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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF UTAH  
CENTRAL DIVISION

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In re:  The Falls Event Center LLC and The Falls of Littleton, LLC,  Debtors.	Bankruptcy Nos. 18-25116, 18-27111 rkm  Chapter 11  Filed Electronically  <b>STIPULATION REGARDING MOTION FOR RELIEF FROM STAY FILED BY RLS CAPITAL, INC.</b>
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RLS Capital, Inc., an Arizona Corporation ("RLS"), by and through the undersigned counsel of Terry Jessop & Bitner, on the one hand, and The Falls of Littleton, LLC ("Debtor Littleton") and The Falls Event Center, LLC ("Debtor TFEC"), by and through Michael F. Thomson, Chapter 11 Trustee of Debtor TFEC ("Trustee"), on the other hand, hereby stipulate and agree to the following terms and provisions:

WHEREAS, on June 4, 2016, Debtor Littleton executed a Promissory Note dated May 23, 2016, (the "Note") in favor of RLS, stating that the Debtor "promises to pay . . . the principal sum of **TWO MILLION FIVE HUNDRED THOUSAND AND 00/100 DOLLARS, (U.S. \$2,500,000.00)**, with interest on the unpaid principal balance from

6/1/2016, until the date the entire outstanding principal balance has been paid in full at the rate of twelve percent (12%) per annum . . ." with a maturity date of June 1, 2017. A copy of the Note is attached hereto and incorporated herein by reference as Exhibit A.

WHEREAS, RLS maintains that the Note is secured by a Construction Deed of Trust dated May 23, 2016 ("Trust Deed"), a true and correct copy of which is attached hereto as Exhibit B, which was executed by Debtor Littleton on June 4, 2016 and recorded with the Arapahoe County Recorder on June 7, 2016, as entry number D6059465.

WHEREAS, the Trust Deed states that Trustor grants and conveys to Trustee in trust, with power of sale, certain real property located at 8199 Southpark Court, Littleton, Colorado 80120 (the "Property"). See Exh. B.

WHEREAS, on June 1, 2017, the Note matured, requiring Debtor Littleton to pay the unpaid principal balance and all other fees, costs and expenses pursuant to the Note. Debtor Littleton is in default under the Note.

WHEREAS, a building was constructed on the Property, and Debtor TFEC is operating a business at the Property.

WHEREAS, RLS commenced a foreclosure action related to the Property in Arizona and alleges that it scheduled an auction sale of the property for September 26, 2018.

WHEREAS, on July 11, 2018, Debtor TFEC filed a voluntary chapter 11 bankruptcy petition.

WHEREAS, on September 24, 2018, Debtor Littleton filed a voluntary chapter 11 bankruptcy petition.

WHEREAS, on October 4, 2018, RLS filed in Debtor Littleton's case a motion to terminate the automatic stay to allow RLS to complete its foreclosure (the "Stay Relief Motion"), to which Debtor Littleton objected.

WHEREAS, on November 27, 2018, this Court entered an order appointing the Trustee for Debtor TFEC.

WHEREAS, the Trustee desires to continue to operate Debtor TFEC's business at the Property.

WHEREAS, based upon the mutual promises, obligations and requirements contained in this Stipulation and for good and valuable consideration, the receipt of which is acknowledged by the parties herein, the parties stipulate and agree as follows.

#### STIPULATION

1. Debtor TFEC agrees to pay to RLS the sum of \$13,020.83 for each and every month commencing with November 1, 2018, and continuing as provided in this Stipulation. The first payment will be made upon the execution of this Stipulation and shall constitute the January 2019 payment. The following monthly payment for February 2019, shall be made on or before February 25, 2019, with each payment thereafter paid on or before the 5<sup>th</sup> day of each month.
2. The monthly payments for November and December 2018, which is the total sum of \$26,041.66, shall be paid in nine (9) equal monthly payments of \$2,893.52 with the first payment being made upon the execution of this Stipulation and the next payment

being made on February 25, 2019, and continuing on the 5<sup>th</sup> of each month thereafter through September 2019.

3. Debtor TFEC further agrees to pay real property taxes pertaining to the Property that were assessed by the State of Colorado in November 2018 (the "Postpetition Assessed Tax") as follows.

a. Each month Debtor TFEC will pay the State of Colorado a payment that is 1/12 of the Postpetition Assessed Tax (the "Monthly 1/12<sup>th</sup> Payment").

b. The Monthly 1/12<sup>th</sup> Payment for January and February 2019 will be paid upon execution of an installment payment agreement with the State of Colorado.

c. The Monthly 1/12 Payment for all periods thereafter will be made on or before the 5<sup>th</sup> day of each month.

d. The Monthly 1/12 Payments for November and December 2018, may be paid to the State of Colorado in nine (9) equal payments over nine (9) months which nine-month period shall start in January 2019. The first payment shall be made upon execution of an installment payment agreement with the State of Colorado, and thereafter shall be made on or before the 5<sup>th</sup> day of each month.

e. Payment of the real property taxes on the Property as set forth herein shall be made to the appropriate taxing authority directly with proof of payment provided to RLS within forty-eight (48) hours of delivery.

f. In the event that the State of Colorado will not accept installment payments, the Trustee will pay the Monthly 1/12 payments in accordance with the

above provisions to a reserve account to be held for the payment Postpetition Assessed Taxes as provided for herein.

