

**DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT,
AND HAZARDOUS MATERIALS INDEMNITY AGREEMENT**

THIS DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT, AND HAZARDOUS MATERIALS INDEMNITY AGREEMENT (hereinafter "Deed of Trust") is given this 30th day of July, 1998, by CRESTLINE INVESTMENT GROUP, INC., a Nevada corporation, whose address is 520 South Fourth Street, Second Floor, Las Vegas, Nevada 89101, as Trustor ("Trustor"), to First American Title Company, ^{OF NEVADA, a Nevada Corp.} whose address is ~~878~~ ⁶⁸⁵ Lyons Avenue, Ely, Nevada ~~89008~~ ⁸⁹³⁰¹, as Trustee ("Trustee"), and to STRONGSVILLE SAVINGS BANK, whose address is 14092 Pearl Road, Strongsville, Ohio 44136, as the Beneficiary ("Beneficiary").

427731WP

WITNESSETH:

FOR THE PURPOSE OF SECURING, in such order of priority as Beneficiary may determine, (1) the payment of that certain promissory note dated July 30, 1998, in the principal amount of ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00) ("Note") made by Trustor in favor of Beneficiary, payable at the times, in the manner and with interest as therein set forth, and any extensions, renewals or modifications thereof; (2) the performance of each and every covenant and agreement of Trustor and the satisfaction of all of the terms and conditions applicable to Trustor or within Trustor's control contained herein, or contained in the Note, in any other security or pledge agreement, supplemental agreement, assignment, or in any other instrument or document heretofore or hereafter executed by Trustor in connection with any indebtedness secured hereunder, as the same may be amended, modified or supplemented from time to time; (3) the payment of such additional loans or advances as hereafter may be made to Trustor or its successors or assigns; and (4) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms of the Note or the terms hereof or to protect the security hereof, together with interest thereon, Trustor, in consideration of the premises, and for the purposes aforesaid, does hereby IRREVOCABLY GRANT,

waiver of such right or any other right. Waiver by Beneficiary of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Beneficiary's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Beneficiary, nor any course of dealing between Beneficiary and Grantor, shall constitute a waiver of Beneficiary's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Beneficiary is required under this Deed of Trust, the granting of such consent by Beneficiary in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases, such consent may be granted or withheld in the sole and absolute discretion of Beneficiary. This provision cannot be waived by the conduct, acts or agreement of Beneficiary and Grantor.

6.14. Due on Sale or Transfer. All sums payable under the Note, the Deed of Trust, or any other related loan document shall be immediately due and payable upon sale or transfer of the Land and Improvements by the Trustor.

6.15. No Party is Drafter. The parties agree that neither party shall be deemed to be the drafter of this Deed of Trust and that in the event this Deed of Trust is ever construed by a court of law or equity, such court shall not construe this Deed of Trust or any provision hereof against either party as the drafter, Seller and Purchaser acknowledging that both parties have contributed substantially and materially to the preparation hereof.

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust on the date first above written.

"TRUSTOR"
CRESTLINE INVESTMENT GROUP,
INC., a Nevada Corporation

By


BILL J. MCKOWN
Its President

D. OIL, GAS, MINERALS AND WATER RIGHTS: TOGETHER WITH any and all of Trustor's oil, gas, mineral and water rights, and drains and drainage rights appurtenant to, located on, under or above or used in connection with the Land and the Improvements situated thereon, or any part thereof, whether now existing or hereafter created or acquired.

E. EASEMENTS: TOGETHER WITH all easements, rights-of-way, gores or strips of land, streets, ways, alleys, passages, sewer rights, water courses, water rights and powers, and all appurtenances whatsoever, in any way belonging, relating or appertaining to any of the Land and Improvements and other rights described in paragraphs (A), (B), (C) and (D) hereof, or which hereinafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Trustor.

F. TOGETHER WITH (i) all the estate, right, title and interest of Trustor of, in and to all judgments, insurance proceeds, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the Land and Improvements and other rights described in paragraphs (A), (B), (C), (D) and (E) hereof or any part thereof under power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Land and Improvements and other rights described in paragraphs (A), (B), (C), (D) and (E) hereof or any part thereof, or to any rights appurtenant thereto, and all proceeds of any sales or other dispositions of the Land and Improvements and other rights described in Paragraphs (A), (B), (C), (D) and (E) hereof or any part thereof (provided that the foregoing shall not be deemed to permit such dispositions except as provided herein); and Beneficiary is hereby authorized to collect and receive said awards and proceeds and to give proper receipts and acquittances therefor, and, if it so elects, to apply the same towards the payment of the indebtedness and other sums secured hereby, notwithstanding the fact that the amount owing thereon may not then be due and payable; and (ii) all accounts, contract rights, general intangibles, actions and insurance proceeds and unearned or prepaid premiums arising

from or relating to the Land and Improvements and other rights described in paragraphs (A), (B), (C), (D) and (E) above; and (iii) all proceeds, products, replacements, additions, substitutions, renewal and accessions of and to the Land and Improvements and other rights described in paragraphs (A), (B), (C), (D) and (E).

G. TOGETHER WITH all rents, income, maintenance fees, and other benefits to which Trustor may now or hereafter be entitled from the Land and Improvements and other rights described in paragraphs (A), (B), (C), (D) and (E) hereof; provided, however, that permission is hereby given to Trustor, so long as no Event of Default has occurred hereunder, to collect and use such rents, income, maintenance fees and other benefits as they become due and payable, but not in advance thereof. Upon the occurrence of any such Event of Default, the permission hereby given to Trustor to collect such rents, income, maintenance fees and other benefits from the Land and Improvements and other rights described in paragraphs (A), (B), (C), (D) and (E) hereof shall automatically terminate and such permission shall not be reinstated upon a cure of such Event of Default unless Beneficiary shall thereafter give specific written approval.

Notwithstanding anything to the contrary contained herein, the foregoing provisions hereof shall constitute an absolute, unconditional and present assignment of the rents, income and other benefits from the Land and Improvements and other rights described in paragraphs (A), (B), (C), (D) and (E) above to Beneficiary, subject, however, to the conditional permission given to Trustor to collect and use such rents, income and other benefits as hereinabove provided. The existence or exercise of such right to Trustor shall not operate to subordinate this assignment to any subsequent assignment, in whole or in part, by Trustor, and any such subsequent assignment by Trustor shall not be made without the prior written approval of Beneficiary, and shall be subject to all of the rights of the Trustee and Beneficiary hereunder.

H. TOGETHER WITH all right, title and interest of Trustor in and to any and all leases now or hereafter on or affecting the Land and Improvements and other rights

described in paragraphs (A), (B), (C), (D) and (E) hereof, together with all security therefor and all monies payable thereunder, and all books and records which contain payments made under the leases and all security therefor, subject, however, to the conditional permission hereinabove given to Trustor to collect the rents, income and other benefits arising under any such lease. Beneficiary shall have the right, at any time and from time to time, to notify any lessee of the rights of Beneficiary as provided by this paragraph.

I. TOGETHER WITH (i) Trustor's rights to further encumber the Land and Improvements and other rights described in paragraphs (A), (B), (C), (D) and (E) above for debt and (ii) all of Trustor's rights to enter into any lease or lease agreement.

All of the Land and Improvements and other rights described in Paragraphs (A), (B), (C), (D), (E), (F), (G), (H) and (I) above is hereinafter referred to as "the Property."

Trustor, for itself and its successors and assigns, covenants and agrees to and with Trustee and Beneficiary, that at the time of the delivery of these presents, Trustor is the true and lawful owner of the Property, and has good right, full power and lawful authority to grant, bargain, sell, convey, transfer and assign the same in manner and form as aforesaid. Trustor shall and will warrant and forever defend the above-bargained Land and Improvements and other rights in the quiet and peaceable possession of Trustee, its successors and assigns against any and all person or persons claiming any interest in or to the Property, and Trustor agrees that any greater title to the Property hereafter acquired by Trustor during the term hereof shall be subject hereto.

ARTICLE ONE

COVENANTS OF TRUSTOR

In order to induce Beneficiary to advance loans evidenced by the Note, and for other good and valuable consideration, the receipt of which is hereby acknowledged,

Trustor covenants and agrees with Beneficiary, and any successor in title as holder of the Note as follows:

1.01. Performance of Note. Deed of Trust. Etc. Trustor shall fully perform, observe and comply with all provisions hereof, of the Note and of every other instrument and document securing the Note or any other obligation of Trustor to beneficiary under any document heretofore or hereafter executed in connection with the indebtedness secured hereunder. Trustor shall promptly pay to Beneficiary the principal with interest thereon due under the Note, and all other sums required to be paid by Trustor under the Note and pursuant to the provisions of this Deed of Trust and of every other instrument securing the Note or executed in connection therewith, when such payment becomes due.

