

DEED OF TRUST WITH ASSIGNMENT OF RENTS
AND SECURITY AGREEMENT

THIS DEED OF TRUST, made this 30th day of September, 1993, between G. NORMAN GEORGE and SUE S. GEORGE (collectively "TRUSTOR"), whose address is 3223 Taylor Avenue, Ogden, Utah, 84403, and Security Title Company, whose address is 23 North Main, Farmington, Utah 84025, as ("TRUSTEE"), and DICK G. GEISLER and RITA G. GEISLER, husband and wife, jointly and to the survivor, whose address is P.O. Box 313, Kaysville, Utah 84037 ("BENEFICIARY").

WITNESSETH:

The Trustor CONVEYS AND WARRANTS TO TRUSTEE IN TRUST, WITH POWER OF SALE, the following described property, situated in Weber County, State of Utah:

All of Units 1, 2A, 2B and 3 of Building "A", and All of Units 4 and 5 of Building "B", as shown on the Record of Survey Map of WEBER CLUB, a Condominium, appearing in the records of the County Recorder of Weber County, Utah, in Book 26, Pages 82 thru 87 of Plats, as defined and described in the Declaration for Weber Club (a Condominium Project) appearing in such records as Entry No. 931593, in Book 1463, Page 900. TOGETHER WITH the undivided Ownership interest in and to the common area and facilities specified in the Declaration.

ALSO: Part of Lot 2, KERSHAW'S SUBDIVISION of Block 31, Plat "C", Ogden City Survey, Weber County, Utah: Beginning at a point 186 feet West and 167.30 feet North from the Southeast corner of said Block 31, running thence North 8.7 feet, more or less, to a point 128 feet South of the South line of Capitol Avenue; thence West 41.2 feet; thence North 128 feet; thence West 24.8 feet; thence South 102.0 feet; thence East 23.46 feet; thence South 0°11'56" East 32.42 feet; thence South 87°15'11" East 42.48 feet to the point of beginning. TOGETHER WITH and subject to a right of way over the East and South 10 feet of above described property. (02-076-0001; 0002; 0003; 0004; 0005; 0006; 02-028-0013) *DK*

Together with all right, title and interest of trustor in and to the land lying in the streets and roads in front of and adjoining said property.

PLATTED VERIFIED
ENTERED MICROFILMED

E: 1349038 BK 1759 PG 2472
DOUG CROFTS, WEBER COUNTY RECORDER
09-JUN-95 1203 PM FEE \$57.00 DEP MH
REC FOR: SECURITY.TITLE.(DAVIS.CO)

Together with all awards heretofore and hereafter made to the Trustor for taking the eminent domain the whole or any part of said property or any easement therein, including any awards for changes of grade of streets, which said awards are hereby assigned to the Trustee, who is hereby authorized to collect and receive the proceeds of such awards and to give proper receipts and acquittances therefor, and to apply the same toward the payment of the amounts owed to Beneficiary, notwithstanding the fact that the amount owing thereof may not then be due and payable; and the said Trustor hereby agrees, upon request, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning said awards to the Trustee, free, clear and discharged of any encumbrances of any kind or nature whatsoever.

AND ALSO, all the estate and interest, homestead or other claim, as well in law as in equity, which said Trustor now has or may hereafter acquire in and to said property, together with all easements, hereditaments and appurtenances thereof, including all fixtures and articles of personal property now or at any time hereafter attached to or used in any way in connection with the use, operation and occupation of the above-described real estate (the "Fixtures") and any and all buildings and improvements now or hereafter erected thereon ("Improvements"). Such fixtures, including but without being limited to, all screens, awnings, storm windows and doors, window shades, inlaid floor coverings, shrubbery, trees, plants, boilers, tanks, furnaces, radiators, and all heating, lighting, plumbing, gas, electric, ventilating, refrigerating, air-conditioning and incinerating fixtures and equipment and personal property of whatsoever kind and nature, except household furniture and personal property owned by Trustor, which are not specifically enumerated herein, are hereby declared and shall be deemed to be fixtures as between the parties hereto, their heirs, legatees, devisees, executors, administrators, successors and assigns, and all persons claiming by, through or under them; and also all rents, issues and profits, and all leases and documents evidencing same and any and all deposits held as security under said leases, subject however to the right, power and authority hereafter given to and conferred upon said Beneficiary to collect and apply such rents, issues and profits. All of the foregoing is referred to collectively herein as "the Property."

FOR THE PURPOSE OF SECURING:

(1) Payment of the indebtedness evidenced by the Deed of Trust Note, of even date hereof in the principal sum of \$399,500 made by Trustor, payable to the order of Beneficiary at the times, in the manner and with interest as therein set forth, and any extensions and/or renewals or modifications thereof (herein "the Note"); (2) All other obligations of Trustor to Beneficiary hereinafter existing under the Note, this Deed of Trust, UCC Financing Statements, together with any other documents required

by Beneficiary referred to collectively herein as the "Loan Documents"; (3) The payment of all sums expended or advanced by Beneficiary under or pursuant to the terms hereof, together with interest thereon as herein provided; (4) Any extensions or renewals of all such indebtedness described in paragraphs (1) through (3) above; and (5) Any additional loans hereafter made by the then holder of the Note secured hereby to the owner of the real estate described herein.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

1. MAINTENANCE. To keep the Property in good condition and repair; not to remove, demolish or structurally alter any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon; to comply with all laws, covenants and restrictions affecting the Property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon the Property in violation of law; to do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

Trustee, upon presentation to it of any affidavit signed by Beneficiary, setting forth facts showing a default by Trustor under this numbered paragraph, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon.

