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DEED OF TRUST
with Assignment of Rents, Security Agreement,
Financing Statement and Fixture Filing
(California)

ATTENTION: COUNTY RECORDER--THIS INSTRUMENT COVERS GOODS THAT ARE OR ARE TO BECOME FIXTURES ON THE REAL PROPERTY DESCRIBED HEREIN AND IS TO BE FILED FOR RECORD IN THE RECORDS WHERE DEEDS OF TRUST ON REAL ESTATE ARE RECORDED. ADDITIONALLY, THIS INSTRUMENT SHOULD BE APPROPRIATELY INDEXED, NOT ONLY AS A DEED OF TRUST, BUT ALSO AS A FINANCING STATEMENT AND FIXTURE FILING COVERING GOODS THAT ARE OR ARE TO BECOME FIXTURES ON THE REAL PROPERTY DESCRIBED HEREIN. THE MAILING ADDRESSES OF THE TRUSTOR (DEBTOR) AND BENEFICIARY (SECURED PARTY) ARE SET FORTH IN THE FOLLOWING PARAGRAPH OF THIS DEED OF TRUST.

The parties to this Deed of Trust (this "**Deed of Trust**"), made as of (**Date**) , (**Borrowers Names: His and Hers**), **husband and wife, joint tenants** as trustor ("**Trustor**"), First American Title Insurance Co., as Trustee, and **Harbor Point Church**, as beneficiary and secured party ("**Beneficiary**") whose address is 32222 Del Obispo St, San Juan Capistrano, CA 92675

1. Grant in Trust and Secured Obligations

1.1 Grant in Trust

For the purpose of securing payment and performance of the Secured Obligations defined and described in Section 1.2, Trustor hereby irrevocably and unconditionally grants, conveys, transfers and assigns to Trustee, in trust for the benefit of Beneficiary, with power of sale and right of entry and possession, all estate, right, title and interest which Trustor now has or may later acquire in and to the following property (all or any part of such property, or any interest in all or any part of it, as the context may require, the "**Property**"):

(a) The real property located in the County of Orange, State of California, as described in Exhibit A, together with all existing and future easements and rights affording access to it (the "**Land**"); together with

(b) All buildings, structures and improvements now located or later to be constructed on the Land (the "**Improvements**"); together with

(c) All existing and future appurtenances, privileges, easements, franchises and tenements of the Land, including all minerals, oil, gas, other hydrocarbons and associated substances, sulfur, nitrogen, carbon dioxide, helium and other commercially valuable substances which may be in, under or produced from any part of the Land, all development rights and credits, air rights, water, water rights (whether riparian, appropriative or otherwise, and whether

or not appurtenant) and water stock, and any land lying in the streets, roads or avenues, open or proposed, in front of or adjoining the Land and Improvements; together with

(d) The absolute, immediate and irrevocable right to all existing and future leases, subleases, subtenancies, licenses, occupancy agreements and concessions ("**Leases**") relating to the use and enjoyment of all or any part of the Land and Improvements, and any and all guaranties and other agreements relating to or made in connection with any of such leases, and all rents, issues, profits, revenues, royalties, income and other benefits (the "**Rents**") derived from the leases and the immediate, absolute and irrevocable right to collect such Rents; subject, however, to the license granted hereunder; together with

(e) All real property and improvements on it, and all appurtenances and other property and interests of any kind or character, whether described in **Exhibit A** or not, which may be reasonably necessary or desirable to promote the present and any reasonable future beneficial use and enjoyment of the Land and Improvements; together with

(f) All goods, materials, supplies, chattels, furniture, fixtures, equipment and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Land and Improvements, whether stored on the Land or elsewhere, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, all of which shall be considered to the fullest extent of the law to be real property for purposes of this Deed of Trust; together with

(g) All building materials, equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, which have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Land or Improvements; together with

(h) All of Trustor's interest in and to any and all funds now or later deposited by Trustor with or for the account of Beneficiary and any and all interest of Beneficiary in or to any funds now or hereafter disbursed by Beneficiary; together with

(i) All rights to the payment of money, accounts, accounts receivable, reserves, deferred payments, refunds, cost savings, payments and deposits, whether now or later to be received from third parties (including all earnest money sales deposits) or deposited by Trustor with third parties (including all utility deposits), contract rights, development and use rights, governmental permits and licenses, applications, architectural and engineering plans, specifications and drawings, as-built drawings, chattel paper, instruments, documents, notes, drafts and letters of credit (other than letters of credit in favor of Beneficiary), which arise from or relate to construction on the Land or to any business now or later to be conducted on it, or to the Land and Improvements generally which do not constitute Rents as defined above; together with

(j) All proceeds, including all claims to and demands for them, of the voluntary or involuntary conversion of any of the Land, Improvements or the other property described above into cash or liquidated claims, including proceeds of all present and future fire, hazard or casualty insurance policies, all rent or business interruption insurance policies, and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud or concealment of a material fact; together with

(k) All books and records pertaining to any and all of the property described above, including computer-readable memory and any computer hardware or software necessary to access and process such memory ("**Books and Records**"); together with

(l) All proceeds of, additions and accretions to, substitutions and replacements for, and changes in any of the property described above.

1.2 **Secured Obligations**

Trustor makes the grant, conveyance, transfer and assignment set forth in Section 1.1 and grants the security interest set forth in Article 3 for the purpose of securing the following obligations in any order of priority that Beneficiary may choose (some or all collectively, as the context may require, the "**Secured Obligations**;" any one singly, a "**Secured Obligation**"):

(a) Payment of all obligations at any time owing under that certain "Secured Promissory Note (the **Note**") in the original principal amount of **US \$=====** of even date herewith and all amendments, modifications, renewals and extensions thereto; and

(b) Payment and performance of all obligations of Trustor under this Deed of Trust; and

(c) Payment and performance of all future advances and other obligations that Trustor or any successor in ownership of all or part of the Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when a writing evidences the parties' agreement that the advance or obligation be secured by this Deed of Trust; and

(d) Payment and performance of all modifications, amendments, extensions, and renewals, in whatever instruments they may be evidenced, of any of the Secured Obligations which expressly state they are secured, or are to be secured, by this Deed of Trust, are the **Loan Documents** as referred to in this Deed of Trust).