4. So long as all payments are made pursuant to the preceding paragraphs 1 through 3, the automatic stay with respect to the Property shall remain in force and effect.
5. If the payments referenced in the preceding paragraphs 1 through 3 are not made on or before their due date, RLS may serve written notice of default on the Trustee, and if the default is not cured within ten (10) days of service of the notice, RLS may file with the Court an affidavit of default, together with proof of default, and an order terminating the automatic stay with respect to the Property.
6. Debtor TFEC shall at all times maintain all property, liability and other insurance policies on the Property in the amounts and subject to the requirements set forth in the Note and Trust Deed. In the event that such insurance is not maintained, RLS may serve written notice of default on the Trustee, and if the default is not cured within ten (10) days of service of the notice, RLS may file with the Court an affidavit of default, together with proof of default, and an order terminating the automatic stay with respect to the Property.
7. The right of Debtor Littleton and Debtor TFEC to use the Property shall continue until September 30, 2019 with right of RLS to renegotiate any terms after July 30, 2019. If the issues between the parties have not been resolved by September 30, 2019, RLS shall be entitled to file with the Court a notice that matters have not been resolved. If no

objection is filed by the Trustee within ten (10) days of the filing such notice, RLS shall be entitled to file an order terminating the automatic stay.

8. The Parties, through this Stipulation, are not agreeing to resolve any issues raised in the Stay Relief Motion, including without limitation the parties' respective rights under the Note and Trust Deed, the right to adequate protection, the value of the Property, rights under the provisions of the contract and the value and sufficiency of any property securing the contract. This stipulation is made simply for the limited purpose of paying RLS for use of the Property.

9. Time is of the essence regarding all of the elements of this agreement, specifically the timing of payments, including taxes.

10. The Trustee will file a notice and opportunity for objection to this Stipulation in both Debtor Littleton and Debtor TFEC's cases. In the event that the Court does not approve this Stipulation for any reason, this Stipulation shall be null and void.

11. By entering into this Stipulation all Parties reserve all rights, claims and defenses and this Stipulation does not waive or modify any such rights, claims and defenses.

[SIGNATURE PAGE FOLLOWS]

DATED this 22<sup>nd</sup> day of February, 2019.

RLS Capital, Inc  
Lonnie C. Lindell

By Lonnie C Lindell  
Its Vice President and Secretary

DATED this 22<sup>nd</sup> day of February, 2019

TERRY JESSOP & BITNER  
Attorneys for RLS Capital, Inc. an Arizona Corporation

By: [Signature]  
Richard C. Terry

DATED this 25<sup>th</sup> day of February, 2019.

THE FALLS OF LITTLETON, LLC

By: [Signature]  
Michael F. Thomson, Chapter 11  
Trustee for The Falls Event Center,  
LLC, Case No. 18-25116

DATED this 25<sup>th</sup> day of February, 2019.

THE FALLS EVENT CENTER LLC

By: [Signature]  
Michael F. Thomson, Chapter 11  
Trustee for The Falls Event Center LLC

Littleton - Exhibit A

Promissory Note



PROMISSORY NOTE SECURED BY DEED OF TRUST  
(Installment Payments)

DATE: 5/23/2016

US \$ \$2,500,000.00

Littleton, Colorado

Property Address: 8199 Southpark Court Littleton, CO 80120-5637

FOR VALUE RECEIVED, the undersigned ("Maker") promises to pay without offset or deduction to the order of RLS<sup>TWV</sup>  
Capital, Inc., an Arizona Corporation, their successors and assigns ("Holder"), the principal sum of ~~ONE~~<sup>SLD</sup>  
MILLION FIVE HUNDRED THOUSAND AND 00/00 DOLLARS, (U.S. \$2,500,000.00), with interest on the  
unpaid principal balance from 6/1/2016, until the date the entire outstanding principal balance has been paid in full at the  
rate of twelve percent (12%) per annum ("Annual Rate"). A minimum of 30 days interest is due. Interest on the outstanding  
principal balance shall be calculated on a daily basis (based on a three hundred sixty (360) day year). The principal and  
interest shall be payable for the benefit of Holder at PO Box 97485 Phoenix, AZ 85060 ("account servicing agent") or  
such other place as Holder may, from time to time, designate in writing, commencing on 7/1/2016, and continuing on the  
same day of each and every successive calendar month (the "Payment Due Date") with the entire principal balance together  
with all accrued and unpaid interest, and all other obligations of Maker under this Note, if not sooner paid, shall be due and  
payable in full on 6/1/2017 ("Maturity Date"). All payments under this Note and under the Loan Documents (as below  
defined) shall be in lawful money of the United States of America, which at the time of payments shall be legal tender for  
the payment of public and private debts.

If any installment under this Note is not actually received by account servicing agent within five (5) days of the Payment  
Due Date; or if all principal, interest and any other amounts due hereunder are not fully paid on or before the Maturity Date;  
or if there is a default under any agreement between or among Holder and Maker or under any of the Loan Documents,  
Maker shall be deemed to be in default here under (a "Default"). In the event of a Default, the entire principal amount  
outstanding hereunder and all accrued interest thereon shall, at the option of Holder, be accelerated, and shall at once become  
due and payable. Holder may exercise this option to accelerate, without notice, during any default by Maker regardless of  
any prior forbearance. No failure to exercise or delay in exercising such option shall constitute a waiver of such option in  
the event of any subsequent Default hereunder. In the event of any Default in the payment of this Note, and if the same is  
referred to an attorney for collection or any action at law or in equity is brought with respect hereto, Maker shall pay Holder  
all expenses and costs, including, but not limited to, attorneys' fees, whether suit is instituted or not. In the event suit is  
instituted all court costs and attorneys' fees shall be set by the court and not by jury and the amount of such award shall be  
included in any judgment obtained by the Holder, and shall be secured by the Loan Documents.

Upon the occurrence of a Default hereunder, Holder may resort to any collateral, whether real property or personal property,  
now or hereafter given as security for this Note, in any order, and may sell and dispose of such collateral in whole or in part,  
at any time or from time to time with no requirement on the part of the Holder of this Note to marshal assets. Holder shall  
not be required to preserve any rights in such collateral as against prior parties. Holder is entitled to the benefits of any and  
all Loan Documents securing or guaranteeing this Note.

