

Recording requested by
and when recorded mail to:

Fair Seas Property, LLC
1714 Buchanan Street NE
Minneapolis, MN 55413



DEED OF TRUST AND SECURITY AGREEMENT

**THE MAXIMUM PRINCIPAL INDEBTEDNESS SECURED BY
THIS DEED OF TRUST IS \$55,000.**

THIS DEED OF TRUST AND SECURITY AGREEMENT (this "Deed of Trust") is made and entered into as of August 31, by **Chad Eastman** ("Grantor"), whose addresses are 11363 S Sandbank Drive, South Jordan Utah, in favor of a trustee to be named, as Trustee (the "Trustee"), and **Fair Seas Property, LLC** with principal offices at 1714 Buchanan Street NE, Minneapolis, MN 55413 (the "Lender"). Any capitalized term used herein but not defined shall have the meaning ascribed to such term in that certain Promissory Note of even date herewith between Grantor and Lender (as amended from time to time, the "Promissory Note").

WITNESSETH:

WHEREAS, Grantor is justly indebted to Lender in the principal amount of Fifty-Five Thousand and No/100 Dollars (\$55,000) (the "Loan"), such indebtedness being evidenced by the Promissory Note of even date herewith ("the Obligations"); and

WHEREAS, Grantor desires to secure the Obligations, including, but not limited to, the obligation to pay the principal of and interest on the Promissory Note in accordance with the respective terms thereof, including any and all extensions, modifications, and renewals thereof and substitutions therefor.

NOW, THEREFORE, for and in consideration of Lender making the Loan and to secure the prompt payment and performance of the Obligations, Grantor does hereby irrevocably CONVEY, WARRANT, GRANT, BARGAIN, SELL, ASSIGN, TRANSFER, PLEDGE and set over unto Trustee and the successors and assigns of Trustee, in trust, with power of sale, all of Grantor's right, title and interest of whatever kind, nature or description, whether now owned or hereafter acquired, and wherever located (hereinafter referred to as "Grantor's Interest"), in and to the following described land and interests in land, estates, easements, rights, improvements, personal property, fixtures, equipment, furniture, furnishings, appliances and appurtenances, whether now owned or hereafter acquired, and including replacements and additions thereto (herein referred to collectively as the "Mortgaged Property"):

(a) All those certain tracts, pieces or parcels of land, and interests in land, located in 11363 S Sandbank Drive, South Jordan Utah, more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Land");

(b) All buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, and all gas and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, elevators and motors, plumbing and heating fixtures, carpeting and other floor coverings, water heaters, awnings and storm sashes, and cleaning apparatus which are or shall be attached to said buildings, structures or improvements, and all other furnishings, furniture, fixtures, machinery, equipment, appliances, vehicles and personal property of every kind and nature whatsoever now or hereafter owned by Grantor and located in, on or about, or used or intended to be used with or in connection with the construction, use, operation or enjoyment of the Mortgaged Property, including all extensions, additions, improvements, betterments, renewals and replacements, substitutions, or proceeds from a permitted sale of any of the foregoing, and all building materials and supplies of every kind now or hereafter placed or located on the Land (collectively the "Improvements"), all of which are hereby declared and shall be deemed to be fixtures and accessions to the Land and a part of the Mortgaged Property as between the parties hereto and all Persons claiming by, through or under them, and which shall be deemed to be a portion of the security for the indebtedness herein described and to be secured by this Deed of Trust;

(c) All easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, minerals, flowers, shrubs, crops, trees, timber and other emblements now or hereafter located on the Land or under or above the same or any part or parcel thereof, and all ground leases, estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances, reversions, and remainders whatsoever, in any way belonging, relating or appertaining to the Mortgaged Property or any part thereof, or that hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Grantor;

(d) All rents, issues, profits, revenues and proceeds from any sale or other disposition of the Mortgaged Property, or any part thereof, from time to time accruing (including without limitation all payments under leases, ground leases or tenancies, proceeds of insurance, condemnation payments, tenant security deposits and escrow funds), and all of the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Grantor of, in and to the same; and

