

LOAN AGREEMENT

THIS AGREEMENT dated September ____, 2009, by and between Sund Investments, L.L.C., a Nebraska Limited Liability Corporation (the “Borrower”), and THE CITY OF LEXINGTON, NEBRASKA, (the “Lender”).

WHEREAS, the Lender is authorized to disburse certain funds received from the Lexington Economic Development Program for the purposes and in accordance with requirements set forth in the state statutes and regulations; and

WHEREAS, based upon information furnished by Lender and Borrower, the Lender is satisfied that this loan furthers the purposes specified in the Lexington Economic Development Program;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

PART I: THE LOAN

1.01 The Loan and Rate.

Subject to the terms and conditions of this Agreement and the approval of the Lexington City Council, the Lender agrees to loan the sum of \$250,000.00, to be repaid with interest at the rate of 0% per annum as follows:

1. The entire amount shall be due and payable upon sale of the secured premises by Borrower;
2. Upon occupancy of the property by a lessee, a portion of the principal amount due, which shall be the same percentage as the percentage of total building square footage which is leased, shall be paid in five equal annual installments, the first such installment due one (1) year following the date of occupancy by lessee.
3. Any remaining amount of principal which has not been scheduled to be paid by October 1, 2014 shall be due and payable in five equal annual installments beginning October 1, 2015, continuing until the entire indebtedness is paid in full, with the final payment due October 1, 2019.
4. The Seller may at any time following completion of the construction of Building described in Section 1.02 and prior to occupancy, give notice of intent to transfer title to the real estate, described in Section 1.03, to Lender. Lender shall then have 60 days to direct the means of transfer. Such transfer shall be in full settlement of the amount owed.

1.02 Purpose of Loan.

The purpose of the loan is to provide capital for Borrower to construct an enclosed 20,000 square foot steel structure, (“ Building”) according to the plans and specifications approved by the parties, which plans and specifications shall be attached to this Loan Agreement and become a part hereof by reference. It is the intent that the structure constitutes an unfinished industrial “spec building”. The Borrower agrees it will apply the funds received by it under this Agreement in the manner described above.

1.03 Collateral.

As collateral for the loan the City is granted and shall at all times have a perfected deed of trust providing a first in priority lien on the land and buildings on the following described real estate, to-wit: Lot 2, Greater Lexington Addition to the City of Lexington, Dawson County, Nebraska.

1.04 Disbursements.

Lender will make progress payments on or about the ___ day of each month based upon Borrower's application and certification of the per cent of work completed on the Building, and the per cent of material and equipment not incorporated in the work but delivered and suitably stored on the construction site. As a condition of payment, Lender may require construction lien waivers to be executed by any sub-contractors of suppliers of materials.

PART II: REPRESENTATIONS AND WARRANTIES.

The Borrower represents and covenants the following:

2.01 Legally Binding Instruments.

When this Agreement is executed by the Borrower and the Lender, and when the Note is executed and delivered by the Borrower, each such instrument will constitute the legal, valid, and binding obligation of the company in accordance with its terms. Any security agreements and instruments, financing statements, mortgages and other liens on chattel or real estate will constitute legal, valid and binding liens free and clear of all prior liens and encumbrances except as provided for.

2.02 No Legal Suits.

There are no legal actions, suits, or proceedings pending or, to the knowledge of the Borrower, threatened against the Borrower before any court or administrative agency, which, if determined adversely to the Borrower, would have a material adverse effect on the financial condition or business of the Borrower.

2.03 No Legal Authorization Needed.

No authorization, consent or approval, or any formal exemption of any Governmental body, regulatory authorities (federal, state or local) or mortgagee, creditor or third party, is or was necessary for the valid execution and delivery by the Borrower of this Agreement.

2.04 Not In Default.

The Borrower is not in default of any obligation, covenant, or condition contained in any bond, debenture, note, or other evidence of indebtedness or any mortgage or collateral instrument securing the same.

2.05 Taxes Are Paid.

The Borrower has filed all tax returns which are required and has paid or made provision for the payment of all taxes which have or may become due pursuant to said returns or pursuant to any assessments levied against the Borrower or its personal or real property by any taxing agency, federal, state or local. No tax liability has been asserted by the Internal Revenue Service or other taxing agency, federal, state, or local for taxes materially in excess of those already provided for and the Borrower knows of no basis for any such deficiency assessment.