LATE CHARGE. Maker hereby acknowledges that any late payment by Maker to Holder will cause Holder to incur  
additional expenses not contemplated hereby in servicing the Loan Documents, and will result in losses to Holder of the use  
of the money due, and in frustration to Holder in meeting its other commitments, but that it is extremely difficult or  
impractical to ascertain the extent of such damages. Accordingly, Maker will pay as damages a late charge for each monthly  
payment that is not actually received by Holder or account servicing agent within five (5) days after the Payment Due Date.  
Such late charge shall be equal to ten percent (10%) of the delinquent monthly payment, and Maker agrees that such late  
charge is a reasonable estimate of Holder's damages. Such late charge shall be in addition to and separate from any increase  
in interest rate as hereinafter set forth. Said monthly payment shall be subject to an additional five percent (5%) late payment  
charge for each additional month thereafter that said payment remains past due. The late charge shall apply individually to  
all payments past due, there will be no daily adjustment and said late charge shall be used to defray the costs of the Holder  
incident to collecting such late payment. The late charge is due and payable in addition to and together with the delinquent

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installment. However acceptance by Holder of any installment payment that does not include said late charge shall not be a waiver of the right to collect said late charge unless said waiver is memorialized in a writing signed by Holder. The amount of any late charge not paid in accordance with this provision shall be added to the principal balance of this Note and shall thereafter bear interest at the Annual Rate. This provision shall not be deemed to excuse a late payment or be deemed a waiver of any other rights the Holder may have to collect any other amounts provided or to be paid hereunder or to declare a default or exercise any remedy available hereunder or under the Loan Documents or to otherwise prevent Holder from exercising any of the other rights and remedies granted hereunder or available at law or in equity. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Holder will incur by reason of late payment.

In the event of Default due to nonpayment of principal or interest provided for herein, then, in that event, and in addition to any and all other provisions hereof, each and every such delinquent payment along with the entire principal balance and accrued interest, shall bear interest to the extent permitted by law at the rate which is equal to twenty-nine percent (29%) per annum (the "Default Rate of Interest") from the date on which the payment was due and payable until the delinquent payment is received by Holder or account servicing agent. If any installment payment shall be due on a day that is not a business day, then the payment shall be deemed due on the next day which is a business day. The term "business day" shall mean any day which is not a Saturday, Sunday or federally observed holiday. If such Default Rate of Interest may not be collected from Maker under applicable law, then the Note shall bear interest at the maximum increased rate of interest, if any, which may be collected from Maker under applicable law.

Maker may prepay this Note in whole or in part at any time and from time to time, without premium or penalty. All prepayments shall include payment of all accrued and unpaid interest to the date of such prepayment on the amount of principal being prepaid. Partial prepayment shall not postpone or reduce any regular payments of principal or interest, but shall be credited first to any collection costs, attorney's fees, beneficiary advances (including interest thereon at the Default Rate of Interest) and all other amounts due under the terms of the Loan Documents, next to any accrued and unpaid late charges, default interest, regular interest and then to the principal (the Deed of Trust and Assignment of Rents, and any Fixture Filing, Security Agreement or any other instruments evidencing, governing or securing Maker's obligation under this Note are collectively referred to herein as "Loan Documents").

Maker and all endorsers and guarantors hereof jointly and severally agree with Holder that Holder may, from time to time, extend the time for payment of said outstanding principal balance or any part thereof, reduce the payments thereon, release anyone liable on any of said outstanding principal balance, accept a renewal of this Note, modify the terms and time of payment of said outstanding principal balance, join in any extension or subordination agreement, release any security given therefor, take or release other or additional security, or agree in writing with Maker to modify the rate of interest or period of amortization of this Note or change the amount of the monthly installments payable hereunder, without notice in such manner as Holder may see fit, all without in any way affecting or releasing the liability of Maker and all endorser and guarantors hereof.

All makers, sureties, guarantors and endorser hereof, severally waive demand, diligence, presentment for payment, protest and demand, and notice of extension, dishonor, protest, demand and nonpayment of this Note, and waive any and all lack of diligence or delays in collection or enforcement hereof. This Note shall be the joint and several obligations of all makers, sureties, guarantors and endorser, and shall be binding upon them and their successors and assigns. All makers, sureties, guarantors and endorser hereof, severally waive any homestead or exemption right.

Maker agrees to an effective rate of interest that is the rate stated in this Note plus any additional rate of interest resulting from any other charges in the nature of interest paid or to be paid in connection with this Note. In no event, whether by reason of demand for payment or acceleration of the maturity of this Note or otherwise, shall the interest contacted for, charged, or received by Holder hereunder or otherwise, exceed the maximum amount permissible under applicable law. If, under any circumstance whatsoever, interest would otherwise be payable to Holder in excess of the maximum lawful amount, the interest payable to Holder shall be reduced automatically to the maximum amount permitted under applicable law. If Holder shall ever receive any sum or other item of value deemed interest under applicable law that would, apart from

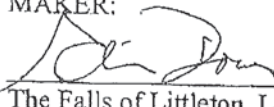
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this provision, be in excess of the maximum lawful amount, an amount equal to any amount which would have been excessive interest shall be applied to the reduction of the principal amount owing on the Note in the inverse order of maturity and not to the payment of interest, or if such amount which would have been excessive interest exceeds the unpaid principal balance of the Note, such excess shall be refunded to Maker. All interest paid or agreed to be paid to Holder shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full stated term (including any renewal or extension) of the indebtedness evidenced by this Note so that the amount of interest on account of such indebtedness does not exceed the maximum permitted by applicable law. The provisions of this paragraph shall control all existing and future agreements between Maker and Holder.

All draw requests are to be submitted to the Holder. All disbursements of draws are at the sole discretion of the Holder.