(e) All leases (whether presently existing or hereafter made, whether written or verbal, and including any agreement for the letting of or for the use or occupancy of any part of the Mortgaged Property (collectively, the "Assigned Leases"), including each modification, extension, renewal and guaranty thereof), rents, issues, profits, revenues and proceeds from any sale, lease or other disposition of the Mortgaged Property, or any part thereof, from time to time accruing (including without limitation all payments under leases, ground leases or tenancies, proceeds of insurance, condemnation payments, tenant security deposits and escrow funds, and all claims and rights to the payment of money at any time arising in connection with any rejection or breach of any lease under Bankruptcy Law, including, without limitation, all the rents, issues, and profits now due and which may hereafter become due under or by virtue of the Assigned Leases (collectively, the "Rents"), together with all claims and rights to the payment of money at any time arising in connection with any rejection or breach of any of the Assigned Leases under Bankruptcy Law, including without limitation, all rights to recover damages arising out of such breach or rejection, all rights to charges payable by a tenant or trustee in respect of the leased premises following the entry of an order for relief under the Bankruptcy Law in

respect of a tenant and all rentals and charges outstanding under the Assigned Lease as of the date of entry of such order for relief, and all of the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Grantor of, in and to the same.

TO HAVE AND TO HOLD the Mortgaged Property and all parts, rights, members and appurtenances thereof, to the use and benefit of Lender and the successors, successors-in-title and assigns of Lender, forever; and Grantor covenants that Grantor is lawfully seized and possessed of Grantor's Interest in the Mortgaged Property as aforesaid and has good right to convey the same, that the same are unencumbered except for those matters expressly set forth in Exhibit A hereto, and Grantor does warrant and will forever defend the title thereto against the claims of all Persons whomsoever, except as to those matters set forth in said Exhibit A.

The lien of this Deed of Trust automatically will attach to any further, greater, additional or different estate, rights, titles or interests in or to any of the Mortgaged Property at any time hereafter acquired by Grantor by whatsoever means and without any further action or filing or recording on the part of Grantor or Lender or any other Person.

PROVIDED, HOWEVER, that should the Obligations be paid according to the tenor and effect thereof, and should Grantor have performed all covenants contained in the Promissory Note and Lender shall not be obligated to extend further credit to Grantor, then this Deed of Trust shall be canceled and released of record.

GRANTOR HEREBY COVENANTS AND AGREES WITH LENDER AS FOLLOWS:

ARTICLE I

1.01 Payment and Performance of Loan Documents. Grantor will perform, observe and comply with all the provisions hereof, and of each of the covenants contained in the Promissory Note, including, but not limited to, the due and punctual payment by Grantor of the principal amount due under the Promissory Note, together with interest thereon, and all other sums of money required to be paid by Grantor, without any deductions, credits or set-offs whatsoever.

1.02 Security Agreement. With respect to all personal property (the "Personal Property") constituting part of the Mortgaged Property that is subject to Article 9 of the Uniform Commercial Code as enacted in the state where the Land is situated (the "UCC"), this Deed of Trust is hereby made and declared to be a security agreement encumbering each and every item or type of Personal Property listed herein or included herein as a part of the Mortgaged Property, in compliance with the provisions of the UCC, and Grantor hereby grants to Lender a security interest in said items and personal property. Grantor hereby authorizes Lender to file a financing statement or statements reciting this Deed of Trust to be a security agreement affecting all of said Personal Property. The remedies for any violation of the covenants, terms and conditions of the security agreement contained in this Deed of Trust, or otherwise in respect of an Event of Default hereunder, shall be (a) as prescribed herein, or (b) as prescribed by general Law, or (c) as prescribed by the specific statutory consequences now or hereafter enacted and specified in the UCC, all at Lender's sole election. Grantor agrees that the filing of such financing statement(s) in the records normally having to do with personal property shall not in any way affect the

