

RECORDING REQUESTED BY,
AND WHEN RECORDED RETURN TO:

Grant Macfarlane, Esq.
P.O. Box 188
35 North 50 East
Coalville City, Utah 84017

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ALAN SPRIGGS, SUMMIT CO RECORDER
2001 MAY 24 13:24 PM FEE \$36.00 BY CJW
REQUEST: HIGH COUNTRY TITLE

Recorder's Use

DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT AND FIXTURE FILING

THIS DEED OF TRUST (as it may be amended and modified from time to time, the "Deed of Trust") is made and entered into on May 23, 2001, by and among **Forthcoming Investments, L.C.**, a Wyoming limited liability company, whose mailing address is P.O. Box 4646, Park City, Utah 84060, as trustor ("Trustor"), **High Country Title**, a Utah corporation, whose mailing address is P.O. Box 714, 1729 Sidewinder Drive, Park City, Utah 84060, as trustee ("Trustee"), and **Coalville City**, a Utah municipal corporation, whose mailing address is Coalville City Hall, 10 Main Street, Coalville, Utah 84017, as beneficiary and secured party ("Beneficiary").

WITNESSETH:

WHEREAS, Beneficiary has agreed to make a loan in the principal amount of Six Hundred Fifty-Nine Thousand Six Hundred Sixty-Five and NO/100 Dollars (\$659,665) (the "Loan"), to Trustor and evidenced by a Secured Promissory Note of even date herewith (the "Note"); and

WHEREAS, Beneficiary desires to secure the performance of Trustor's obligations under the Note.

AGREEMENT:

NOW, THEREFORE, upon the terms, covenants and conditions set forth in this Deed of Trust, and for good and valuable consideration, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, (i) Trustor hereby irrevocably grants, transfers, conveys and assigns to Trustee, IN TRUST, WITH POWER OF SALE, for the benefit and security of Beneficiary, under and subject to the terms and conditions hereinafter set forth that certain real property located in Summit County, State of Utah, more particularly described in **Exhibit A** to this Deed of Trust (the "Property"), and (ii) Trustor hereby grants to Beneficiary, as secured party, a security interest in and to any personal property of Trustor now or hereafter related thereto or located thereon; for the benefit and security of Beneficiary, under and subject to the terms and conditions hereinafter set forth;

TOGETHER WITH any and all buildings and other improvements now or hereafter erected on the Property including, without limitation, fixtures, attachments, appliances, equipment, machinery, and other personal property attached to such buildings and other improvements (the "Improvements"), all of which shall be deemed and construed to be a part of the real property; excluding any buildings that Beneficiary elected to remove, as provided in Section 13.1 of the Option Agreement of even date herewith, by and between Trustor and Beneficiary (the "Option Agreement").

TOGETHER WITH all rents, issues, profits, damages, royalties, income and other benefits now or hereafter derived from the Property and the Improvements (collectively the "Rents") subject to the terms and provisions of this Deed of Trust with respect to all leases and subleases of the Property or Improvements now

or hereafter existing or entered into, or portions thereof, granted by Trustor, and further subject to the right, power and authority hereinafter given to Trustor to collect and apply such Rents;

TOGETHER WITH all interests, estates or other claims, both in law and in equity, which Trustor now has or may hereafter acquire in the Property or the Improvements;

TOGETHER WITH all easements, rights-of-way and other rights now owned or hereafter acquired by Trustor used in connection with the Property or the Improvements or as a means of access thereto and all water and water rights and shares of stock evidencing the same;

TOGETHER WITH all leasehold estate, right, title and interest of Trustor in and to all leases or subleases covering the Property or the Improvements or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Trustor thereunder including, without limitation, all rights of Trustor against guarantors thereof, all cash or security deposits, advance rentals, and deposits or payments of similar nature;

TOGETHER WITH all right, title and interest now owned or hereafter acquired by Trustor in and to any greater estate in the Property or the Improvements;

TOGETHER WITH all the estate, interest, right, title, other claim or demand, both in law and in equity that Trustor now has or may hereafter acquire in any of the foregoing, or any other part of the Trust Estate (as defined below), and, except as provided herein, any and all awards made for the taking by eminent domain, or by any proceeding of purchase in lieu thereof, of the whole or any part of the Trust Estate; and

TOGETHER WITH all accessions to, substitutions for and replacements, products, and proceeds of any of the foregoing, including, without limitation, the conversion, voluntary or involuntary, into cash or liquidated claims of, any of the foregoing.