1.02. General Representations. Covenants and Warranties. Trustor represents, covenants and warrants that:

(a) Trustor is well and truly seized of a good and marketable title in fee simple to the Property, and has good right, full power and lawful authority to mortgage and pledge the same as provided herein and Beneficiary may at all times peaceably and quietly enter upon, hold, occupy and enjoy the Property in accordance with the terms hereof;

(b) Trustor shall maintain and preserve the lien and security interest of this Deed of Trust until the indebtedness evidenced by the Note and other sums secured hereby have been paid in full;

(c) Trustor is now able to meet its debts as they mature, the fair market value of its assets exceeds its liabilities and no future bankruptcy or insolvency proceedings are contemplated by or against Trustor;

(d) All reports, statements and other data furnished by Trustor to Beneficiary in connection with the loans evidenced by the Note are true, correct and complete in all material respects and do not omit to state any fact or circumstance necessary to make the statements contained therein not misleading;

(e) The execution and delivery of this Deed of Trust and the Note and all other instruments or documents securing the Note or otherwise executed in connection therewith, are valid and binding obligations enforceable in accordance with their respective terms and the execution and delivery thereof do not contravene any contract or agreement to which Trustor is a party or by which Trustor may be bound, and do not contravene any law, order, decree, rule or regulation to which Trustor is subject;

(f) There are no judgments, liens, actions, suits or proceedings (including those for unpaid taxes) pending, or to the knowledge of Trustor threatened against or affecting Trustor or the Property;

(g) Trustor is not in default under the terms of any instrument evidencing or securing any indebtedness of Trustor and there has occurred no event which would, if uncured or uncorrected, constitute a default under any such instrument with the giving of notice, passage of time or both;

(h) The execution, delivery, and performance of this Deed of Trust by Trustor has been duly authorized by all necessary action by Trustor and does not conflict with, or result as a violation of, or constitute a default under (a) any provision of its Articles of Incorporation, Bylaws, agreements, permits or licenses, or other instruments binding upon Trustor or (b) any laws, governmental regulations or orders, or court decrees or orders applicable to Trustor;

(i) This Deed of Trust constitutes, and any instrument or agreement required hereunder to be given by Trustor when delivered will constitute, legal, valid and binding obligations of Trustor enforceable against Trustor in accordance with their respective terms;

(j) After giving effect of the execution and delivery of this Deed of Trust and/or any loan document, Trustor will not be "insolvent" as such term is defined in the Bankruptcy Code, 11 U.S.C. §101, *et seq.*, the Nevada Fraudulent Transfers Act, N.R.S. §§112.140 to 112.250 or any successor provision or any otherwise applicable

federal, state or local law, and Trustor will not be left with unreasonably small capital and Trustor will not be unable to pay its debts generally as such debts become due;

(k) All tax returns and reports of Trustor that are, or will be required to filed, have been or will be filed;

(l) Trustor understands and agrees that Beneficiary is relying upon the above representations and warranties in extending credit to Trustor. Trustor further agrees that the foregoing representations and warranties shall be continuing in nature and shall remain in full force and effect until such time as the Note shall be paid in full, or until this Deed of Trust shall be terminated, whichever is last to occur.

1.03. Compliance with Laws. If Trustor receives notice from any federal, state or other governmental body that it is not in compliance with any covenant, ordinance, code, law or regulation, Trustor shall immediately cure or cause to be cured any noticed violation, and shall promptly provide Beneficiary with a copy of such notice.

1.04. Insurance.

(a) Trustor shall, at its sole expense, obtain for, deliver to, assign and maintain for the benefit of Beneficiary, during the term of this Deed of Trust, insurance policies insuring the Property against all insurable hazards, casualties and contingencies, in such types and amounts as Beneficiary may require. Trustor shall pay promptly when due any premiums on such insurance policies and on any renewals thereof. The policies and the companies issuing them shall be in form acceptable to Beneficiary. All such policies and renewals thereof shall be held by Beneficiary and shall contain a non-contributory standard mortgagee or beneficiary endorsement making losses payable to Beneficiary as its interest may appear. At least fifteen (15) days prior to the expiration date of all such policies, renewals thereof satisfactory to Beneficiary shall be delivered to Beneficiary together with receipts evidencing the payment of all premiums on such insurance policies and renewals. In the event of loss, Trustor will give immediate written notice to Beneficiary. Beneficiary may make proof of loss if such is not made promptly.

by Trustor. All such policies shall provide that they shall not be cancelled or terminated without at least thirty (30) days' prior written notice to Beneficiary.

(b) Pursuant to its rights granted hereunder in all proceeds from any insurance policies, Beneficiary is hereby authorized and empowered at its option to adjust or compromise any loss under any insurance policies on the Property and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and directed to make payment for all such losses directly to Beneficiary. After deducting from such insurance proceeds any expenses incurred by Beneficiary in the collection or handling of such funds, Beneficiary may apply the net Proceeds at its option either towards restoring the Property or as a credit on any portion of the indebtedness or other sums secured hereby, whether then matured or to mature in the future or, at the option of Beneficiary, such sums either wholly or in part may be paid over to Trustor to be used to repair such improvements or to build new improvements in their place or for any other purpose or object satisfactory to Beneficiary, without affecting the lien of this Deed of Trust for the full amount secured hereby prior to such payment. Although Beneficiary intends to use its best efforts to collect such payments in a timely fashion, Beneficiary shall not be responsible for any failure to collect any insurance proceeds due under the terms of any policy regardless of the cause of such failure.

(c) Beneficiary may require any or all policies of insurance obtained to contain an endorsement, in form satisfactory to Beneficiary, naming Beneficiary as an additional insured thereunder. Trustor shall promptly pay all premiums on such insurance policies and renewals thereof as such premiums become due.

(d) Beneficiary shall not, by the fact of approving, disapproving, accepting, rejecting, obtaining or failing to obtain any insurance, incur any liability for or with respect to the amount of insurance carried, the form or legal sufficiency of insurance contracts, solvency of insurance companies, or payment or defense of lawsuits, and

Trustor hereby expressly acknowledges and agrees that Trustor has full responsibility therefor.

1.05. Condemnation. Beneficiary shall be entitled to all compensation awards, damages, claims, rights of action, settlements and proceeds of, or on account of, any damage or taking through condemnation or arising from a conveyance in lieu of condemnation, and is hereby authorized, at its option, to commence, appear in and prosecute in its own or Trustor's name any action or proceeding relating to any condemnation and to settle or compromise any claim in connection therewith. All such condemnation awards, damages, claims, rights of action and such proceeds and any other payments or relief, and the right thereto are included in, and are part of the Land And Improvements, and Beneficiary, after deducting therefrom all its expenses including attorneys' fees, may release any monies so received by it to Trustor without affecting the lien of this Deed of Trust or may apply the same, in such manner as Beneficiary shall determine, to the reduction of the sums due under the Note. Any balance of such monies then remaining shall be paid to Trustor. Trustor agrees to execute such further assignments of any compensation awards, damages, claims, rights of action, settlements and proceeds as Beneficiary may require. Notwithstanding any such condemnation or conveyance in lieu of condemnation, Trustor shall continue to pay interest, computed at the rate provided in the Note, on the entire unpaid principal amount thereof.

1.06. Care of Land and Improvements.

(a) Trustor shall preserve and maintain the Property in good condition and repair. Trustor shall not permit, commit or suffer any waste, impairment or deterioration of the Land and Improvements or of any part of the Property that in any manner materially impairs Beneficiary's security hereunder, and Trustor shall not take any action which will increase the risk of fire or any other hazard of any nature to the Property or to any part thereof.

(b) Except as otherwise provided in this Deed of Trust, no part of the Land and Improvements shall be removed, demolished or materially altered, without the prior written consent of Beneficiary. Trustor shall have the right, without such consent, to remove and dispose of free from the lien of this Deed of Trust any part of the Tangible Collateral as from time to time may become worn out or obsolete, provided that either simultaneous with or prior to such removal, any such Tangible Collateral shall be replaced with other Tangible Collateral of equal utility and of a value to Beneficiary at least equal to that of the replaced Tangible Collateral.

(c) Beneficiary may enter upon and inspect the Property at any reasonable time during the term of this Deed of Trust.

(d) If any part of the Property shall be lost, damaged or destroyed by fire, condemnation or any other cause, Trustor shall give immediate written notice thereof to Beneficiary and shall promptly restore the Property to the equivalent of its original condition whether or not there is insurance proceeds therefor. If part of the Property shall be lost, physically damaged, or destroyed through condemnation, Trustor will promptly restore, repair or alter the remaining Property in a manner satisfactory to Beneficiary.

1.07. Further Assurances. At any time and from time to time, upon Beneficiary's request, Trustor shall make, execute and deliver, or cause to be made, executed and delivered to Beneficiary and, where appropriate, shall cause to be recorded or filed and from time to time thereafter to be re-recorded and refiled further deeds of trust, financing statements, instruments of further assurance, certificates and other documents as Beneficiary may consider necessary or desirable in order to effectuate, complete or perfect, or to continue and preserve the obligations of Trustor under the Note and this Deed of Trust. Upon any failure by Trustor to do so, Beneficiary may make, execute, record, file, re-record and refile any and all such deeds of trust, financing statements, instruments, certificates and documents for and in the name of Trustor, and Trustor

hereby irrevocably appoints Beneficiary the agent and attorney-in-fact of Trustor to do so.

1.08. Security Agreement and Financing Statements. Trustor, as Debtor, hereby grants to Beneficiary, a security interest in all present and after acquired Tangible Collateral, and in all accounts, contract rights (including, but not limited to, any and all contracts to purchase real property), accounts receivables, chattel paper, tax refunds, insurance premiums and proceeds, all instruments, patents, and other intangible personal property and general intangibles of every nature whatsoever, and the proceeds thereof (hereinafter, with the Tangible Collateral, referred to as the "Collateral").