agreement of Grantor and Lender that everything used in connection with the production of income from the Mortgaged Property or adapted for use therein or that is described or reflected in this Deed of Trust, is, and at all times and for all purposes and in all proceedings both legal or equitable, shall be regarded as part of the real estate conveyed hereby regardless of whether (i) any such item is physically attached to the Improvements, (ii) serial numbers are used for the better identification of certain items capable of being thus identified in an Exhibit to this Deed of Trust, or (iii) any such item is referred to or reflected in any such financing statement(s) so filed at any time. Similarly, the mention in any such financing statement(s) of the rights in and to (A) the proceeds of any fire and/or hazard insurance policy, or (B) any award in eminent domain proceedings for taking or for loss of value, or (C) Grantor's interest as lessor in any present or future lease or rights to income growing out of the use and/or occupancy of the Mortgaged Property, whether pursuant to lease or otherwise, shall not in any way alter any of the rights of Lender as determined by this instrument or affect the priority of Lender's security interest granted hereby or by any other recorded document, it being understood and agreed that such mention in such financing statement(s) is solely for the protection of Lender in the event any court shall at any time hold, with respect to the foregoing items (A), (B), or (C), that notice of Lender's priority of interest, to be effective against a particular class of persons, must be filed in the UCC records. This Deed of Trust may be filed as a financing statement in any office where Lender deems such filing necessary or desirable and Grantor will promptly upon demand reimburse Lender for the costs therefor.

1.03 Use of Mortgaged Property. Grantor covenants that the Land shall not be occupied by the Grantor without the prior written consent of Lender.

1.04 Conveyance of Mortgaged Property. Grantor shall not directly or indirectly encumber (by Lien, junior mortgage, or otherwise), pledge, convey, transfer or assign any or all of its interest in the Mortgaged Property, or any portion thereof, without the prior written consent of Lender.

1.05 Acquisition of Collateral. Grantor shall not acquire any Personal Property subject to any Lien taking precedence over the Lien of this Deed of Trust.

ARTICLE II

2.01 Events of Default. The term "Event of Default", wherever used in this Deed of Trust, shall mean an "Event of Default" as defined in the Promissory Note, or a default under the terms and conditions contained in this Deed of Trust.

2.02 Acceleration of Maturity. If an Event of Default shall have occurred and be continuing, then the Obligations shall, at the option of Lender, immediately become due and payable as provided in the Promissory Note, and no omission on the part of Lender to exercise such option when entitled to do so shall be construed as a waiver of such right.

2.03 Rights and Remedies.

(a) If an Event of Default shall have occurred, then in addition to the rights and remedies provided for under any other agreement between Grantor and Lender or under applicable law, then at the option of Lender this Deed of Trust may be foreclosed in any manner now or hereafter provided by Utah law, and to the extent provided or allowed by Utah law,

Lender, by and through the Trustee or otherwise, may sell the Mortgaged Property or any part of the Mortgaged Property at one or more public sales, provided that the same shall comply with the requirements of applicable Law. The Trustee may offer the property herein conveyed as a whole, regardless of how it is described. At any such sale, Lender, by and through the Trustee or otherwise, may execute and deliver to the purchaser a conveyance of the Mortgaged Property or any part of the Mortgaged Property. Lender, by and through the Trustee or otherwise, shall have the right to enforce any of its remedies set forth herein and as provided in the Promissory Note. In the event of any sale under this Deed of Trust by virtue of the exercise of the powers herein granted, or pursuant to any order in any judicial proceedings or otherwise, the Mortgaged Property may be sold as an entirety or in separate parcels and in such manner or order as Lender in its sole discretion may elect, and if Lender so elects, Lender, by and through the Trustee or otherwise, may sell the personal property covered by this Deed of Trust at one or more separate sales in any manner permitted by the UCC, and one or more exercises of the powers herein granted shall not extinguish or exhaust such powers, until the entire Mortgaged Property is sold or the Obligations are paid in full. If the Obligations are now or hereafter further secured by any chattel mortgages, pledges, contracts of guaranty, assignments of lease or other security instruments, Lender at its option may exhaust the remedies granted under any of said security instruments or this Deed of Trust either concurrently or independently, and in such order as Lender may determine.

Said sale may be adjourned by the Trustee, Lender, or its agent, and reset at a later date without additional publication; provided that an announcement to that effect be made at the scheduled place of sale at the time and on the date the sale is originally set;

(b) In the event of any sale of the Mortgaged Property as authorized by this Section, all prerequisites of such sale shall be presumed to have been performed, and in any conveyance given hereunder all statements of facts, or other recitals therein made, as to the non-payment or non-performance of the Obligations or as to the advertisement of sale, or the time, place and manner of sale, or as to any other fact or thing, shall be taken in all courts of law or equity as prima facie evidence that the facts so stated or recited are true; and

(c) If an Event of Default shall have occurred, Lender may, in addition to and not in abrogation of the rights covered under Subparagraph (a) of this Section, either with or without entry or taking possession as herein provided or otherwise, proceed by a suit or suits in law or in equity or by any other appropriate proceeding or remedy to pursue any other remedy available to it, all as Lender in its sole discretion shall elect.