All persons who may have or acquire an interest in all or any part of the Property will be considered to have notice of, and will be bound by, the terms of the Secured Obligations and each other agreement or instrument made or entered into in connection with each of the Secured Obligations. These terms include any provisions in the Notes which permit borrowing, repayment and reborrowing, or which provide that the interest rate on one or more of the Secured Obligations may vary from time to time. This Deed of Trust shall not secure any obligation of Trustor to Beneficiary which expressly states it is not so secured, whether or not such obligation arises out of or in connection with any of the Secured Obligations.

2. **Assignment of Rents**

2.1 **Absolute Assignment of Rents**

Trustor hereby irrevocably, unconditionally and absolutely grants, transfer and assigns to Beneficiary all of its right, title and interest in and to the Rents. Beneficiary hereby confers upon Trustor a license ("License") to collect and retain the Rents as they become due and payable, so long as no Event of Default, as defined in Section 6.2, shall exist and be continuing. If an Event of Default has occurred and is continuing, Beneficiary shall have the right, which it may choose to exercise in its sole discretion, to terminate this License without notice to or demand upon Trustor, and without regard to the adequacy of Beneficiary's security under this Deed of Trust.

2.2 **Collection and Application of Rents**

Subject to the License granted to Trustor under Section 2.2, Beneficiary has the right, power and authority to collect any and all Rents. Trustor hereby appoints Beneficiary its attorney-in-fact to perform any and all of the following acts, if and at the times when Beneficiary in its sole discretion may so choose:

(a) Demand, receive and enforce payment of any and all Rents; or

(b) Give receipts, releases and satisfactions for any and all Rents; or

(c) Sue either in the name of Trustor or in the name of Beneficiary for any and all Rents.

Beneficiary's right to the Rents does not depend on whether or not Beneficiary takes possession of the Property as permitted under subsection 6.3(c). In the Beneficiary's sole discretion, it may choose to collect Rents either with or without taking possession of the Property. Beneficiaries shall apply all Rents collected by it in the manner provided under Section 6.6. If an Event of Default occurs while Beneficiary is in possession of all or part of the Property and is collecting and applying Rents as permitted under this Deed of Trust, Beneficiary, Trustee and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Deed of Trust and at law or in equity, including the right to exercise the power of sale granted under Section 1.1 and subsection 6.3(g).

2.3 **Beneficiary Not Responsible**

Under no circumstances shall Beneficiary have any duty to produce Rents from the Property. Regardless of whether or not Beneficiary, in person or by agent, takes actual possession of the Land and Improvements, Beneficiary is not and shall not be deemed to be:

(a) A "mortgagee in possession" for any purpose; or

(b) Responsible for performing any of the obligations of the lessor under any lease; or

(c) Responsible for any waste committed by lessees or any other parties, any dangerous or defective condition of the Property, or any negligence in the management, upkeep, repair or control of the Property; or

(d) Liable in any manner for the Property or the use, occupancy, enjoyment or operation of all or any part of it.

3. **Grant of Security Interest**

The parties intend for this Deed of Trust to create a lien on the Property, and an absolute assignment of the Rents, all in favor of the Beneficiary. The parties acknowledge that some of the Property and some or all of the Rents, proceeds from sale of the Property, or other income derived from the Property may be determined under applicable law to be personal property or fixtures. To the extent that any Property, Rents, proceeds of sale or other income from the Property may be or are determined to be personal property, Trustor as debtor hereby grants Beneficiary as secured party a security interest in all such Property, Rents, proceeds of sale or other income from the Property, to secure payment and performance of the Secured Obligations. This Deed of Trust constitutes a security agreement under the California Commercial Code, covering all such Property, Rents, proceeds of sale or other income from the Property, and a financing statement as to any fixtures in, on or about the Property.

Trustor shall execute one or more additional financing statements and such other documents as Beneficiary may from time to time require to perfect or continue the perfection of Beneficiary's security interest in any Property, Rents, proceeds of sale or other income from the Property. As provided in Section 5.10, Trustor shall pay all fees and costs that Beneficiary may incur in filing such documents in public offices and in obtaining such record searches as Beneficiary may reasonably require. In case Trustor fails to execute any financing statements or other documents for the perfection or continuation of any security interest, Trustor hereby appoints Beneficiary as its true and lawful attorney-in-fact to execute any such documents on its behalf.

If any financing statement or other document is filed in the records normally pertaining to personal property, that filing shall never be construed as in any way derogating from or impairing this Deed of Trust or the rights or obligations of the parties under it.

If an Event of Default occurs, Beneficiary may proceed in any sequence to exercise its rights under this Deed of Trust as to any real property or personal property described herein in accordance with any procedure, and in any order, permitted by law.

4. **Fixture Filing**

This Deed of Trust constitutes a financing statement filed as a fixture filing under Section 9402(6) of the California Uniform Commercial Code, as amended or recodified from time to time, covering any Property which now is or later may become fixtures attached to the Land or Improvements.

5. **Rights and Duties of the Parties**

5.1 **Representations and Warranties**

Trustor warrants that, except as previously disclosed to Beneficiary in a writing making reference to this warranty:

(a) Trustor lawfully possesses and holds fee simple title to all of the Land and Improvements, unless Trustor's present interest in the Land is described in Exhibit A as a leasehold interest, in which case Trustor lawfully possesses and holds a leasehold interest in the Land as stated in Exhibit A;

(b) Trustor has or will have good title to all Property other than the Land and Improvements;

(c) Trustor has the full and unlimited power, right and authority to encumber the Property and assign the Rents;

(d) This Deed of Trust creates a lien and security interest on the Property subject and subordinate only to non delinquent real property taxes and assessments;

(e) The Property includes all property and rights which may be reasonably necessary or desirable to promote the present and any reasonable future beneficial use and enjoyment of the Land and Improvements;

(f) Trustor owns any Property which is personal property free and clear of any security agreements, reservations of title or conditional sales contracts, and there is no financing statement affecting such personal property on file in any public office; and

(g) Trustor's place of business, or its chief executive office if it has more than one place of business, is located at the address specified above.