Trustor shall execute any and all such documents, including without limitation, Financing Statements pursuant to Article 9 of the Nevada Uniform Commercial Code, as Beneficiary may request, to preserve and maintain the first priority of the lien created hereby on the Collateral, and shall pay to Beneficiary on demand any expenses incurred by Beneficiary in connection with the preparation, execution and filing of any such documents. Trustor hereby authorizes and empowers Beneficiary to execute and file, on Trustor's behalf, all financing statements and refilings and continuation statements as Beneficiary deems necessary or advisable to create, preserve and protect said lien. This Deed of Trust shall be deemed a "security agreement" as defined in Article 9 of the Nevada Uniform Commercial Code (NRS 104.9101, *et seq.*). The remedies for any violation of the covenants, terms and conditions of the security agreement herein contained shall be cumulative, including (i) the remedies provided herein, and (ii) remedies provided by general law, and (iii) remedies provided in the Nevada Uniform Commercial Code.

Trustor and Beneficiary agree that the filing of a financing statement to perfect Beneficiary's security interest in the Collateral shall never be construed as derogating from or impairing the express declaration and intention of the parties hereto as stated hereinabove.

1.09. Fixture Filing Provisions. If the security agreement described above covers goods which are or are to become fixtures, then this Deed of Trust shall be effective as a financing statement filed as a fixture filing from the date of the recording hereof. Trustor shall also execute financing statements in a form acceptable to the Beneficiary to perfect Beneficiary's security interest in fixtures when properly recorded. In connection therewith, the addresses of the Trustor as debtor and Beneficiary as secured party are as set forth in Article Six, paragraph 6.02(a), hereof.

1.10. Assignment of Rents. The assignment contained under paragraph (G) of this Deed of Trust shall be fully operative without any further action. Beneficiary shall be entitled, upon the occurrence of an Event of Default hereunder, to all rents, income and other benefits from the Land and Improvements and other rights described in Paragraphs (A), (B), (C), (D), (E), (F), (G), and (H) hereof. Trustor hereby further grants to Beneficiary the right (i) to enter upon and take possession of the Land and Improvements for the purpose of collecting the said rents, income and other benefits, (ii) to dispossess by the usual summary proceedings any tenant defaulting in the payment thereof to Beneficiary, (iii) to let the Land and Improvements or any part thereof, and (iv) to apply said rents, income, maintenance fees, and other benefits, after payment of all necessary charges and expenses, on account of the indebtedness and other sums secured hereby. Such assignment and grant shall continue in effect until the indebtedness and other sums secured hereby are paid. The execution of this Deed of Trust is the irrevocable consent of Trustor to the entry upon and taking possession of the Land and Improvements by Beneficiary pursuant to such grant, whether or not foreclosure has been instituted. Neither the exercise of any rights under this paragraphs by Beneficiary, nor the application of any such rents, income or other benefits to the indebtedness and other sums secured hereby, shall be construed as a cure or waiver of any default or notice of default hereunder, or to invalidate any act done pursuant hereto.

It is understood and agreed that neither the foregoing assignment of rents and profits to Beneficiary, nor the exercise by Beneficiary of any of its rights or remedies under Article III hereof, shall impose any liability upon Beneficiary as a "mortgagee-in-possession," impose any fiduciary duties upon Beneficiary as a "mortgagee-in-possession," or otherwise be construed to hold Beneficiary responsible or liable in any manner with respect to the Land and Improvements or the use, occupancy, enjoyment or operation of all or any portion thereof, unless and until Beneficiary, in person or by agent, assumes actual possession thereof. In the event Beneficiary assumes actual possession of the Land and Improvements, Beneficiary may be held responsible or liable only for gross negligence and intentional acts of wrongdoing. Nor shall appointment of a receiver for the Land and Improvements by any court at the request of Beneficiary or by agreement with Trustor, or the entering into possession of the Land and Improvements or any part thereof by such receiver, be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Land and Improvements or the use, occupancy, enjoyment or operation of all or any portion thereof.

1.11. After Acquired Land and Improvements. To the extent permitted by and subject to applicable law, the lien of this Deed of Trust shall automatically attach, without further act, to all after acquired land and improvements located in or on, or attached to, or used or intended to be used in connection with, or with the operation of, the Land and Improvements, the Collateral, or any part thereof.

1.12. Leases Affecting the Land and Improvements. Trustor represents that there is no default under any leases of any nature presently in effect relating to the Land and Improvements or the Collateral. As any such lease shall expire or terminate or as any new lease shall be made, Trustor shall promptly notify Beneficiary. The assignment contained in paragraph (H) hereof shall not be deemed to impose upon Beneficiary any of the obligations or duties of Trustor provided in any such lease. Trustor shall comply with and observe its obligations as under all leases affecting the Property or any part thereof.

Trustor, if requested by Beneficiary, shall promptly furnish to Beneficiary copies of all such leases now existing or hereafter created.

Trustor shall not execute any lease or other occupancy agreement (collectively, the "Leases") for all or any part of the Property except in form approved by Beneficiary, and shall at all times fully perform the obligations of the lessor under all such Leases.

Each of the Leases shall, if required by Beneficiary, make provision for the attornment of the lessee thereunder to any person succeeding to the interest of Trustor as the result of any foreclosure or transfer in lieu of foreclosure hereunder, said provision to be in form and substance approved by Beneficiary.

1.13. Expenses. Trustor shall pay when due and payable all recording fees, attorneys' fees, and other costs and expenses incurred or which may hereafter be incurred by Beneficiary, its agents and counsel in connection with the preparation and execution of this Deed of Trust.

1.14. Beneficiary's Right to Protect its Lien. If Trustor defaults in the payment of any assessment or tax, encumbrance, insurance premium, or in the performance or observance of any other covenant, condition or term of this Deed of Trust the Note or any other instrument or document securing the Note or otherwise heretofore or hereafter executed in connection with the Note and the indebtedness secured hereunder, Beneficiary may, to preserve its interest in the Land and Improvements and in the Collateral, perform or observe the same, and all payments made, whether such payments are regular or accelerated payments, and all costs and expenses incurred or paid by Beneficiary in connection therewith, shall become immediately due and payable. The amounts so incurred or paid by Beneficiary, together with interest thereon from the date incurred until paid by Trustor, shall be added to the indebtedness and secured by the lien of this Deed of Trust. Beneficiary is hereby empowered to enter and to authorize others to enter upon the Land and Improvements or any part thereof for the purpose of

performing or observing any such defaulted covenant, condition or term, without thereby becoming liable to Trustor or any person in possession holding under Trustor.

1.15. Use of Land and Improvements. Trustor covenants that the Property shall be used only for lawful purposes.

1.16. Financial Statements. Trustor shall furnish financial statements and other information as the Beneficiary may reasonably require within a reasonable time after request by Beneficiary. Beneficiary and its designated agents shall have the right to inspect Trustor's books and records at all reasonable times.

1.17. Change of Principal Place of Business, Name, Identity or Structure. Trustor shall not move its office or change its name, identity or its structure without first notifying Beneficiary in writing at least thirty (30) days prior thereto. Trustor shall, if requested to do so by Beneficiary, execute any and all documents to make this Deed of Trust and any and all other loan documents binding upon Trustor when operating under a new name, identity or structure.

1.18. Litigation. Trustor shall promptly inform Beneficiary in writing of (a) all litigation, arbitration, administrative proceedings, and claims affecting Trustor which could materially affect the financial condition of Trustor, and (b) the entry of any judgments against Trustor.

1.19. Adverse Change in Financial Condition. Trustor shall promptly inform Beneficiary in writing of all material adverse changes in Trustor's financial condition. For the purpose of this section, and without limitation, insolvency proceedings, whether commenced by or against Trustor, the appointment of a receiver for any part of Trustor's Land and Improvements, an assignment for the benefit of creditors, any type of creditor or loan workout, and the recording of any judgment and tax lien shall constitute a materially adverse change in financial condition.

1.20. Additional Information. Trustor shall Furnish such additional information and statements, lists of assets and liabilities, lists of receivables and payables, inventory

schedules, budgets, forecasts, tax returns, and other reports with respect to Trustor's financial condition in business operations as Beneficiary may request from time to time.

1.21. Taxes, Assessments, Charges and Liens. Trustor shall pay and discharge when due all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, levies and liens, of every kind and nature, imposed upon Trustor or its properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of Trustor's properties, income, or profits. Provided, however, Trustor will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim so long as: (a) the legality of the same shall be contested in good faith through appropriate proceedings; and (b) Trustor shall have opened an escrow acceptable to Beneficiary in an amount estimated by Beneficiary to be adequate to cover payment of such contested assessment, tax, charge, levy, lien or claim and a reasonable additional sum, to cover possible interest, costs and penalties. If the amount of any such escrow is insufficient to pay any amount adjudged by a court of competent jurisdiction to be due, with all interest, costs and penalties thereon, Trustor shall pay such deficiency no later than the date such judgment becomes final. Trustor, upon demand of Beneficiary, will furnish to Beneficiary evidence of payment of the assessments, taxes, charges, levies, liens and claims and will authorize the appropriate governmental official to deliver to Beneficiary at any time a written statement of any assessments, taxes, charges, liens and claims against Trustor's properties, income or profits.

1.22. Inspection. Trustor shall permit employees and agents of Beneficiary at any reasonable time to inspect the Property and the Collateral, and to examine or audit Trustor's books, accounts and records and to make copies and memoranda of Trustor's books, accounts and records. If Trustor now or at any time hereafter maintains any records (including without limitation computer generated records and computer programs for the generation of such records) in the possession of a third party, Trustor, upon the

request of Beneficiary, shall notify such party to permit Beneficiary free access to such records at all reasonable times and to provide Beneficiary with copies of any records it may request, all at Trustor's expense.

Should Trustor fail to comply with the requirements set forth above, it shall constitute an Event of Default and Beneficiary may: (i) pursue those remedies set forth in Article Three hereof; and/or (ii) direct an independent certified public accountant to audit Trustor's books and records, and the cost of such audit shall be paid by Trustor.