2.04 Purchase by Lender. Upon any foreclosure sale or sale of all or any portion of the Mortgaged Property under the power herein granted, Lender may bid for and purchase the Mortgaged Property and shall be entitled to apply all or any part of the Obligations as a credit to the purchase price.

2.05 Grantor as Tenant Holding Over. In the event of any such foreclosure sale or sale under the powers herein granted, Grantor (if Grantor shall remain in possession) and all Persons holding under Grantor shall be deemed tenants holding over and shall forthwith deliver possession to the purchaser or purchasers at such sale or be summarily dispossessed according to provisions of Law applicable to tenants holding over.

2.06 Waiver of Appraisalment, Valuation, Etc. Grantor agrees, to the full extent permitted by Law, that in case of an Event of Default, neither Grantor nor anyone claiming through or under Grantor will set up, claim or seek to take advantage of any appraisalment, valuation, stay, extension, homestead, exemption or redemption Laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Deed of Trust, or the absolute sale of the Mortgaged Property, or the delivery of possession thereof immediately after such sale to the purchaser at such sale, and Grantor, for itself and all who may at any time claim through or under it, hereby waives to the full extent that it may lawfully so do, the benefit of all such Laws, and any and all right to have the assets subject to the security interest of this Deed of Trust marshaled upon any foreclosure or sale under the power herein granted.

2.07 Waiver of Homestead. Grantor hereby waives and renounces all homestead and exemption rights provided for by the Constitution and the Laws of the United States and of any state, in and to the Mortgaged Property as against the collection of the Obligations, or any part thereof.

2.08 Leases. Lender, at its option, is authorized to foreclose this Deed of Trust subject to the rights of any tenants of the Mortgaged Property, and the failure to make any such tenants parties to any such foreclosure proceedings and to foreclose their rights will not be, nor be asserted to be by Grantor, a defense to any proceeding instituted by Lender to collect the sums secured hereby.

2.09 Discontinuance of Proceedings. In case Lender shall have proceeded to enforce any right, power or remedy under this Deed of Trust by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Lender, then in every such case, Grantor, Trustee and Lender shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Lender shall continue as if no such proceedings had occurred.

ARTICLE III

3.01 The Trustee.

(a) Except as may expressly be provided by Law to the contrary, the Trustee shall not be liable for any error of judgment or act done by the Trustee in good faith, or be otherwise responsible or accountable to Grantor under any circumstances, nor shall the Trustee be personally liable in case of entry by the Trustee, or anyone entering by virtue of the powers herein granted, upon the Mortgaged Property for debts contracted or liability or damages incurred in the management or operation of the Mortgaged Property. The Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by the Trustee hereunder, believed by the Trustee in good faith to be genuine. The Trustee shall be entitled to reimbursement for expenses incurred by the Trustee in the performance of the Trustee's duties hereunder and to reasonable performance of the Trustee's duties hereunder and to reasonable compensation for such of the Trustee's services hereunder as shall be rendered. Grantor will, from time to time, pay the compensation due to the Trustee hereunder and reimburse the Trustee for, and save the Trustee harmless against, any and all liability and expenses that may be incurred by the Trustee in the performance of the Trustee's duties.

(b) All moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received but need not be segregated in any manner from any other moneys (except to the extent required by Law), and the Trustee shall be under no liability for interest on any money received by the Trustee hereunder.

(c) The Trustee may resign at any time with or without notice. If the Trustee shall die, resign or become disqualified from acting in the execution of this trust or shall fail or refuse to execute the same when requested by Lender so to do, or if, for any reason, Lender shall prefer to appoint a substitute trustee to act instead of the aforementioned Trustee, Lender shall have full power to appoint a substitute trustee and, if preferred, several substitute trustees in succession who shall succeed to all the estates, rights, powers and duties of the aforementioned Trustee. If Lender is a corporation, such appointment may be made by any one of Lender's officers or agents.

