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funds loaned to Trustor by Beneficiary, or in connection with or affecting the Property or any part thereof, including causes of action arising in tort or contract and causes of action for fraud or concealment of a material fact;

(r) all other personal property of Trustor, whether tangible or intangible, located on, used or to be used in any way in connection with, the Real Property or the construction, ownership, use, management, operation, occupancy, leasing, maintenance, repair, improvement, or development of, the Real Property, whether now owned or hereafter acquired or created (including, equipment, inventory, goods, documents, instruments, general intangibles, chattel paper, accounts, accounts receivable, deposit accounts, and contract rights, ~~as~~ all such terms are used in the California Uniform Commercial Code); and

(s) all supplements, modifications and amendments to any of the foregoing; all substitutions, replacements, additions, and accessions to any and all of the foregoing; any of the foregoing hereafter acquired by Trustor; and all proceeds of all of the foregoing.

The Real Property and all of the items described in paragraphs (a) through (s) above are hereinafter referred to collectively as the "Property."

REGARDLESS OF ANYTHING STATED ABOVE OR ANY OTHER TERM CONTAINED IN THIS DEED OF TRUST OR IN THE LOAN DOCUMENTS, NONE OF THE OBLIGATIONS UNDER OR PURSUANT TO THAT CERTAIN ENVIRONMENTAL AGREEMENT OR ANY GUARANTIES EXECUTED IN CONNECTION WITH THE LOAN WILL BE SECURED BY THIS DEED OF TRUST.

## 1. WARRANTY OF TITLE.

Trustor covenants, represents and warrants for the benefit of Beneficiary as follows:

- (a) Trustor is the lawful owner of the Property,
- (b) Trustor will maintain and preserve the lien of this Deed of Trust until the Indebtedness has been paid in full,
- (c) Trustor has good, right, and lawful authority to grant the Property as provided in this Deed of Trust, and
- (d) Trustor will forever warrant and defend the grant made in this Deed of Trust against all claims and demands, except as are specifically set forth in this Deed of Trust.

## 2. REPRESENTATION AND WARRANTIES.

Trustor covenants, represents and warrants for the benefit of Beneficiary as follows:

**2.1. PAYMENT OF PRINCIPAL AND INTEREST.** Trustor shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note and all other sums secured by this Deed of Trust.

**2.2. APPLICATION OF PAYMENTS.** Except to the extent otherwise required by law or by the terms of any other Loan Document, Beneficiary shall apply and credit funds received and accepted by Beneficiary pursuant to this Deed of Trust or any other Loan Document in the following manner and order of priority: (a) to pay or reimburse Beneficiary for any costs and expenses (including court costs and attorneys' fees) incurred by Beneficiary in enforcing its rights and remedies under the Loan Documents; (b) to pay any late payment charges due under the Note or any other Loan Document; (c) to