

UNIFORM DEED OF TRUST AND ASSIGNMENT OF RENTS
(Note not set out)

Loan No.

On _____, 19____, at _____, Nevada

128799

Address:

as the trustor, hereinafter referred to as "Borrower," executes and makes this Deed of Trust and Assignment of Rents, hereinafter referred to as "Deed," with HOME TRUSTEE, INC., a Nevada Corporation, as the Trustee, hereinafter referred to as "Trustee," and PrMerit Bank, Federal Savings Bank, A Nevada Corporation, as the beneficiary, hereinafter referred to as "Bank," with respect to Borrower's promissory note of even date in the principal sum of

Witness that: Borrower irrevocably grants, conveys, transfers and assigns to Trustee in Trust with the power of sale, with and upon the hereinafter stated express trust provisions, agreements and conditions, and for the hereinafter stated purpose, the property situated in the County of _____, State of Nevada, more particularly described as:

Sometimes hereinafter mentioned as "described real property," together with any and all of the property interests and rights described below in numbered Paragraph 1. Conveyed Property, all of which described real property and other property interests and rights are hereinafter referred to as "Property."

Borrower hereby specifically and absolutely assigns and grants to, and confers upon, Bank any and all Rents described below in numbered Paragraph 2. Assigned Rents, on the condition that Borrower as long as he is not in default under this Deed shall have the privilege and license to collect, receive, take, use and enjoy all and any Rents.

Each and every such provision is, and shall be fully effective, unless and to the extent it is specifically voided or modified by a publicly recorded instrument executed by both Borrower and Bank, or as follows:

Bank's assumption fee under Paragraph 8 shall be three percent of the unpaid balance of the indebtedness secured by this Deed at the time of the transfer; however, the Bank may waive all or any part of such fee.

Trustee accepts the trust created by and under this Deed and all obligations of such trust, and agrees to all provisions of this Deed upon this Deed's being duly executed, acknowledged and made a public record in the manner provided by law. Bank accepts the benefits of the trust created by and under this Deed and accepts the Rents assigned to it under this Deed, and agrees to all provisions of the Deed by and upon its advancing of money or credit to Borrower or exercising forbearance with respect to Borrower in connection with this Deed.

Borrower and Bank each requests service by mail of both notice of default and notice of sale at his respective address shown on the face of this Deed, or as Trustee hereafter may be notified in writing by such requesting party, and agrees that such service shall be sufficient.

Borrower

Borrower

Borrower

Borrower

STATE OF NEVADA,

COUNTY OF _____

On _____

before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____

Known to me to be the person _____ described in and who executed the foregoing instrument, who acknowledged to me that _____ executed the same freely and voluntarily and for the uses and purposes therein mentioned. Witness my hand and official seal.

(Seal) _____
Notary Public in and for said County and State

Recorded

ORDER NO. _____ WHEN _____ MAIL TO:

PrMerit Bank
Federal Savings Bank

BOOK 200 PAGE 216

1-75 (200)

The following are the EXPRESS TRUSTS, AGREEMENTS AND CONDITIONS referred to and incorporated by reference in the foregoing deed of trust:

1. Conveyed Property: The Property conveyed is the described real property and any and all of the following: Rights, water rights, pipes, ditches, rights of way, easements, profits, privileges, tenements, hereditaments and appurtenances, and stock that evidences any of them, that now or hereafter appertain or belong in any way, including by way of homestead claim or any other claims in law or equity, in or to the described real property, titles or reversionary interests that are now held or hereafter acquired in or to all or any part of any street, road, highway or alley that now or hereafter is adjacent to or adjoins the described real property; buildings and improvements, of every kind and description, that now or hereafter are erected or placed upon the described real property; fixtures, furnishings and equipment, that now or hereafter are attached to or installed in or placed in or placed upon any such building or improvement, or are situated upon the described real property in connection with the use or occupancy of any such building or improvement on the described real property, such fixtures, furnishings and equipment specifically include: apparatus, machinery, motors, elevators, escalators, fittings, doors, windows, signs, pylons, store fronts, screenings, awnings, shades, blinds, draperies, carpetings, floor coverings, furnaces, boilers, burners and heaters (whether gas, oil or electric), stoves, ovens, refrigerators, freezers, water softeners, hot water heaters, sinks, drains, drainboards, cabinets, ducts, flues, registers, vents, hoods, heating and cooling and air conditioning equipment, compressors, fans, ventilators, wiring, panels, lighting fixtures, lighting globes and tubes, intercommunication systems and equipment, time clocks, other electrical or electronic equipment, plumbing, plumbing fixtures and equipment, sprinklers, sprinkler and irrigation systems and equipment, and swimming, wading and ornamental pools and equipment; (all of such fixtures, furnishings and equipment are, and shall be a permanent accession to the land contained in the described real property and to such building or improvement, and a part of the real property and leasehold estate conveyed by and under this Deed, whether or not any of such fixtures, furnishings and equipment is subject to a chattel mortgage of which Bank is a mortgagee); architectural, structural, mechanical and engineering renderings, layouts, drawings, designs and specifications with respect to the above-described property, or such building or improvement, or such fixture, furnishing and equipment.