2.06 No Adverse Change.

The Borrower certifies that there has been no adverse or material change since the date of loan application in the financial condition, organization, operation, business prospects, fixed properties, or personnel of the Borrower.

PART III: CONDITIONS OF LENDING.

The obligation of the Lender to make the Loan will be subject to the fulfillment at the time of closing of each of the following conditions:

3.01 Execution and Delivery of Note and Loan Agreement.

The Borrower will have executed and delivered to the Lender this Loan Agreement, a Deed of Trust, and the Promissory Note in a form satisfactory to the Lender and its Counsel.

3.02 Governmental Approval.

The Borrower will have secured all necessary approvals or consents, if required, of Governmental bodies or agencies having jurisdiction with respect to any construction contemplated in accordance with the use of proceeds of the loan.

3.03 Approval of Others.

The Borrower will have secured all necessary approvals or consents required with respect to this transaction by any mortgagor, creditor or other party having any financial interest in the Borrower.

3.04 Opinion of Counsel.

The Lender will receive the Opinion of Counsel to the Borrower that the representations and warranties are true and accurate on and as of the closing date and the conditions of the Loan have been duly satisfied as of the closing date.

PART IV: AFFIRMATIVE COVENANTS OF THE BORROWER.

The Borrower agrees to comply with the following covenants from this date until the Lender has been fully repaid with interest, unless the Lender or its Assigns will otherwise consent in writing.

4.01 Payment of the Loan.

The Borrower agrees to pay punctually the principal and interest in the Note according to the terms and conditions and to pay punctually any other amounts that may become due and payable to the Lender pursuant to the terms of this Agreement.

4.02 Payment of Other Indebtedness.

The Borrower agrees to pay punctually the principal and interest due on any other indebtedness now or at any time owing by the Borrower to the Lender or any other lender.

4.03 Maintain and Insure Property.

The Borrower agrees at all times to maintain the property provided as security for this Loan in such condition and repair that the Lender's security will be adequately protected. The Borrower also agrees to maintain during the term of the Loan adequate hazard insurance policies covering fire and extended coverage and such other hazards as may be deemed appropriate in amounts and form sufficient to prevent the Borrower from becoming a co-insurer and issued by companies satisfactory to the Lender with acceptable loss payee clauses in favor of the Lender.

4.04 Pay All Taxes.

The Borrower agrees to duly pay and discharge all taxes, assessments and governmental charges upon it or against its properties prior to the date on which penalties are attached except that the Borrower will not be required to pay any such tax, assessment or governmental charge which is being contested by it in good faith and by appropriate proceedings.

4.05 Provide Additional Equity.

The Borrower agrees to provide additional equity funds to cover additional project costs incurred as a result of overruns or unanticipated expense or changes in work orders.

4.06 Provide Financial Information.

The Borrower agrees to maintain adequate records and books of account, in which complete entries will be made reflecting all of its business and financial transactions, such entries to be made in accordance with generally accepted principles of good accounting practice consistently applied in the case of financial transactions. A copy of such financial statements shall be provided at least annually to Lender, within 60 days of the completion of each fiscal year. The Borrower further agrees to provide information, and execute and deliver any and all additional documents and instruments as may be reasonably requested by the Lender, its assigns or counsel, and its assigns.

The Borrower further agrees to provide written notice to the Lender of any public hearing or meeting before any administrative or other public agency which may, in any manner, affect the real estate securing the loan.

4.07 Right to Inspection.

The Borrower agrees to grant to the Lender, until the Note has been fully repaid with interest, the right at all reasonable hours to inspect the collateral used to secure the Loan; and the Borrower further agrees to provide the Lender free access to the Borrower's premises for the purpose of such inspection to determine the condition of the real estate.

4.08 Null and Void Covenants.

The Borrower agrees that in the event that any provision of this Loan Agreement or any other instrument executed at closing or the application to any person or circumstances will be declared null and void, invalid, or held for any reason to be unenforceable by a Court of competent jurisdiction, the remainder of such agreement will nevertheless remain in full force and effect, and to this end, the provisions of all covenants, conditions, and agreements described herein are deemed separate.