The indebtedness evidenced by this Note is secured by Deed of Trust and Assignment of Rents of even date herewith. This Note shall be interpreted in accordance with the laws of the State of Colorado. The Maker of this Note certifies that the indebtedness evidenced by this Note is obtained for business or commercial purposes and that the proceeds thereof will not be used primarily for personal, family, household, or agricultural purposes.

MAKER:

 *mgm*  
The Falls of Littleton, LLC  
By: Steven Down, Manager

Date: 6-4-16

SLP

Littleton - Exhibit B

Deed of Trust

1 The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.  
2 (TD72-8-10) (Mandatory 1-11)  
3

4 IF THIS FORM IS USED IN A CONSUMER CREDIT TRANSACTION, CONSULT LEGAL COUNSEL.  
5 THIS IS A LEGAL INSTRUMENT. IF NOT UNDERSTOOD, LEGAL, TAX OR OTHER COUNSEL, SHOULD BE CONSULTED  
6 BEFORE SIGNING.  
7

8 **DEED OF TRUST**  
9 (Due on Transfer - Strict)  
10

11 THIS DEED OF TRUST is made this 23<sup>rd</sup> day of May, 2016, between The Falls of Littleton, L.L.C.,  
12 a Colorado Limited Liability Company (Borrower), whose address is 2071 S. 1300 W., Suite 201, West Jordan, UT 84088;  
13 and the Public Trustee of the County in which the Property (see § 1) is situated (Trustee); for the benefit of  
14 RLS Capital, Inc., an Arizona Corporation (Lender), whose address is  
15 P.O. Box 97485, Phoenix, AZ 85060  
16

17 Borrower and Lender covenant and agree as follows:  
18 1. Property in Trust. Borrower, in consideration of the indebtedness herein recited and the trust herein created, hereby  
19 grants and conveys to Trustee in trust, with power of sale, the following legally described property located in the  
20 County of Arapahoe, State of Colorado:  
21

22 SEE ATTACHED EXHIBIT "A"  
23  
24 known as No. 8199 Southpark Court, Littleton, CO 80120-5637 (Property Address),  
25 Street Address City State Zip  
26 together with all its appurtenances (Property).

27 2. Note: Other Obligations Secured. This Deed of Trust is given to secure to Lender:  
28 2.1. the repayment of the indebtedness evidenced by Borrower's note (Note) dated May 23, 2016 in the  
29 principal sum of Two Million Five Hundred Thousand and 00/100 Dollars (U.S. \$2,500,000.00);  
30 2.2. the performance of the covenants and agreements of Borrower herein contained.

31 3. Title. Borrower covenants that Borrower owns and has the right to grant and convey the Property, and warrants title to  
32 the same, subject to general real estate taxes for the current year, easements of record or in existence, and recorded declarations,  
33 restrictions, reservations and covenants, if any, as of this date; and subject to the right, power, and authority hereinafter given to and  
34 conferred upon Beneficiary to collect and apply such property income; AND SUBJECT TO ANY easements and restrictions listed in a  
35 schedule of exceptions to coverage in any title insurance policy insuring Beneficiary's interest in the property.

36 4. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the  
37 indebtedness evidenced by the Note, and late charges as provided in the Note and shall perform all of Borrower's other covenants  
38 contained in the Note.

39 5. Application of Payments. All payments received by Lender under the terms hereof shall be applied by Lender first in  
40 payment of amounts due pursuant to § 23 (Escrow Funds for Taxes and Insurance), then to amounts disbursed by Lender pursuant  
41 to § 9 (Protection of Lender's Security), and the balance in accordance with the terms and conditions of the Note.

42 6. Prior Mortgages and Deeds of Trust; Charges; Liens. Borrower shall perform all of Borrower's obligations under  
43 any prior deed of trust and any other prior liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions  
44 attributable to the Property which may have or attain a priority over this Deed of Trust, and leasehold payments or ground rents, if  
45 any, in the manner set out in § 23 (Escrow Funds for Taxes and Insurance) or, if not required to be paid in such manner, by  
46 Borrower making payment when due, directly to the payee thereof. Despite the foregoing, Borrower shall not be required to make  
47 payments otherwise required by this section if Borrower, after notice to Lender, shall in good faith contest such obligation by, or  
48 defend enforcement of such obligation in, legal proceedings which operate to prevent the enforcement of the obligation or



The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (TD72-8-10) (Mandatory 1-11)

IF THIS FORM IS USED IN A CONSUMER CREDIT TRANSACTION, CONSULT LEGAL COUNSEL. THIS IS A LEGAL INSTRUMENT. IF NOT UNDERSTOOD, LEGAL, TAX OR OTHER COUNSEL SHOULD BE CONSULTED BEFORE SIGNING.

DEED OF TRUST (Due on Transfer - Strict)

THIS DEED OF TRUST is made this 23th day of May, 2016, between The Falls of Littleton, LLC, a Colorado Limited Liability Company (Borrower), whose address is 9071 S. 1300 W., Suite 201, West Jordan, UT 84088 and the Public Trustee of the County in which the Property (see § 1) is situated (Trustee); for the benefit of RLS Capital Inc., an Arizona Corporation (Lender), whose address is PO Box 97485, Phoenix, AZ 85060

Borrower and Lender covenant and agree as follows:

1. Property in Trust. Borrower, in consideration of the indebtedness herein recited and the trust herein created, hereby grants and conveys to Trustee in trust, with power of sale, the following legally described property located in the County of Arapahoe, State of Colorado:

SEE ATTACHED EXHIBIT "A"

known as No. 8199 Southpark Court, Littleton, CO 80120-5637 (Property Address), Street Address City State Zip

together with all its appurtenances (Property).

2. Note: Other Obligations Secured. This Deed of Trust is given to secure to Lender:

2.1. the repayment of the indebtedness evidenced by Borrower's note (Note) dated May 23, 2016 in the principal sum of Two Million Five Hundred Thousand and 00/100 Dollars (U.S. \$2,500,000.00),

2.2. the performance of the covenants and agreements of Borrower herein contained.