2. Assigned Rents: The Rents assigned are any and all of the following: Rents, subrents, earnings, income, including income derived from any activity conducted on the property, receipts, revenues, royalties, issues and profits, including those on account of oil and gas, and instalments under any agreement of sale, cleaning deposits and deposits to secure performance under lease, that hereafter and while any portion of the indebtedness secured by this Deed remains unpaid accrue, or that hereafter and while any portion of the indebtedness secured by this Deed remains unpaid arise out of the hiring, subhiring, letting, subletting, leasing, subleasing, or otherwise (collectively hereinafter referred to as "Leasing") of or from the whole or any part of Property, or furnishing or furniture or other personal property used in connection with the use or occupancy of Property now or hereafter placed in or upon Property. This assignment of Rents is absolute and effective on the day of making this Deed and is not given as mere additional security for the indebtedness secured by this Deed, but is a necessary and integral part of the consideration given by Borrower to Bank in the transaction that gives rise to this Deed. The creation, existence or exercise of Borrower's privilege and license to collect Rents or Bank's acceptance or exercise of the right to collect Rents, shall subordinate this Deed to any Leasing or be Bank's affirmation of any Leasing or assumption of any liability under any Leasing.

3. Secured Obligations: The obligations secured are any and all of the following: Payment of the indebtedness is the principal sum with interest, charges and fees thereon, in accordance with the terms of the abovementioned promissory note that shall be payable to Bank, or its order, and negotiable and payable at Bank's principal office, or at such other place as may be designated by it or a subsequent holder of such promissory note; payment of any and all additional advances hereafter made on account of such note whether or not the unpaid balance of the principal sum at the time of making of the advance is less than the original principal sum, and whether or not the advance is required by the terms of such note. Payment of any other indebtedness in the principal sum designated in any promissory note, with interest, charges and fees thereon, in accordance with the terms of such promissory note, provided that such promissory note hereafter is made by Borrower as payable to Bank, or its order, and recites that its payment is secured by this Deed. Payment of any still other indebtedness, in principal sum, with interest, charges and fees thereon, present or future, absolute or contingent, otherwise secured or not, due or not, of Borrower to Bank whether such indebtedness was or is created by Borrower directly to Bank or Bank has become or becomes the obligee of such indebtedness by succession or assignment. All of the abovescribed promissory notes or other instruments evidencing the abovescribed indebtedness include, and shall include, any and all renewals, extensions, and modifications thereof, and are collectively hereinafter referred to as the "Note." Borrower's observation, performance and discharge of his each and every obligation, covenant, promise and agreement that is contained in this Deed, the Note, or any other deed of trust, or any assignment of rents, assignment of interests in leases, pledge agreement, chattel mortgage, supplemental agreement or other security instrument, whether executed contemporaneously with this Deed or hereafter, that is made for the purpose of amending or supplementing this Deed or securing or further securing the payment of any indebtedness secured by this Deed.

4. Terminology: In this Deed as the context requires: "Personal" includes any partnership, corporation, or unincorporated association; the use of the term "Borrower" does not require a true borrowing transaction; "Borrower" includes during the life of this trust any person then owning the Property, or any part thereof; "Bank" includes during the life of this trust any person then holding the Note; the singular includes the plural and the plural includes the singular; any gender includes both genders; and any generic description includes all specific items previously described in the same paragraph. Where specific items are described as examples of that included in a previously mentioned general item, their express inclusion does not exclude by implication any other specific item not described.

5. Subrogation: With respect to any encumbrance or lien upon or against Property, or any part thereof, superior or senior to that of this Deed, that is paid, discharged or satisfied, in whole or in part, with the direct or indirect use of money or credit advanced by Bank to, or for the account of, Borrower in connection with this Deed or to protect the security of this Deed, Trustee or Bank as the case requires, is, and shall be, subrogated to any and all right, title, equity or lien owned or claimed by the holder of such encumbrance or lien, to the extent represented by the amount of money or credit so used, whether or not Bank acquires such right, title, equity or lien by specific assignment from such holder, and whether or not such holder releases as a matter of public record such right, title, equity or lien upon payment, discharge or satisfaction of such encumbrance or lien.

6. Construction: If all or any part of the money or credit now or hereafter advanced by Bank to Borrower in connection with the Deed is for the purpose of constructing, reconstructing, or remodeling any building or improvement on Property, Borrower shall perform in accordance with the building loan agreement, if there is any to which Borrower and Bank are parties, and in addition: commence such construction, reconstruction or remodeling promptly and, in any event not later than thirty days after the public recording of this Deed; complete such construction, reconstruction, or remodeling with due diligence and in accordance with plans and specifications satisfactory to Bank; Bank may inspect property at any time during the period of such construction, reconstruction or remodeling; replace any work or material within fifteen calendar days after being advised

that such work or material is not satisfactory to Bank, and not permit, for any reason not clearly without Borrower's control, the construction, reconstruction or remodeling to cease for fifteen or more calendar days in any one period or accumulatively in more than one period without three or more days of work between every two of the periods. With respect to any balance in Bank's loans-in-process account or any credit or money agreed to be advanced by Bank in connection with this Deed that remains after completion of construction, reconstruction or remodeling or performance in accordance with the building loan agreement, Bank shall retain or receive back such surplus or remainder and apply it to payment of principal or interest on the Note or apply it to reduction of the original principal sum of the Note as it elects.

7. Further Construction: Borrower shall not commence, or cause or permit to be commenced, any construction, reconstruction or remodeling (other than subject to Paragraph 6 above) any building or improvement on Property, if such construction, reconstruction or remodeling costs, or reasonably can be expected to cost, in excess of the greater of \$5,000.00 or five percent (5%) of the total indebtedness then secured by this Deed, without Bank's consent or first delivering to Bank a contract, that is executed by a licensed general contractor and fully provides for such construction, reconstruction or remodeling, and a prepaid lien and completion bond, that names Bank as an assured and assures completion of such contract without liens.