1.23. Compliance Certificate. Unless waived in writing by Beneficiary, Trustor shall provide Beneficiary with an annual certificate executed by Trustor or its agent, or other officer or person acceptable to Beneficiary, certifying that the representations and warranties set forth in this Deed of Trust, the Note and the Leases are true and correct as of the date of the certificate, and that no Event of Default exists under this Deed of Trust.

1.24. Attachment of Liens. Trustor shall not suffer, or allow any lien, whether consensual, judgment, tax or otherwise, to attach against the Land and Improvements or the Collateral.

1.25. Mortgage Title Insurance. Trustor shall obtain and provide Beneficiary with an CLTA policy of title insurance insuring the lien of this Deed of Trust, together with such endorsements as Beneficiary, in its sole and absolute discretion, may require. Such policy shall be in such form, issued by such company and subject only to such exceptions as are acceptable to Beneficiary, in its sole and absolute discretion, and shall be in an amount not less than the face amount of the Note.

1.26. Statutory Covenants. Covenant No. 3 of NRS 107.030 is hereby adopted and made a part of this Deed of Trust by this reference.

ARTICLE TWO

DEFAULT

2.01. Event of Default. The term Event of Default, wherever used in this Deed of Trust, shall mean any one or more of the following events:

(a) Failure by Trustor to pay: (i) any periodic installment of interest, principal and other charges under the Note or any indebtedness secured hereby which shall become due and payable, which failure shall also, at Beneficiary's option, cause all outstanding principal and interest under the Note and any indebtedness secured hereby to become immediately due and payable; or (ii) the outstanding principal balance of the Note, together with interest accrued thereon, and any other accrued charges, at maturity or upon acceleration, which failure to pay shall also, at Beneficiary's option, cause all outstanding principal and interest under all of the Note to become immediately due and payable; or (iii) any future taxes and assessments or insurance premiums when due hereunder; or (iv) any other sums to be paid by Trustor hereunder or under any other instrument or document securing the Note or otherwise heretofore or hereafter executed in connection with the indebtedness secured hereunder, when due hereunder or thereunder; or (v) any breach of or default under any term, covenants, promises, and agreements made in that certain promissory note given to Lender by Borrower in the principal sum of THREE HUNDRED NINETY-NINE THOUSAND DOLLARS (\$399,000.00) of even date herewith, or of the Deed of Trust, Assignment of Rents, Security Agreement, and Hazardous Materials Indemnity Agreement executed to secure said promissory note.

(b) Failure of Trustor to comply with or perform any other term, obligation, covenant or condition contained in this Deed of Trust, the Note, or in any of the other loan documents or in any other agreement between Beneficiary and Trustor. If any such breach, other than a failure to pay money when due, is curable, such breach may

be cured (and no Event of Default will have occurred) if Trustor cures such breach within 10 calendar days after Beneficiary sends written notice demanding cure of such breach.

(c) If any inaccuracy shall exist in any of the financial statements or in any other financial information furnished by or to be furnished by Trustor to Beneficiary pursuant to the provisions of this Deed of Trust or furnished or to be furnished to Beneficiary to induce Beneficiary to make the loan evidenced by the Note.

(d) Breach of any warranty or untruth of any representation of Trustor contained in the Note, this Deed of Trust or any other instrument or loan document securing the Note or otherwise heretofore or hereafter executed in connection with the indebtedness secured hereunder.

(e) If: (i) a petition is filed by or against Trustor seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any law relating to bankruptcy or insolvency; or (ii) Trustor seeks, consents to, acquiesces in or is subject to the appointment of any trustee, receiver, assignee, custodian, master or liquidator of itself or any of its Land and Improvements or of any of the rent, revenues, issues, earnings, profits or income thereof; or (iii) Trustor makes any general assignment for the benefit of creditors; or (iv) Trustor is "insolvent," as hereafter defined or as defined by any federal, state or local laws as may be in effect from time to time; or (v) Trustor suspends the transaction of its usual business. For purposes of this paragraph, a person or entity shall be deemed to be insolvent, if he or it is unable to pay its debts as they become due and/or if the fair market value of his or its assets do not exceed his or its aggregate liabilities.

(f) Failure by Trustor to comply with each and every obligation contained in any prior or senior encumbrance on the Land and Improvements or the Collateral.

(g) The entry of any judgment against Trustor or the issuance of a writ or order of execution, attachment or garnishment against the Property.

- (h) Beneficiary, in good faith, deems itself insecure.
- (i) Trustor informs Beneficiary that payments will not or cannot be made on the Note.
- (j) Trustor sells, assigns, conveys, hypothecates, or in any way transfers the Land or Improvements or any interest therein.

ARTICLE THREE

REMEDIES

If an Event of Default occurs under the Note or this Deed of Trust, Beneficiary shall have all cumulative rights of a secured party under all applicable federal and state laws and the Nevada Uniform Commercial Code, as in effect from time to time. In addition and without limitation, Beneficiary may exercise any one or more of the following rights and remedies:

3.01. Acceleration of Maturity. Beneficiary may declare the outstanding principal amount of the Note and the interest accrued thereon, and all other sums provided herein immediately due and payable.

3.02. Beneficiary's Power of Enforcement.

(a) Time is of the essence. Beneficiary may, at its option and in its sole and absolute discretion, deliver to Trustee written declaration of default and demand for sale and for written Notice of Breach and Election to Sell to cause the Land and Improvements to be sold to pay all sums due under the Note, which notice the Trustee shall cause to be filed for record. Beneficiary also may deposit with the Trustee, the Note and all documents evidencing expenditures secured hereby. Beneficiary may also, upon occurrence of an Event of Default, sell the Collateral pursuant to the terms set forth herein, and the Nevada Uniform Commercial Code.

(b) After the lapse of such time as may then be required by law following the recordation of said Notice of Breach and Election to Sell or Notice of Sale of Collateral, and notice of sale having been given as then required by law, Trustee shall,

without demand on Trustor, sell said Land and Improvements and/or the Collateral at the time and place fixed by it in said notice, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder. Trustee may, for any cause it deems expedient, postpone the sale of all or any portion of said Land and Improvements or Collateral until it shall be completed and, in every case, notice of postponement shall be given by public announcement thereof at the time and place last appointed for the sale and from time to time thereafter Trustee may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall not be required to republish notice if the sale has been postponed by public announcement. Trustee shall execute and deliver to the purchaser its deed conveying said Land and Improvements so sold, or bill of sale conveying the Collateral so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Beneficiary, may bid at the sale.

After deducting all costs, fees and expenses of Trustee, including the cost of any evidence of title procured in connection with such sale, Trustee shall apply the proceeds of sale to the payment of: (1) all indebtedness secured under the Note, with accrued interest; (2) all other sums then secured hereby; and (3) the remainder, if any, to the person or persons legally entitled thereto.

3.03. Beneficiary's Right to Enter and Take Possession, Operate and Apply Income. If an Event of Default has occurred,

(a) Trustor shall: (i) upon demand of Beneficiary, forthwith surrender to Beneficiary the actual possession and, to the extent permitted by law, Beneficiary itself, or such officers or agents as it may appoint, may enter, and take possession of all of the Property or any part thereof, and may exclude Trustor and its agents and employees wholly therefrom and may have joint access with Trustor to the books, papers and accounts of Trustor; and (ii) Trustor will pay monthly in advance to Beneficiary on

COPY

(iii) Manage and operate the Land and Improvements and the Collateral and exercise all the rights and powers of Trustor in its name or otherwise with respect to the same;

(iv) Enter into agreements with others to exercise the powers herein granted Beneficiary as Beneficiary from time to time may determine; Beneficiary or Trustee may collect and receive all the rents, income and other benefits thereof, including those past due as well as those accruing thereafter, and shall apply the monies so received by Beneficiary in such priority as Beneficiary may determine to: (1) the payment of rent or any other tenant charges under the Lease; (2) the payment of interest and principal due and payable on the Note; (3) the cost of insurance, taxes, assessments and other proper charges upon the Land and Improvements and the Collateral or any part thereof; (4) the compensation, expenses and disbursements of the agents, attorneys and other representatives of Beneficiary; and (5) any other charges or costs required to be paid by Trustor under the terms hereof.

(d) Beneficiary shall surrender possession of the Land and Improvements and/or the Collateral to Trustor only when all that is due upon such interest and principal, and all amounts under any of the terms of this Deed of Trust, shall have been paid. The same right of taking possession, however, shall exist if any subsequent Event of Default shall occur and be continuing.

3.04. Leases. All Leases and tenancies of the Land and Improvements or any part thereof, shall be subordinate and inferior to the lien of this Deed of Trust, except that from time to time Beneficiary may execute and record among the land records of the jurisdiction where this Deed of Trust is recorded, subordination statements with respect to such of said Leases as Beneficiary may expressly designate, whereby the Leases so designated by Beneficiary will be made superior to the lien of this Deed of Trust.

3.05. Purchase by Beneficiary. Upon any foreclosure sale of the Land and Improvements, or a sale of the Collateral conducted pursuant to the Nevada Uniform

Commercial Code, Beneficiary may bid for an purchase the Land and Improvements and/or the Collateral and, upon compliance with the terms of sale, may hold, retain and possess and dispose of such Land and Improvements and Collateral in its own absolute right without further accountability.

3.06. Application of Indebtedness Towards Purchase Price. At any foreclosure sale or sale pursuant to the Nevada Uniform Commercial Code, Beneficiary may, as permitted by law, credit bid and apply any portion of or all of the indebtedness and other sums due to Beneficiary under the Note, this Deed of Trust or any other instrument or document securing the Note or otherwise heretofore or hereafter executed in connection with the indebtedness secured hereunder.