2. INSURANCE. To provide and maintain insurance, of such type or types and amounts as Beneficiary may require, on the improvements now existing or hereafter erected or placed on said property. Such insurance shall be carried in companies approved by Beneficiary with loss payable clauses in favor of and in form acceptable to Beneficiary. In the event of loss, Trustor shall give immediate notice of Beneficiary, who may make proof of loss, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Beneficiary, instead of to Trustor and Beneficiary jointly, and the insurance proceeds, or any part thereof, may be applied by Beneficiary, at its option, to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In the event that the Trustor shall fail to provide satisfactory hazard insurance, the Beneficiary may procure, on the Trustor's behalf, insurance in favor of the Beneficiary alone. If insurance cannot be secured by the Trustor to provide the required coverage, this will constitute an act of default under the terms of this Deed of Trust.

That after the happening of any casualty to the Property or any part thereof, Trustor shall give prompt written notice thereof to Beneficiary.

3. INDEMNIFICATION; OFFSET.

(a) If Beneficiary is made a party defendant to any litigation concerning this Deed of Trust or the Property or any part thereof or interest therein, or the occupancy thereof by Trustor, or if Beneficiary elects voluntarily to intervene or appear in any such or similar proceeding then Trustor shall indemnify, defend and hold Beneficiary harmless from all liability by reason of said litigation, except for liability arising from the gross negligence or intentional misconduct of Beneficiary, including reasonable attorneys' fees and expenses incurred by Beneficiary in any such litigation, whether or not any such litigation is prosecuted to judgment. If Beneficiary reasonably commences an action against Trustor to enforce any of the terms hereof or because of the breach by Trustor to enforce any of the terms hereof or because of the breach by Trustor of any of the terms hereof, or for the recovery of any sum secured hereby, Trustor shall pay to Beneficiary reasonable attorneys' fees and expenses, and the right to such attorneys' fees and expenses shall be deemed to have accrued on the commencement of such action, and shall be enforceable whether or not such action is prosecuted to judgment. If Trustor breaches any term of this Deed of Trust, Beneficiary may employ an attorney or attorneys to protect its rights hereunder and in the event of such employment following any breach by Trustor, Trustor shall pay Beneficiary reasonable attorneys fees and expenses incurred by Beneficiary, whether or not an action is actually commenced against Trustor by reason of breach.

(b) Trustor waives any and all right to claim or recover against Beneficiary, its officers, employees, agents and representatives, for loss of or damage to Trustor, the Trust Estate, Trustor's property or the property of others under Trustor's control from any cause to the extent such loss or

damage is insured against or required to be insured against by the provisions of this Deed of Trust.

(c) All sums payable by Trustor hereunder shall be paid without notice, demand, counterclaim, set-off, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Trustor hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Property or any part thereof; (ii) any restriction or prevention of or interference with any use of the Property or any part thereof; (iii) any title defect or encumbrance or any eviction from the Property or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Beneficiary, or any action taken with respect to this Deed of Trust by any trustee or receiver or Beneficiary, or by any court, in any such proceeding; (v) any claim which Trustor has or might have against Beneficiary; (vi) any default or failure on the part of Beneficiary to perform or comply with any of the terms hereof or of any other agreement with Trustor; or (vii) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Trustor shall have had notice of or knowledge of any of the foregoing.

4. TAXES AND IMPOSITIONS.

(a) Trustor agrees to pay, at least 10 days prior to delinquency and provide satisfactory evidence of payment to Beneficiary, all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, including without limitation nongovernmental levies or assessments such as maintenance charges, owner association dues or charges or fees, levies or charges resulting from covenants, conditions and restrictions affecting the Property, which are assessed or imposed upon the Property, or become due and payable, and which create, may create or appear to create a lien upon the Property, or any part thereof, or upon any Personal Property, equipment or other facility used in the operation or maintenance thereof (all of which taxes, assessments and other government charges of like nature are hereinafter referred to as "Impositions"); provided, however, that if, by law, any such Imposition is payable, or may at the option of the taxpayer be paid, in installments, Trustor may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.

(b) If at any time after the date hereof there shall be assessed or imposed (i) a tax or assessment on the Property in lieu of or in addition to the Impositions payable by Trustor pursuant to subparagraph 4.(a) hereof, or (ii) a license fee, tax or assessment upon the amount of the outstanding obligations secured hereby, then all such taxes, assessments or fees shall be deemed to be include within the term "Impositions" as defined in subparagraph 4.(a) hereof, and Trustor shall pay and discharge the same as herein provided with respect to the payment of Impositions or, at the option of Beneficiary, all obligations secured hereby together with all accrued interest thereon, shall immediately become due and payable. Anything to the contrary herein notwithstanding, Trustor shall have no obligation to pay any franchise, estate, inheritance, income, excess profits or similar tax levied on Beneficiary.