The entire estate, property, right, title and interest hereby conveyed to Trustee may hereafter be collectively referred to as the "**Trust Estate.**"

ARTICLE 1: OBLIGATIONS SECURED

FOR THE PURPOSE OF SECURING, (IN SUCH ORDER OF PRIORITY AS BENEFICIARY MAY ELECT) (the "**Obligations**"):

(a) Payment and performance of all obligations of Trustor under the Note, including without limitation, the payment of indebtedness in the total principal amount of Six Hundred Fifty-Nine Thousand Six Hundred Sixty-Five and NO/100 Dollars (\$659,665), with interest thereon as evidenced by the Note;

(b) The payment and performance of each and every agreement and obligation of Trustor under this Deed of Trust and under any other instrument given to further evidence or secure the payment and performance of any obligations secured by this Deed of Trust;

(c) The payment of all sums expended and advanced by Trustee or Beneficiary pursuant to the terms of this Deed of Trust, together with interest thereon as provided in this Deed of Trust;

(d) The payment and performance of any other agreement or obligation reciting that it is secured by this Deed of Trust; and

005897 10 Bk01372 Pg01054

(e) Any extensions, renewals or modifications of, or advances under the Note, or any of the obligations contained in or otherwise evidenced by the Note, regardless of the extent of or the subject matter of any such extension, renewal, modification or advance.

ARTICLE 2: MAINTENANCE OF TRUST ESTATE

Trustor shall (a) maintain the Property at all times in good condition and repair; (b) not commit any waste of the Property, or remove, damage, demolish, or structurally alter any of improvement on the Property without the consent of Beneficiary; (c) complete promptly and in good and workmanlike manner any building, fixture, or improvement on the Property, or any portion of the Property, which may for any reason be constructed; (d) except to the extent that insurance proceeds are applied by Beneficiary to the satisfaction of the Obligations in accordance with the provisions of **Article 3**, restore promptly and in good and workmanlike manner any of the Improvements or any portion thereof which may for any reason be damaged or destroyed; (e) comply at all times with all laws, ordinances, regulations, covenants and restrictions in any manner affecting the Property; (f) not commit or permit any act upon the Property in violation of law; and (g) do all acts which by reason of the character or use of the Property may be reasonably necessary to maintain and care for the same, the specific enumeration herein not excluding the general.

ARTICLE 3: INSURANCE

3.1 Insurance. Trustor shall at all times maintain insurance to the extent and against such hazards and liabilities as are commonly maintained by persons similarly situated. All insurance policies shall name Beneficiary as additional insured on all liability insurance and as mortgagee and loss payee on all casualty insurance, provide that Beneficiary is to receive thirty (30) days written notice prior to non-renewal or cancellation, be evidenced by a certificate of insurance to be held by Beneficiary, and be in form reasonably acceptable to Beneficiary.

3.2 Rights in Policy. All policies of fire and extended coverage and other casualty insurance required by the terms of this Deed of Trust shall contain an endorsement or agreement by the insurer that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Trustor which might otherwise result in forfeiture of the insurance. The policies shall provide that the insurer will waive all rights of set-off, counterclaim or deduction against Trustor.

3.3 Policies and Premiums. All policies of insurance required pursuant to the provisions of **Section 3.1** shall name Beneficiary as an additional insured and loss payee. Upon request of Beneficiary, Trustor shall furnish Beneficiary with an original policy of all policies of required insurance. Upon request of Beneficiary, all such policies shall contain a provision that such policies will not be canceled or materially amended or altered without at least thirty (30) days prior written notice to Beneficiary. In the event Trustor fails to provide, maintain, keep in force or deliver and furnish to Beneficiary the policies of insurance required by Section 3.1, Beneficiary may, but without any obligation to do so, procure such insurance for such risks covering Beneficiary's interest and Trustor shall pay all premiums thereon promptly upon demand by Beneficiary which sums shall be secured hereby.

3.4 Occurrence and Notice of Casualty. In the event of loss or damage to the Property, or any portion of the Property, Trustor shall immediately give notice thereof to Beneficiary. Beneficiary may, but without any obligation to do so, make proof of loss, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Beneficiary. The insurance proceeds or any part thereof shall be deemed part of the security for the Obligations and shall, at the election of Beneficiary, be applied either to restore or repair the portion of the Property damaged, or to reduce the indebtedness secured by this Deed of Trust (whether or not then due and payable). Except to the extent that insurance proceeds are received by Beneficiary and applied to the indebtedness secured by this Deed of Trust, nothing herein

00589710 Bk01372 Pg01055

contained shall be deemed to excuse Trustor from repairing or maintaining the Property as provided in Article 2 of this Deed of Trust or restoring all damage or destruction to the Property, regardless of whether or not there are insurance proceeds available or whether any such proceeds are sufficient in amount. The application or release by Beneficiary of any insurance proceeds shall not cure or waive any default or notice of default under this Deed of Trust or invalidate any act done pursuant to such notice.

ARTICLE 4: INDEMNIFICATION AND OFF-SET

4.1 Indemnification. Trustor hereby indemnifies and holds Beneficiary harmless in accordance with the following:

(a) Trustor shall indemnify and hold Beneficiary harmless from any and all losses, damages, claims, causes of action, suits, debts, obligations, or liabilities which arise from or are related to, the Note, this Deed of Trust, any other document evidencing or securing the obligations of Trustor under the Note, or the use or occupation of the Property, or any part thereof. If Beneficiary commences an action against Trustor to enforce any of the terms, covenants or conditions of this Deed of Trust because of the breach by Trustor of any of such terms, covenants, or conditions, or for the recovery of any sum secured hereby, Trustor shall pay to Beneficiary attorneys fees and costs actually incurred by Beneficiary. If Trustor breaches any material term, covenant or condition of this Deed of Trust, Beneficiary may employ an attorney or attorneys to protect Beneficiary's rights hereunder and in the event of such employment following any breach of Trustor, Trustor shall pay Beneficiary attorneys fees and costs actually incurred by Beneficiary, whether or not action is actually commenced against Trustor by reason of such material breach; and

(b) If Beneficiary is held liable or could be held liable for, or is subject to any losses, damages, costs, charges or expenses, directly or indirectly on account of any claims for work, labor, or material furnished in connection with or arising from the construction of any building, fixture and improvements, then Trustor shall indemnify, defend and hold Beneficiary harmless from all liability or expense arising therefrom including reasonable attorneys fees and costs.