3.07. Waiver of Appraisal, Valuation, Stay, Extension and Redemption Laws. Trustor agrees, to the fullest extent permitted by law, that in case of a default on its part hereunder, neither Trustor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisal, valuation, stay (including the automatic stay of 11 U.S.C. §362(a)), extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Deed of Trust or the absolute sale of the Property or any portion thereof, or the final and absolute putting into possession thereof, immediately after such sale, of the purchasers thereof, and Trustor, for itself and all who may at any time claim through or under it, hereby waives, to the fullest extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets comprising the Property marshaled upon any foreclosure of the lien hereof and agrees that Trustee or any court having jurisdiction to foreclose such lien may sell the Property in part or as an entirety.

3.08. Receiver. If an Event of Default shall have occurred, Beneficiary, to the extent permitted by law and without regard to the value, adequacy or occupancy of the security for the indebtedness and other sums secured hereby, shall be entitled as a matter of right, if it so elects, to the appointment of a receiver and may serve without bond, to

enter upon and take possession of the Land and Improvements and the Collateral and to collect all rents, income and other benefits thereof and apply the same as the court may direct, and such receiver may be appointed by any court of competent jurisdiction by *ex-parte* application and without notice of hearing, such notice and hearing being hereby expressly waived. The expenses, including receiver's fees, attorney's fees, costs and agent's compensation, incurred pursuant to the powers of sale herein contained, shall be secured by this Deed of Trust. The right to enter and take possession of and to manage and operate the Property and to collect all rents, income and other benefits thereof, whether by a receiver or otherwise, afforded by law and may be exercised concurrently therewith or independently thereof.

3.09. Suits to Protect the Land and Improvements. Beneficiary shall have the power and authority, but shall have no obligation, to institute and maintain any suits and proceedings as Beneficiary may deem advisable to: (a) prevent any impairment of the Property and the Collateral by any acts which may be unlawful or any violation of this Deed of Trust; and (b) preserve or protect its interest in the Property and the Collateral.

3.10. Proofs of Claim. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding affecting Trustor or any guarantor, co-maker or endorser of any of Trustor's obligations, its creditors or its Land and Improvements, Beneficiary, to the fullest extent permitted by law, shall be entitled to file such proofs of claim or other documents as may be necessary or advisable in order to have its claims allowed in such proceedings for the entire amount due and payable by Trustor under the Note, this Deed of Trust and any other loan document, or otherwise heretofore or hereafter executed in connection with the indebtedness secured hereunder, at the date of the institution of such proceedings, and for any additional amounts which may become due and payable by Trustor after such date.

3.11. Require Beneficiary to Assemble the Collateral. Beneficiary may require Trustor to deliver to Beneficiary all or any portion of the Collateral and any and all

certificates of title and other documents relating to the Collateral. Beneficiary may require Trustor to assemble the Collateral and make it available to Beneficiary at a place to be designated by Beneficiary. Beneficiary also shall have full power to enter upon the Land and Improvements of Trustor to take possession of and remove the Collateral.

3.12. Sell the Collateral. Beneficiary shall have full power to sell, lease, transfer, or otherwise deal with the Collateral or proceeds thereof in its own name or that of Trustor. Beneficiary may sell the Collateral at public auction or private sale. Unless the Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Beneficiary will give Trustor reasonable notice of the time after which any sale or any other intended disposition of the Collateral is to be made. The requirements of reasonable notice shall be met if such notice is given at least ten (10) days before the time of the sale or disposition. All expenses relating to the disposition of the Collateral, including without limitation the expenses of retaking, holding, insuring, preparing for sale and selling the Collateral, shall become a part of the indebtedness secured by this Agreement and shall be payable on demand, with interest pursuant to the terms of the Note, from the date of expenditures until repaid.

3.13. Exercise Rights Under the Uniform Commercial Code. Beneficiary shall have the right to exercise any and all rights and remedies provided to it by the Nevada Uniform Commercial Code as enacted, or as may be subsequently amended or modified.

3.14. Exercise Setoffs. Trustor grants to Beneficiary a contractual possessory security interest in, and hereby assigns, conveys, delivers, pledges and transfers to Beneficiary all Trustor's right, title and interest in and to, Trustor's accounts with Beneficiary (whether checking, savings, or some other account), including without limitation all accounts held jointly with someone else and all accounts Trustor may open in the future, excluding, however, all IRA, Keogh and trust accounts. Trustor authorizes Beneficiary, to the extent permitted by applicable law, to charge or set off all sums owing on the Note and this Deed of Trust against any and all such accounts.

3.15. Proceed Against Guarantor. Beneficiary shall have the right to proceed directly against any guarantors of the Note as permitted in such guarantee and applicable law.

3.16. Delay or Omission No Waiver. No delay or omission of Trustee or Beneficiary or any holder of any of the Note to exercise any right, power or remedy upon any Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to waive any such Event of Default or to constitute acquiescence therein. Every right, power and remedy given to Beneficiary may be exercised from time to time and as often as may be deemed expedient by Beneficiary.

3.17. No Waiver of One Default to Affect Another. No waiver of any Event of Default shall occur unless expressly made in writing, and shall not extend to or affect any other default or Event of Default, or impair any rights, powers or remedies consequent thereon. If Beneficiary: (a) grants forbearance or any extension of time for the payment of any sums secured hereby; (b) takes other or additional security for the payment thereof; (c) waives or does not exercise any right granted in the Note, this Deed of Trust or any other instrument or document securing the Note or otherwise heretofore or hereafter executed in connection with the indebtedness secured hereunder; (d) releases any part of the Land and Improvements, or the Collateral from the lien of this Deed of Trust or any other instrument securing the Note; (e) consents to the filing of any map, plat or replat of the Land; (f) consents to the granting of any easement on the Land; or (g) makes or consents to any agreement changing the terms of this Deed of Trust or subordinating the lien or any charge hereof, such act or omission shall not release, discharge, modify, change or affect the original liability under the Note, this Deed of Trust or otherwise of Trustor, or any subsequent purchaser of the Land and Improvements or the Collateral or any part thereof or any maker, co-signer, surety or guarantor. Such act or omission shall not preclude Beneficiary from exercising any right, power or privilege herein granted or intended to be granted in case of any existing Event

of Default then existing or of any subsequent Event of Default, nor except as otherwise expressly provided in an instrument or instruments executed by Beneficiary, shall the lien of this Deed of Trust be altered thereby. In the event of the sale or transfer by operation of law or otherwise of all or any part of the Land and Improvements or the Collateral, Beneficiary without notice to any person, firm or corporation, is hereby authorized and empowered to deal with any such vendee or transferee with reference to the Land and Improvements or the Collateral or the indebtedness secured hereby, or with reference to any of the terms or conditions hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any of the liabilities or undertakings hereunder.

3.18. Increase Interest Rate. If an Event of Default shall have occurred, all sums outstanding and unpaid under the Note and this Deed of Trust shall, at Beneficiary's option, bear interest at the default rate set forth in the Note.

3.19. Foreclosure: Expense of Litigation. In the event of foreclosure of the lien hereof, there shall be allowed and included as additional indebtedness all expenditures and expenses which may be paid or incurred by or on behalf of Beneficiary for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after foreclosure sale or entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Beneficiary may deem reasonably advisable either to prosecute such suit or to evidence to a bidder at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Property. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of said premises and the maintenance of this Deed of Trust, including the fees of any attorney employed by Beneficiary in any litigation or proceeding affecting this Deed of Trust, the Note or the Property, including probate and bankruptcy

proceedings, or in the preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Trustor, with interest, and shall be secured by this Deed of Trust.

3.20. Deficiency Judgments. Trustor shall pay to Beneficiary any deficiency that exists if the proceeds from the sale or other disposition of the Property and the Collateral do not fully satisfy the indebtedness owed to Beneficiary. In the event Trustor fails to pay said deficiency to Beneficiary upon demand, Beneficiary may exercise any and all remedies it has available to it under law, equity or otherwise.

3.21. Other Rights and Remedies. Beneficiary shall have all the rights and remedies of a secured creditor under the provisions of Nevada's real estate laws, the Nevada Uniform Commercial Code and any other applicable federal, state or local law, and any successor law, as they may be amended from time to time. In addition, Beneficiary shall have and may exercise any or all other rights and remedies it may have available at law, in equity, or otherwise.

3.22. Cumulative Remedies. All of Beneficiary's rights and remedies, whether evidenced by the Note, this Deed of Trust, other loan documents or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Beneficiary to pursue any remedies shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Trustor under this Deed of Trust, after Trustor's failure to perform, shall not affect Beneficiary's rights declared fault and to exercise its remedies.

ARTICLE FOUR

TRUSTEE

4.01. Acceptance of Trust, Notice of Indemnification. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, becomes a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary or

Trustee shall not be obligated to perform any act required of it hereunder unless the performance of such act is requested in writing in the manner required by law and Trustee is reasonably indemnified against loss, cost, liability and expense.

4.02. Substitution of Trustee. From time to time with or without cause for whatever reason, by a writing signed and acknowledged by Beneficiary and filed for record in the Office of the Recorder of the County in which the Land and Improvements is situated, Beneficiary may appoint another trustee to act in the place of and instead of Trustee or any successor and such writing shall refer to this Deed of Trust and set forth the date, book and page of its recordation. The recordation of such instrument of substitution shall discharge Trustee herein named and shall appoint the new trustee as the Trustee hereunder with the same effect as if originally named Trustee herein. A writing recorded pursuant to this paragraphs shall be conclusive proof of the proper substitution of such new trustee.