(c) Trustor shall have the right before any delinquency occurs to contest or object to the amount or validity of any such Imposition by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying or extending Trustor's covenant to pay any such Imposition at the time and in the manner provided in this Paragraph 4, unless Trustor has given prior written notice to Beneficiary of Trustor's intent to so contest or object to an Imposition, and unless, at Beneficiary's sole option, (i) Trustor shall demonstrate to Beneficiary's satisfaction that the legal proceedings shall conclusively operate to prevent the sale of the Property, or any part thereof, to satisfy such Imposition prior to final determination of such proceedings; or (ii) Trustor shall furnish a good and sufficient bond or surety as requested by and satisfactory to Beneficiary; or (iii) Trustor shall have provided a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of such proceedings.

(d) In furtherance of the foregoing and anything to the contrary herein notwithstanding, Trustor shall pay to Beneficiary, on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, an amount equal to one-twelfth of the annual Imposition reasonably estimated by Beneficiary to pay the installment of taxes next due on the Property and also an amount equal to one-twelfth of the annual insurance premiums, as well as all city taxes, if any, and all special assessments. Trustor further agrees to cause all bills, statements or other documents relating to Impositions to be sent or mailed directly to Beneficiary. Upon receipt of such bills, statements or other documents, and providing Trustor has deposited sufficient funds with Beneficiary pursuant to this Paragraph 4, Beneficiary shall pay such amounts as may be due thereunder out of the funds so deposited with Beneficiary. If at any time and for any reason the funds deposited with Beneficiary

are or will be insufficient to pay such amounts as may then or subsequently be due, Beneficiary shall notify Trustor and Trustor shall immediately deposit an amount equal to such deficiency with Beneficiary. Notwithstanding the foregoing, nothing contained herein shall cause Beneficiary to be deemed a trustee of said funds or to be obligated to pay any amounts in excess of the amount of funds deposited with Beneficiary pursuant to this Paragraph 4. Beneficiary shall not be obliged to pay or allow any interest on any sums held by Beneficiary pending disbursement or application hereunder, and Beneficiary may impound or reserve for future payment of Impositions and insurance premium such portion of such payments as Beneficiary may in its absolute discretion deem proper, applying the balance on the principal of or interest on the obligations secured hereby. Should Trustor fail to deposit with Beneficiary (exclusive of that portion of said payments which has been applied by Beneficiary on the principal of or interest on the indebtedness secured by the Loan Documents) sums sufficient to fully pay such Impositions and/or insurance premium at least thirty (30) days before delinquency thereof, Beneficiary may, at Beneficiary's election, but without any obligation so to do, advance any amounts required to make up the deficiency, which advances, if any, shall be secured hereby and shall be repayable to Beneficiary as herein elsewhere provided, or at the option of Beneficiary the latter may, without making any advance whatever, apply any sums held by it upon any obligation of the Trustor secured hereby. Should any default occur or exist on the part of the Trustor in the payment or performance of any of Trustor's and/or any guarantor's obligations under the terms of the Loan Documents, Beneficiary may, at any time at Beneficiary's option, apply any sums or amounts in its hands received pursuant to any of the Loan Documents, or as rents or income of the Property or otherwise, upon any indebtedness or obligation of the Trustor secured hereby in such manner and order as Beneficiary may elect. The receipt, use or application of any such sums paid by Trustor to Beneficiary hereunder shall not be construed to affect the maturity of any indebtedness secured by this Deed of Trust or any of the rights or powers of Beneficiary or Trustee under the terms of the Loan Document or any of the obligations of Trustor and/or any guarantor under the Loan Documents. Beneficiary may not commingle said reserve with its own funds, and Trustor shall be entitled to no interest thereon.

(e) Trustor covenants and agrees not to suffer, permit or initiate the joint assessment of the real and personal property, or any other procedure whereby the lien of the real property taxes and the lien of the personal property taxes shall be assessed, levied or charged to the Property as a single lien.

5. UTILITIES. To pay when due all utility charges which are incurred by Trustor for the benefit of the Property or which

may become a charge or lien against the Property for gas, electricity, water or sewer services furnished to the Property and all other assessments or charges of a similar nature, whether public or private, affecting the Property or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

6. EVIDENCE OF TITLE. To deliver to, pay for and maintain with Beneficiary until the indebtedness secured hereby is paid in full, such evidence of title as Beneficiary may require, including abstract of title or policies of title insurance and any extensions or renewals thereof or supplements thereto.

7. DEFENSE OF TITLE. To appear in and defend any action or proceeding purporting to affect the security hereof, the title to the Property, or the rights or powers of Beneficiary or Trustee; and should Beneficiary or Trustee elect to appear in or defend any such action or proceeding, to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum incurred by Beneficiary or Trustee.

8. RIGHT TO CURE. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and upon five (5) days notice to Trustor except in emergency circumstances when no notice will be required and without releasing Trustor from any obligation hereof, may: Make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the Property for such purposes, commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor, including cost of evidence of title, employ counsel, and pay his reasonable fees.