4.2 Off-Set. All sums payable by Trustor under this Deed of Trust shall be paid without notices, demand, counterclaim, set-off, deduction or defense and without abatement, suspension, deferment, diminution or reduction. 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: (a) any damage to or destruction of, prevention of use of, or any condemnation or similar taking of the Property or any part thereof; (b) except for such matters arising by, through or under Trustor, any title defect or encumbrance or any eviction from the Property or any part thereof by title paramount or otherwise; (c) 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 of Beneficiary, or by any court, in any such proceeding; (d) any claim which Trustor has or might have against Beneficiary or any default by Beneficiary; or (e) any other occurrence whatsoever, whether similar or dissimilar to the foregoing.

ARTICLE 5: TAXES AND IMPOSITIONS

5.1 Payment of Taxes and Impositions. Trustor shall pay, prior to delinquency, all real property taxes and assessments, general and special, and all other taxes, assessments and other governmental, municipal, or other charges or impositions of any kind or nature whatsoever (including without limitation, charges and assessments on water or water stocks used on or with the Property and 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 portion of the Property, or upon any equipment or other facility used in the construction, operation or maintenance of the Property (all of which taxes, assessments and other governmental 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 election 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.

5.2 Evidence of Payment. Unless such Imposition is paid directly by Beneficiary pursuant to Section 6.3, Trustor shall, if requested by Beneficiary, furnish Beneficiary, within thirty (30) days after the date upon which such Imposition is due and payable by Trustor, official receipts of the appropriate taxing authority, or other proof satisfactory to Beneficiary, evidencing the payments thereof.

5.3 Right to Contest. Trustor shall have the right before any delinquency occurs to contest or object to the amount or validity of any Imposition by appropriate legal proceedings, but such contest 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 Section 5.1, 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 option (a) 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 (b) Trustor shall furnish a good and sufficient undertaking and sureties as may be required or permitted by law to accomplish a stay of such proceedings.

ARTICLE 6: ADDITIONAL COVENANTS

6.1 Payment of Utilities. Trustor shall pay when due all utility charges 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 assessments or charges of a similar nature, whether public or private, affecting the Property or any portion thereof, whether or not such assessments or charges are liens thereon.

6.2 Defense of Title. Trustor has and shall preserve good and marketable fee title to the Property free of all liens, claims, charges, security interests, encumbrances, easements or restrictions occurring or attaching after the date hereof, except as provided in Section 10.1. Except as provided otherwise in Section 5.3, Trustor shall promptly discharge any above-described lien which has, or may have, priority over or equality with the lien created by this Deed of Trust. Trustor shall appear in and defend any action or proceeding purporting to affect the security hereof, the Property, or the rights or powers of Beneficiary or Trustee. Should Beneficiary elect to appear in or defend any such action or proceeding, Trustor shall pay all costs and expenses, including costs of evidence of title and reasonable attorney fees and costs, incurred by Beneficiary or Trustee.

6.3 Performance in Trustor's Stead. Should Trustor fail to make any payment or to do any act as provided in this Deed of Trust, then Beneficiary or Trustee, but without any obligation to do so, and without notice to or demand upon Trustor 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 to the lien of this Deed of Trust; and in exercising any such powers, incur any liability, expend such reasonable amounts as Beneficiary may deem necessary therefor, including cost of evidence of title, employment of attorneys, and payment of attorney fees and costs. All such amounts expended by either or both Trustee or Beneficiary shall, at the election of Beneficiary, be added to the principal indebtedness secured by this Deed of Trust and shall accrue interest at the default interest rate under the Note until paid. Trustor hereby waives and releases all claims or causes of action which may hereafter arise in favor of Trustor against Beneficiary by reason of any action taken by Beneficiary granted in this Section 6.3.

00589710 Bk01372 Pg01057

6.4 Repayment of Advances. Trustor shall immediately repay to Beneficiary sums, with interest thereon at the default interest rate specified in the Note, which at any time may be paid or advanced by Beneficiary for the payment of insurance premiums, taxes, assessments, other governmental, municipal, or other charges or impositions, title searches, title reports or abstracts, and any other advances made by Beneficiary which are reasonably necessary or desirable to maintain this Deed of Trust as a prior, valid, and subsisting lien upon the Property, to preserve and protect Beneficiary's interest in this Deed of Trust, or to preserve, repair, or maintain the Property. All such advances shall be wholly optional on the part of Beneficiary, and Trustor's obligation to repay the same, with interest, to Beneficiary shall be secured by the lien of this Deed of Trust.