(h) No bankruptcy or insolvency proceedings are pending or contemplated by Trustor or, to the best knowledge of Trustor, against Trustor or by or against any endorser, cosigner or guarantor of the Notes;

(i) All reports, certificates, affidavits, statements and other data prepared and furnished by Trustor or Trustor's property manager to Beneficiary in connection with the loan evidenced by the Notes are true and correct in all material respects and do not omit to state any fact or circumstance necessary to make the statements contained therein not misleading, and to Trustor's best knowledge, all reports, certificates, affidavits, statements and other data furnished by Trustor to Beneficiary in connection with the loan are true and correct in all material respects and do not omit to state any fact or circumstance necessary to make the statements contained therein not misleading;

(j) The execution, delivery and performance of this Deed of Trust, the Notes and all of the other Loan Documents have been duly authorized by all necessary action to be, and are, binding and enforceable against Trustor in accordance with the respective terms thereof and do not contravene, result in a breach of or constitute (upon the giving of notice or the passage of time or both) a default under the partnership agreement, articles of incorporation or other organizational documents of Trustor or any contract or agreement of any nature to which Trustor is a party or by which Trustor or any of its property may be bound and do not violate or contravene any law, order, decree, rule or regulation to which Trustor is subject;

(k) Trustor and the Property are free from any past due obligations for sales and payroll taxes.

5.2 **Taxes and Assessments**

Trustor shall pay prior to delinquency all taxes, levies, charges and assessments, including assessments on appurtenant water stock, imposed by any public or quasi-public authority or utility company which are (or if not paid, may become) a lien on all or part of the Property or any interest in it, or which may cause any decrease in the value of the Property or any part of it. If any such taxes, levies, charges or assessments become delinquent, Beneficiary may require Trustor to present evidence that they have been paid in full, on ten (10) days' written notice by Beneficiary to Trustor.

5.3 **Performance of Secured Obligations**

Trustor shall promptly pay and perform each Secured Obligation in accordance with its terms.

5.4 **Liens, Charges and Encumbrances**

[Except for the First Deed of Trust,] Trustor shall immediately discharge any lien on the Property which Beneficiary has not consented to in writing. Trustor shall pay when due each obligation secured by or reducible to a lien, charge or encumbrance which now does or later may encumber or appear to encumber all or part of the Property or any interest in it, whether the lien, charge or encumbrance is or would be senior or subordinate to this Deed of Trust.

5.5 **Damages and Insurance and Condemnation Proceeds**

(a) Trustor hereby absolutely and irrevocably assigns to Beneficiary, and authorizes the payor to pay to Beneficiary, the following claims, causes of action, awards, payments and rights to payment:

(i) All awards of damages and all other compensation payable directly or indirectly because of a condemnation, proposed condemnation or taking for public or private use which affects all or part of the Property or any interest in it; and

(ii) All other awards, claims and causes of action, arising out of any warranty affecting all or any part of the Property, or for damage or injury to or decrease in value of all or part of the Property or any interest in it; and

(iii) All proceeds of any insurance policies payable because of loss sustained to all or part of the Property, including, without limitation, business or rent interruption insurance proceeds; and

(iv) All interest which may accrue on any of the foregoing.

(b) Trustor shall immediately notify Beneficiary in writing if:

(i) Any damage occurs or any injury or loss is sustained in the amount of \$1,500 or more to all or part of the Property, or any action or proceeding relating to any such damage, injury or loss is commenced; or

(ii) Any offer is made, or any action or proceeding is commenced, which relates to any actual or proposed condemnation or taking of all or part of the Property.

If Beneficiary chooses to do so, it may in its own name appear in or prosecute any action or proceeding to enforce any cause of action based on warranty, or for damage, injury or loss to all or part of the Property, and it may make any compromise or settlement of the action or proceeding. Beneficiary, if it so chooses, may participate in any action or proceeding relating to condemnation or taking of all or part of the Property, and may join Trustor in adjusting any loss covered by insurance.

(c) All proceeds of these assigned claims, other property and rights which Trustor may receive or be entitled to shall be paid to Beneficiary. In each instance, Beneficiary shall apply those proceeds first toward reimbursement of all of Beneficiary's costs and expenses of recovering the proceeds, including attorneys' fees and fees of any public adjustor, appraiser or other expert or consultant hired or retained by Beneficiary.

If, in any instance and at all times prior to completion of repair or reconstruction, each and all of the following conditions are satisfied in Beneficiary's reasonable judgment, Beneficiary shall permit Trustor to use the balance of the proceeds ("Net Claims Proceeds") to pay costs of repairing or reconstructing the Property in the manner described below:

(i) The plans and specifications, cost breakdown, construction contract, construction schedule, contractor and payment and performance bond for the work of repair or reconstruction (all provided at the expense of Trustor by Trustor) must all be acceptable to the Beneficiary.

(ii) Beneficiary must receive evidence satisfactory to it that after repair or reconstruction, the Property would be at least as valuable as it was immediately before the damage or condemnation occurred.

(iii) The Net Claims Proceeds must be sufficient in Beneficiary's determination to pay for the total cost of repair or reconstruction, including all associated development costs, insurance premiums, real property taxes and interest projected to be payable on the Secured Obligations until the repair or reconstruction is complete; or Trustor must provide its own funds in an amount equal to the difference between the Net Claims Proceeds and a reasonable estimate, made by Trustor and found acceptable by Beneficiary, of the total cost of repair or reconstruction including all associated development costs, insurance premiums, real property taxes and interest projected to be payable on the Secured Obligations until the repair or reconstruction is complete; and Trustor must grant Beneficiary a security interest in such funds in form acceptable to Beneficiary.

(iv) Beneficiary must receive evidence satisfactory to it that all leases which it may find acceptable will continue after the repair or reconstruction is complete.

(v) No Event of Default shall have occurred and be continuing.