4.03. Reconveyance of Trust. Upon written request of Beneficiary stating that all sums secured hereby have been paid and upon surrender to Trustee of this Deed of Trust and the Note secured hereby for cancellation and retention and payment of its fees, Trustee shall reconvey, without warranty, the Land and Improvements then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

4.04. Statutory Covenants. Covenant No. 8 of NRS 107.030 is hereby adopted and made a part of this Deed of Trust by this reference.

ARTICLE FIVE

HAZARDOUS MATERIALS INDEMNITY AGREEMENT

5.01. Environmental Representations and Warranties. To the best of Trustor's knowledge, after due inquiry, (a) there are no Hazardous Substances (defined below) or underground storage tanks in, on or under the Land and Improvements, except those that

are both (i) in compliance with all Environmental Laws (defined below) and with permits issued pursuant thereto and (ii) fully disclosed to Beneficiary in writing; (b) there are no past, present or threatened Releases (defined below) of Hazardous Substances in, on, under or from the Land and Improvements; (c) there is no threat of any Release of Hazardous Substances migrating to the Land and Improvements; (d) there is no past or present noncompliance with Environmental Laws, or with permits issued pursuant thereto, in connection with the Land and Improvements; (e) Trustor does not know of, and has not received, any written notice or other communication from any person or entity (including but not limited to a governmental entity) relating to Hazardous Substances or Remediation (defined below) thereof, of possible liability of any person or entity pursuant to any Environmental Law, other environmental conditions in connection with the Land and Improvements, or any actual or potential administrative or judicial proceedings in connection with any of the foregoing, and (f) Trustor has truthfully and fully provided to Beneficiary, in writing, any and all information relating to conditions in, on, under or from the Land and Improvements that is known to any Trustor and that is contained in files and records of any Trustor, including but not limited to any reports relating to Hazardous Substances in, on, under or from the Land and Improvements and/or to the environmental condition of the Land and Improvements.

5.02. Environmental Covenants. Trustor covenants and agrees that: (a) all uses and operations on or of the Land and Improvements, whether by any Trustor or any other person or entity, shall be in compliance with all Environmental Laws and permits issued pursuant thereto; (b) there shall be no Releases of Hazardous Substances in, on, under or from the Land and Improvements by Trustor or anyone controlled by, controlling or under common control with Trustor; (c) Trustor shall keep the Land and Improvements free and clear of all liens and other encumbrances imposed pursuant to any Environmental Law, whether due to any act or omission of any Trustor or any other person or entity (the "Environmental Liens"); (d) Trustor shall, at its sole cost and

expense, perform any environmental site assessment or other investigation of environmental conditions in connection with the Land and Improvements, pursuant to any written request of Beneficiary (provided that such request is made based upon Beneficiary's reasonable belief that there are Hazardous Substances in, or under the Land and Improvements which are not in compliance with Environmental Laws), and share with Beneficiary the reports and other results thereof, and Beneficiary and other Indemnified Parties shall be entitled to rely on such reports and other results thereof; (e) Trustor shall, at its sole cost and expense, comply with all reasonable written requests of Beneficiary to (i) reasonably effectuate Remediation of any condition (including but not limited to a Release of a Hazardous Substance) in, on, under or from the Land and Improvements; (ii) comply with any Environmental Law; (iii) comply with any directive from any governmental authority; and (iv) take another reasonable action necessary or appropriate for protection of human health or the environment; (f) Trustor shall not do or allow any tenant or other user of the Land and Improvements to do any act that materially increases the dangers to human health or the environment, poses an unreasonable risk of harm to any person or entity (whether on or off the Land and Improvements), impairs or may impair the value of the Land and Improvements, is contrary to any requirement of any insurer, constitutes a public or private nuisance, constitutes waste, or violates any covenant, condition, agreement or easement applicable to the Land and Improvements; and (g) Trustor shall immediately notify Beneficiary in writing of (i) any presence or Releases or threatened Releases of Hazardous Substances in, on, under, from or migrating towards the Land and Improvements; (ii) any noncompliance with any Environmental Laws related in any way to the Land and Improvements; (iii) any actual or potential Environmental Lien; (iv) any required or proposed Remediation of environmental conditions relating to the Land and Improvements; and (v) any written or oral notice or other communication of which any Trustor becomes aware from any source whatsoever (including but not limited to a governmental entity) relating in any way to

Hazardous Substances or Remediation thereof, possible liability of any person or entity pursuant to any Environmental Law, other environmental conditions in connection with the Land and Improvements, or any actual or potential administrative or judicial proceedings in connection with anything referred to in this Agreement.

5.03. Indemnified Parties' Rights/Cooperation and Access. The Indemnified Parties (defined below) (including but not limited to any receiver, any representative of a governmental entity and any environmental consultant) ("Indemnified Parties"), shall have the right but not the obligation to enter upon the Land and Improvements at all reasonable times to assess any and all aspects of the environmental condition of the Land and Improvements and its use, including but not limited to conducting any environmental assessment or audit (the scope of which shall be determined in Beneficiary's sole and absolute discretion) and taking samples of soil, groundwater or other water, air or building materials, and conducting other invasive testing. Trustor shall cooperate with and provide access to Indemnified Parties and any such person or entity designated by Indemnified Parties. All such investigations shall be performed at Trustor's sole cost and expenses except following an Event of Default, in which case all such investigations shall be performed at Trustor's sole cost and expense.

5.04. Indemnification. Trustor covenants and agrees at its sole cost and expense, to protect, defend, indemnify, release and hold Indemnified Parties harmless from and against any and all Losses (defined below) imposed upon or incurred by or asserted against any Indemnified Parties and directly or indirectly arising out of or in any way relating to any one or more of the following (except to the extent the same relate solely to Hazardous Substances first introduced to the Land and Improvements by anyone other than Borrower, Trustor, or its respective agents or employees following the foreclosure of the Deed of Trust (or the delivery and acceptance of a deed in lieu of such foreclosure), the expiration of any applicable right of redemption and the obtaining by the purchaser at such foreclosure sale or grantee under such deed of possession of the Land and

Improvements): (a) the past, present or future presence, Release or threatened Release of any Hazardous Substances in, on, above, or under the Land and Improvements; (b) any past, present or threatened noncompliance or violations of any Environmental Laws (or permits issued pursuant to any Environmental Law) in connection with the Land and Improvements or operations thereon; (c) any legal or administrative processes or proceedings or judicial proceedings in any way connected with any matter addressed in this Agreement; (d) any personal injury, wrongful death, or Land and Improvements or other damage arising under any statutory or common law or tort law theory concerning Hazardous Substances; and (e) any misrepresentation or inaccuracy in any representation or warranty or material breach or failure to perform any covenants or other obligations pursuant to this Deed of Trust

5.05. Duty to Defend and Attorneys and Other Fees and Expenses. Upon written request by any Indemnified Party, Trustor shall defend same (if requested by any Indemnified Party, in the name of the Indemnified Party) by attorneys and other professionals approved by the Indemnified Parties. Notwithstanding the foregoing, any Indemnified Parties may, in their sole and absolute discretion, engage their own attorneys and other professionals to defend or assist them, and, at the option of Indemnified Parties, their attorneys shall control the resolution of any claim or proceeding. Upon demand, Trustor shall pay or, in the sole and absolute discretion of the Indemnified Parties, reimburse, the Indemnified Parties for the payment of reasonable fees and disbursements of attorneys, engineers, environmental consultants, laboratories and other professionals in connection therewith.

5.06. Definitions. As used in this Deed of Trust, Hazardous Waste and Indemnity Agreement, the following terms shall have the following meanings:

(a) The term "Hazardous Substances" includes, but is not limited to, any and all substances (whether solid, liquid or gas) defined, listed, or otherwise classified as pollutants, hazardous wastes, hazardous substances, hazardous materials, extremely

hazardous wastes, or words of similar meaning or regulatory effect under any present or future Environmental Laws or that may have a negative impact on human health or the environment, including but not limited to petroleum and petroleum products, asbestos and asbestos-containing materials, polychlorinated biphenyls, lead, radon, radioactive materials, flammables and explosives.

(b) The term "Environmental Law" means any present and future federal, state and local laws, statutes, ordinances, rules, regulations and the like, as well as common law, relating to protection of human health or the environment, relating to Hazardous Substances, relating to liability for or costs of Remediation or prevention of Releases of Hazardous Substances or relating to liability for or costs of other actual or threatened danger to human health or the environment. The term "Environmental Law" includes, but is not limited to, the following statutes, as amended, any successor thereto, and any regulations promulgated pursuant thereto, and any state or local statutes, ordinances, rules, regulations and the like addressing similar issues: the Comprehensive Environmental Response, Compensation and Liability Act; the Emergency Planning and Community Right-to-Know Act; the Hazardous Substances Transportation Act; the Resource Conservation and Recovery Act (including but not limited to Subtitle I relating to underground storage tanks); the Solid Waste Disposal Act; the Clean Water Act; the Clean Air Act; the Toxic Substances Control Act; the Safe Drinking Water Act; the Occupational Safety and Health Act; the Federal Water Pollution Control Act; the Federal Insecticide, Fungicide and Rodenticide Act; the Endangered Species Act; the National Environmental Policy Act; and the River and Harbors Appropriation Act. The term "Environmental Law" also includes, but is not limited to, any present and future federal, state and local laws, statutes, ordinances, rules, regulations and the like, as well as common law: conditioning transfer of Land and Improvements upon a negative declaration or other approval of a governmental authority of the environmental condition of the Land and Improvements; requiring notification or disclosure of Releases of

Hazardous Substances or other environmental condition of the Land and Improvements to any governmental authority or other person or entity, whether or not in connection with transfer of title to or interest in Land and Improvements; imposing conditions or requirements in connection with permits or other authorization for lawful activity; relating to nuisance, trespass or other causes of action related to the Land and Improvements; and relating to wrongful death, personal injury, or Land and Improvements or other damage in connection with any physical condition or use of the Land and Improvements.