6.5 Further Assurance. Trustor shall execute and deliver to Beneficiary such further instruments, including without limitation Uniform Commercial Code Financing Statements and Continuation Statements, and do such further acts as may be necessary or as may be reasonably required by Beneficiary to carry out more effectively the purposes of this Deed of Trust and to subject to the lien and mortgage created or intended to be created hereby any property, rights, or interests covered or intended to be covered by this Deed of Trust. Trustor authorizes (to the extent such authorization is valid under applicable law) Beneficiary to execute and file, without Trustor's signature, such Uniform Commercial Code Financing Statements and Continuation Statements as Beneficiary may deem necessary in order to perfect, or continue the perfection, of the security interests created by this Deed of Trust.

ARTICLE 7: CONDEMNATION AWARDS

If the Property or any portion thereof should be taken or damaged by reason of any public improvement or condemnation proceeding, or in any purchase in lieu thereof, except for any condemnation, or purchase in lieu thereof, of roadways in or adjacent to the Property, Beneficiary shall be entitled to all such compensation, awards, and other payments or relief therefor, and except for any condemnation, or purchase in lieu thereof, of roadways in or adjacent to the Property, shall be entitled at Beneficiary's option to commence, appear in, and prosecute in Beneficiary's own name any action or proceeding, and to make any compromise or settlement, in connection with such taking. Trustor shall promptly give notice to Beneficiary of any condemnation proceeding or any taking for public improvement. Except for any condemnation, or purchase in lieu thereof, of roadways in or adjacent to the Property, all such compensation, awards, damages, causes of action, proceeds, or other payments are hereby assigned to Beneficiary, which may, after deducting therefrom all costs and expenses (regardless of the particular nature thereof and whether incurred with or without suit or before or after judgment), including attorney fees, incurred by Beneficiary in connection with such compensation, awards, damages, rights of action, proceeds, or other payments, release any and all moneys so received by Beneficiary or apply the same, or any portion thereof, on any of the Obligations (whether or not then due) secured by this Deed of Trust. Beneficiary shall have no obligation to apply proceeds of condemnation to restore or repair damage to the Property regardless of whether such taking has a significant adverse impact on the operation of the remaining portion of the Property. Trustor shall execute and deliver to Beneficiary such further assignments of such compensation, awards, damages, causes of action, proceeds, or other payments as Beneficiary may from time to time require.

ARTICLE 8: ASSIGNMENT OF RENTS AND INCOME

8.1 Assignment. Trustor hereby assigns, transfers, and conveys to Beneficiary during the term of this Deed of Trust, any and all rents, subrents, issues, royalties, income, and profits of and from the Property. Until the occurrence of an Event of Default (as hereinafter defined), Trustor may collect and use all such rents, subrents, issues, royalties, income, and profits which become payable prior to default. Upon the occurrence of an Event of Default hereunder and upon Beneficiary's election to collect the rents, subrents, issues, royalties, income and profits as hereinafter provided, Trustor's right to collect and use any of such proceeds shall cease, and Beneficiary shall have the right, with or without taking possession of the Property, and either in person, by agent, or through a court-appointed receiver (Trustor hereby consents to the appointment of Beneficiary or Beneficiary's designee as such receiver), to sue for or otherwise collect all such rents, subrents, issues,

royalties, income, and profits, including those past due and unpaid. Any sums so collected, after the deduction of all costs and expenses of operation and collection (regardless of the particular nature thereof and whether incurred with or without suit or before or after judgment), including attorney fees, shall be applied toward the payment of the Obligations. Such right of collection and use of such proceeds by Beneficiary shall obtain both before and after the exercise of the power of sale provisions of this Deed of Trust, the foreclosure of this Deed of Trust and throughout any period of redemption. The rights granted under this Section 9.1 shall in no way be dependent upon and shall apply without regard to whether all or a portion of the Property is in danger of being lost, removed, or materially injured, or whether the Property or any other security is adequate to discharge the obligations secured by this Deed of Trust. Beneficiary's failure or discontinuance at any time to collect any of such proceeds shall not in any manner affect the right, power, and authority of Beneficiary thereafter to collect the same. Neither any provision contained herein, nor the Beneficiary's exercise of Beneficiary's right to collect such proceeds, shall be, or be construed to be, an affirmation by Beneficiary of any tenancy, lease, sublease, option, or other interest in the Property, or an assumption of liability under, or a subordination of the lien or charge of this Deed of Trust to, any tenancy, lease, sublease, option, or other interest in the Property. All tenants, lessees, sublessees and other persons which have any obligation to make any payment to Trustor in connection with the Property or any portion thereof are hereby authorized and directed to pay the rents, subrents, issues, royalties, income, and profits payable by them with respect to the Property, or any part thereof, directly to Beneficiary on the demand of Beneficiary. Beneficiary's receipt of such rents, subrents, issues, royalties, income, and profits shall be a good and sufficient discharge of the obligation of the tenant, lessee, sublessee, or other person concerned to make the payment connected with the amount so received by the Beneficiary. When all of the Obligations have been fully satisfied and such satisfaction is evidenced by a recorded deed of reconveyance of this Deed of Trust, this Assignment shall no longer be of effect and shall be void.