If it finds that the conditions are met, any funds which Trustor is required to provide shall be deposited in an account with a depository which is insured by the Federal Deposit Insurance Corporation and is selected by Beneficiary. The funds in such account, including any interest payable thereon by such depository, shall be subject to a security interest in favor of Beneficiary and shall be disbursed to or at the direction of Trustor to pay costs of repair or reconstruction upon presentation of evidence reasonably satisfactory to Beneficiary that repair or reconstruction has been completed satisfactorily and lien free. All of such funds to be provided by Trustor shall be so applied and disbursed before any Net Claims Proceeds are disbursed. Trustor shall execute all documents requested by Beneficiary to cause the payor of Net Claims Proceeds to deliver and pay the Net Claims Proceeds directly to Beneficiary. The Net Claims Proceeds shall be disbursed by Beneficiary in a similar manner upon presentation of similar evidence. The costs of inspecting the property and managing the disbursement of Net Claims Proceeds shall be paid out of such Net Claims Proceeds. If for any reason the payor of the Net Claims Proceeds will not release the funds to the Beneficiary, then said funds shall be deposited in the same depository account as Trustor's funds, (and shall be subject to the same security interest in favor of Beneficiary). If Beneficiary finds that one or more of the conditions to disbursement of Net Claims Proceeds are not satisfied, it may apply the Net Claims Proceeds to pay or prepay (without premium) some or all of the Secured Obligations in such order and proportions as it in its sole discretion may choose and Trustor hereby instructs Beneficiary to do so. No such application or release of any Net Claims Proceeds shall constitute a waiver or cure of any Event of Default or notice of default.

Trustor hereby specifically, unconditionally and irrevocably waives all rights of a property owner granted under California Code of Civil Procedure Section 1265.225(a), which provides for allocation of condemnation proceeds between a property owner and a lienholder, and any other law or successor statute of similar import.

5.6 Maintenance and Preservation of Property

(a) Trustor shall maintain the following insurance at its sole cost and expense:

(i) Insurance against casualty to the Property under a policy or policies known as "all-risk" and covering such risks as are ordinarily insured against by similar businesses, but in any event including fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, damage from aircraft, smoke, vandalism and malicious mischief. Such insurance shall be for the full insurable value of the Property with a replacement cost endorsement with waiver of depreciation. The deductible amount under such policy or policies shall not exceed One Thousand Dollars (\$1,000.00). No policy of insurance shall be written such that the proceeds thereof will produce less than the minimum coverage required by this Section 5.6(a) by reason of co-insurance provisions or otherwise. The term "full insurable value" means the actual replacement cost of the Property (excluding foundation and excavation costs and costs of underground flues, pipes, drains and other uninsurable items).

(ii) Comprehensive general public liability insurance against claims for damages including death, personal injuries, bodily injury and property damage arising from the operation of or relating to the Property, in limits of not less than One Hundred Thousand Dollars (\$100,000.00) single limit per occurrence and including the following coverages: (A) Premises/Operations; (B) Elevators; (C) Products/Completed Operations (for one year after the Completion Date); (D) Blanket Contractual Liability; (E) Broad Form Property Damage (including explosion, collapse and underground hazard); and (F) Personal Injury (including deletion of employee and contractual exclusions, covering any operation at the Property). Such insurance shall name Beneficiary as an additional insured.

(iii) Trustor will obtain and keep in force such other and further insurance as may be required from time to time by Beneficiary in order to comply with regular requirements and practices of Beneficiary in similar transactions.

Each policy of insurance shall (1) be issued by one or more insurance companies, with a claims paying ability rated double-A or better by Standard & Poor's Corporation and approved by Beneficiary, and which are qualified or authorized by the laws of the State of California to assume the risks covered by such policy, (2) with respect to the insurance described under Section 5.6(a)(i) and (iii) of this Deed of Trust, have attached thereto standard non-contributing, non-reporting mortgagee clauses in favor of and entitling Beneficiary without contribution to collect any and all proceeds payable under such insurance, (3) contain an endorsement requiring at least thirty (30) days prior written notice to Beneficiary of any cancellation of or reduction in insurance coverage or of any material modification of such policy, (4) provide that any loss otherwise payable thereunder shall be payable notwithstanding any act or negligence of Trustor that might, absent such agreement, result in a forfeiture of all or a part of such insurance payment, and (5) include an effective waiver by the insurer of all rights of subrogation against any named insured or such insured's interest in the Property or any income derived therefrom.

Whenever requested by Beneficiary in writing mailed to Trustor at Trustor's last address known to Beneficiary, such policies shall be delivered immediately to and held by Beneficiary, and not less than fifteen (15) days prior to the date any coverage would otherwise expire, Trustor shall deliver to Beneficiary renewal policies or certificates or other reasonable evidence of the continuation of such coverage.

Trustor shall deliver to Beneficiary, at the time of each renewal of the policy (but at least once each year, a statement reasonably satisfactory to Beneficiary as to the then "full insurable value" of the Property as determined by the underwriter of fire insurance on the Property or by a qualified appraiser approved by Beneficiary.

Trustor shall promptly comply with and conform to (1) all provisions of each such insurance policy and (2) all requirements of the insurers thereunder applicable to Trustor or any of the Property or to the use, manner of use, occupancy, possession, operation, maintenance, alteration or repair of any of the Property, even if such compliance necessitates structural changes or improvements or results in interference with the use or enjoyment of any of the Property. Trustor shall not use or permit any party to use any of the Property in any manner that would permit the insurer to cancel any insurance policy.

Trustor will immediately give Beneficiary notice of any cancellation of, or change in, any insurance policy. Beneficiary shall not, because of accepting, rejecting, approving or obtaining insurance, incur any liability for (i) the existence, nonexistence, form or legal sufficiency thereof, (ii) the solvency of any insurer, or (iii) the payment of losses.

(b) Trustor shall not remove or demolish the Property or any part of it, or alter, restore or add to the Property, or initiate or allow any change in any zoning or other land use classification which affects the Property or any part of it, except or with Beneficiary's express prior written consent in each instance.

(c) If all or part of the Property becomes damaged or destroyed, Trustor shall promptly and completely repair and/or restore the Property in a good and workmanlike manner in accordance with sound building practices, regardless of whether or not Beneficiary agrees to disburse insurance proceeds or other sums to pay costs of the work of repair or reconstruction under Section 5.5.

(d) Trustor shall not commit or allow any act upon or use of the Property which would violate: (i) any applicable law or order of any governmental authority (collectively, the "Legal Requirements"), whether now existing or later to be enacted and whether foreseen or unforeseen; or (ii) any public or private covenant, condition, restriction or equitable servitude affecting the Property. Trustor shall not bring or keep any article on the Property or cause or allow any condition to exist on it, if that could invalidate or would be prohibited by any insurance coverage required to be maintained by Trustor on the Property pursuant to this Deed of Trust.