4.9 Expenses and Closing Costs.

The Borrower agrees to pay all fees, expenses and charges with respect to the Loan, or its making or transfer to the Lender in any way connected including, but no limited to, the fees and out-of-pocket expenses of local counsel employed by the Lender, title insurance and survey costs, recording and filing fees, mortgage taxes, documentary stamp, and any other taxes, fees and expenses payable in connection with this transaction and with the enforcement of this Loan Agreement and Note.

4.10 Notice of Default.

The Borrower agrees to give written notice to the Lender of any event, within fifteen (15) days of the event, which constitutes an Event of Default under this Loan Agreement as described in Article VI or that would, with notice or lapse of time or both, constitute an Event of Default under this Loan Agreement.

4.11 Indemnification.

The Borrower agrees to indemnify and save the Lender or its Assigns harmless against any and all liability with respect to, or resulting from, any delay in discharging any obligation of the Borrower.

4.12 Expenses of Collection or Enforcement.

The Borrower agrees, if at any time the Borrower defaults on any provision of this Loan Agreement, to pay Lender in addition to any other amounts that may be due from the Borrower, an amount equal to the costs and expenses of collection, enforcement or correction or waiver of the default incurred by the Lender or its Assigns in such collection, enforcement, correction or waiver of default.

4.13 Compliance With Law.

Evidence satisfactory to the Lender will be furnished certifying that all improvements and their use comply fully with all applicable zoning and building laws, ordinances and regulations, and all other applicable federal, state and municipal law requirements. The loan will be in all respects legal and will not violate any applicable law or other requirements of any governmental authority.

4.14 Environmental Protection Laws.

Receipt of evidence satisfactory to the Lender of compliance with all applicable environmental protection and land use and development laws, ordinances and regulations of all federal, state and local governmental authorities and agencies having jurisdiction.

PART V: NEGATIVE COVENANTS OF THE BORROWER.

The Borrower covenants and agrees that, from this date until payment in full of the Note, unless the Lender or its Assigns otherwise consent in writing, it will not enter into any agreement or other commitment the performance of which would constitute a breach of any of the covenants contained in this Loan Agreement including, but not limited to the following covenants:

5.01 Sell the Acquisition Assets.

The Borrower will not sell, convey, or suffer to be conveyed, lease, assign, transfer or otherwise dispose of the secured property unless approved in writing by the Lender.

5.02 Change Ownership.

The principals of the Borrower will not permit without the written permission of the Lender any material change in the ownership, structure, control, or operation of the Borrower including but not limited to i) merger into or consolidation with any other person, firm or corporation; ii) significant issuance of any shares of its capital stock having ordinary voting power for the election of members of the Board of Directors or other governing body of the Borrower; iii) changing the nature of its business as carried out at the date hereof; (iv) substantial distribution, liquidation or other disposal of the Borrower's assets to the stock holders. Should the Borrower propose any material change in the ownership, structure, control, or operation of the Borrower, the Lender and the Department reserve the right to re-negotiate this Agreement or make the entire unpaid principal of the Note and the accrued interest will immediately be due and payable upon written demand of the Lender and/or the Department or assigns.

PART VI: EVENTS OF DEFAULT.

The entire unpaid principal of the Note and the accrued interest will become and be immediately due and payable upon the written demand of Lender, except where noted, without any other notice or demand of any kind or any presentment or protest, if any one of the following events (an "Event of Default") occurs and be continuing at the time of such demand, whether

voluntarily or involuntarily, or without limitation, occurring or brought about by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rules or regulation of any administrative or governmental body, provided, however, that such sum will not be then payable if Borrower's payments have been waived, or the time for making the Borrower's payments have been extended by the Lender.

6.01 Non-Payment of Loan.

If the Borrower fails to make payment when due of any installment of principal on the Note or accrued interest and if the default remains unremedied for fifteen (15) days.

6.02 Non-Payment or Other Indebtedness.

If default is made in the payment when due of any installment of principal or of interest on any of Borrower's other indebtedness and if such default will remain unremedied for fifteen (15) days.

6.03 Incorrect Representation or Warranty.

Any representation or warranty contained in, or made in connection with the execution and delivery of, this Loan Agreement or Grant Application or in any provided information proves to be incorrect.

6.04 Default in Covenants.

The Borrower will default in the performance of any other term, covenant or agreement contained in this Loan Agreement, and such default continues unremedied for thirty (30) days after either: 1) it becomes known to an executive officer of the Borrower or 2) written notice has been given to the Borrower by the Lender.