8.2 Application of Payments. If at any time during the term of this Deed of Trust, Beneficiary receives or obtains a payment, installment, or sum which is less than the entire amount then due under the Note and under all other instruments further evidencing or securing the Obligations, then Beneficiary shall, notwithstanding any instructions which may be given by Trustor, have the right to apply such payment, installment, or sum, or any part thereof, to such of the items or obligations then due from Trustor or to Beneficiary as Beneficiary may in Beneficiary's sole discretion determine.

8.3 No Waiver of Rights by Collection of Proceeds. The entering upon and taking possession of the Property or any portion of the Property or the collection of rents, subrents, issues, royalties, income, profits, proceeds of fire and other insurance policies, or compensation or awards for any taking or damaging of the Property, or the application or release thereof as aforesaid, shall not cure or waive any Event of Default or notice of default hereunder, shall not invalidate any act done pursuant to such notice of default, and shall not operate to postpone or suspend the obligation to make, or have the effect of altering the size of any scheduled installments provided for in any of the Obligations secured by this Deed of Trust.

8.4 Indemnification. Trustor shall indemnify and hold Beneficiary harmless from and against all claims, demands, judgments, liabilities, actions, costs, and fees (including reasonable attorney fees) arising from or related to receipt by Beneficiary of the rents, subrents, issues, royalties, income and profit from the Property or any portion of the Property, except those liabilities arising from Beneficiary's own negligence.

ARTICLE 9: EVENTS OF DEFAULT AND REMEDIES

9.1 Events of Default. The occurrence and continuance of any one of the following shall constitute an event of default (herein referred to as an "Event of Default"):

- (a) Except as provided otherwise in Section 9.1(b), failure by the Trustor to observe and perform any of the terms, covenants, or conditions to be observed or performed by Trustor contained in either this Deed of Trust for a period of thirty (30) days after written notice, specifying such failure

and requesting that it be remedied, given to Trustor by Beneficiary, unless Beneficiary shall agree in writing to an extension of such time prior to its expiration;

(b) If Trustor shall fail to make any payment due and payable under the terms of this Deed of Trust within twenty (20) days of when due; or

(c) Any material representation or warranty of the Trustor contained in this Deed of Trust or the Note was untrue when made; or

(d) The occurrence of a default, breach or an event of default under the Note or any other document relating to, governing, securing or evidencing the indebtedness evidenced by the Note.

9.2 Acceleration; Notice. Time is of the essence hereof. Upon the occurrence of any Event of Default under this Deed of Trust, at Beneficiary's option and in addition to any other remedy Beneficiary may have under the Note, Beneficiary may declare all sums secured hereby immediately due and payable and elect to have the Property sold in the manner provided herein. In the event Beneficiary elects to sell the Property, Beneficiary may 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 the office of the County Recorder of the County wherein the Property is located. Beneficiary shall also deposit with Trustee the Note and all documents evidencing expenditures secured by this Deed of Trust.

9.3 Exercise of Power of Sale. After the lapse of such time as may then be required by law following the recordation of the 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 the notice of sale, either as a whole or in separate parcels, and in such order as Beneficiary 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 deemed 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; provided, if the sale is postponed for longer than seventy-two (72) hours beyond the date designated in the notice of sale, notice of the time, date and place of sale shall be given in the same manner as the original notice of sale. Trustee shall execute and deliver to the purchaser a Trustee's Deed conveying the Property so sold, but without any covenant of warranty, express or implied. The recitals in the Trustee's Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Beneficiary, may bid at the sale. Trustee shall apply the proceeds of the sale to payment of (a) the costs and expenses of exercising the power of sale and of the sale, including the payment of the Trustee's and attorney's fees and costs; (b) cost of any evidence of title procured in connection with such sale; (c) all sums expended under the terms hereof in conjunction with any default provision hereunder, not then repaid, with accrued interest at the Default Rate under the Note; (d) all sums then secured by this Deed of Trust; and (e) the remainder, if any, to the person or persons legally entitled thereto, or Trustee, in Trustee's discretion, may deposit the balance of such proceeds with the County Clerk of the County wherein the Property is located.

9.4 Surrender of Possession. Trustor shall surrender possession of the Property to the purchaser immediately after the sale of the Property as provided in Section 9.3 above, in the event such possession has not previously been surrendered by Trustor.

9.5 UCC Remedies. Notwithstanding anything to the contrary in Sections 9.3 and 9.4, Beneficiary, with regard to all fixtures, chattels, equipment, inventory, and personal property, conveyed to Trustee under the Granting Clauses of this Deed of Trust, shall have the right to exercise, from time to time, any and all rights and remedies available to Beneficiary, as a secured party under the Utah Uniform Commercial Code, and any and all rights and remedies available to Beneficiary under any other applicable law. Upon written demand from Beneficiary, Trustor shall, at Trustor's expense, assemble such fixtures,

chattels, equipment, inventory, and personal property and make them available to Beneficiary at a reasonably convenient place designated by Beneficiary.