(c) The term "Release" with respect to any Hazardous Substance includes, but is not limited to, any release, deposit, discharge, emission, leaking, leaching, spilling, seeping, migrating, injecting, pumping, pouring, emptying, escaping, dumping, disposing or other movement of Hazardous Substances.

(d) The term "Remediation" includes, but is not limited to, any response, remedial, removal, or corrective action; any activity to clean up, detoxify, decontaminate, contain or otherwise remediate any Hazardous Substance; any actions to prevent, cure or mitigate any Release of any Hazardous Substance; any action to comply with any Environmental Laws or with any permits issued pursuant thereto; any inspection, investigation, study, monitoring, assessment, audit, sampling and testing, laboratory or other analysis, or evaluation relating to any Hazardous Substances or to anything referred to herein.

(e) The term "Legal Action" means any claim, suit or proceeding, whether administrative or judicial in nature.

(f) The term "Indemnified Parties" includes Beneficiary, any person or entity who is or will have been involved in the origination of the Note, any person or entity who is or will have been involved in the servicing of the Note, any person or entity in whose name the encumbrance created by the Deed of Trust is or will have been recorded, persons and entities who may hold or acquire or will have held a full or partial

interest in the loan evidenced by the Note, including, but not limited to, custodians, trustees and other fiduciaries who hold or have held a full or partial interest in the Note for the benefit of third parties.

(g) The term "Losses" includes any losses, damages, costs, fees, expenses, claims, suits, judgments, awards, liabilities (including but not limited to strict liabilities), obligations, debts, diminutions in value, fines, penalties, charges, costs of Remediation (whether or not performed voluntarily), amounts paid in settlement, foreseeable and unforeseeable consequential damages, litigation costs, attorneys' fees, engineers' fees, environmental consultants' fees, and investigation costs (including but not limited to costs for sampling, testing and analysis of soil, water, air, building materials, and other materials and substances whether solid, liquid or gas), of whatever kind or nature, and whether or not incurred in connection with any judicial or administrative proceedings, actions, claims, suits, judgments or awards.

5.07. Unimpaired Liability. The liability of Trustor under this Agreement shall in no way be limited or impaired by, and Trustor hereby consents to and agrees to be bound by, any amendment be limited or modification of the provisions of the Note, the Deed of Trust, or any of the other loan documents related to the Note and Deed of Trust. In addition, the liability of Trustor under this Agreement shall in no way be limited or impaired by (i) any extensions of time for performance required by the Note, the Deed of Trust, or any of the other related loan documents, (ii) any sale or transfer of all or part of the Land and Improvements, (iii) except as provided herein, any exculpatory provision in the Note, the Deed of Trust, or any of the other related loan documents limiting Beneficiary's recourse to the Land and Improvements or to any other security for the Note, or limiting Beneficiary's rights to a deficiency judgment against any Trustor, (iv) the accuracy or inaccuracy of the representations and warranties made by any Trustor under the Note, the Deed of Trust or any of the other related loan documents or herein, (v) the release of any Trustor or any other person from performance or observance of any

of the agreements, covenants, terms or condition contained in any of the other related loan documents by operation of law, Beneficiary's voluntary act, or otherwise, (vi) the release or substitution in whole or in part of any security for the Note, or (vii) Beneficiary's failure to record the Deed of Trust or file any UCC financing statements (or Beneficiary's improper recording or filing of any thereof) or to otherwise perfect, protect, secure or insure any security interest or lien given as security for the Note; and, in any such case, whether with or without notice to Trustor and with or without consideration.

5.08. **Enforcement.** Indemnified Parties may enforce the obligations of Trustor without first resorting to or exhausting any security or collateral or without first having recourse to the Note, the Deed of Trust, or any other related loan documents or any of the Land and Improvements, through foreclosure proceedings or otherwise, provided, however, that nothing herein shall inhibit or prevent Beneficiary from suing on the Note, foreclosing, or exercising any power of sale under, the Security Agreement, or exercising any other rights and remedies thereunder. This agreement to indemnify made in this Deed of Trust is not collateral or security for the debt of Borrower pursuant to the Note, unless Beneficiary expressly elects in writing to make this agreement to indemnify additional collateral or security for the debt of Trustor pursuant to the Note, which Beneficiary is entitled to do in its sole and absolute discretion. It is not necessary for an Event of Default (as defined in this Deed of Trust) to have occurred for Indemnified Parties to exercise their rights pursuant to this agreement to indemnify. Notwithstanding any other provision of this Deed of Trust or this Note, the obligations pursuant to this Agreement to indemnify are exceptions to any nonrecourse or exculpation provision of the Deed of Trust and Note. Trustor are fully and personally liable for such obligations, and their liability is not limited to the original or amortized principal balance of the Note or the value of the Property.

5.09. **Survival.** The obligations and liabilities of Trustor under this Deed of Trust to indemnify shall fully survive indefinitely notwithstanding any termination,

satisfaction, assignment entry of a judgment of foreclosure, exercise of any power of sale, or delivery of a deed in lieu of foreclosure of the Deed of Trust.

5.10. Interest. Any amounts payable to any Indemnified Parties under this Agreement shall become immediately due and payable on demand and, if not paid within thirty (30) days of such demand therefor, shall bear interest at a per annum rate equal to the lesser of: (a) five percent (5%) plus the applicable interest rate as provided in the Note; or (b) the maximum interest rate which Trustor may by law pay or Indemnified Parties may charge and collect, from the date payment was due.

5.11. Waivers. Trustor hereby waives (i) any right or claim of right to cause a marshalling of any Trustor's assets or to cause Beneficiary or other Indemnified Parties to proceed against any of the security for the Note before proceeding under this Deed of Trust against Trustor; (ii) and relinquish all rights and remedies accorded by applicable law to Trustor or guarantors, except any rights of subrogation which any Trustor may have, provided that the indemnity provided for hereunder shall neither be contingent upon the existence of any such rights of subrogation nor subject to any claims or defenses whatsoever which may be asserted in connection with the enforcement or attempted enforcement of such subrogation rights including, without limitation, any claim that such subrogation rights were abrogated by any acts of Beneficiary or other Indemnified Parties; (iii) the right to assert a counterclaim, other than a mandatory or compulsory counterclaim, in any action or proceeding brought against or by Beneficiary or other Indemnified Parties; (iv) notice of acceptance hereof and of any action taken or omitted in reliance hereon; and (v) presentment for payment, demand of payment, protest or notice of nonpayment or failure to perform or observe, or other proof, or notice or demand. Notwithstanding anything to the contrary contained herein, Trustor may agree to postpone the exercise of any rights of subrogation with respect to the Land And Improvements securing the Note until the Note shall have been paid in full.

5.12. Subrogation. Trustor shall take any and all reasonable actions, including institution of legal action against third-parties, necessary or appropriate to obtain reimbursement, payment or compensation from such persons responsible for the presence of any Hazardous Substances at, in, on, under or near the Land and Improvements or otherwise obligated by law to bear the cost. Indemnified Parties shall be and hereby are subrogated to all of Trustor's rights now or hereafter in such claims.

5.13. No Waiver. No delay by any Indemnified Party in exercising any right, power or privilege under this agreement shall operate as a waiver of any such privilege, power or right.

5.14. Notice of Legal Actions. Each party hereto shall, within five (5) business days of receipt thereof, give written notice to the other party hereto of (i) any notice, advice or other communication from any governmental entity or any source whatsoever with respect to Hazardous Substances on, from or affecting the Land and Improvements, and (ii) any Legal Action brought against such party or related to the Land and Improvements, with respect to which Trustor may have liability under this Agreement. Such notice shall comply with the provisions of Section 6.02 hereof.

5.15. Examination of Books and Record. Indemnified Parties and their accountants shall have the right to examine the records, books, management and other papers of Trustor which reflect upon its financial condition, at the Land and Improvements or at an office regularly maintained by Trustor where the books and records are located. Indemnified Parties and their accountants shall have the right to make copies and extracts from the foregoing records and other papers. In addition, Indemnified Parties and their accountants shall have the right to examine and audit the books and records of Trustor pertaining to the income, expenses and operation of the Land and Improvements during reasonable business hours at any office of Trustor where the books and records are located.

5.16. Transfer of Loan.

(a) Beneficiary may, at any time, sell, transfer or assign the Note, this Deed of Trust and the other related loan documents, and any or all servicing rights with respect thereto, or grant participations therein or issue mortgage pass-through certificates or other securities evidencing a beneficial interest in a rated or unrated public offering or private placement (the "Securities"). Beneficiary may forward to each purchaser, transferee, assignee, servicer, participant or investor in such Securities or any credit rating agency rating such Securities (the foregoing entities hereinafter collectively referred to as the "Investor") and each prospective Investor, all documents and information (including financial information) but not limited to, which Beneficiary now has or may hereafter acquire relating to Trustor and the Land and Improvements, whether furnished by Borrower, any guarantor, the Trustor or otherwise, as Beneficiary determines necessary or desirable.