8. Transfer of Property: In the transaction that gives rise to this Deed and in the consent to any subsequent transfer of Property, Bank is relying on the personal ability and propensity of Borrower to pay the indebtedness secured by this Deed and to perform in accordance with all provisions of this Deed; acting with respect to the concurrent condition and value of Property, the concurrent real estate and financial markets, and its concurrent lending and credit policies; and relying upon its right to withhold or condition its consent to any future transfer of Property in view of the transferee's such ability and propensity, the then real estate and financial markets, and its then lending and credit policies. Therefore, if Borrower transfers property without Bank's consent, Bank may declare the whole of the indebtedness secured by this Deed to be immediately due and owing, and upon such declaration, with or without notice to Borrower, the whole of such indebtedness shall be due and owing. For the purpose of this paragraph, "transfer" means the entering into or the consummation of any sale, conveyance, alienation, transfer, contract of sale, option to sell, lease or the voluntary or involuntary divestment of title of all or any part or interest in or to Property. However, "transfer" does not mean: succession by reason of Borrower's death or incapacity; the leasing of apartments or commercial space in the ordinary course of a rental business; the leasing of a single family home; or the sale or other disposition, within any twelve-month period, of fixtures, furnishings or equipment of the value of twenty percent (20%) or less of the then value of all the fixtures, furnishings and equipment that are part of Property. Bank in its sole discretion may impose conditions to its consent under this paragraph; and such conditions may include payment of assumption or other fees and adjustment of interest rate or other terms of the indebtedness secured by this Deed.

9. Freedom from Liens: Borrower shall not create or attempt to create or permit or suffer to be created or filed against Property, or any part thereof, or any estate of Borrower in Property, whether superior or senior or not to that under this Deed, by reason of deed, mortgage, or work or materials made or alleged to be made a part of Property, any lien without Bank's consent. Such prohibition shall apply without regard as to whether Borrower or any other person, other than Trustee or Bank, contracts for or requests such labor or materials to be provided.

10. Care of Property: Borrower shall properly care for and keep Property in good condition and repair; not remove or demolish any building or improvement or remove any fixture, furnishing or equipment (except to the extent permitted under Paragraph 8 above) without Bank's consent; promptly repair, rebuild or reconstruct any building or improvement that is destroyed or damaged by any reason, including fire or earthquake; complete in a good and workmanlike manner any building or improvement that hereafter may be constructed, whether or not such construction has now been commenced; comply with every law, ordinance or government regulation that requires alteration or improvement upon Property; not commit or suffer any waste of Property; not commit or permit any violation of law, ordinance, regulation, covenant, condition or restriction on use or occupancy that affects Property; comply with every requirement and condition necessary to preserve and continue any right, license, permit, zoning exception, zoning variance, permitted non-conforming use, privilege, franchise or concession that affects Property or its use or occupancy; properly and reasonably cultivate, irrigate, fertilize, fumigate, prune, trim and otherwise attend to the vegetation that now or hereafter is situated upon Property; keep all buildings reasonably free of dry rot, fungus, termites and other infestations, and in this respect, from time to time upon Bank's request based on reasonable grounds, cause to be made an inspection by a termite-fungus control concern and deliver to Bank such concern's report of such inspection; and properly and seasonably do any act that is reasonably necessary to protect and preserve Property in view of its character and use.

11. Insurance Coverage: Borrower shall keep all buildings and improvements, whether now or hereafter existing, insured against loss or damage, and abatement of rental income therefrom, resulting from fire and other hazards or floods, including war risk if such insurance is available. Such insurance shall be in at least the amounts, and in the policy form as required by Bank, and with an insurer approved by Bank. Bank shall not be liable for any inadequacy of such policy form or any insolvency of such insurer or for the inadequacy of such insurance for Borrower's interests and purposes. Such insurance policy form shall contain a non-contributing mortgagee clause that is in favor of Bank and entitles Bank to any and all proceeds payable under the policy, and a waiver of subrogation endorsement. Borrower hereby assigns to Bank any and all insured rights and benefits in and to any proceeds of such insurance to the extent of the indebtedness secured by this Deed. If there is a loss that is covered, or apparently covered by such insurance, Borrower shall immediately give notice of such loss to Bank, and Borrower shall not adjust, compromise or settle such loss without Bank's consent. Bank may: Adjust, compromise or settle any such loss; collect the proceeds thereof; and apply such proceeds, less the costs of collection, to payment on the indebtedness secured by this Deed, or to restoring the destroyed or damaged building or improvement, or to deliver to the then owner of Property, or do any combination of the foregoing. With respect to proceeds applied to restoring the building or improvement, Bank may spend such proceeds in its sole discretion, and the amount so spent shall not be deemed a payment on the indebtedness secured by this Deed.

12. Payment of Taxes and Insurance: Borrower shall pay all ground rents, if there are any, all taxes and governmental assessments, including those on account of ownership or receipt of Rents, sewers, sidewalks, street lighting, street improvement and water supply, and rents, assessments and charges for water, gas and electricity used in connection with Property. Borrower shall pay all premiums required for the insurance coverage described in Paragraph 11 above. Upon Bank's request, Borrower shall deliver to Bank at least ten days before any such ground rent, tax and government assessment, other rent, assessment or charge, and insurance premium or any installment thereof, is delinquent, a receipt of its full payment.