3. Title. Borrower covenants that Borrower owns and has the right to grant and convey the Property, and warrants title to the same, subject to general real estate taxes for the current year, easements of record or in existence, and recorded declarations, restrictions, reservations and covenants, if any, as of this date; and subject to the right, power, and authority hereinafter given to and conferred upon Beneficiary to collect and apply such property income; AND SUBJECT TO ANY easements and restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Beneficiary's interest in the property.

4. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, and late charges as provided in the Note and shall perform all of Borrower's other covenants contained in the Note.

5. Application of Payments. All payments received by Lender under the terms hereof shall be applied by Lender first in payment of amounts due pursuant to § 23 (Escrow Funds for Taxes and Insurance), then to amounts disbursed by Lender pursuant to § 9 (Protection of Lender's Security), and the balance in accordance with the terms and conditions of the Note.

6. Prior Mortgages and Deeds of Trust; Charges; Liens. Borrower shall perform all of Borrower's obligations under any prior deed of trust and any other prior liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may have or attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any, in the manner set out in § 23 (Escrow Funds for Taxes and Insurance) or, if not required to be paid in such manner, by Borrower making payment when due, directly to the payee thereof. Despite the foregoing, Borrower shall not be required to make payments otherwise required by this section if Borrower, after notice to Lender, shall in good faith contest such obligation by, or defend enforcement of such obligation in, legal proceedings which operate to prevent the enforcement of the obligation or

49 forfeiture of the Property or any part thereof, only upon Borrower making all such contested payments and other payments as  
50 ordered by the court to the registry of the court in which such proceedings are filed.

51 7. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured  
52 against loss by fire or hazards included within the term "extended coverage" in an amount at least equal to the lesser of (a) the  
53 insurable value of the Property or (b) an amount sufficient to pay the sums secured by this Deed of Trust as well as any prior encumbrances  
54 on the Property. All of the foregoing shall be known as "Property Insurance."

55 The insurance carrier providing the insurance shall be qualified to write Property Insurance in Colorado and shall be chosen  
56 by Borrower subject to Lender's right to reject the chosen carrier for reasonable cause. All insurance policies and renewals thereof  
57 shall include a standard mortgage clause in favor of Lender, and shall provide that the insurance carrier shall notify Lender at least  
58 ten (10) days before cancellation, termination or any material change of coverage. Insurance policies shall be furnished to Lender  
59 at or before closing. Lender shall have the right to hold the policies and renewals thereof.

60 In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if  
61 not made promptly by Borrower.

62 Insurance proceeds shall be applied to restoration or repair of the Property damaged, provided said restoration or repair is  
63 economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not  
64 economically feasible or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the  
65 sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if  
66 Borrower fails to respond to Lender within 30 days from the date notice is given in accordance with § 16 (Notice) by Lender to  
67 Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the  
68 insurance proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

69 Any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in §§ 4  
70 (Payment of Principal and Interest) and 23 (Escrow Funds for Taxes and Insurance) or change the amount of such installments.  
71 Notwithstanding anything herein to the contrary, if under § 18 (Acceleration; Foreclosure; Other Remedies) the Property is  
72 acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof  
73 resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this  
74 Deed of Trust immediately prior to such sale or acquisition.

75 All of the rights of Borrower and Lender hereunder with respect to insurance carriers, insurance policies and insurance proceeds  
76 are subject to the rights of any holder of a prior deed of trust with respect to said insurance carriers, policies and proceeds.

77 8. **Preservation and Maintenance of Property.** Borrower shall keep the Property in good repair and shall not commit  
78 waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Deed of Trust  
79 is on a leasehold. Borrower shall perform all of Borrower's obligations under any declarations, covenants, by-laws, rules, or other  
80 documents governing the use, ownership or occupancy of the Property.

81 9. **Protection of Lender's Security.** Except when Borrower has exercised Borrower's rights under § 6 above, if  
82 Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if a default occurs in a prior lien, or if  
83 any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option,  
84 with notice to Borrower if required by law, may make such appearances, disburse such sums and take such action as is necessary  
85 to protect Lender's interest, including, but not limited to:

- 86 9.1. any general or special taxes or ditch or water assessments levied or accruing against the Property;
- 87 9.2. the premiums on any insurance necessary to protect any improvements comprising a part of the Property;
- 88 9.3. sums due on any prior lien or encumbrance on the Property;
- 89 9.4. if the Property is a leasehold or is subject to a lease, all sums due under such lease;
- 90 9.5. the reasonable costs and expenses of defending, protecting, and maintaining the Property and Lender's interest in  
91 the Property, including repair and maintenance costs and expenses, costs and expenses of protecting and securing the Property, receiver's  
92 fees and expenses, inspection fees, appraisal fees, court costs, attorney fees and costs, and fees and costs of an attorney in the  
93 employment of Lender or holder of the certificate of purchase;
- 94 9.6. all other costs and expenses allowable by the evidence of debt or this Deed of Trust; and
- 95 9.7. such other costs and expenses which may be authorized by a court of competent jurisdiction.

96 Borrower hereby assigns to Lender any right Borrower may have by reason of any prior encumbrance on the Property or by  
97 law or otherwise to cure any default under said prior encumbrance.

98 Any amounts disbursed by Lender pursuant to this § 9, with interest thereon, shall become additional indebtedness of Borrower  
99 secured by this Deed of Trust. Such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and  
100 Lender may bring suit to collect any amounts so disbursed plus interest specified in § 2.2 (Note: Other Obligations Secured). Nothing  
101 contained in this § 9 shall require Lender to incur any expense or take any action hereunder.

102 10. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspection of the Property, provided  
103 that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's  
104 interest in the Property.

105 11. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any  
106 condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and

107 shall be paid to Lender as herein provided. However, all of the rights of Borrower and Lender hereunder with respect to such  
108 proceeds are subject to the rights of any holder of a prior deed of trust.