9. REIMBURSEMENT WITH INTEREST. To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the applicable rate in effect under the Note at the time of the expenditure until paid, and the repayment thereof shall be secured hereby.

10. LATE CHARGE. To pay Beneficiary a "late charge" of five cents (\$.05) for each One Dollar (\$1.00) of each payment due hereunder or due pursuant to the aforesaid Promissory Note of even date hereof which is not either received by Beneficiary or Beneficiary's agent on or before the fifteenth (15th) day after

any such payment is due or when received by Beneficiary such payment is evidenced by a postmark indicating the payment was mailed before said fifteenth (15th) day. This payment shall be made to cover the extra expense involved in handling delinquent payments.

IT IS MUTUALLY AGREED THAT:

11. CASUALTY OR CONDEMNATION LOSS. Should the Property or any substantial part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, Beneficiary shall be entitled to all compensation, awards, and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage but any such compromise or settlement should require the consent of Trustor which should not be unreasonably withheld. Subject to Paragraph 2.(e) above, all such compensation, awards, damages, rights or action and proceeds, including the proceeds of any policies of fire and other insurance affecting said Property, are hereby assigned to Beneficiary, who may, after deducting therefrom all of its expenses, including attorney's fees, apply the same on any indebtedness secured hereby, and any excess shall be paid to Trustor. Trustor agrees to execute such further assignments of any compensation, award, damages, and rights of action and proceeds as Beneficiary or Trustee reasonably may require.

12. ACTS OF TRUSTEE. At any time and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Deed of Trust and the Note for endorsement (in case of full reconveyance, for cancellation and retention) without affecting the liability of any person for the payment of the indebtedness secured hereby, and without releasing the interest of any party joining in this Deed of Trust, Trustee may (a) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Deed of Trust or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the Property. The grantee in any reconveyance may be described as "the person or persons entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustor agrees to pay reasonable trustee's fees for any of the services mentioned in this paragraph.

13. ASSIGNMENT OF RENTS. As additional security, Trustor hereby assigns to Beneficiary, during the continuance of these trusts, all rents, issues, royalties, and profits of the Property

affected by this Deed of Trust and of any Personal Property located thereon. Until Trustor shall default in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, Trustor shall have the right to collect all such rents, issues, royalties, and profits earned prior to default as they become due and payable but not more than one month in advance. If Trustor shall default as aforesaid, Trustor's right to collect any of such moneys shall cease and Beneficiary shall have the right, with or without taking possession of the Property affected hereby, to collect all rents, royalties, issues, and profits. Failure or discontinuance of Beneficiary at any time or from time to time to collect any such moneys shall not in any manner affect the subsequent enforcement by Beneficiary of the right, power, and authority to collect the same. Nothing contained herein, nor the exercise of the right by Beneficiary to collect, shall be, or be construed to be, an affirmation by Beneficiary of any tenancy, lease or option, nor an assumption of liabilities under, nor a subordination of the lien or charge on this Deed of Trust to any such tenancy, lease or option.

14. COLLECTION OF RENTS, ETC. ON DEFAULT. Upon any default by Trustor hereunder, Beneficiary at any time without notice either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Property or any part thereof, in its own name sue for or otherwise collect said rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine.

15. NON-WAIVER. The entering upon and taking possession of the Property, the collection of such rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking or damage of the Property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. Furthermore, the failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Beneficiary of any default shall not constitute a waiver of any other or subsequent default.

16. TIME OF ESSENCE. Time is of the essence hereof. Upon default by Trustor in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of Beneficiary. In the event of such default, Beneficiary

may execute or cause Trustee to execute a written notice of default and of election to cause the Property to be sold to satisfy the obligations hereof, and Trustee shall file such notice for record in each county wherein the Property or some part or parcel thereof is situated. Beneficiary also shall deposit with Trustee the note and all documents evidencing expenditures secured hereby.

17. EXERCISE OF POWER OF SALE. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of default and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the Property on the date and at the time and place designated in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine (but subject to any statutory right of Trustor to direct the order in which such property, if consisting of several known lots or parcels, shall be sold), at public auction to the highest bidder, the purchase price payable in lawful money of the United States at the time of sale. The person conducting the sale may, for any cause he deems expedient, postpone the sale from time to time until it shall be completed and, in every such case, notice of postponement shall be given by public declaration thereof by such person at the time and place last appointed for the sale in accordance with law. Trustee shall execute and deliver to the purchaser its Deed conveying the Property so sold, but without any covenant of warranty, express or implied. The recitals in the Deed of any matters of fact shall be prima facie evidence of the truthfulness thereof. Any person, including Beneficiary, may bid at the sale. Trustee shall apply the proceeds of the sale to payment of (1) the costs and expenses of exercising the power of sale and of the sale, including the payment of the Trustee's expenses and attorney's fees; (2) cost of any evidence of title procured in connection with such sale and revenue stamps on Trustee's Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at the Default Rate set forth in the Note from date of expenditures; (4) all other sums then secured hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto, or the Trustee, in its discretion, may deposit the balance of such proceeds with the County Clerk of the county in which the sale took place.