13. Tax and Insurance Impounds: Upon Bank's request, Borrower shall deliver to Bank promptly upon his receipt, or cause to be sent directly to Bank, all bills and notices with respect to ground rents, taxes and government assessments, and insurance premiums, mentioned in Paragraph 12 above, and pay to Bank, in addition to the monthly payment of principal and interest on the Note, a monthly installment of any of such ground rents, taxes and governmental assessments, and insurance premiums. Each such installment shall be equal, respectively, to: one-twelfth of the annual ground rents; one-twelfth of the annual taxes and governmental assessments, either then accruing against Property or next due or the aggregate of that then accruing

and next due at Bank's option, in the amount determined or reasonably estimated by Bank; and one-twelfth of the annual insurance premiums then next due. If any such one-twelfth amount is not sufficient to accumulate the total amount due by one month prior to the due date, the installment amount shall be increased to the extent necessary to so accumulate such total amount due. Bank shall receive and hold all such monthly payments in trust for Borrower and pay therefrom such ground rents, taxes and governmental assessments, and insurance premiums before any such becomes delinquent. Each monthly payment required under this Paragraph and each monthly payment on the Note shall be added together, and the aggregate thereof shall be paid by Borrower in a single payment to be applied by Bank in the following order if there is then no default under this Deed: ground rents, taxes and governmental assessments, and insurance premiums, interest, such other charges and fees applicable under the Note, and reduction of principal of the Note. If the amount paid by Borrower under this Paragraph for ground rents, taxes and governmental assessments, and insurance premiums is insufficient to pay such items, Borrower shall, immediately upon being so notified by Bank, pay to Bank the amount of the insufficiency. If the amount paid by Borrower under this Paragraph for ground rents, taxes and governmental assessments, and insurance premiums is in excess of the amount required to pay such items, Bank may apply such excess to payment on Borrower's indebtedness to Bank or to then future payments to be made by the Borrower. Upon any conveyance or reconveyance of Property, funds then held by Bank under this Paragraph shall be applied to the account of Borrower as he directs or, in the case of trustee or judicial foreclosure sale, as Bank elects.

14. Condemnation: Upon Borrower's receiving notice, formal or informal, of any commenced or threatened eminent domain, public improvement or condemnation claim or proceeding that is against or affects Property, or any part thereof, Borrower shall immediately so notify Bank and thereafter promptly advise Bank of all subsequent notice to him of such claim or proceeding. Borrower shall not adjust, compromise or settle any such claim or proceeding without Bank's express written consent. Borrower hereby assigns to Bank any and all damages, compensation awards and payments for relief on account of the taking, or temporary or permanent damage to Property, or any part thereof, by reason of any eminent domain, public improvement or condemnation claim or proceeding to the extent of the indebtedness secured by this Deed. With respect to such claim or proceeding, Bank may act as if it were a loss under Paragraph 11 above.

15. Statement by Borrower of Amount Due: Upon Bank's request for Borrower's written and acknowledged statement of the total amount due on the Note and under this Deed, and any offsets or defenses claimed by Borrower against such amount, Borrower shall deliver to Bank such statement within ten days after such request.

16. Books and Records: If Property, or any part thereof, is other than a single family residence occupied by Borrower or his spouse or children (in which event, Property is deemed to be "Income Property"), Borrower shall: Keep and maintain complete and correct books and records of Property's earnings and expenses; Bank, upon request and at any reasonable time may inspect any and all such books and records and supporting documents, vouchers and data; and upon Bank's request, deliver to Bank a monthly statement of earnings and expenses (in both profit and loss form and cash flow form) and an annual statement, certified (without certification of asset value) by a certified public accountant, of earnings and expenses and assets and liabilities of the business of operating the Property.

17. Defense of Property: Borrower shall appear in and defend any legal or equitable action or proceeding, including any specifically mentioned elsewhere in this Deed, that affects or purports to affect Property, or this Deed, or the security of this Deed, or the Note, or any other security instrument relating to this Deed or the Note, or Bank's interests in Property, or Trustee's rights, powers and duties under this Deed.

18. Borrower's Failure To Act: If Borrower fails or refuses to do any act or make any payment or meet any obligation required of him by this Deed, Trustee or Bank may: (i) do such act or make such payment or meet such obligation; or (ii) commence, appear in or defend, either in its own name or in behalf of Borrower, any action or proceeding; or (iii) pay, purchase, adjust, compromise, settle or contest any claim or debt that is, or appears to be, superior or senior to Bank's interests under this Deed or that affects or appears to affect Property, or this Deed, or the security of this Deed, or the Note, or any other security instrument relating to this Deed or the Bank's interest in Property, or Trustee's rights, powers and duties under this Deed; or (iv) do any combination of the foregoing. With respect to any of such acts, Trustee or Bank may act, singly or together, at Bank's option, in actor's sole discretion as to the necessity or reasonableness of any acts, without notice to or demand upon Borrower, without releasing Borrower from any obligation under this Deed, without incurring any obligation to continue or complete any act commenced, with entering upon or taking possession of Property to the extent reasonably necessary to further or accomplish such act in actor's sole discretion, and with the expenditure or advance of any reasonable sum of money, including attorney's fees and legal expenses, to further or accomplish such act.

19. Repayment of Advanced Monies: With respect to any sum expended or advanced by either Trustee or Bank in accordance with Paragraph 18 above, upon request of the expender or advancer, Borrower shall immediately pay to it such sum, together with interest thereon from the date of such expending or advancing, with such interest period's being without regard to the date of the request, at the rate of the greater of ten percent (10%) per annum or the then interest rate provided by the Note. Borrower's obligation under this Paragraph, with or without request, shall be added to, and be a part of, the indebtedness secured by this Deed.

20. Payment for Bank Services: Upon Bank's request, Borrower shall pay to Bank a reasonable charge or fee for any service hereafter rendered by Bank to Borrower, or for his behalf, in connection with this Deed and the Note, including any accounting, preparation of request for full or partial reconveyance or of other documents, setting up of Bank records with respect to new Borrower or with respect to monies advanced for Borrower, and the replacing of insurance policy, whether or not the service is required of Bank by law. Upon any such payments not being made at the time of the next due date of payment of principal or interest on the Note by its terms, the amount of such payment shall bear interest from and after such next due date at the rate provided in Paragraph 19 above. Borrower's obligation under this Paragraph, with or without request, shall be added to and be a part of the indebtedness secured by this Deed.