(e) Trustor shall not commit or allow waste of the Property, including those acts or omissions characterized as waste which arises out of Hazardous Substances.

(f) Trustor shall perform all other acts which from the character or use of the Property may be reasonably necessary to maintain and preserve its value.

5.7 Trustee's Acceptance of Trust

Trustee accepts this trust when this Deed of Trust is recorded.

5.8 Releases, Extensions, Modifications and Additional Security

(a) From time to time, Beneficiary may perform any of the following acts without incurring any liability or giving notice to any person:

- (i) Release any person liable for payment of any Secured Obligation;
- (ii) Extend the time for payment, or otherwise alter the terms of payment, of any Secured Obligation;
- (iii) Accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security; or
- (iv) Alter, substitute or release any property securing the Secured Obligations.

(b) From time to time when requested to do so by Beneficiary in writing, Trustee may perform any of the following acts without incurring any liability or giving notice to any person:

- (i) Consent to the making of any plat or map of the Property or any part of it;
- (ii) Join in granting any easement or creating any restriction affecting the Property;
- (iii) Join in any subordination or other agreement affecting this Deed of Trust or the lien of it; or
- (iv) Reconvey the Property or any part of it without any warranty.

5.9 Reconveyance

When all of the Secured Obligations have been paid in full, Beneficiary shall request Trustee in writing to reconvey the Property, and shall surrender this Deed of Trust and all notes and instruments evidencing the Secured Obligations to Trustee. When Trustee receives Beneficiary's written request for reconveyance and all fees and other sums owing to it by Trustor under Section 5.10, Trustee shall reconvey the Property, or so much of it as is then held under this Deed of Trust, without warranty to the person or persons legally entitled to it. That person or those persons shall pay any costs of recordation. In the reconveyance, the grantee may be described as "the person or persons legally entitled thereto," and the recitals of any matters or facts shall be conclusive proof of their truthfulness. Neither Beneficiary nor Trustee shall have any duty to determine the rights of persons claiming to be rightful grantees of any reconveyance.

5.10 Compensation, Exculpation, Indemnification

(a) Trustor agrees to pay fees in the maximum amounts legally permitted, or reasonable fees as may be charged by Beneficiary and Trustee when the law provides no maximum limit, for any services that Beneficiary or Trustee may render in connection with this Deed of Trust, including Beneficiary's providing a statement of the Secured Obligations or Trustee's rendering of services in connection with a reconveyance. Trustor shall also pay or reimburse all of Beneficiary's and Trustee's costs and expenses which may be incurred in rendering any such services. Trustor further agrees to pay or reimburse Beneficiary for all costs, expenses and other advances which may be incurred or made by Beneficiary or Trustee in any efforts to enforce any terms of this Deed of Trust, including any rights or remedies afforded to Beneficiary or Trustee or both of them under Section 6.3, whether any lawsuit is filed or not, or in defending any action or proceeding arising under or relating to this Deed of Trust, including attorneys' fees and other legal costs, costs of any Foreclosure Sale (as defined in subsection 6.3(h)) and any cost of evidence of title. If Beneficiary chooses to dispose of Property through more than one Foreclosure Sale, Trustor shall pay all costs, expenses or other advances that may be incurred or made by Trustee or Beneficiary in each of those Foreclosure Sales.

(b) Beneficiary shall not be directly or indirectly liable to Trustor or any other person as a consequence of any of the following:

(i) Beneficiary's exercise of or failure to exercise any rights, remedies or powers granted to it in this Deed of Trust;

(ii) Beneficiary's failure or refusal to perform or discharge any obligation or liability of Trustor under any agreement related to the Property or under this Deed of Trust; or

Trustor hereby expressly waives and releases all liability of the types described above, and agrees that no such liability shall be asserted against or imposed upon Beneficiary.

(c) Trustor agrees to indemnify Trustee and Beneficiary against and hold them harmless from all losses, damages, liabilities, claims, causes of action, judgments, court costs, attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other costs and expenses which either may suffer or incur:

(i) In performing any act required or permitted by this Deed of Trust or any of the other Loan Documents or by law;

(ii) Because of any failure of Trustor to perform any of its obligations; or

(iii) Because of any alleged obligation of or undertaking by Beneficiary to perform or discharge any of the representations, warranties, conditions, covenants or other obligations in any document relating to the Property other than the Loan Documents.

This agreement by Trustor to indemnify Trustee and Beneficiary shall survive the release and cancellation of any or all of the Secured Obligations and the full or partial release and/or reconveyance of this Deed of Trust.

(d) Trustor shall pay all obligations to pay money arising under this Section 5.10 immediately upon demand by Trustee or Beneficiary. Each such obligation shall be added to, and considered to be part of, the principal of the Notes, and shall bear interest from the date the obligation arises at the rate then being applied to the principal balance of the Notes.

5.11 Defense and Notice of Claims and Actions

At Trustor's sole expense, Trustor shall protect, preserve and defend the Property and title to and right of possession of the Property, and the security of this Deed of Trust and the rights and powers of Beneficiary and Trustee created under it, against all adverse claims. Trustor shall give Beneficiary and Trustee prompt notice in writing if any claim is asserted which does or could affect any of these matters, or if any action or proceeding is commenced which alleges or relates to any such claim.

5.12 Substitution of Trustee

From time to time, Beneficiary may substitute a successor to any Trustee named in or acting under this Deed of Trust in any manner now or later to be provided at law, or by a written instrument executed and acknowledged by Beneficiary and recorded in the office(s) of the recorder(s) of the county or counties where the Land and Improvements are situated. Any such instrument shall be conclusive proof of the proper substitution of the successor Trustee, who shall automatically upon recordation of the instrument succeed to all estate, title, rights, powers and duties of the predecessor Trustee, without conveyance from it.

5.13 Subrogation

Beneficiary shall be subrogated to the liens of all encumbrances, whether released of record or not, which are discharged in whole or in part by Beneficiary in accordance with this Deed of Trust or with the proceeds of any loan secured by this Deed of Trust.