109 In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, with the  
110 excess, if any, paid to Borrower. In the event of a partial taking of the Property, the proceeds remaining after taking out any part of  
111 the award due any prior lien holder (net award) shall be divided between Lender and Borrower, in the same ratio as the amount of  
112 the sums secured by this Deed of Trust immediately prior to the date of taking bears to Borrower's equity in the Property  
113 immediately prior to the date of taking. Borrower's equity in the Property means the fair market value of the Property less the  
114 amount of sums secured by both this Deed of Trust and all prior liens (except taxes) that are to receive any of the award, all at the  
115 value immediately prior to the date of taking.

116 If the Property is abandoned by Borrower or if, after notice by Lender to Borrower that the condemnor offers to make an  
117 award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is given, Lender  
118 is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums  
119 secured by this Deed of Trust.

120 Any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in §§ 4  
121 (Payment of Principal and Interest) and 23 (Escrow Funds for Taxes and Insurance) nor change the amount of such installments.

122 **12. Borrower not Released.** Extension of the time for payment or modification of amortization of the sums secured by this  
123 Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of  
124 the original Borrower, nor Borrower's successors in interest, from the original terms of this Deed of Trust. Lender shall not be required  
125 to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums  
126 secured by this Deed of Trust by reason of any demand made by the original Borrower nor Borrower's successors in interest.

127 **13. Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy hereunder, or  
128 otherwise afforded by law, shall not be a waiver or preclude the exercise of any such right or remedy.

129 **14. Remedies Cumulative.** Each remedy provided in the Note and this Deed of Trust is distinct from and cumulative to all  
130 other rights or remedies under the Note and this Deed of Trust or afforded by law or equity; and may be exercised concurrently,  
131 independently or successively.

132 **15. Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained  
133 shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the  
134 provisions of § 24 (Transfer of the Property; Assumption). All covenants and agreements of Borrower shall be joint and several.  
135 The captions and headings of the sections in this Deed of Trust are for convenience only and are not to be used to interpret or define  
136 the provisions hereof.

137 **16. Notice.** Except for any notice required by law to be given in another manner, (a) any notice to Borrower provided for  
138 in this Deed of Trust shall be in writing and shall be given and be effective upon (1) delivery to Borrower or (2) mailing such  
139 notice by first class U.S. mail, addressed to Borrower at Borrower's address stated herein or at such other address as Borrower may  
140 designate by notice to Lender as provided herein, and (b) any notice to Lender shall be in writing and shall be given and be  
141 effective upon (1) delivery to Lender or (2) mailing such notice by first class U.S. mail, to Lender's address stated herein or to  
142 such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Deed of  
143 Trust shall be deemed to have been given to Borrower or Lender when given in any manner designated herein.

144 **17. Governing Law; Severability.** The Note and this Deed of Trust shall be governed by the law of Colorado. In the  
145 event that any provision or clause of this Deed of Trust or the Note conflicts with the law, such conflict shall not affect other  
146 provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the  
147 provisions of the Deed of Trust and Note are declared to be severable.

148 **18. Acceleration; Foreclosure; Other Remedies.** Except as provided in § 24 (Transfer of the Property; Assumption),  
149 upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, or upon any default in a prior lien upon  
150 the Property, (unless Borrower has exercised Borrower's rights under § 6 above), at Lender's option, all of the sums secured by  
151 this Deed of Trust shall be immediately due and payable (Acceleration). To exercise this option, Lender may invoke the power of  
152 sale and any other remedies permitted by law. Lender shall be entitled to collect all reasonable costs and expenses incurred in  
153 pursuing the remedies provided in this Deed of Trust, including, but not limited to, reasonable attorney's fees.

154 If Lender invokes the power of sale, Lender shall give written notice to Trustee of such election. Trustee shall give such notice  
155 to Borrower of Borrower's rights as is provided by law. Trustee shall record a copy of such notice and shall cause publication of  
156 the legal notice as required by law in a legal newspaper of general circulation in each county in which the Property is situated, and  
157 shall mail copies of such notice of sale to Borrower and other persons as prescribed by law. After the lapse of such time as may be  
158 required by law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder for cash at the  
159 time and place (which may be on the Property or any part thereof as permitted by law) in one or more parcels as Trustee may think  
160 best and in such order as Trustee may determine. Lender or Lender's designee may purchase the Property at any sale. It shall not  
161 be obligatory upon the purchaser at any such sale to see to the application of the purchase money.

162 Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including,  
163 but not limited to, reasonable Trustee's and attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of  
164 Trust; and (c) the excess, if any, to the person or persons legally entitled thereto.



165 19. **Borrower's Right to Cure Default.** Whenever foreclosure is commenced for nonpayment of any sums due hereunder, the  
166 owners of the Property or parties liable hereon shall be entitled to cure said defaults by paying all delinquent principal and  
167 interest payments due as of the date of cure, costs, expenses, late charges, attorney's fees and other fees all in the manner provided  
168 by law. Upon such payment, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as though  
169 no Acceleration had occurred, and the foreclosure proceedings shall be discontinued.

170 20. **Assignment of Rents; Appointment of Receiver; Lender in Possession.** As additional security hereunder, Borrower  
171 hereby assigns to Lender the rents of the Property; however, Borrower shall, prior to Acceleration under § 18 (Acceleration;  
172 Foreclosure; Other Remedies) or abandonment of the Property, have the right to collect and retain such rents as they become due  
173 and payable.

174 Lender or the holder of the Trustee's certificate of purchase shall be entitled to a receiver for the Property after Acceleration  
175 under § 18 (Acceleration; Foreclosure; Other Remedies), and shall also be so entitled during the time covered by foreclosure  
176 proceedings and the period of redemption, if any; and shall be entitled thereto as a matter of right without regard to the solvency or  
177 insolvency of Borrower or of the then owner of the Property, and without regard to the value thereof. Such receiver may be appointed  
178 by any Court of competent jurisdiction upon ex parte application and without notice; notice being hereby expressly waived.