21. Prepayment and Late Payment Charges: With respect to any charge or additional interest on the Note's principal sum or then unpaid balance or on the particular payment required by the Note in the event of any payments thereon or thereof being made in advance of such payments being due, or in the event of such payments thereon or thereof being made after such payments being due, Borrower shall pay to Bank such charge or additional interest in accordance with the terms of the Note. This Paragraph shall apply even if Borrower then be in Default under this Deed, and even if Bank then has declared to be due and owing all indebtedness secured by this Deed. Borrower's obligation under this Paragraph shall be added to, and be a part of, the indebtedness secured by this Deed.

22. Extension of Time and Release of Liability: Bank may extend any time for payment or other performance of Borrower, or release any person from liability for indebtedness secured by this Deed, or take additional security for the indebtedness secured by this Deed. Such act shall not waive or impair any right or power of Trustee or Bank under this Deed, except to the extent specifically described in the instrument by which such act is done. Page 2 of 9

23. Partial Reconveyance and Subordination: At any time upon Bank's request and presentation for endorsement of this Deed and the Note, Trustee shall Reconvey any part of Property designated in such request; execute any subordination agreement whereby this Deed, in whole or in part, becomes subordinate or inferior in priority (except with respect to entitlement to any eminent domain or condemnation award or compensation) to a lease of Property, or any part thereof, upon the recording of such lease; consent to the making of subdivision map or plot of Property, or any part thereof, join in the grant of any easement effecting Property, or join in the execution of any extension agreement as to this Deed. Trustee may reasonably require as a condition to its acting under this Paragraph, the consent of Borrower. Such act shall not release or effect the liability of any person for the indebtedness secured by this Deed or effect the priority of this Deed as to any part of Property not specifically so subordinated, or conveyed or made subject to easement. With respect to any partial reconveyance under this Paragraph, the form and effect of the recitals of the partial reconveyance shall be the same as provided for full reconveyances under Paragraph 24 below.

24. Reconveyance: At any time upon Bank's request and statement that all indebtedness secured by this Deed has been paid or otherwise satisfied, and the surrender of this Deed and the Note for cancellation, Trustee shall reconvey Property, without warranty, and cancel this Deed and the Note. The grantee of such reconveyance may be described therein as "the person or persons legally entitled thereto." Such reconveyance's recitals of any matters or facts shall be conclusive proof against all persons of the truth of such matters or facts. Unless the Bank's request specifies otherwise, Trustee, at any time, after reconveyance, may dispose of the cancelled Deed and Note.

25. Adverse Change of Law: If by reason of hereafter creation of law, including state or federal statute, local ordinance, zoning or other governmental regulation and judicial decree, the use or occupancy of Property is restricted or adversely affected to such extent that Bank determines the security of this Deed to be substantially impaired, Bank may declare the whole of the indebtedness secured by this Deed to be due and owing on any date that is sixty (60) or more days after notice to Borrower of such declaration, and upon such declaration, the whole of the indebtedness secured by this Deed shall be due and owing on such date.

26. Default: Borrower's failure or refusal to make any payment or to observe or perform any obligation or to discharge any duty as required under, or secured by, this Deed, is hereby deemed to be, and shall be, upon such failure or refusal, Borrower's default under this Deed (herein sometimes referred to as "Default"). Bank's acceptance of all or any part of any payment after its due date, or non-exercise of any or all of its rights upon Default, or not declaring or giving notice of Default, shall not, in itself, cure the Default or waive any right to Borrower's prompt payment, or observation of performance of any obligation, or discharge of any duty thereafter required under this Deed. With respect to any payment, obligation or duty, time is hereby deemed to be, and shall be, the essence of this Deed. Any Bank's affording to Borrower of time to cure Default shall not obligate Bank to afford a similar length of time to cure any subsequent Default.

27. Default Under Other Deeds of Trust: With respect to any other agreement, note or deed of trust of which Borrower is the trustor and Bank is the beneficiary, whether or not Trustee is the trustee under such other deed of trust and whether or not Bank has acquired or acquires, its beneficiary interest under such other agreement, note or deed of trust, directly from Borrower or by assignment and whether such other deed of trust now exists or shall hereafter be created, Bank may declare any default under such other deed of trust to be Default under this Deed and Bank may declare any Default under this Deed to be default under such other agreement, note or deed of trust, and all parties to this Deed shall be bound by either such declaration.

28. Default—Application of Impounds and Prepayments: With respect to any funds in Bank's possession at time of Default, received by reason of Paragraph 13 above, or by prepayment of either principal or interest, or by insurance or condemnation awards or compensation, upon Default, Bank may apply such funds to payment of the defaulted payment or obligation, including interest, charges and fees thereon, and any and all of Trustee's costs, fees and charges, and thereupon may elect to consider this Deed and the Note as not in Default. Upon such application of funds, Bank may extend the Note's period of maturity, if it has previously been shortened, to any time after the original maturity date, and this Deed shall continue to secure the indebtedness evidenced by the Note as it is so extended.

29. Default—Addition of Missed Payment of Principal: With respect to any payment on the Note or otherwise required under this Deed that is not made when due, upon Default, Bank may add the amount of interest, charges and fees in or upon such payment to the then unpaid principal balance of the Note, and thereby include such amount in such unpaid principal balance, to the extent that the resultant unpaid principal balance does not exceed the original principal sum of the Note, and thereupon may elect to consider this Deed and the Note as not in Default.