5.14 Site Visits, Observation and Testing

Beneficiary and its agents and representatives shall have the right to enter and visit the Property at any reasonable time for the purposes of observing it, performing appraisals, taking and removing soil or groundwater samples, and conducting tests on any part of it. Beneficiary is under no duty, however, to visit or observe the Property or to conduct tests, and any such acts by Beneficiary shall be solely for the purposes of protecting Beneficiary's security and preserving Beneficiary's and Trustee's rights under the Loan Documents. In no event shall any site visit, observation or testing by Beneficiary be a representation that Hazardous Substances are or are not present in, on, or under the Land or Improvements, or that any construction is free from defective materials or workmanship, or that there has been or shall be compliance with any applicable Legal Requirements. Neither Trustor nor any other party is entitled to rely on any site visit, observation or testing by Beneficiary. Beneficiary owes no duty of care to protect Trustor or any other party against, or to inform Trustor or any other party of, any Hazardous Substances, any negligent or defective design or construction of the Improvements, or any other adverse condition affecting the Property. Beneficiary shall not be obligated to disclose to Trustor or any other party any report or findings made as a result of, or in connection with, any site visit, observation or testing by Beneficiary. Prior to entering the Property under this Section 5.14, Beneficiary shall give Trustor reasonable notice of its intent to enter. Beneficiary shall exercise reasonable efforts to avoid interfering with use of the Property in connection with the activities permitted under this Section. It is intended that Beneficiary shall have the rights under Section 2929.5 of the California Civil Code.

5.15 Notice of Change

Trustor shall give Beneficiary prior written notice of any change in: (i) the location of its place of business or its chief executive office if it has more than one place of business; (ii) the location of any of the Property, including the Books and Records; and (iii) Trustor's name or business structure. Unless otherwise approved by Beneficiary in writing, all Property that consists of personal property (other than the Books and Records) will be located on the Land and all Books and Records will be located at Trustor's place of business or chief executive office if Trustor has more than one place of business.

6. Accelerating Transfers, Default and Remedies

6.1 Accelerating Transfers

"Accelerating Transfer" means any sale, contract to sell, conveyance, encumbrance, lease (other than leases of camping spaces or leases within the Improvements for use as retail sales outlets or restaurants on arms length terms and conditions prevailing in the market for similar Improvements and uses for periods not in excess of five

years or upon other terms and conditions approved in writing by Beneficiary), or other transfer of all or any material part of the Property or any interest in it, whether voluntary, involuntary, by operation of law or otherwise.

Trustor acknowledges that Beneficiary is agreeing to extend and modify the Secured Obligations in reliance on the expertise, skill and experience of Trustor; thus, the Secured Obligations include material elements similar in nature to a personal service contract. In consideration of Beneficiary's reliance, Trustor agrees that Trustor shall not make any Accelerating Transfer, unless the transfer is preceded by Beneficiary's express written consent to the particular transaction and transferee. Beneficiary may withhold such consent in its sole discretion. If any Accelerating Transfer occurs, Beneficiary in its sole discretion may declare all of the Secured Obligations to be immediately due and payable, and Beneficiary and Trustee may invoke any rights and remedies provided by Section 6.3 of this Deed of Trust.

6.2 Events of Default

Trustor will be in default under this Deed of Trust upon the occurrence of any one or more of the following events (some or all collectively, "**Events of Default**;" any one singly, an "**Event of Default**");

(a) Trustor fails to pay any sum due under the Note when due (and no notice of such failure from Beneficiary or Trustee to Trustor shall be required for the same to constitute an Event of Default); or

(b) Trustor fails to perform any obligation to pay money which arises under this Deed of Trust other than payment of any sum due under the Note, and does not cure that failure within five (5) days after written notice from Beneficiary or Trustee; or

(c) Trustor fails to perform any obligation arising under this Deed of Trust other than one to pay money, and does not cure that failure within thirty (30) days after written notice from Beneficiary or Trustee; or

(d) Any other default occurs under any of the Secured Obligations; or

(e) There is any default of any of Trustor's obligations pursuant to provisions hereof regarding assignment of Rents.

6.3 Remedies

At any time after an Event of Default, Beneficiary and Trustee shall be entitled to invoke any and all of the rights and remedies described below. All of such rights and remedies shall be cumulative, and the exercise of any one or more of them shall not constitute an election of remedies.

(a) Acceleration

Beneficiary may declare any or all of the Secured Obligations to be due and payable immediately.

(b) Receiver

Beneficiary may apply to any court of competent jurisdiction for, and obtain appointment of, a receiver for the Property.

(c) Entry

Beneficiary, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Property, and may also do any and all other things in connection with those actions that Beneficiary may in its sole discretion consider necessary and appropriate to protect the security of this Deed of Trust. Such other things may include: taking and possessing all of Trustor's or the then owner's Books and Records; entering into leases on such terms and conditions as Beneficiary may consider proper; collecting and receiving any payment of money owing to Trustor; completing any unfinished construction; and/or contracting for and making repairs and alterations. If Beneficiary so requests, Trustor shall assemble all of the Property that has been removed from the Land and make all of it available to Beneficiary at the site of the Land. Trustor hereby irrevocably constitutes and appoints Beneficiary as its attorney-in-fact to perform such acts and execute such documents as Beneficiary in its sole discretion may consider to be appropriate in connection with taking these measures, including endorsement of Trustor's name on any instruments. Regardless of any provision of this Deed of Trust or the Loan Agreement, Beneficiary shall not be considered to have accepted any property other than cash or immediately available funds in satisfaction of any obligation of Trustor to Beneficiary, unless Beneficiary has given express written notice of its election of that remedy in accordance with California Commercial Code Section 9505, as it may be amended or recodified from time to time.

(d) **Cure; Protection of Security**

Either Beneficiary or Trustee may cure any breach or default of Trustor, and if it chooses to do so in connection with any such cure, Beneficiary or Trustee may also enter the Property and/or do any and all other things which it may in its sole discretion consider necessary and appropriate to protect the security of this Deed of Trust. Such other things may include: appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Beneficiary or Trustee under, this Deed of Trust; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Beneficiary's or Trustee's sole judgment is or may be senior in priority to this Deed of Trust, such judgment of Beneficiary or Trustee to be conclusive as among the parties to this Deed of Trust; obtaining insurance and/or paying any premiums or charges for insurance required to be carried under this Deed of Trust; otherwise caring for and protecting any and all of the Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Beneficiary or Trustee. Beneficiary and Trustee may take any of the actions permitted under this subsection 6.3(d) either with or without giving notice to any person.