18. SURRENDER OF POSSESSION. Trustor agrees to surrender possession of the hereinabove described Trust property to the Purchaser at the aforesaid sale, immediately after such sale, in the event such possession has not previously been surrendered by Trustor.

19. ACCELERATION. Upon the occurrence of any default hereunder, Beneficiary shall have the option to declare all sums secured hereby immediately due and payable and foreclose this Deed of Trust in the manner provided by law for the foreclosure of mortgages on real property and Beneficiary shall be entitled to recover in such proceedings all costs and expenses incident thereto, including a reasonable attorneys fee in such amount as shall be fixed by the court.

20. SUCCESSOR TRUSTEE. Beneficiary may appoint a successor trustee at any time by filing for record in the office of the County Recorder of each county in which the Property or some part thereof is situated, a substitution of trustee. From the time the substitution is filed for record, the new trustee shall succeed to all the powers, duties, authority and title of the trustee named herein or of any successor trustee. Each such substitution shall be executed and acknowledged, and notice thereof shall be given and proof thereof made, in the manner provided by law.

21. HEIRS, SUCCESSORS, ETC., DEFINITIONS. This Deed of Trust shall apply to, inure to the benefit of, and bind all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. All obligations of Trustor hereunder are joint and several. The term "Beneficiary" shall mean the owner and holder, including any pledgee, of the Note secured hereby. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

22. ACCEPTANCE OF TRUST. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made 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 be a party, unless brought by Trustee.

23. GOVERNING LAW. This Deed of Trust shall be construed according to the laws of the State of Utah.

24. REQUEST FOR NOTICE OF DEFAULT. The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to him at the address hereinbefore set forth.

25. SECURITY AGREEMENT.

(a) Creation of Security Interest. Trustor hereby grants to Beneficiary a security interest in the fixtures owned

by Trustor, both tangible and intangible, and located on or at the Property, including, without limitation, replacements, substitutions, after-acquired property and any and all property of similar type or kind hereafter located on or at the Property for the purpose of securing all obligations of Trustor contained in any of the Loan Documents, and together with any other fixtures of any type or nature that secures obligations of the Trustor arising under the Loan Documents.

(b) Warranties, Representations and Covenants of Trustor. Trustor hereby warrants, represents and covenants as follows:

(i) Trustor is, and as to portions of the fixtures to be acquired after the date hereof will be, the sole owner of the Personal Property, free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever. Trustor will notify Beneficiary of, and will defend the Personal Property against, all claims and demands of all persons at any time claiming the same or any interest therein.

(ii) Except in the ordinary course of business, Trustor will not lease, sell, convey or in any manner transfer the fixtures without the prior written consent of Beneficiary.

(iii) The fixtures is not used or bought for personal, family, or household purposes.

(iv) The fixtures will be kept on or at the Property, and Trustor will not remove the fixtures from the Property without the prior written consent of Beneficiary, except such portions or items of fixtures which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Trustor.

(v) Trustor maintains a place of business in the State of Utah and Trustor will immediately notify Beneficiary in writing of any change in its place of business as set forth in the beginning of this Deed of Trust.

(vi) At the request of Beneficiary, Trustor will join Beneficiary in executing one or more financing statements and renewals and amendments thereof pursuant to the Uniform Commercial Code of Utah in form satisfactory to Beneficiary, and will pay the cost of filing the same in all public offices wherever filing is deemed by Beneficiary to be necessary or desirable.

(vii) All covenants and obligations of Trustor contained herein relating to the Property shall be deemed to

apply to the fixtures whether or not expressly referred to herein.

(viii) This Deed of Trust constitutes a Security Agreement as that term is used in the Uniform Commercial Code of Utah.

26. SUBORDINATION AND APPROVAL OF LEASES. Beneficiary may, at its sole option, require that any and/or all of the leases affecting the Property be made subject and subordinate to the lien of this Deed of Trust and related security instruments. Similarly, Beneficiary may require that any and/or all of the leases affecting the Property be made superior and prior to the lien of the Loan Documents. Trustor covenants that it will fully perform all of its duties as Lessor under any lease pertaining to the Property. If Trustor shall default under any such lease, it shall also constitute a default under this Trust Deed.

27. DUE ON SALE, OTHER LIENS AND OTHER SECURITY INTERESTS. Trustor covenants and agrees whether voluntarily or by operation of law not to sell, transfer, convey, mortgage, encumber or hypothecate any part of the legal or equitable title or ownership of the Property or any interest therein or grant any option or change the ownership or structure of Trustor in any manner without the prior written consent of Beneficiary. Any violation of this provision shall be deemed a default hereunder and shall entitle Beneficiary to accelerate the loan. In the event of any such sale or transfer of all or any part of the Property, the purchaser or transferee shall be deemed to have assumed or agreed to pay the indebtedness owing the Beneficiary hereunder, whether or not an instrument evidencing such sale or transfer expressly so provides, and the Beneficiary may deal with such new owner or owners with reference to the debt secured hereby in the same manner as if the new purchaser or transferee were the Trustor; provided, however, that no such dealings shall in any way discharge the Trustor's liability hereunder or upon the indebtedness hereby secured.