9.6 Fixture Filing. Upon its recording in the real property records, this Deed of Trust shall be effective as a financing statement filed as a fixture filing. In addition, a carbon, photographic or other reproduced copy of this Deed of Trust and/or any financing statement relating hereto shall be sufficient for filing and/or recording as a financing statement. The filing of any other financing statement relating to any personal property, rights or interests described herein shall not be construed to diminish any right or priority hereunder.

9.7 Foreclosure as a Mortgage. If an Event of Default occurs hereunder, Beneficiary shall have the option to 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 reasonable attorneys fees and costs in such amounts as shall be fixed by the court.

9.8 Receiver. If an Event of Default occurs, Beneficiary, as a matter of right and without regard to the then value of the Property or the interest of Trustor therein, shall have the right upon notice to Trustor to apply to any court having jurisdiction to appoint a receiver or receivers of the Property and Trustor hereby irrevocably consents to such appointment. Any such receiver or receivers shall have all the usual powers and duties of a receiver and shall continue as such and exercise all such powers until completion of the sale of the Property or the foreclosure proceeding, unless the receivership is sooner terminated.

9.9 No Remedy Exclusive. No remedy conferred upon or reserved to Beneficiary under this Deed of Trust shall be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Deed of Trust or the Note or now or hereafter existing at law or in equity or by statute. No delay or failure to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

9.10 Rights upon Default. In entering into the Note, Beneficiary has relied upon the rights available to Beneficiary under this Deed of Trust upon the occurrence of an Event of Default, including, but not limited to, the rights to accelerate the payment of any and all amounts secured by this Deed of Trust, to sell the property encumbered by this Deed of Trust pursuant to the power of sale granted hereunder, and the right to foreclose this Deed of Trust as a mortgage. In addition to any other damages that might be recoverable by Beneficiary under the terms of this Deed of Trust, Trustor shall be liable for any damages incurred by Beneficiary because Beneficiary is, for any reason, denied the opportunity to exercise Beneficiary's rights upon the occurrence of an Event of Default, including, but not limited to, such damages as are occasioned by depreciation of the Property, loss of use of the Property by Beneficiary, and all opportunity costs incurred through the loss of use of any funds as would have been received by Beneficiary through exercise of the power of the sale or foreclosure.

9.11 No Personal Recourse to Trustor. Notwithstanding any provision of this Deed of Trust, the Note, or any other document relating to, governing, securing or evidencing the indebtedness evidenced by the Note, Beneficiary hereby agrees that Beneficiary's recovery against Trustor in the event of a default in the payment of the Note, or any other document relating to, governing, securing or evidencing the indebtedness evidenced by the Note, or in the observance, performance, or discharge of any condition, obligation, covenant or agreement contained in this Deed of Trust, or under any other document executed by Trustor or Beneficiary shall be limited solely to, and Beneficiary shall only proceed against, the Trust Estate (as defined in this Deed of Trust) together with the rents, issues, profits and income therefrom and the proceeds and products thereof, and such other collateral, if any, as may now or hereafter be given to Beneficiary as security for Trustor's performance under this Deed of Trust, and in no event shall (A) Trustor be personally liable for the payment of the Note or for the payment of any deficiency established

upon foreclosure and sale of the Trust Estate, or (B) any other property or assets of Trustor be subject to levy, execution or other enforcement procedure in connection with any default in payment of the Note or in the observance, performance, or discharge of any condition, obligation, covenant or agreement contained in any such document.

The foregoing provisions hereof shall not be deemed to: (i) constitute a waiver of any obligation contained in this Deed of Trust or the Note, (ii) prevent Beneficiary from naming Trustor as a party defendant in any action or suit for judicial foreclosure and sale under this Deed of Trust, (iii) limit any right Beneficiary might otherwise have to obtain injunctive relief against Trustor, (iv) prohibit any suit or action by Beneficiary in connection with the preservation, enforcement or foreclosure of the liens, mortgages, assignments and security interests now or at any time hereafter securing the payment and performance of all sums and obligations under this Deed of Trust, the Note or any of the other loan documents executed in connection herewith, or (v) preclude the collection by Beneficiary of amounts which may become owing or payable under or on account of insurance, condemnation awards or damages for other public actions or surety bonds maintained or provided.

9.12 Due on Sale. Notwithstanding anything to the contrary in Section 9.1, in the event the Trustor shall either hypothecate, pledge or encumber the Property, or any part thereof, or any interest therein (except in favor of Beneficiary), without the express written permission of Beneficiary first had and obtained or be divested of title in any manner, whether voluntarily or involuntarily, then all obligations secured by this Deed of Trust, irrespective of the maturity date, at the option of Beneficiary and without demand or notice, shall immediately become due and payable, except that Trustee may release and reconvey any part of the Trust Estate to Trustor, or to the person or persons legally entitled thereto, in a manner provided in Section 10.1 of this Deed of Trust. In the event that Trustee shall release and reconvey any part of the Trust Estate, as provided in Section 10.1, Beneficiary may not declare all of the secured obligations under this Deed of Trust to be immediately due and payable.