6.05 Voluntary Insolvency.

If the Borrower becomes insolvent or ceases to pay its debts as they mature or voluntarily files a petition seeking reorganization of its business, or the appointment of a receiver, trustee, or liquidation of a substantial portion of its assets, effects a composition or other arrangement with creditors, or be adjudicated bankrupt, or make voluntary assignment for the benefit of creditors.

6.06 Involuntary Insolvency.

If an involuntary petition is filed against the Borrower under any bankruptcy, insolvency or similar law or seeking the reorganization of or the appointment of any receiver, trustee or liquidator for the Borrower, or of a substantial part of the property of the Borrower, or a writ or warrant of attachment or similar process will be issued against a substantial part of the property of the Borrower, and such petition is not dismissed, or such writ or warrant of attachment or similar process is not released or bonded, within thirty (30) days after filing or levy.

PART VII: MISCELLANEOUS.

7.01 Waiver of Notice

No failure or delay on the part of the Lender in exercising any right, power, or remedy hereunder will operate as a waiver thereof, nor will any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. No modification or waiver of any provision of this Loan Agreement or of the Note, nor any consent to same will be effective unless it is in writing and then such waiver or consent will be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on the Borrower in any case will entitle the Borrower to any other or further notice or demand in similar or other circumstances.

7.02 Amendments.

The Borrower and the Lender or its Assigns, reserves all rights to amend any provisions of this Agreement, to consent to or waive any departure from the provisions of this Loan Agreement, to amend or consent to or waive departure from the provisions of the Note, and to release or otherwise deal with any collateral security for payment of the note provided, unless all such amendments be in writing and executed by the Lender or its Assigns, the Borrower and the Department.

7.03 Notices.

All notices, consents, requests, demands and other communication will be in writing and will be deemed to have been duly given to a party if mailed to the Lender at 406 E 7th Street, Lexington, NE 68850, and to the Borrower at _____.

7.04 Survival of Representations and Warranties.

All agreements, representations, and warranties made by the Borrowers or any other document or certificate delivered to the Lender in connection with the transactions contemplated by this Loan Agreement will survive the delivery of this Agreement, the Note and the Security Agreements, and will continue in full force and effect so long as the Note is outstanding.

7.05 Successors and Assigns.

This Loan Agreement will be binding upon the Borrower, its Successors, and Assigns. The Borrower may not assign or transfer its rights without prior written consent of the Lender and the Department.

7.06 Counterparts.

This Loan Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

7.07 Governing Law.

This Loan Agreement and the Note and Security Agreements and Financing Statements will be deemed contracts made under the laws of the State of Nebraska and for all purposes will be construed in accordance with the laws of this State.

7.08 Article and Section Headings.

Article and Section Headings used in this Agreement for convenience only and will not affect the construction of this Agreement.

IN WITNESS WHEREOF, the parties have each caused this Loan Agreement to be executed on _____, 2009.

The City of Lexington, NE, Lender

Sund Investments, L.L.C., Borrower:

By: _____

By: _____

John Fagot, Mayor

President

PROMISSORY NOTE

ED Loan #_____

\$250,000.00

Lexington, Nebraska

FOR VALUED RECEIVED, the undersigned, Sund Investments, L.L.C. (the “Maker”), promises to pay to the order of The City of Lexington, Nebraska (the “Grantee”), the principal sum of \$250,000.00, according to the terms of a “Loan Agreement” executed concurrently herewith.

All payments and any notice to The City of Lexington, Nebraska, will be made at P. O. Box 70, Lexington, NE 68850 or such other address as designated to the “Maker” in writing. Any notice to the “Maker” will be given to the “Maker” at the following address:

Dated _____, 2009.

Sund Investments, L.L.C. Borrower.

By: _____

DEED OF TRUST

THIS DEED OF TRUST, is made as of _____ day of _____, 2009, by and among Sund Investments, L.L.C., (“Trustor”), whose mailing address is _____, Lexington, NE 68850, and WILLARD WEINHOLD (“Trustee”), whose mailing address is P. O. Box 190, Lexington, NE 68850, and THE CITY OF LEXINGTON, NEBRASKA, (Lexington Economic Development Program), (“Beneficiary”) whose mailing address is P. O. Box 70, Lexington, NE 68850.