Trustor hereby covenants that no lien of any mechanics or materialmen has attached, or may validly attach, to the Property or any part thereof; that Trustor will pay all sums which if not paid may result in the acquisition or creation of a lien prior to or of equal priority with or junior to the lien of this Deed of Trust, or which may result in conferring upon a tenant of any part of the Property a right to recovery such sums as prepaid rent or as a credit or offset against any future rental obligation; that Trustor will not use the Property for any purpose which violates any federal or state law, governmental regulation or local ordinance; and, that Trustor will not grant any other lien or security interest on any part of the Property

or Personal Property without full disclosure to and prior written consent by Beneficiary.

28. EVENTS OF DEFAULT. Any of the following shall constitute a "default" hereunder:

(a) The failure to pay in full, when due, any payment required hereunder or under the Note or any other agreement securing the Note within fifteen (15) days after the due date thereof or expiration of any grace period specified in the Note;

(b) The filing of any petition or the commencement of any case or proceeding by Trustor or any endorser or guarantor of the Note under any provision or chapter of the Federal Bankruptcy Act, the Federal Bankruptcy Code, or any other federal or state law relating to insolvency, bankruptcy, or reorganization; or an adjudication that Trustor or any such guarantor or endorser is insolvent or bankrupt; or the entry of an order for relief under the Federal Bankruptcy Code with respect to Trustor or any such guarantor or endorser;

(c) The filing of any such petition or the commencement of any such case or proceeding against Trustor or against any endorser or guarantor, unless such petition and the case or proceeding initiated thereby are dismissed within thirty (30) days from the date of such filing; the filing of an answer by Trustor or such endorser or guarantor admitting the allegations of any such petition; or the appointment of or the taking of possession by a custodian, trustee or receiver for all or any assets of Trustor or any such endorser or guarantor, unless such appointment is vacated or dismissed or such possession is terminated within thirty (30) days from the date of such appointment or commencement of such possession, but not later than five (5) days before the proposed sale of any assets of Trustor or any such endorser or guarantor by such custodian, trustee, or receiver, other than in the ordinary course of the business of Trustor or such endorser or guarantor;

(d) The insolvency of Trustor or of any guarantor or endorser of the Note; or the execution by Trustor or any such guarantor or endorser of an assignment for the benefit of creditors; or the convening by Trustor or any such guarantor or endorser of a meeting of its creditors, or any class thereof, for the purposes of effecting a moratorium upon or extension or composition of its debts; or if Trustor or any such guarantor or endorser is generally not paying its debts as they mature;

(e) The admission in writing by Trustor or any endorser or guarantor of the Note that it is unable to pay its debts as

they mature or that it is generally not paying its debts as they mature;

(f) The liquidation, termination, or dissolution of any guarantor or endorser of the Note who are corporations, partnerships, or joint ventures under the laws of the state under which such entities are organized resulting in a conclusion by Beneficiary in its reasonable discretion that it is insecure as a result thereof;

(g) The failure of Trustor to make any deposit of funds required hereunder within the time period provided herein, or in the absence of such a provision, within fifteen (15) days after written demand therefor from Beneficiary;

(h) The existence of any encroachment which has occurred without the approval of Beneficiary and which is not removed or corrected within thirty (30) days after written notice to Trustor of the existence thereof;

(i) The filing of any claim or lien against the Property, any improvements thereon or any part thereof, or any interest or right made appurtenant thereto and the continued maintenance of said claim of lien for a period of thirty (30) days without discharge or satisfaction thereof or provision therefor satisfactory to Beneficiary in accordance with the terms hereof, including the posting of a bond or indemnification satisfactory to Beneficiary or the demonstration to Beneficiary's reasonable satisfaction of Trustor's ability to discharge or satisfy said claim or notice;

(j) The demolition, destruction or substantial damage of the Property so that in Beneficiary's reasonable judgment it cannot be restored or rebuilt with available funds to a profitable condition within a reasonable time;

(k) The failure of the Trustor within thirty (30) days after written notice from Beneficiary to fully perform any and all covenants and agreements hereunder or under the Note, or the occurrence of a default hereunder or under the Note or any instrument given to secure or guaranty the Note, or under any other indebtedness in favor of or owned by Beneficiary, irrespective of whether Beneficiary elects pursuant to a provision thereunder to declare the entire unpaid principal sum together with all interest thereon plus any other sums due thereunder immediately due and payable; provided that if a failure to fully perform or an occurrence of a default is specifically covered elsewhere herein, in the Note or in any other instrument or loan document, the provisions of this subparagraph 28.(k) shall not be applicable in such a situation

and the requirement of notice and/or period to cure, if any, set forth in such other reference shall control.

(l) The sale, lease (except in the ordinary course of operating the Property), exchange, conveyance, transfer, mortgage, assignment, pledge or encumbrance, either voluntarily or involuntarily, or the agreement to do so, without the prior written consent of the Beneficiary being first obtained, other than easements not adversely affecting the value of the Property and leases to the extent otherwise permitted hereunder, or the levy, attachment or seizure pursuant to court order ("Order") of the right, title or interest of Trustor or of any successor to Trustor, in and to the Trust Property.