ARTICLE 10: RELEASES

10.1 Reconveyance and Partial Releases. Upon the written request of Trustor and subject to the satisfaction of the following terms and conditions precedent with respect to any part of the Trust Estate being released, Trustee shall (1) release and reconvey to Trustor, or to the person or persons legally entitled thereto, by Deed of Release and Reconveyance any part of the Trust Estate from the lien hereof ("Lot"); (2) consent to the making and recording of any maps or plats of the Trust Estate, as are consistent with development approvals granted by Beneficiary; or (3) join in granting any easement on the Trust Estate, provided that any such easement shall be consistent with the development plans approved by Beneficiary and that the Deed of Trust shall be subordinate to any such easement. Such terms and conditions are:

(a) each such release shall be consistent with all required zoning and development approvals granted by Beneficiary;

(b) at the time of such release, consent or joinder no Event of Default shall have occurred and be continuing, unless the release, consent or joinder shall cure the default;

(c) the Lot constitutes a legally subdivided interest in real property, and the release of such Lot or consent or joinder will not violate any requirements of any document of record covering the Property or such Lot, or any applicable law regarding subdivisions, parcel maps and the division of land into lots or parcels;

(d) Trustor shall have paid all fees and costs in connection with the release, consent or joinder, including survey, engineering, recording and reconveyance fees and costs, and any fees and costs reasonably incurred by Beneficiary;

(e) each release of each "Developable Acre" as defined in the Option Agreement shall be based on each payment of \$12,500 in principal under the Note, and each release of each acre of the remainder of the Property (the "**Remainder Property**") shall be based on each payment of \$3,000 in principal under the Note; and

(f) subject to the approval of Beneficiary, which approval shall not be unreasonably withheld, each Lot shall include the Remainder Property immediately contiguous to the developable land which is the subject of such release, and extending to the perimeter of the property which is the subject of such release in a configuration as determined by Trustor.

ARTICLE 11: GENERAL PROVISIONS

11.1 Notices. Trustor hereby requests that a copy of notice of default and notice of sale be mailed to it at the address set forth above. That address is also the mailing address of Trustor as debtor under the Utah Uniform Commercial Code. Beneficiary's address given above is the address for Beneficiary as secured party under the Utah Uniform Commercial Code.

11.2 Severability. If any provision of this Deed of Trust shall be held or deemed to be or shall, in fact, be illegal, inoperative, or unenforceable, the same shall not affect any other provision or provisions contained in this Deed of Trust or render the same invalid, inoperative, or unenforceable to any extent whatever.

11.3 Amendments, Changes, and Modifications. This Deed of Trust may not be amended, changed, modified, altered, or terminated without the written consent of Beneficiary.

11.4 Governing Law. This Deed of Trust shall be governed exclusively by and construed in accordance with the applicable laws of the State of Utah, without giving effect to its conflict of laws principles.

11.5 Binding Effect. This Deed of Trust shall be binding upon Trustor and Trustor's successors and assigns. This Deed of Trust shall inure to the benefit of Beneficiary, and Beneficiary's successors and assigns, and the holders of any of the Obligations secured hereby.

11.6 Waivers. Beneficiary's failure at any time or times hereafter to require strict performance by Trustor of any of undertakings, agreements, or covenants contained in this Deed of Trust shall not waive, affect, or diminish any right of Beneficiary hereunder to demand strict compliance and performance therewith. Any waiver by Beneficiary of any Event of Default under this Deed of Trust shall not waive or affect any other Event of Default hereunder, whether such Event of Default is prior or subsequent thereto and whether of the same or a different type. None of the undertakings, agreements, or covenants of Trustor under this Deed of Trust shall be deemed to have been waived by Beneficiary, unless such waiver is evidenced by an instrument in writing signed by an officer of Beneficiary and directed to Trustor specifying such waiver.

11.7 Access. Beneficiary, or Beneficiary's authorized agents and representatives, are hereby authorized and shall have the right, at all reasonable times during the existence of this Deed of Trust and upon reasonable written notice to Trustor, to enter upon the Property or any portion of the Property for the

purpose of inspecting the Property or for the purpose of performing any of the acts that Beneficiary is authorized under this Deed of Trust to perform.

11.8 Successor Trustee. Beneficiary may appoint a successor trustee at any time by filing for record in the office of the County Recorder of Salt Lake County, State of Utah, 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 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.

11.9 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 both the feminine and neuter, and the singular number includes the plural.


11.10 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 any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party, unless brought by Trustee.

11.11 Attorneys' Fees. If any lawsuit is commenced to enforce any of the terms of the Deed of Trust, the prevailing party will have the right to recover its attorneys' fees and costs of suit from the other party. Also, Beneficiary and Trustee will have the right to recover all attorneys' fees and costs incurred with respect to any insolvency or bankruptcy action or proceeding involving Trustor as a debtor.

IN WITNESS WHEREOF, this Deed of Trust has been executed the date and year first above written.