FOR VALUABLE CONSIDERATION, Trustor irrevocably 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 of this Deed of Trust, the real property located in the City of Lexington, County of Dawson, State of Nebraska, and legally described as follows (the “Property”):

Lot 2, Greater Lexington Addition to the City of Lexington, Dawson County, Nebraska; TOGETHER WITH, all rents, easements, appurtenances, hereditaments, interests in adjoining roads, streets and alleys, improvements and buildings of any kind situated thereon and all personal property that may be or hereafter become an integral part of such buildings and improvements, all crops raised thereon, and all water rights.

The Property and the entire estate and interest conveyed to the Trustee and referred to collectively as the “Trust Estate”.

FOR THE PURPOSE OF SECURING:

- a. Payment of indebtedness in the total principal amount of \$250,000.00, with interest thereon, as evidenced by that certain promissory note of even date (the “Note”) with a maturity date of October 1, 2019, executed by Trustor, which has been delivered and is payable to the order of Beneficiary, and which by this reference is hereby made a part hereof, and any and all

- modifications, extensions and renewals thereof, and
- b. Payment of all sums advanced by Beneficiary to protect the Trust Estate, with interest thereon at the rate of 0.0 percent per annum, and
 - c. The performance of Trustor's covenants and agreements.

This Deed of Trust, the Note, and any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby are referred to collectively as the "Loan Instruments".

TO PROTECT THE SECURITY OF THIS DEED OF TRUST:

- 1. PAYMENT OF INDEBTEDNESS.** Trustor shall pay when due the principal of and the interest on, the indebtedness evidenced by the Note, charges, fees and all other sums as provided in the Loan Instruments.
- 2. TAXES AND ASSESSMENTS.** Trustor shall pay all taxes and special assessment of every kind, now or hereafter levied against the trust estate as each installment comes due and shall provide the beneficiary with evidence of the payment of the same.
- 3. INSURANCE AND REPAIRS.** Trustor shall maintain fire and extended coverage insurance on a replacement basis for the full insurable value covering all improvements on the real property in an amount sufficient to avoid application of any coinsurance clause. Such insurance policy shall contain a standard mortgage clause in favor of Beneficiary and shall not be cancelable, terminable or modifiable without ten (10) days prior written notice to Beneficiary. Trustor shall promptly repair, maintain and replace the Trust Estate or any part thereof so that, except for ordinary wear and tear, the Trust Estate shall not deteriorate. In no event shall the Trustor commit waste on or to the Trust Estate.
- 4. ACTIONS AFFECTING TRUST ESTATE.** Trustor shall appear in and contest any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and shall pay all costs and expenses, including cost of evidence of title and attorney's fees, in any such action or proceeding in which Beneficiary or Trustee may appear. Should Trustor fail to make any payment or to do any act as and in the manner provided in any of the Loan Instruments, Beneficiary and/or Trustee, each in its own discretion, without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof. Trustor shall, immediately upon demand therefore by Beneficiary, pay all costs and expenses incurred by Beneficiary in connection with the exercise by Beneficiary of the foregoing rights, including without limitation costs of evidence to title, court costs, appraisals, surveys and attorney's fees. Any such costs and expenses not paid within ten (10) days of written demand shall draw interest at the default rate provided in the Note.
- 5. EMINENT DOMAIN.** Should the Trust Estate, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner including deed in lieu of Condemnation ("Condemnation"), or should Trustor receive any notice or other information regarding such proceeding, Trustor shall give prompt written notice thereof to Beneficiary. Beneficiary shall be entitled to all compensation, awards and other payments or relief therefore, and shall be entitled at its option to commence, appear in and prosecute in its own name any action or proceedings. Beneficiary shall also be entitled to make any compromise or settlement in connection with such taking or damage. All such compensation, awards, damages, rights of action and proceeds awarded to Trustor (the "Proceeds") are hereby assigned to Beneficiary and Trustor agrees to execute such further assignments of the Proceeds as Beneficiary and Trustor agrees to execute such further assignments of the Proceeds as Beneficiary or Trustee may require.

6. FUTURE ADVANCES. Upon request of Trustor, Beneficiary, at Beneficiary's option, prior to reconveyance of the Property to Trustor may make future advances to Trustor. Such future advances, with interest thereon, shall be secured by this Deed of Trust when evidenced by promissory notes stating that said notes are secured hereby.