(b) Upon any transfer or proposed transfer of this Deed of Trust, at Beneficiary's request, Trustor shall provide an estoppel certificate to the purchaser or any prospective purchaser in such form, substance and detail as Beneficiary, such Investor or prospective purchaser may require.

5.17. Taxes. Each Trustor has filed all federal, state, county, municipal, and city income and other tax returns required to have been filed by it and has paid all taxes and related liabilities which have become due pursuant to such returns or pursuant to any assessments received by it. No Trustor knows of any basis for any additional assessment in respect of any such taxes and related liabilities for prior years.

5.18. No Third-Party Beneficiary. The terms of the indemnity agreements made in this Deed of Trust are for the sole and exclusive protection and use of Indemnified Parties. No party shall be a third-party beneficiary hereunder, and no provision hereof shall operate or inure to the use and benefit of any such third party. It is agreed that those

persons and entities included in the definition of Indemnified Parties are not such excluded third-party beneficiaries.

5.19. Release of Liability. Any one or more parties liable upon or in respect of this agreement to indemnify may be released without affecting the liability of any party not so released.

ARTICLE SIX

MISCELLANEOUS PROVISIONS

6.01. Successors and Assigns Included in Parties. Whenever one of the parties hereto is named or referred to herein, the successors, transferees and assigns of such party shall be included and all covenants, agreements, terms, provisions and conditions contained in the Note, this Deed of Trust, by or on behalf of Trustor, Trustee or Beneficiary shall bind and inure to the benefit of their respective successors, beneficiaries, transferees and assigns, whether so expressed or not.

6.02. Addresses for Notices, Etc.

(a) Any notice, report, demand or other instrument authorized or required to be given or furnished under the Note or this Deed of Trust to Trustor or Beneficiary shall be deemed given or furnished (i) when addressed to the party intended to receive the same, at the address of such party set forth below, and delivered at such address, or (ii) three days after the same is deposited in the United States mail as first class certified mail, return receipt requested, postage paid, whether or not the same is actually received by such party, except that service of any notice of default or notice of sale provided for herein or required by law shall, if mailed, be deemed effective on the date of mailing.

BENEFICIARY: Strongsville Savings Bank
14092 Pearl Road
Strongsville, OH 44136
Attn: Thomas Perciak

BOOK 136 PAGE 184

Nile Leatham, Esq.
Kolesar & Leatham, Chtd.
3320 W. Sahara Avenue, Suite 380
Las Vegas, Nevada 89102

TRUSTOR:

Crestline Investment Group, Inc.
520 South Fourth Street, 2nd Floor
Las Vegas, NV 89101
Attn: Michael Simmons

Michael Singer, Esq.
520 South Fourth Street, 2nd Floor
Las Vegas, NV 89101

(b) Either party may change the address to which any such notice, report, demand or other instrument is to be delivered or mailed, by furnishing written notice of such change to the other Party, but no such notice of change shall be effective unless and until received by such other party.

6.03. Headings. The headings of the articles, sections, paragraphs and subdivisions of this Deed of Trust are for convenience of reference only, are not to be considered a part hereof, and shall not limit or expand or otherwise affect any of the terms hereof.

6.04. Invalid Provisions to Affect No Others. In the event that any of the covenants, agreements, terms or provisions contained in the Note, in this Deed of Trust or in any other loan documents shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein or in the Note or in any other such instrument or document shall be in no way affected, prejudiced or disturbed thereby.

6.05. Modifications. Neither this Deed of Trust nor any term hereof may be modified, changed, waived, discharged or terminated orally, or by any action or inaction, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. Any agreement hereafter made by

Trustor and Beneficiary relating to this Deed of Trust shall be superior to the rights of the holder of any intervening lien or encumbrance. Whenever a power of attorney is conferred upon Beneficiary hereunder, it is understood and agreed that such power is conferred with full power of substitution and Beneficiary may elect in its sole discretion to exercise such power itself or to delegate such power, or any part thereof, to one or more sub-agents.

6.06. Governing Law. This Deed of Trust is made by Trustor and accepted by Beneficiary in the State of Nevada, and shall be construed, interpreted, enforced and governed by and in accordance with the laws of the State of Nevada. If any litigation arises under this Deed of Trust or any loan document, the parties agree to commence and maintain such litigation in a court of competent jurisdiction located in either Clark County, Nevada, or Lincoln County, Nevada.

6.07. Attorneys' Fees and Costs. Without limiting any other provision contained herein, Trustor agrees to pay all costs of Beneficiary or Trustor incurred in connection with the enforcement of the Note and this Deed of Trust, including without limitation, all attorneys' fees whether or not suit is commenced, and including fees incurred in connection with any administrative, appellate, bankruptcy, deficiency or any other litigation proceedings. Trustor also agrees to pay all costs and charges incurred by Beneficiary or Trustee in connection with the enforcement of the Note and this Deed of Trust including without limitation, all court, expert witness, deposition, transcription, travel, lodging, photocopying, telephone, facsimile, and courier costs and charges, all of which sums shall be secured hereby.

6.08. Rules of Construction. Whenever the identity of the parties hereto or other circumstances make it appropriate, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

6.09. Amendments. This Deed of Trust may not be amended, modified or changed, nor shall any waiver of any provision hereof be effective, except only by an

instrument in writing and signed by the party against whom enforcement of the waiver, amendment, change, modification or discharge is sought.

6.10. No Merger. If both a lessor's and a lessee's estates under any lease or any portion thereof which constitutes a part of the Land and Improvements shall at any time become vested in one owner, this Deed of Trust and the lien created hereby shall not be destroyed or terminated by application of the Doctrine of Merger, and, in such event, Beneficiary shall continue to have and enjoy all of the rights and privileges of Beneficiary as to the separate estates. In addition, upon the foreclosure of the lien created by this Deed of Trust pursuant to the provisions hereof, any leases or subleases then existing shall not be destroyed or terminated by application of the Doctrine of Merger or as a matter of law or as a result of such foreclosure unless Beneficiary or any purchaser at any such foreclosure sale shall so elect. No act by or on behalf of Beneficiary or any such purchaser shall constitute a termination of any lease or sublease unless Beneficiary or such purchaser shall give written notice thereof to such tenant or subtenant.

6.11. Signatures are Valid. The individual who has signed this Deed of Trust affirm that he is competent, has the capacity and authority to execute this Deed of Trust, have read and fully understand this Deed of Trust, and his signature is true and correct.

6.12. TRUSTOR HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER IN CONTRACT, TORT, OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THE LOAN EVIDENCED BY THE NOTE, THE APPLICATION FOR THE LOAN EVIDENCED BY THE NOTE, THE NOTE, THIS DEED OF TRUST OR THE OTHER LOAN DOCUMENTS OR ANY ACTS OR OMISSIONS OF ANY INDEMNIFIED PARTIES IN CONNECTION THEREWITH.

6.13. Waiver. Beneficiary shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Beneficiary. No delay or omission on the part of Beneficiary in exercising any right shall operate as a

STATE OF NEVADA)
) ss:
COUNTY OF CLARK)

On July 30, 1998, the undersigned Notary Public, in and for the said County and State, personally appeared **BILL J. McKOWN**, as President of **CRESTLINE INVESTMENT GROUP, INC.**, who acknowledged to me that he executed the above instrument.

Cindy H. Kishi

Notary Public

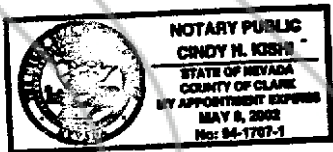


EXHIBIT "A"

Situate in the County of Lincoln, State of Nevada, described as follows:

TOWNSHIP 3 SOUTH, RANGE 70 EAST, MDB&M

- Section 25: W $\frac{1}{2}$ SW $\frac{1}{4}$
- Section 26: SE $\frac{1}{2}$ NE $\frac{1}{4}$; NE $\frac{1}{2}$ SE $\frac{1}{4}$
- Section 35: S $\frac{1}{2}$ NE $\frac{1}{4}$; S $\frac{1}{2}$ NW $\frac{1}{4}$
- Section 36: SE $\frac{1}{2}$ NW $\frac{1}{4}$; SE $\frac{1}{4}$; NE $\frac{1}{2}$ SW $\frac{1}{4}$; W $\frac{1}{2}$ NW $\frac{1}{4}$

EXCEPTING THEREFROM all coal and other minerals as reserved by the UNITED STATES OF AMERICA in Patent recorded October 6, 1926, in Book C-1, Page 254, Deed Records, Lincoln County, Nevada.

TOWNSHIP 3 SOUTH, RANGE 70 EAST, MDB&M

- Section 26: NW $\frac{1}{4}$; SW $\frac{1}{2}$ NE $\frac{1}{4}$; SW $\frac{1}{4}$; S $\frac{1}{2}$ SE $\frac{1}{4}$; NW $\frac{1}{2}$ SE $\frac{1}{4}$
- Section 35: N $\frac{1}{2}$ N $\frac{1}{2}$

RECORDATION REQUESTED BY:
 KOLESAR & LEATHAM, CHTD.

AFTER RECORDATION, RETURN TO:

RECORDATION INFORMATION:

NO. 111368

FILED AND RECORDED AT REQUEST OF
 FIRST AMERICAN TITLE

AUGUST 4, 1998

AT 45 MINUTES PAST 11 O'CLOCK
 AM IN BOOK 136 OF OFFICIAL
 RECORDS PAGE 140 LINCOLN
 COUNTY, NEVADA

YURIKO SETZER
 - COUNTY RECORDER
 BY Julie Baich DEPUTY