TRUSTOR:

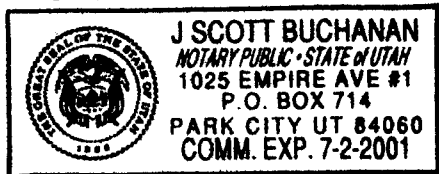
FORTHCOMING INVESTMENTS, L.C.
a Wyoming limited liability company

By: 
Its: President

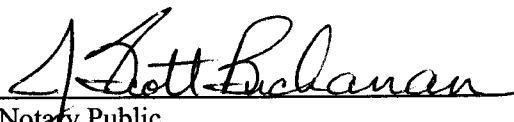
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STATE OF UTAH)
 Summit : ss.
COUNTY OF ~~SALT LAKE~~)

The foregoing instrument was acknowledged before me on May 23, 2001, by the PRESIDENT of FORTHCOMING INVESTMENTS, L.C., a Wyoming limited liability company, for and on behalf Forthcoming Investments, L.C.



[seal]


Notary Public

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EXHIBIT A
Property Description

A tract of land located in the South half of Section 4 and in the North half of Section 9, Township 2 North Range 5 East, Salt Lake Base and Meridian and having a basis of bearing taken as South between the Northwest corner and the Southwest corner of said Section 9, described as follows:

BEGINNING at a point which is North 88°46'24" West 450.52 feet along the Section line from the North quarter corner of Section 9, Township 2 North Range 5 East, Salt Lake Base and Meridian, a monument in concrete (said point of beginning being a rebar and cap monumenting the Southeast corner of Cedar Crest Subdivision) and running thence North 17°15'06" East 420.73 feet along the Easterly boundary of said subdivision to a rebar and cap monumenting an angle point on the Easterly boundary of said subdivision; thence North 22°33'41" East 580.03 feet along the Easterly boundary of said subdivision to a rebar and cap monumenting an angle point on the Easterly boundary of said subdivision; thence North 35°37'26" East 201.26 feet along the Easterly boundary of said subdivision to a rebar and cap monumenting an angle point on the Easterly boundary of said subdivision and the center of section line; thence North 00°43'44" East along the center of section line 214.59 feet to the Northwest corner of the Southwest quarter of the Southeast quarter of Section 4; thence South 88°32'37" East along the quarter-quarter section line 1329.33 feet to the Northeast corner of the Southwest quarter of the Southeast quarter of Section 4; thence South 00°23'40" West along the quarter-quarter section line 1320.13 feet to the Southeast corner of the Southwest quarter of the Southeast quarter of Section 4; thence North 88°46'25" West along the Section line 539.07 feet to the crest of a cedar ridge; the following 3 calls being along said crest: 1) thence South 26°35'09" West 245.46 feet; 2) thence South 18°16'04" West 307.89 feet; 3) thence South 31°09'41" West 471.75 feet; thence North 50°56'01" West 301.69 feet to a rebar and cap monumenting the Northeast corner of that certain parcel of land conveyed to CRA Enterprises Investments, L.C., by that certain Special Warranty Deed recorded January 14, 2000 as Entry No. 557193 in Book 1303 at Page 1079 of the official records in the office of the Summit County Recorder; the following 8 calls being along the Northerly boundary of the CRA Parcel: (Note: a bearing rotation of 2°06'19" to the right has been applied) 1) thence North 48°49'51" West 188.47 feet to a rebar and cap; 2) thence North 42°54'15" West 57.25 feet to a rebar and cap; 3) thence North 48°49'51" West 96.07 feet to a rebar and cap; 4) thence South 86°48'09" West 73.64 feet to a rebar and cap; 5) thence South 31°30'39" West 221.86 feet to a rebar and cap; 6) thence South 56°58'29" West 108.74 feet to a rebar and cap; 7) thence South 52°56'29" West 115.32 feet to a rebar and cap; 8) thence South 29°37'11" West 327.46 feet to the Northerly line of an existing road (30 feet perpendicular from the centerline of said road); thence North 63°34'07" West 296.43 feet along said line; thence along the arc of a curve to the left 753.44 feet (radius 483.56 feet, chord bearing South 66°06'08" West 679.51 feet) along said line; thence South 15°45'06" West 29.69 feet, along said line to the Southerly line of the Northwest quarter of the Northwest quarter of Section 9; thence North 88°49'44" West 687.48 feet, along said line to the edge of a rock ledge; thence North 43°38'35" East 64.40 feet, along said ledge to a nail set in ledge; thence North 31°10'07" East 57.35 feet, along said ledge; thence North 17°53'08" East 176.08 feet, along said ledge; thence North 36°16'43" East 650.31 feet, along said ledge; thence North 33°39'13" East 334.86 feet, along said ledge; thence North 19°30'51" East 257.91 feet, along said ledge to the Northerly line of Section 9, said line also being the Southerly boundary line of Cedar Crest Subdivision); thence South 88°46'24" East 1021.86 feet, along said Section line to the POINT OF BEGINNING.

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CT-250-X, CT-253-X, CT-333-X, CT-301-X

CT-301-A-X, CT-299-X