(m) The failure of Trustor to comply with Environmental Requirements as this term is defined in paragraph 32.

(n) A default is any other obligation of Trustor to Beneficiary.

29. Remedies Upon Default. At any time after a default hereunder and after Beneficiary has given Trustor such notice of default as may be required under the applicable subparagraph of Paragraph 28 above, Beneficiary may (if it has not already done so pursuant hereto or to the Note), at its option, and without further notice or demand, declare all indebtedness secured hereby immediately due and payable, and irrespective of whether Beneficiary exercises such option, and regardless of: (i) Beneficiary's delay in exercising such option; (ii) Beneficiary's failure to exercise such option on the occasion of any prior default or abandonment; or (iii) the adequacy of Beneficiary's security, it may, at its option and in its sole discretion, without any additional notice or demand to or upon Trustor, do one or more of the following:

(a) Beneficiary may in person or by agent or by the appointment of a receiver enter upon, take possession of, manage and operate the Property or any part thereof; make repairs and alterations, and do any acts which Beneficiary deems proper to protect the security hereof or to operate or maintain the Property; and either with or without taking possession, in its own name, sue for or otherwise collect and receive rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. Without limiting the generality of the foregoing, Beneficiary may make, modify, enforce, cancel or accept surrender of any Lease, remove and evict any Lessee, increase or decrease Rents under any Lease, appear in and defend any action or proceeding purporting

to affect the Property, and perform and discharge each and every obligation, covenant and agreement of Trustor contained in any Lease. Upon request of Beneficiary, Trustor shall assemble and make available to Beneficiary at the Property, any of the Personal Property or fixtures which has been removed therefrom. The entering upon and taking possession of the Property, the collection of any rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default theretofore or thereafter occurring, or affect any notice of default hereunder or invalidate any act done pursuant to any such notice. Beneficiary or Beneficiary's agent shall have access to the books and records used in the operation and maintenance of the Property and shall be liable to account only for those rents actually received. Beneficiary shall not be liable to Trustor, anyone claiming under or through Trustor or anyone having an interest in the Property by reason of anything done or left undone by Beneficiary. Nothing contained in this paragraph shall require Beneficiary to incur any expense or do any act. If the rents of the Property are not sufficient to meet the costs of taking control of and managing the Property and collecting the rents, any funds expended by Beneficiary for such purposes shall become indebtedness of Trustor to Beneficiary secured by this Trust Deed. Such amounts, together with interest and attorneys' fees if applicable as provided herein shall be immediately due and payable. Notwithstanding Beneficiary's continuance in possession or receipt and application of rents, issues, or profits, Beneficiary shall be entitled to exercise every right provided for in this Trust Deed or by law upon or after the occurrence of a default, including the right to exercise the power of sale. Any of the actions referred to in this paragraph may be taken by Beneficiary at such time as Beneficiary is so entitled, without regard to the adequacy of any security for the indebtedness hereby secured.

(b) Beneficiary shall, without regard to the adequacy of any security for the indebtedness hereby secured, be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession of and protect the Property, and operates the same and collect the rents, issues and profits therefrom.

(c) Beneficiary may bring an action in any court of competent jurisdiction to foreclose this Trust Deed or to enforce any of the covenants hereof. If this Trust Deed is foreclosed by judicial proceedings, the Beneficiary shall be entitled to a judgment which shall provide that if the foreclosure sale proceeds are insufficient to satisfy the judgment, execution may issue for any amount by which the unpaid balance of the obligations secured by this Trust Deed exceeds the net sale proceeds

payable to Beneficiary. Beneficiary shall be entitled to possession of the property during any period of redemption.

(d) Beneficiary may elect to cause the Property or any part thereof to be sold pursuant to the power of sale granted herein in accordance with the laws of the State of Utah:

(i) Beneficiary may proceed as if all of the Property were real property, in accordance with subparagraph 29.(d)(iv) below, or Beneficiary may elect to treat any of the Property which consists of a right in action or which is property that can be severed from the Property without causing structural damage thereto as if the same were personal property, and dispose of the same in accordance with subparagraph 29.(d)(iii) below, separate and apart from the sale of real property, the remainder of the Property being treated as real property.

(ii) Beneficiary may cause any such sale or other disposition to be conducted immediately following the expiration of any grace period, if any, herein provided (or immediately upon the expiration of any redemption period required by law) or Beneficiary may delay any such sale or other disposition for such period of time as Beneficiary deems to be in its best interest. Should Beneficiary desire that more than one such sale or other disposition be conducted, Beneficiary may at its option, cause the same to be conducted simultaneously, or successively on the same day, or at such different days or times and in such order as Beneficiary may deem to be in its best interest.

(iii) Should Beneficiary elect to cause any of the Property to be disposed of as personal property as permitted by subparagraph 29.(d)(i) above, it may dispose of any part thereof in any manner now or hereafter permitted by the Utah Uniform Commercial Code or in accordance with any other remedy provided by law. Both Trustor and Beneficiary shall be eligible to purchase any part or all of the Property at any such disposition. Any such disposition may be either public or private as Beneficiary may so elect, subject to the provisions of the Utah Uniform Commercial Code. Beneficiary shall give Trustor at least ten (10) days prior written notice of the time and place of any public sale or other disposition of such property or of the time at or after which any private sale or any other intended disposition is to be made, and if such notice is sent to Trustor it shall constitute reasonable notice to Trustor.