30. Default—Possession of Property: Upon Default, Trustee or Bank may, without demand or notice and without instituting any action or proceeding and without regard to the adequacy of Property as security for the indebtedness secured by this Deed, enter upon and take possession of Property or any part thereof. Upon having possession, Trustee or Bank may do any and all acts that it deems proper to protect the security of this Deed, including, for the account of Borrower, commencing or completing of construction, reconstruction, remodeling or repair of any building or improvement, leasing of Property or any part thereof, and performing under any loan agreement or commitment entered into or granted prior to Default to which Borrower is a party, whether or not Bank also is a party to such agreement or commitment. Any and all monies expended or advanced under this Paragraph shall be added to, and be a part of, the indebtedness secured by this Deed. Upon Default and thereafter, request by Trustee or Bank or the buyer at trustee or judicial foreclosure sale or the receiver of Property, Borrower shall immediately quit and surrender possession.

31. Default—Collection of Rents: If at time of Default, Property is Income Property (as defined in Paragraph 16 above), upon Default, Borrower's privilege and license to collect Rents shall cease and terminate forthwith, automatically without formal instrument or the public recording of any document, without notice to Borrower or his agent for collection of Rents or any holder of a lien junior to that of this Deed, without regard to any change in possession of Property, and without regard to any appointment of receiver in connection with Property or this Deed. At time of Default, Rents then collectable include: those that have been collected but that relate to any Leasing period or part thereof, that includes the day of Default or any time thereafter; those that have accrued but have not been collected whether or not due, and any and all proceeds of borrowing or other credit arrangements based upon assignment of Borrower's privilege and license to collect Rents whether or not such proceeds relate to then past or future Leasing periods. Borrower shall hold in trust for the account of the Bank any and all Rents collectable at or after time of Default, whether collected by him before or after Default. With respect to any and all licenses, including those to do or to sell business and liquor either for delivery on-premises or off-premises, and contracts for services, including those relating to utility and telephone services and credit card services, that are reasonably necessary to conduct the business of operating the property, Borrower hereby assigns to Bank any and all of his rights under such licenses and contracts and appoints and constitutes Bank as his agent with respect to such licenses and contracts, with such assignment and appointment to be effective upon Default. At any time after Default, Bank may appoint a Receiver or any

other person its right, power and authority, or any part thereof, to collect Rents with or without conditions and without any formal instrument or the public recording of any document. With respect to any and all Rents that both, (i), are collected or received by Bank or its assignee, and (ii), relate to any Leasing period, or part thereof, prior to trustee or judicial foreclosure sale, Bank or its assignee shall apply such Rents, less costs of collection and operation and maintenance of Property, to payment of the indebtedness secured by this Deed. The cost of operation and maintenance of property shall include, if in the opinion of Bank or its assignee costs reasonably necessary to make the property suitable for Leasing, including but not limited to modification, repair or refurbishing of property or the installing of carpeting, draperies, appliances, or other furnishings or furniture in the Property. At any time after Default, Bank may assign to any person its right, power and authority, or any part thereof to collect Rents and receive consideration which in its opinion is adequate, therefore. In such event, Bank shall apply the proceeds of such consideration to payment of the indebtedness secured by this Deed. Upon full payment (by such application of Rents or proceeds) of all payments and obligations then due under this Deed, without regard to any declaration of the whole of the indebtedness being due and owing, the Default shall be cured. Upon curing of Default, as provided in the Paragraph or in any other manner, all of Borrower's privilege and license to collect Rents is restored automatically in its entirety and shall be in full force and effect, and Borrower shall have the privilege and license to retain for his own account any and all Rents collectable after Default that are then held by him. Upon trustee or judicial foreclosure sale, all of Bank's right, power and authority to collect Rents shall be assigned, granted and conferred to and upon the purchaser at such sale. However, Bank shall have the right to retain for its own account any and all Rents then held by Bank or its assignee that relate to any Leasing period, or part thereof, that includes the day of such sale or any time thereafter. Such purchaser shall have the right to collect and retain any and all Rents that have not been collected prior to sale that is without regard to the Leasing period in which they have accrued.

32. Default—Receiver: Upon Default, Trustee or Bank may obtain the appointment of a receiver of Property, or any part thereof in a separate action or proceeding for such appointment or in any action for specific performance, possession or foreclosure under this Deed, with or without notice to Borrower, and without regard to adequacy of Property as security for the indebtedness secured by this Deed. Such receiver shall have any and all rights, powers and duties appropriate to protect the security of this Deed which shall include unless Bank otherwise elects, or the court otherwise orders, any and all rights, powers, authorities, privileges and license of Trustee and Bank under Paragraphs 30 and 31 above. Bank's rights under this Paragraph are of the essence of this Deed, and shall continue through the period that may be allowed by law for reinstatement of obligations after Default, to time of sale, and through the period that may be allowed by law for redemption of Property after sale.

33. Default—Notice: Upon Default, Bank may declare all indebtedness secured by this Deed to be due and owing. Upon delivery to Trustee of such declaration, and notice of Default and election to cause Property to be sold or demand for sale, Trustee shall cause such notice to be filed for public recording, and thereupon all indebtedness secured by this Deed shall be immediately due and owing. Bank may directly cause such notice to be filed for public recording. Thereafter, Bank shall reasonably deliver to Trustee this Deed, the Note, and a statement of indebtedness together with such supporting documents as may be reasonably required by Trustee. At any time prior to sale, Bank may rescind such notice. Upon delivery to Trustee of such rescission, Trustee shall cause such rescission to be filed for public recording, and thereupon such notice shall be immediately rescinded and of no effect. Such rescission shall not cure the Default, and shall not waive Bank's right to give another notice of such Default or a notice of any subsequent Default. Bank's acceptance of any payment after notice shall not rescind, or impair in any way, the notice. With respect to Bank's preparation of such declaration, notice of Default and election to cause Property to be sold or demand for sale, the actual cost thereof, without regard to Trustee's costs, fees and charges, is hereby deemed to be, and shall be, \$50.00, and Borrower shall pay such amount. With respect to any physical inspection of Property by Bank after notice, the actual cost thereof is hereby deemed to be, and shall be, \$25.00, and Borrower shall pay such amount to the extent of only one inspection each thirty days. Borrower's obligation to pay such amounts is without regard to whether Property, or any part thereof, is sold at trustee sale, and shall be added to, and be a part of the indebtedness secured by this Deed.