179 Upon Acceleration under § 18 (Acceleration; Foreclosure; Other Remedies) or abandonment of the Property, Lender, in  
180 person, by agent or by judicially-appointed receiver, shall be entitled to enter upon, take possession of and manage the Property  
181 and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied, first  
182 to payment of the costs of preservation and management of the Property, second to payments due upon prior liens, and then to the  
183 sums secured by this Deed of Trust. Lender and the receiver shall be liable to account only for those rents actually received.

184 21. **Release.** Upon payment of all sums secured by this Deed of Trust, Lender shall cause Trustee to release this Deed of  
185 Trust and shall produce for Trustee the Note. Borrower shall pay all costs of recordation and shall pay the statutory Trustee's fees.  
186 If Lender shall not produce the Note as aforesaid, then Lender, upon notice in accordance with § 16 (Notice) from Borrower to  
187 Lender, shall obtain, at Lender's expense, and file any lost instrument bond required by Trustee or pay the cost thereof to effect the  
188 release of this Deed of Trust.

189 22. **Waiver of Exemptions.** Borrower hereby waives all right of homestead and any other exemption in the Property under  
190 state or federal law presently existing or hereafter enacted.

191 23. **Escrow Funds for Taxes and Insurance.** This § 23 is not applicable if Funds, as defined below, are being paid pursuant  
192 to a prior encumbrance. Subject to applicable law, Borrower shall pay to Lender, on each day installments of principal and interest are  
193 payable under the Note, until the Note is paid in full, a sum (herein referred to as "Funds") equal to \_\_\_\_\_ of the  
194 yearly taxes and assessments which may attain priority over this Deed of Trust, plus \_\_\_\_\_ of yearly premium installments for  
195 Property Insurance, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and  
196 reasonable estimates thereof, taking into account any excess Funds not used or shortages.

197 The principal of the Funds shall be held in a separate account by Lender in trust for the benefit of Borrower and deposited in  
198 an institution, the deposits or accounts of which are insured or guaranteed by a federal or state agency. Lender shall apply the  
199 Funds to pay said taxes, assessments and insurance premiums. Lender may not charge for so holding and applying the Funds,  
200 analyzing said account or verifying and compiling said assessments and bills. Lender shall not be required to pay Borrower any  
201 interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing  
202 credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional  
203 security for the sums secured by this Deed of Trust.

204 If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments and insurance premiums as they  
205 fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is  
206 given in accordance with § 16 (Notice) by Lender to Borrower requesting payment thereof. Provided however, if the loan secured  
207 by this Deed of Trust is subject to RESPA or other laws regulating Escrow Accounts, such deficiency, surplus or any other  
208 required adjustment shall be paid, credited or adjusted in compliance with such applicable laws.

209 Upon payment in full of all sums secured by this Deed of Trust, Lender shall simultaneously refund to Borrower any Funds held  
210 by Lender. If under § 18 (Acceleration; Foreclosure; Other Remedies) the Property is sold or the Property is otherwise acquired by  
211 Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, whichever occurs  
212 first, any Funds held by Lender at the time of application as a credit against the sums secured by this Deed of Trust.

213 24. **Transfer of the Property; Assumption.** The following events shall be referred to herein as a "Transfer": (i) a transfer  
214 or conveyance of title (or any portion thereof, legal or equitable) of the Property (or any part thereof or interest therein); (ii) the  
215 execution of a contract or agreement creating a right to title (or any portion thereof, legal or equitable) in the Property (or any part  
216 thereof or interest therein); (iii) or an agreement granting a possessory right in the Property (or any portion thereof), in excess of 3  
217 years; (iv) a sale or transfer of, or the execution of a contract or agreement creating a right to acquire or receive, more than fifty  
218 percent (50%) of the controlling interest or more than fifty percent (50%) of the beneficial interest in Borrower and (v) the reorganization,  
219 liquidation or dissolution of Borrower. Not to be included as a Transfer are (x) the creation of a lien or encumbrance  
220 subordinate to this Deed of Trust; (y) the creation of a purchase money security interest for household appliances; or (z) a transfer  
221 by devise, descent or by operation of the law upon the death of a joint tenant. At the election of Lender, in the event of each and  
222 every Transfer:

223 24.1. All sums secured by this Deed of Trust shall become immediately due and payable (Acceleration).

224 24.2. If a Transfer occurs and should Lender not exercise Lender's option pursuant to this § 24 to Accelerate. Transferee shall  
225 be deemed to have assumed all of the obligations of Borrower under this Deed of Trust including all sums secured hereby whether or  
226 not the instrument evidencing such conveyance, contract or grant expressly so provides. This covenant shall run with the Property  
227 and remain in full force and effect until said sums are paid in full. Lender may without notice to Borrower deal with Transferee in  
228 the same manner as with Borrower with reference to said sums including the payment or credit to Transferee of undisbursed reserve  
229 Funds on payment in full of said sums, without in any way altering or discharging Borrower's liability hereunder for the  
230 obligations hereby secured.

231 24.3. Should Lender not elect to Accelerate upon the occurrence of such Transfer then, subject to § 24.2 above, the  
232 mere fact of a lapse of time or the acceptance of payment subsequent to any of such events, whether or not Lender had actual or  
233 constructive notice of such Transfer, shall not be deemed a waiver of Lender's right to make such election nor shall Lender be  
234 estopped therefrom by virtue thereof. The issuance on behalf of Lender of a routine statement showing the status of the loan,  
235 whether or not Lender had actual or constructive notice of such Transfer, shall not be a waiver or estoppel of Lender's said rights.  
236 25. Borrower's Copy. Borrower acknowledges receipt of a copy of the Note and this Deed of Trust.