(d) Any new Trustee appointed pursuant to any one of the provisions hereof shall, without any further act, deed or conveyance, become vested with all the estates, properties, rights, powers and trusts of its or his predecessor in the rights hereunder with like effect as if originally named as Trustee herein, but nevertheless, upon the written request of Lender or of the successor Trustee, the Trustee ceasing to act shall execute and deliver an instrument transferring to such successor Trustee, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of the Trustee so ceasing to act, and shall duly assign, transfer and deliver any of the property and money held by such Trustee to the successor Trustee so appointed in its or his place.

3.02 Successors and Assigns. This Deed of Trust shall inure to the benefit of and be binding upon Grantor, Trustee and Lender and their respective heirs, executors, legal representatives, successors, successors in title, and assigns. Whenever a reference is made in this Deed of Trust to "Grantor", "Trustee" or "Lender", such reference shall be deemed to include a reference to the heirs, executors, legal representatives, successors, successors in title and assigns of Grantor, Trustee or Lender, as the case may be, but shall not imply any permission to make or permit any transfer which is otherwise prohibited.

3.03 Applicable Law. This Deed of Trust shall be interpreted, construed and enforced according to the laws of the State of Utah without regard to that state's conflict of laws principles.

3.04 Notices. All notices provided for herein shall be given and deemed received when given and received in accordance with the terms of the Promissory Note.

3.05 Assignment. This Deed of Trust is assignable by Lender and any assignment of this Deed of Trust by Lender shall operate to vest in the assignee all rights and powers herein conferred upon and granted to Lender.

3.06 Entire Agreement. THE WRITTEN LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

3.07 Waiver of Jury Trial. THE LENDER BY ITS ACCEPTANCE HEREOF AND THE GRANTOR HEREBY VOLUNTARILY, KNOWINGLY AND INTENTIONALLY WAIVE ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING UNDER THIS NOTE OR CONCERNING THE PROMISSORY NOTE OR THIS DEED OF TRUST. THE GRANTOR ACKNOWLEDGES THAT THIS WAIVER OF JURY TRIAL IS A MATERIAL INDUCEMENT TO THE LENDER IN EXTENDING CREDIT TO THE BORROWER, THAT THE LENDER WOULD NOT HAVE EXTENDED SUCH CREDIT WITHOUT THIS JURY TRIAL WAIVER, AND THAT THE GRANTOR HAS BEEN REPRESENTED BY AN ATTORNEY OR HAS HAD AN OPPORTUNITY TO CONSULT WITH AN ATTORNEY IN CONNECTION WITH THIS JURY TRIAL WAIVER AND UNDERSTANDS THE LEGAL EFFECT OF THIS WAIVER.

* * * * *

IN WITNESS WHEREOF, Grantor has caused this Deed of Trust to be duly executed and delivered as of the day and year first above written.

DEBTOR

By: [Signature]
Name: Chad Eastman

STATE OF UTAH)
COUNTY OF Salt Lake)

On, before me, Jasmine Brown, a notary public in and for the State of Utah, Chad Eastman, personally appeared, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, executed the instrument.

WITNESS my hand and official seal.

Jasmine Brown

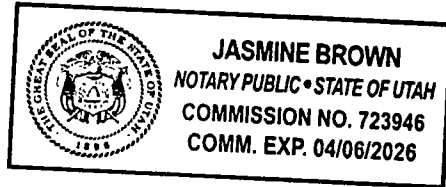


EXHIBIT A

DESCRIPTION OF LAND AND PERMITTED EXCEPTIONS

Lot 413, DAYBREAK VILLAGE 8 PLAT 3 AMENDING LOTS Z101, Z102, Z103 & Z105 OF THE VP DAYBREAK OPERATIONS-INVESTMENTS PLAT 1, ALSO AMENDING A PORTION OF DAYBREAK VILLAGE 8 PLAT 2 SUBDIVISION. ALSO AMENDING A PORTION OF KENNECOTT DAYBREAK VILLAGE 7 SUBDIVISION, South Jordan City Salt Lake County, Utah, according to the official plat thereof.

Tax ID No: 26-23-158-003