34. Default—Sale: Upon notice of Default, Trustee shall reasonably give notice of sale as may be then required by law. Upon any rescission of notice of Default, the notice of sale shall be immediately rescinded and of no effect. Upon the lapse of the time as may be then required by law after such notice of Default and notice of sale, Trustee shall sell Property, at the time and place set out in notice of sale, with or without demand on Borrower, in one or more parcels, and if in more than one parcel, in such order as Trustee may determine, at public auction to the highest bidder, which may be Borrower, Trustee or Bank, and for cash payable at time of sale, or as Bank otherwise directs to extent of the indebtedness secured by this Deed. From time to time, Trustee may, and upon Bank's request shall postpone sale of all or any part of Property to any fixed time and place or to an indefinite time and place to be fixed by a subsequent notice of sale. Such postponement shall be made by public announcement at the time and place that has then been set for sale. Upon and as soon as practicable after sale, Trustee shall deliver to buyer a deed conveying Property, or the part thereof sold. Such deed shall be without warranty. Such deed's recitals of any matters or facts shall be conclusive proof against all persons of the truth of such matters or facts. Trustee shall receive the proceeds of the sale and apply them, in the following order, as far as the amount of the proceeds allows, to: payment of all proper costs, fees and charges of sale and of Trustee under this Deed, including escrow fees, cost of evidence of title in connection with sale, cost of revenue stamps on Trustee's deed, insurance of title, Trustee's sale guaranty, foreclosure guaranty, litigation guaranty, bond premiums and reasonable attorney's fees and legal expenses, payment of all advanced money, interest, fees and charges, including those due by reason of any provision of Paragraphs 19, 20, 21 or 33 above that are due to Bank and secured by this Deed, payment of all other indebtedness secured by this Deed; and delivery to the persons entitled to the balance of such proceeds, upon proof satisfactory to Trustee of such entitlement.

35. Default—Judicial Foreclosure: Upon Default, Bank may declare all indebtedness secured by this Deed to be due and owing. Thereafter, Trustee or Bank may bring, in its own name, in any court of competent jurisdiction, in the manner then required by law, an action to foreclose this Deed or Property. The bringing of such action is hereby deemed to be, and shall be, conclusive proof of Trustee's or Bank's due and proper exercise of its election to judicial foreclosure of this Deed or Property. If such action is brought, whether or not judgment is entered in such action, all costs, fees and charges, including attorney's fees and all the costs described in Paragraph 33 and 34 above, of Trustee or Bank in connection with such action, shall be added to, and be part of, the indebtedness secured by this Deed. The sale of Property under judicial foreclosure shall be held in accordance with Paragraph 34 above to the extent possible under the then applicable law and the judgment or order of court in the foreclosure action.

36. Borrower's Personal Liability: If the proceeds of any trustee or judicial foreclosure sale of Property are not sufficient to completely pay all indebtedness secured by this Deed, Borrower shall pay, and be personally liable for, the resultant balance of such indebtedness to the extent and in the manner then permitted by law. Any guaranty of the Note is in addition to, and part of, the security of this Deed, and Bank's exercise or non-exercise of any rights under this Deed or the sale of Property under this Deed shall not waive or otherwise impair Bank's rights against any guarantor except to reduce the indebtedness evidenced by the Note by the new amount received by Bank on account of the principal sum of the Note.

37. Default by Misrepresentation: With respect to any loan transaction or Bank's advancing of credit or money that gives rise to, or is under, this Deed, any misrepresentation, misstatement, non-disclosure or concealment of any material fact, including any relating to Borrower's financial capability or credit performance or condition of Property, shall be Default. Upon Default under this Paragraph, Bank may rescind the Deed, or the Note, or any other instrument in connection with this Deed, or all of them, and bring an action for cancellation thereof and for damages, including reasonable attorney's fees and legal expenses. Bank's exercise or non-exercise of its rights to rescission under this Paragraph shall not waive any of its rights under this Deed.

38. Trustee's Duties: Trustee shall perform any and all duties imposed by law upon Trustee as a trustee under a deed of trust. Upon Bank's request, Trustee, if furnished reasonable indemnity, shall perform any and all required, or reasonably appropriate Trustee acts and duties under this Deed. Trustee may accept as true and correct and rely upon any Bank representation as to Default or event constituting Default or amount of indebtedness secured by this Deed. Trustee shall give notice of Default and notice of sale to both Borrower and Bank, but otherwise Trustee is not obligated to notify any party to this Deed of any action or proceeding unless such action or proceeding be brought by Trustee. Upon Default and Bank's request, Trustee, if furnished reasonable indemnity, shall do any and all acts to which it is empowered, either mandatorily or optionally under this Deed, including any and all acts mentioned in Paragraphs 30, 31 and 32 above. Bank may enforce its rights under this Paragraph by an action for specific performance. With respect to any and all money received by Trustee by reason of any such act, Trustee shall account to Bank, but Bank shall be bound as to Trustee to the amount so received by Trustee less all proper costs, fees and charges of Trustee incurred by reason of any such act.

39. Removal of Trustee: At any time during the life of this trust, Bank shall have the absolute and irrevocable right and power to remove the Trustee, whether named herein or subsequently appointed, provided that upon removal after Default, Bank shall pay all of Trustee's reasonable costs, charges and fees in connection with this trust. Upon such removal, or the occurring of a vacancy in the position of Trustee by any other reason, Bank shall appoint another person as Trustee. Such right and power of removal and appointment may be exercised without notice to Trustee, but only with the public recording of a declaration of such exercise, and of the instrument that appoints another Trustee. Bank also may substitute Trustee in the manner provided by statute.