(iv) Should Beneficiary elect to sell any part of the Property which is real property or which Beneficiary has elected to treat as real property, upon such election Beneficiary or Trustee shall give such notice of default and election to sell as may then be required by law. Thereafter, upon the expiration

of such time and the giving of such notice of sale as may then be required by law, Trustee, at the time and place specified by the notice of sale, shall sell such Property or any portion thereof specified by Beneficiary, at public auction to the highest bidder for cash in lawful money of the United States. Trustee may, and upon request of Beneficiary, shall, from time to time, postpone the sale by public announcement thereof at the time and place noticed therefor. If the Property consists of several lots of parcels, Beneficiary may designate the order in which such lots or parcels shall be offered for sale or sold. Any person, including Trustor, or Beneficiary, but not the Trustee, may purchase at the sale. Upon any sale Trustee shall execute and deliver to the purchaser or purchasers a deed or deeds conveying the property so sold, but without any covenant or warranty whatsoever, express or implied, whereupon such purchaser or purchasers shall be let into immediate possession.

(v) In the event of a sale or other disposition of any such property, or any part thereof, and the execution of deed or other conveyance, pursuant thereto, the recitals therein of facts, such as a default, the giving of notice of default and notice of sale, demand that such sale should be made, postponement of sale, terms of sale, sale, purchaser, payment of purchase money, and any other fact affecting the regularity or validity of such sale or disposition, shall be conclusive proof of the trust of such facts; and any such deed or conveyance shall be conclusive against all persons as to such facts recited therein;

(vi) Beneficiary and/or Trustee shall apply the proceeds of any sale or disposition hereunder to payment as previously provided herein, except in such other order as may be required to comply with applicable Utah law.

(e) The remedies listed herein are illustrative only and Beneficiary shall also have any and all other rights in law or equity, whatever they may be.

No remedy herein provided shall be exclusive of any other remedy which now exists or which may hereafter exist by law. Every power or remedy hereby given to Trustee or Beneficiary or to which either of them may be otherwise entitled, may be exercised from time to time and as often as may be deemed expedient by them, and either of them may pursue inconsistent remedies. If Beneficiary holds any additional security for any obligation secured hereby, it may enforce the same at its option, either before, contemporaneously with or after the sale is made hereunder, and on any default, Beneficiary may, at its option, offset against any indebtedness owing by it to Trustor, the whole or any part of the indebtedness secured hereby, and Beneficiary

is hereby authorized and empowered at its option, without any obligation so to do, and without affecting the obligation hereof, to apply toward the payment of any indebtedness of Trustor to Beneficiary, any and all sums of money of Trustor which Beneficiary may have in its possession or under its control including without limitation, any savings account, deposit, investment certificate, escrow, trust funds or amounts held by Beneficiary. Trustor for itself and all who may claim through or under it hereby waives, to the extent permitted by law, any and all right (a) to have the Property or any portion thereof or any other property securing Trustor's obligations under the Reimbursement Agreement marshalled upon any foreclosure of the lien thereof or of any other instruments, documents or agreements securing repayment of Trustor's obligations under the Note or otherwise and agrees that any court having jurisdiction to foreclose such lien may order the Property and such other property sold as an entirety; (b) to direct the order of the sale of the Property or any other property securing Trustor's obligations under the Note or otherwise and agrees that Beneficiary may exhaust the security given for such obligations in any order; and (c) relating to procedural or substantive limitations on the recovery of any deficiency, such as those set forth in Section 57-1-32 of the Utah Code Ann. 1953, as amended, including, without limitation, any requirement that Beneficiary or Trustee establish a deficiency in connection with the indebtedness secured hereby prior to the time that all of the security given for payment of amounts due has been exhausted.

30. NO SECONDARY FINANCING. Trustor covenants that it will not create or permit to be created or filed against the Property any mortgage lien or other lien or liens inferior or superior to the lien of this Deed of Trust.

31. ADDITIONAL LEASE REQUIREMENTS. Trustor covenants that it will require all tenants of the Property in all future leases, lease renewals and lease options, to comply with The American's With Disabilities Act of 1990 and that provisions requiring this shall be included in all such documents and agreements.

32. NO PARTNERSHIP. Nothing in this Deed of Trust or any of the other Loan Documents is intended to create nor shall be construed as creating any partnership, joint venture, or any other similar relationship between Trustor and Beneficiary or any other person or entity.

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the day and year first above written.

TRUSTORS:

G. Norman George
G. NORMAN GEORGE

Sue S. George
SUE S. GEORGE

STATE OF UTAH)
):SS.
COUNTY OF DAVIS)

The foregoing instrument was acknowledged before me this 30th day of September, 1993, by G. NORMAN GEORGE and SUE S. GEORGE, who personally appeared before me as the signers of the foregoing Deed of Trust.



Gordon Gurr, Jr.
NOTARY PUBLIC

My Comm. Expires: 10/31/96