EXECUTED BY BORROWER.

IF BORROWER IS NATURAL PERSON(s):

\_\_\_\_\_ doing business as \_\_\_\_\_

IF BORROWER IS CORPORATION:  
ATTEST:

\_\_\_\_\_  
Secretary By \_\_\_\_\_  
President

(SEAL)

IF BORROWER IS PARTNERSHIP:

\_\_\_\_\_  
Name of Partnership

By \_\_\_\_\_  
A General Partner

IF BORROWER IS LIMITED LIABILITY COMPANY:

\_\_\_\_\_  
Name of Limited Liability Company *The Falls of Littleton LLC*

By \_\_\_\_\_  
Its Authorized Representative *mg*

\_\_\_\_\_  
Title of Authorized Representative

STATE OF *Utah* ~~COLORADO~~  
COUNTY OF *Salt Lake*

The foregoing instrument was acknowledged before me this 4 day of June, 2016, by  
en of The Falls of Littleton, LLC

Witness my hand and official seal,  
My commission expires: 2/15/19  
*[Signature]*  
Notary Public

237 \* If a natural person or persons, insert the name(s) of such person(s). If a corporation, insert, for example, "John Doe as President and Jane Doe as  
238 Secretary of Doe & Co., a Colorado corporation." If a partnership, insert, for example, "Sam Smith as general partner in and for Smith & Smith,  
239 a general partnership." A Statement of Authority may be required if borrower is a limited liability company or other entity (§ 38-30-172, C.R.S.)

Exhibit A

A PARCEL OF LAND BEING A PORTION OF LOTS 1 & 2, SOUTHPARK SUBDIVISION - FILING NO. 5, SITUATED IN THE SOUTH ONE HALF OF SECTION 32, TOWNSHIP 5 SOUTH, RANGE 68 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF LITTLETON, COUNTY OF ARAPAHOE, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 2, SAID SOUTHPARK SUBDIVISION - FILING NO. 5 FROM WHENCE THE SOUTH 1/4 CORNER OF SAID SECTION 32 BEARS SOUTH 00 DEGREES 32 MINUTES 04 SECONDS WEST, A DISTANCE OF 996.10 FEET;

THENCE SOUTH 00 DEGREES 32 MINUTES 04 SECONDS WEST ALONG THE EAST LINE OF SAID LOT 1 AND ALSO BEING THE EAST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 32, A DISTANCE OF 266.50 FEET;

THENCE SOUTH 57 DEGREES 03 MINUTES 09 SECONDS EAST, A DISTANCE OF 398.42 FEET;

THENCE SOUTH 00 DEGREES 06 MINUTES 00 SECONDS WEST, A DISTANCE OF 204.92 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF WEST HILLTOP DRIVE;

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, THE FOLLOWING SIX (6) COURSES:

1. NORTH 89 DEGREES 54 MINUTES 00 SECONDS WEST, A DISTANCE OF 114.55 FEET TO A POINT OF CURVATURE;

2. THENCE 39.93 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 30 DEGREES 30 MINUTES 09 SECONDS, AND A RADIUS OF 75.00 FEET;

3. THENCE NORTH 59 DEGREES 23 MINUTES 51 SECONDS WEST, A DISTANCE OF 76.59 FEET TO A POINT OF CURVATURE;

4. THENCE 82.76 FEET ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 37 DEGREES 55 MINUTES 55 SECONDS, AND A RADIUS OF 125.00 FEET;

5. THENCE SOUTH 82 DEGREES 40 MINUTES 14 SECONDS WEST, A DISTANCE OF 31.84 FEET TO A POINT OF CURVATURE;

6. THENCE 22.89 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 87 DEGREES 26 MINUTES 01 SECONDS, AND A RADIUS OF 15.00 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SOUTHPARK CIRCLE;

THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE, THE FOLLOWING FIVE (5) COURSES:

1. NORTH 09 DEGREES 53 MINUTES 45 SECONDS WEST, A DISTANCE OF 90.80 FEET TO A POINT OF CURVATURE;

2. THENCE 294.02 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 17 DEGREES 25 MINUTES 49 SECONDS, AND A RADIUS OF 966.50 FEET;

3. THENCE NORTH 07 DEGREES 32 MINUTES 04 SECONDS EAST, A DISTANCE OF 100.60 FEET TO A POINT OF CURVATURE;

4. THENCE 132.37 FEET ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 07 DEGREES 00 MINUTES 00 SECONDS, AND A RADIUS OF 1083.50 FEET;

5. THENCE NORTH 00 DEGREES 32 MINUTES 04 SECONDS EAST, A DISTANCE OF 255.45 FEET;

THENCE SOUTH 89 DEGREES 27 MINUTES 56 SECONDS EAST, A DISTANCE OF 14.00 FEET TO A POINT ON THE EASTERLY LINE OF SAID LOT 2, SOUTHPARK SUBDIVISION - FILING NO. 5;

THENCE SOUTH 00 DEGREES 34 MINUTES 04 SECONDS WEST ALONG SAID EASTERLY LINE, A DISTANCE OF 255.45 FEET TO THE POINT OF BEGINNING.

THE BASIS OF BEARINGS IS THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 32, TOWNSHIP 5 SOUTH, RANGE 68 WEST OF THE 6TH PRINCIPAL MERIDIAN WHICH BEARS SOUTH 89 DEGREES 53 MINUTES 45 SECONDS WEST AS SHOWN ON THE RECORDED PLAT OF SOUTHPARK SUBDIVISION FILING NO. 5, THE SOUTHWEST CORNER OF SAID SECTION 32 IS A CDOT MONUMENT IN A RANGE BOX, PLS 25384 AND THE SOUTH QUARTER CORNER OF SECTION 32 IS A 3 1/4" ALUMINUM CAP IN A RANGE BOX, PLS 28291.