(e) **Commercial Code Remedies**

Beneficiary may exercise any or all of the remedies granted to a secured party under the California Commercial Code.

(f) **Judicial Action**

Beneficiary may bring an action in any court of competent jurisdiction to foreclose this instrument or to obtain specific enforcement of any of the covenants or agreements of this Deed of Trust.

(g) **Power of Sale**

Under this power of sale, Beneficiary shall have the discretionary right to cause some or all of the Property, including any Property which constitutes personal property, to be sold or otherwise disposed of in any combination and in any manner permitted by applicable law.

(i) **Sales of Personal Property**

For purposes of this power of sale, Beneficiary may elect to treat as personal property any Property which is intangible or which can be severed from the Land or Improvements without causing structural damage. If it chooses to do so, Beneficiary may dispose of any personal property separately from the sale of real property, in any manner permitted by Division 9 of the California Commercial Code, including any public or private sale, or in any manner permitted by any other applicable law. Any proceeds of any such disposition shall not cure any Event of Default or reinstate any Secured Obligation for purposes of Section 2924c of the California Civil Code.

In connection with any sale or other disposition of such personal property, Trustor agrees that the following procedures constitute a commercially reasonable sale:

Beneficiary shall mail written notice of the sale to Trustor not later than fifteen (15) days prior to such sale. Once per week during the two weeks immediately preceding such sale, Beneficiary will publish notice of the sale in a local daily newspaper of general circulation. Upon receipt of any written request, Beneficiary will make the personal property available to any bona fide prospective purchaser for inspection during reasonable business hours. Notwithstanding, Beneficiary shall be under no obligation to consummate a sale if, in its judgment, none of the offers received by it equals the fair value of the personal property offered for sale. The foregoing procedures do not constitute the only procedures that may be commercially reasonable.

(ii) **Trustee's Sales of Real Property or Mixed Collateral**

Beneficiary may choose to dispose of some or all of the Property which consists solely of real property in any manner then permitted by applicable law. In its discretion, Beneficiary may also or alternatively choose to dispose of some or all of the Property, in any combination consisting of both real and personal property, together in one sale to be held in accordance with the law and procedures applicable to real property, as permitted by Section 9501(4) of the California Commercial Code. Trustor agrees that such a sale of personal property together with real property constitutes a commercially reasonable sale of the personal property. For purposes of this power of sale, either a sale of real property alone, or a sale of both real and personal property together in accordance with California Commercial Code Section 9501(4), will sometimes be referred to as a "Trustee's Sale."

Before any Trustee's Sale, Beneficiary or Trustee shall give such notice of default and election to sell as may then be required by law. When all time periods then legally mandated have expired, and after such notice of sale as may then be legally required has been given, Trustee shall sell the property being sold at a public

auction to be held at the time in the notice or sale. From time to time in accordance with then applicable law, Trustee may, and in any event at Beneficiary's request shall, postpone any Trustee's Sale by public announcement at the time and place noticed for that sale.

At any Trustee's Sale, Trustee shall sell to the highest bidder at public auction for cash in lawful money of the United States. Trustee shall execute and deliver to the purchaser(s) a deed or deeds conveying the property being sold without any covenant or warranty whatsoever, express or implied. The recitals in any such deed of any matters or facts, including any facts bearing upon the regularity or validity of any Trustee's Sale, shall be conclusive proof of their truthfulness. Any such deed shall be conclusive against all persons as to the facts recited in it.

(h) **Single or Multiple Foreclosure Sales**

If the Property consists of more than one lot, parcel or item of property, Beneficiary may Elect to dispose of the lots, parcels and/or items through a single consolidated sale or disposition to be held or made under the power of sale granted in subsection 6.3(g), or in connection with judicial proceedings, or by virtue of a judgment and decree of foreclosure and sale; or through two or more such sales or dispositions; or in any other manner Beneficiary may deem to be in its best interests (any such sale or disposition, a "Foreclosure Sale;" any two or more, "Foreclosure Sales").

If it chooses to have more than one Foreclosure Sale, Beneficiary at its option may cause the Foreclosure Sales to be held simultaneously or successively, on the same day, or on such different days and at such different times and in such order as it may deem to be in its best interests. No Foreclosure Sale shall terminate or affect the liens of this Deed of Trust on any part of the Property which has not been sold, until all of the Secured Obligations have been paid in full.

6.4 Credit Bids

At any Foreclosure Sale, any person, including Trustor, Trustee or Beneficiary, may bid for and acquire the Property or any part of it to the extent permitted by then applicable law. Instead of paying cash for that property, Beneficiary may settle for the purchase price by crediting the sales price of the Property against the following obligations:

(a) First, the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Trustor is obligated to pay or reimburse Beneficiary or Trustee under Section 5.10; and

(b) Second, all other Secured Obligations in any order and proportions as Beneficiary in its sole discretion may choose.

6.5 Application of Foreclosure Sale Proceeds

Beneficiary and Trustee shall apply the proceeds of any Foreclosure Sale in-the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Trustor is obligated to reimburse Beneficiary or Trustee under Section 5.10;

(b) Second, to pay the portion of the Secured Obligations attributable to any sums expended or advanced by Beneficiary or Trustee under the terms of this Deed of Trust which then remain unpaid;

(c) Third, to pay all other Secured Obligations in any order and proportions as Beneficiary in its sole discretion may choose; and

(d) Fourth, to remit the remainder, if any, to the person or persons entitled to it.

6.6 Application of Rents and Other Sums

Beneficiary shall apply any and all Rents collected by it, and any and all sums other than proceeds of a Foreclosure Sale which Beneficiary may receive or collect under Section 6.3, in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the costs and expenses of operation and collection that may be incurred by Trustee, Beneficiary or any receiver;

(b) Second, to pay all other Secured Obligations in any order and proportions as Beneficiary in its sole discretion may choose; and

(c) Third, to remit the remainder, if any, to the person or persons entitled to it.

Beneficiary shall have no liability for any funds which it does not actually receive.