7. APPOINTMENT OF SUCCESSOR TRUSTEE. Beneficiary may, from time to time, by written instrument executed and acknowledged by Beneficiary, mailed to Trustor and recorded in the County in which the Trust Estate is located and by otherwise complying with the provisions of the applicable law of the State of Nebraska substitute a successor or successors to the Trustee named herein or acting hereunder.

8. SUCCESSORS AND ASSIGNS. This Deed of Trust applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, personal representatives, successors and assigns. The term "Beneficiary" shall mean the owner and holder of the Note, whether or not named as Beneficiary herein.

9. INSPECTION. Beneficiary or its agent may make reasonable entries upon and inspection of the Property. Beneficiary shall give Trustor notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

10. TRUSTOR NOT RELEASED; FORBEARANCE BY BENEFICIARY NOT A WAIVER. Extension of the time for payment or modification of the sums secured by this Security Instrument granted by Beneficiary to any successor in interest of Trustor shall not operate to release the liability of the original Trustor or Trustor's successors in interest. Beneficiary shall not be required to commence proceedings against any successor interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by the Security Instrument by reason of any demand made by the original Trustor or Trustor's successors in interest. Any forbearance by Beneficiary in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN TRUSTOR. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Trustor is sold or transferred and Trustor is not a natural person) without Beneficiary's prior written consent, Beneficiary may, at its option, require immediate payment in full of all sums secured by this Security Instrument, however, this option shall not be exercised by Beneficiary if exercise is prohibited by federal law as of the date of the Security Instrument. If Beneficiary exercises this option, Beneficiary shall give Trustor notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which the Trustor must pay all sums secured by this Security Instrument. If Trustor fails to pay these sums prior to the expiration of this period, Beneficiary may invoke any remedies permitted by this Security Instrument without further notice or demand on Trustor.

12. EVENTS OF DEFAULT. Any of the following events shall be deemed an event of default hereunder:

- a. Trustor shall have failed to make payment of any installment of interest, principal, or principal and interest or any other sum secured hereby when due; or
- b. There has occurred a breach of or default under any term, covenant, agreement, condition, provision, representation or warranty contained in any of the Loan Instruments.

13. ACCELERATION; REMEDIES. Beneficiary shall give notice of default to Trustor prior to acceleration following Trustor's breach of any covenant or agreement in this Trust Deed. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Trustor, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this

Security Instrument and sale of the Property. The notice shall further inform Trustor of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Trustor to acceleration and sale. If the default is not cured on or before the date specified in the notice, Beneficiary at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Trustor shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 13, including, but not limited to, reasonable attorney's fees and costs of title evidence. If power of sale is invoked, Trustee shall record a notice of default in each county in which any part of the Property is located and shall mail copies of such notice in the manner prescribed by applicable law to Trustor and to the other persons prescribed by applicable law. After the time required by applicable law, Trustee shall give public notice of sale to the persons and in the manner prescribed by applicable law. Trustee, without demand on Trustor, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Beneficiary or its designee may purchase the Property at any sale. Upon receipt of payment of the price bid, Trustee shall deliver to the purchaser Trustee's deed conveying the Property. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, Trustee's fees as permitted by applicable law and reasonable attorney's fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

14. BENEFICIARY IN POSSESSION. Upon acceleration under paragraph 13 or abandonment of the Property, Beneficiary (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Beneficiary or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Security Instrument.

15. REMEDIES NOT EXCLUSIVE. Trustee and Beneficiary, and each of them, shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this Deed of Trust or under any Loan Instrument or other agreement or any laws now or hereafter in force, notwithstanding some or all of the such indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Deed of Trust nor its enforcement whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Trustee's or Beneficiary's right to realize upon or enforce any other security now or hereafter held by Trustee or Beneficiary, it being agreed that Trustee and Beneficiary, and each of them, shall be entitled to enforce this Deed of Trust and any other security now or hereafter held by Beneficiary or Trustee in such order and manner as they or either of them may in their absolute discretion determine. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Loan Instruments to Trustee or Beneficiary or to which either of them may be otherwise entitled, may be exercised, concurrently or independently, from time and as often as may be deemed expedient by Trustee or Beneficiary and either of them may pursue inconsistent

