATUTE OF LIMITATIONS. To waive to the fullest extent permitted by law the right to plead any statute of limitations as a defense to any demand or obligation secured hereby."

4. The following provision is hereby added to the Deed of Trust as Paragraph 27:

"27. ADDITIONAL RIGHTS AND REMEDIES. Upon any default by Borrower hereunder or under any agreement, indebtedness or obligation secured hereby, Lender may at any time without notice either in person, by agent, or by a receiver to be appointed by a court (Borrower hereby consenting to the appointment of Lender 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 all rents, issues, and profits derived from the Property, 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 Lender may determine. Borrower expressly agrees that Lender shall not be required to show that the Property is in danger of being lost, removed or injured or that the Property is insufficient to discharge the debt secured hereby in order to obtain the appointment of a receiver and Borrower and Lender agree that, to the fullest extent allowable, this provision is intended to control over any judicial rules or presumptions to the contrary, and Borrower expressly waives the benefit of any such rule or presumption. In the event Borrower fails or refuses to surrender possession of the Property after any Trustee's sale, Borrower shall be deemed a tenant at sufferance, subject to eviction by means of forcible entry and detainer proceedings. The remedies set forth in this paragraph are not exclusive or in derogation of any other rights or remedies available to Lender."

5. The following provision is hereby added to the Deed of Trust as Paragraph 28:

"28. TRANSFER FEE. Borrower hereby agrees that Lender shall have the right to assess a transfer fee in the amount of one percent (1%) of the principal loan balance, or in any greater amount authorized by applicable state and federal law and regulations, in the event all or any part of the property or an interest therein is hereinafter subsequently sold, conveyed or transferred; or in the event that Lender is requested to approve a proposed sale, conveyance, or transfer, whether or not the Lender undertakes to make an evaluation of the security and/or creditworthiness of the proposed person to whom the property is to be sold, conveyed or transferred. The terms "sold, conveyed or transferred" as used throughout this document, shall be deemed to include Borrower's transfer of title to the property, whether legal or equitable, in any manner whatsoever, including, but not limited to, a transfer pursuant to a contract to sell or convey. The transfer fee shall be payable irrespective of any increase in the existing interest rate agreed upon by Lender and the person to whom the property is sold, conveyed or transferred. Lender shall have the right in the event of a transfer of the property defined in this paragraph to increase the interest rate on the loan a minimum of one-half of one percent (1/2%) or to the maximum rate chargeable under the then applicable state and federal laws and regulations. Notwithstanding the foregoing, First Federal shall be permitted to exercise its rights under the "Consent to Transfer" provisions of the Deed of Trust in accordance with applicable law and regulations of the Federal Home Loan Bank Board relative in time to the execution of this instrument."

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6. The following provision is hereby added to the Deed of Trust as Paragraph 29:

"29. RELEASE AND RECONVEYANCE. The Trustee named in the Deed of Trust, or any successor Trustee thereunder, may charge a reasonable reconveyance fee for each full or partial release or reconveyance of the Deed of Trust."

7. The following paragraph is added to the Note and shall read in its entirety as follows:

"Prepayment. Borrower may prepay the principal amount outstanding in whole or in part. The Note holder may require that any partial prepayment (I) be made on date monthly installments are due, and (II) be in the amount of that part of one or more monthly installments which would be applicable to principal. Any partial prepayment shall be applied against the principal amount outstanding, and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments, unless the noteholder shall otherwise agree in writing."

8. If the following provision is not completed, it is not applicable to the underlying transaction. If completed, the following provision is hereby added to the Deed of Trust as Paragraph 30:

"30. ADDITIONAL SECURITY AGREEMENT. As additional security hereunder, Borrower has entered into Additional Security Agreement of the same date irrevocably pledging Borrower's Savings Account No. _____ in the principal amount of \$ N/A, at N/A

in favor of and for the sole benefit of Lender and irrevocably preauthorizing Lender to make withdrawals on behalf of Borrower from such account in payment of amounts required to be paid by Borrower under this Deed of Trust to the extent provided under the Additional Security Agreement. Future payments of interest on such Account are also covered by such pledge and withdrawal preauthorization. Lender's withdrawal of such funds pursuant to the Additional Security Agreement shall not constitute a waiver of Borrower's timely payment under this instrument or the Note secured thereby. To the extent such Additional Security Agreement provides for payments made from such Account to be applied in a manner different from the application of payment set forth in paragraph 3 of the Deed of Trust to which this Rider is attached, such Additional Security Agreement shall be applicable to such payments.

Loan No. 0175618

Date: July 14, 1986

JOHN H. SHORT

CALLI W. SHORT

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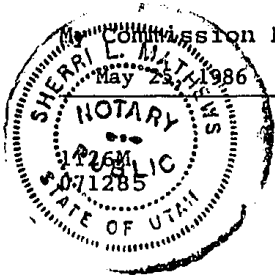
STATE OF UTAH)
) ss.
County of SALT LAKE)

On the 14th day of July, 1986, personally
appeared before me JOHN H. SHORT AND CALLI W. SHORT
the signer(s) of the foregoing instrument, who duly
acknowledged to me that he executed the same.

Sherril Matthews

Notary Public

Residing at: Salt Lake County, Utah



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