7. Miscellaneous Provisions

7.1 Additional Provisions

The Loan Documents fully state all of the terms and conditions of the parties' agreement regarding the matters mentioned in or incidental to this Deed of Trust. The Loan Documents also grant further rights to Beneficiary and contain further agreements and affirmative and negative covenants by Trustor which apply to this Deed of Trust and to the Property.

7.2 No Waiver or Cure

Each waiver by Beneficiary or Trustee must be in writing, and no waiver shall be construed as a continuing waiver. No waiver shall be implied from any delay or failure by Beneficiary or Trustee to take action on account of any default of Trustor. Consent by Beneficiary or Trustee to any act or omission by Trustor shall not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Beneficiary's or Trustee's consent to be obtained in any future or other instance.

If any of the events described below occurs, that event alone shall not: cure or waive any breach, Event of Default or notice of default under this Deed of Trust or invalidate any act performed pursuant to any such default or notice; or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and all other defaults under the Loan Documents have been cured); or impair the security of this Deed of Trust; or prejudice Beneficiary, Trustee or any receiver in the exercise of any right or remedy afforded any of them under this Deed of Trust; or be construed as an affirmation by Beneficiary of any tenancy, lease or option, or a subordination of the lien of this Deed of Trust.

(a) Beneficiary, its agent or a receiver takes possession of all or any part of the Property in the manner provided in subsection 6.3(c).

(b) Beneficiary collects and applies Rents as permitted under Sections 2.3 and 6.6, either with or without taking possession of all or any part of the Property.

(c) Beneficiary receives and applies to any Secured Obligation proceeds of any Property, including any proceeds of insurance policies, condemnation awards, or other claims, property or rights assigned to Beneficiary under Section 5.5.

(d) Beneficiary makes a site visit, observes the Property and/or conducts tests as permitted under Section 5.14.

(e) Beneficiary receives any sums under this Deed of Trust or any proceeds of any collateral held for any of the Secured Obligations, and applies them to one or more Secured Obligations.

(f) Beneficiary, Trustee or any receiver invokes any right or remedy provided under this Deed of Trust.

7.3 Powers of Beneficiary and Trustee

Trustee shall have no obligation to perform any act which it is empowered to perform under this Deed of Trust unless it is requested to do so in writing by Beneficiary and is reasonably indemnified against loss, cost, liability and expense.

If either Beneficiary or Trustee performs any act which it is empowered or authorized to perform under this Deed of Trust, including any act permitted by Section 5.8 or subsection 6.3(d), that act alone shall not release or change the personal liability of any person for the payment and performance of the Secured Obligations then outstanding, or the lien of this Deed of Trust on all or the remainder of the Property for full payment and performance of all outstanding Secured Obligations. The liability of the original Trustor shall not be released or changed if Beneficiary grants any successor in interest to Trustor any extension of time for payment, or modification of the terms of payment, of any Secured Obligation. Beneficiary shall not be required to comply with any demand by the original Trustor that Beneficiary refuse to grant such an extension or modification to, or commence proceedings against, any such successor in interest.

Beneficiary may take any of the actions permitted under subsections 6.3(b) and/or 6.3(c) regardless of the adequacy of the security for the Secured Obligations, or whether any or all of the Secured Obligations have been declared to be immediately due and payable, or whether notice of default and election to sell has been given under this Deed of Trust.

From time to time, Beneficiary or Trustee may apply to any court of competent jurisdiction for aid and direction in executing the trust and enforcing the rights and remedies created under this Deed of Trust. Beneficiary or Trustee may from time to time obtain orders or decrees directing, confirming or approving acts in executing this trust and enforcing these rights and remedies.

7.4 Merger

No merger shall occur as a result of Beneficiary's acquiring any other estate in or any other lien on the Property unless Beneficiary consents to a merger in writing.

7.5 Joint and Several Liability

If Trustor consists of more than one person, each shall be jointly and severally liable for the faithful performance of all of Trustor's obligations under this Deed of Trust.

7.6 Applicable Law

This Deed of Trust shall be governed by California law.

7.7 Successors in Interest

The terms, covenants and conditions of this Deed of Trust shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties. However, this Section 7.7 does not waive the provisions of Section 6.1.

7.8 Interpretation

Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the sections of this Deed of Trust are for convenience only and do not define or limit any terms or provisions. The word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to."

The word "obligations" is used in its broadest and most comprehensive sense, and includes all primary, secondary, direct, indirect, fixed and contingent obligations. It further includes all principal, interest, prepayment charges, late charges, loan fees and any other fees and charges accruing or assessed at any time, as well as all obligations to perform acts or satisfy conditions.

No listing of specific instances, items or matters in any way limits the scope or generality of any language of this Deed of Trust. The Exhibits to this Deed of Trust are hereby incorporated in this Deed of Trust.

7.9 Counsel Fees

Whenever Trustor is obligated to pay or reimburse Beneficiary or Trustee for any attorneys' fees, those fees shall include the allocated costs for services of in-house counsel.

7.10 Severability

If any provision of this Deed of Trust should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and in no way affect the validity of this Deed of Trust except that if such provision relates to the payment of any monetary sum, then Beneficiary may, at its option, declare all Secured Obligations immediately due and payable.

7.11 **Notices**

Any Trustor whose address is set forth above hereby requests that a copy of notice of default and notice of sale be mailed to it at that address. If any Trustor fails to insert an address, that failure shall constitute a designation of Trustor's last known address as the address for such notice.

7.12 **Relationship of Trustor and Beneficiary**

The relationship of Trustor and Beneficiary shall be that of a borrower and a lender only and neither of those parties is, nor shall it hold itself out or claim itself to be, the agent, employee, joint venturer or partner of the other party.

7.13 **Contingent Profit Agreement**

This instrument has been supplemented in certain respects as set forth in the **Contingent Profit Agreement** annexed hereto and incorporated herein by this reference.

Initial _____

Initial _____

TRUSTOR:

Borrower Name

Borrower Name

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, _____, before me, _____
a Notary Public in and for said State, personally appeared _____ and _____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is
subscribed to the within instrument and acknowledged to me that (he) (she) executed the same in (his) (her) authorized
capacity, and that by (his) (her) signature on the instrument the person, or the entity upon behalf of which the person
acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State

(SEAL)

EXHIBIT A
LEGAL DESCRIPTION

(Type in Legal Description)