40. Notice of Applicability of Law: Each and every notice as then may be required by law in connection with this Deed and every notice, request, demand or consent under this Deed shall be in writing and shall be of no effect whatsoever unless in writing, and shall be effective only upon delivery, or upon public recording if so required under this Deed or by law. Any such notice, request, demand or consent shall be deemed delivered upon the lapse of two full days, excluding Saturdays and Sundays, after its being posted in the United States mail. For the purposes of notice, request, demand or consent, Borrower's address shall be as set out in the Deed or as hereafter noticed by Borrower to the other parties to this Deed, and each of Trustee's and Bank's address shall be its respective principal office or such other address as hereafter noticed by it to the other parties to this Deed. This Deed and the Note inures to the benefit of, and binds all parties to this Deed and the Note, their heirs, legatees, devisees, administrators, executors and assigns. If Borrower consists of more than one person, any and all of Borrower's liability under this Deed or the Note shall be joint and several, and recourse expressly may be had against Borrower's property, other than Property, including separate property (even if such Borrower be a married woman), without creating a present lien or charge against such other property. Each and every Trustee's or Bank's right, power or remedy under this Deed, is and shall be, cumulative to any other such right, power or remedy, and the exercise of any such right or power or the seeking of any such remedy shall not be deemed an election to the exclusion or waiver of any other. Each and every such right, power or remedy, including any as to payment for services or reimbursement of monies advanced, shall be effective to, and only to, the extent permitted by then applicable law, and each and every now applicable provision of law, including Nevada Revised Statutes, Section 107.030, with one percent (1%) a month interest specified for covenant 4 and ten percent (10%) counsel fees specified for covenant 7, is hereby incorporated in this Deed. Borrower hereby expressly waives, to the extent permitted by law, any statute of limitation defense to any obligation under, or secured by, this Deed.

41. Waiver of Right to a Jury Trial: The Borrower hereby expressly waives any right to a trial by jury in any action or proceeding to enforce or defend any rights under this Deed or Note or under any amendment, instrument, document or agreement delivered (or which may in the future be delivered) in connection herewith or arising from any banking relationship existing in connection with this Deed or Note. The Borrower agrees that any such action or proceeding shall be tried before a court and not before a jury.

42. Cross Default: Any default on this Deed or Note is a default on any other Deeds or Notes to the Bank executed by the Borrower, successors and assigns, in any capacity. Conversely, any default on any other Deed or Note to the Bank executed by the Borrower, successors and assigns in any capacity, is a default on this Deed or Note. Further, in the event of any default on this Deed or Note, or any other Deeds or Notes to the Bank executed by the Borrower, successors and assigns in any capacity, the Bank may at its option, declare the remainder of any and all said debts due and payable and any failure to exercise that option shall not constitute a waiver or a right to exercise the same at any other time, nor shall such failure to exercise the option be construed as any form of acceptance of said default. Notice of the exercise of said option is hereby waived. Upon exercise of said option, interest shall accrue at the then prevailing rate of the note.

43. Choice of Law; Effect of Invalidity of Provisions: This Agreement and any rights and duties under it shall be governed by the laws of the State of Nevada. If any provision in this Deed or Note is deemed unenforceable or illegal by a court competent to so rule, then the offending words will be stricken and all remaining provisions shall remain in full force and effect.

44. Hazardous Waste: Neither the Borrower nor, to the best knowledge of the Borrower, any other person has ever caused or permitted any Hazardous Material to be placed, held, located or disposed of on, under or at the Premises or the Land or any part thereof or into the atmosphere or any watercourse, body of water or wetlands or any other real property legally or beneficially owned (or any interest or estate in which is owned) by the Borrower (including, without limitation, any property owned by a land trust the beneficial interest in which is owned, in whole or in part, by the Borrower), and neither the Premises, the Land, any part of either thereof, nor any other real property legally or beneficially owned (or any interest or estate in which is owned) by the Borrower (including, without limitation, any property owned by a land trust the beneficial interest in which is owned, in whole or in part, by the Borrower) has ever been used (whether by the Borrower or, to the best knowledge of the Borrower, by any other person) as a treatment, storage or disposal (whether permanent or temporary) site for any Hazardous Material. For purposes of this Deed, "Hazardous Material" means and includes any hazardous substance or any pollutant or contaminant defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act, any so-called "Superfund" or "Superlien" law, the Toxic Substances Control Act, or any other Federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect, asbestos or any substance or compound containing asbestos, or any other hazardous waste, substance or material.

Borrower hereby indemnifies the Lender and agrees to hold the Lender harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses and claims of any and every kind whatsoever, including reasonable attorney's fees, paid, incurred or suffered by, or asserted against the Lender for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from, the Premises or into or upon the land, the atmosphere, or any watercourse, body of water or wetland of any Hazardous Material, including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, any so-called "Superfund" or "Superlien" law, or any other Federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Material.

REQUEST FOR FULL RECONVEYANCE TO HOME TRUSTEE, INC.

The indebtedness secured by the above Deed of Trust has been fully paid. We herewith tender to you for cancellation the Deed of Trust and every note secured by it.

Therefore, you are directed to reconvey all of your rights, title and interest in or to the Property subject to the Deed of Trust to the person or persons legally entitled thereto.

Date: _____, 19 _____.

PniMerit Bank

By _____

Mail Reconveyance to:

RECORDED AT THE REQUEST OF

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Nevada Title Company

89 AUG -4 A9 28

OFFICIAL RECORDS
EURICA COUNTY, NEVADA
P.M. FEBRUARY 11 1989

FILE NO. FEE \$ 12.00

128799

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