

REQUESTED BY
WESTERN TITLE COMPANY, INC.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2004 OCT 22 PM 2:55

WERNER CHRISTEN
RECORDER

\$30⁰⁰ FAID *KY* DEPUTY

APN: 1420-32-001-018
[For use in Nevada only]

When Recorded Mail to:

Kathy E. Knapp
Reliance Trust Company
3384 Peachtree Road, Suite 900
Atlanta, GA 30326

This Instrument Prepared By:

Reliance Trust Company

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

THIS DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (herein "Instrument") is made this 21st day of September, 2004, by the Mortgagor/Grantor, CARSON VALLEY CHRISTIAN CENTER, LTD., whose address is 1095 Stephanie Way, Minden, Nevada 89423 (herein "Borrower"), FIDELITY NATIONAL TITLE COMPANY (herein "Trustee"), SAN JOAQUIN BANK, a corporation, duly organized and existing under the laws of the State of California, whose address is 4600 California Avenue, Bakersfield, California 93309, and RELIANCE TRUST COMPANY, as Trustee for First Mortgage Bondholders, a bank and trust company organized and existing under the laws of the State of Georgia, whose address is 3384 Peachtree Road, Suite 900, Atlanta, Georgia 30326. San Joaquin Bank and Reliance Trust Company are herein collectively referred to as the "Lenders."

WHEREAS, Borrower is indebted to Lenders in the aggregate principal sum of TWO MILLION TWO HUNDRED SIXTY NINE THOUSAND AND NO/100 DOLLARS (\$2,269,000), which indebtedness is evidenced by Borrower's \$2,269,000 Promissory Note with San Joaquin Bank dated October 1, 2004, providing for payments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on October 1, 2005, and evidenced by Borrower's Trust Indenture in the amount of \$2,269,000 for the benefit of certain Bondholders of Series 2004 First Mortgage Bonds dated October 1, 2004, as defined in that certain Agreement Between Lienholders dated October 1, 2004, attached hereto as Exhibit "C" and incorporated herein by reference thereto.

TO SECURE TO RELIANCE TRUST COMPANY (a) the repayment of the indebtedness evidenced by Borrower's bonds dated October 1, 2004 (herein "Bonds") in the principal sum of Two Million Two Hundred Sixty Nine Thousand Dollars (\$2,269,000), with interest thereon, issued pursuant to a Trust Indenture (the "Trust Indenture") dated October 1, 2004 between Borrower as Issuer thereunder and Reliance Trust Company as Trustee thereunder, which Trust Indenture provides for payments by Issuer into a sinking fund maintained by Trustee's escrow agent and/or paying agent for periodic payments to the holders of the Bonds of principal and interest on the Bonds, with the balance of the indebtedness, if not sooner paid, due and payable on October 1, 2024, and all renewals, extensions and modifications thereof; (b) the payment of all other sums including, but not limited to, the repayment of any future advances, with interest thereon, advanced in accordance herewith to protect the security of this Instrument (the "Future Advances"); (c) the performance of the covenants and agreements of Borrower

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contained in the Trust Indenture; and (d) the performance of the covenants and agreements of Borrower herein contained, Borrower in consideration of the indebtedness herein recited and the trust herein created, irrevocably does hereby grant, sell, convey and assign to Trustee, in trust with power of sale, the properties located in Douglas County, State of Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference.

TO SECURE TO SAN JOAQUIN BANK (a) the repayment of the indebtedness evidenced by Borrower's Promissory Note dated October 1, 2004 in the principal sum of Two Million Two Hundred Sixty Nine Thousand Dollars (\$2,269,000) between Borrower and San Joaquin Bank providing for payments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on October 1, 2005 and all renewals, extensions and modifications thereof; (b) the payment of all other sums, but not limited to, the repayment of any Future Advances, with interest thereon, advanced in accordance herewith to protect the security of this Instrument; (c) the performance of the covenants and agreements of Borrower contained in the Loan Agreement; and (d) the performance of the covenants and agreements of Borrower herein contained, Borrower in consideration of the indebtedness herein recited and the trust herein created, irrevocably does hereby, grant, sell, convey and assign to Trustee, in trust with power of sale, the properties located in Douglas County, State of Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference.

Together with all buildings, improvements, and tenements now or hereafter erected on the properties, and all heretofore or hereafter vacated alleys and streets abutting the properties, and all easements, rights, appurtenances, rents (subject, however, to the assignment of rents to Lenders herein), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock appurtenant to the properties, and all fixtures, machinery, equipment, engines, boilers, incinerators, building materials, appliances and goods of every nature whatsoever now or hereafter located in, or on, or used, or intended to be used in connection with the properties, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light; and all elevators, and related machinery and equipment, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, mirrors, cabinets, paneling, rugs, attached floor coverings, furniture, pews, altars, organs, pictures, antennas, trees and plants; all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the real properties covered by this Instrument; and all of the foregoing, together with said property (or the leasehold estate in the event this Instrument is on a leasehold) now owned or hereafter acquired including but not limited to the property described on Exhibit "B" attached hereto and incorporated herein by this reference; all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the real properties covered by this Instrument, and all of the foregoing, together with said property are herein referred to as the "Property;" all interest of Borrower in (1) other tangible personal property of any nature whatsoever (a) located in or upon the real properties and (2) intangible personal property relating to the development, use or operation of the real properties including, but not limited to, all inventories, accounts, accounts receivable, contract rights, chattel paper, leases (subject, however, to the assignment of rents to Lenders herein), instruments, deposits, monies due and to become due (including guaranties and security for the payment of same) and all proceeds, benefits and claims arising as a result of loss in value of the properties or damage to any improvements therein or thereupon (including, but not limited to, insurance proceeds, awards for condemnation and causes of action against third persons or entities).

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant, convey and assign the Property (and if this Instrument is on a leasehold, that the ground lease is in full force and effect without modification except as noted above and without default on the part of either lessor or lessee thereunder), that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the

Property against all claims and demands, subject to any easements and restrictions listed in the Title Insurance Policy.

Uniform Covenants. Borrower and Lenders covenant and agree as follows:

1. **PAYMENT OF PRINCIPAL AND INTEREST.** Borrower shall promptly pay when due the sinking fund payments as provided in the Trust Indenture, the principal of and interest on the indebtedness evidenced by the Bonds, any prepayment and late charges provided in the Trust Indenture and all other sums secured by this Instrument.
2. **TRUST INDENTURE.** Borrower shall comply with the covenants and conditions of the Trust Indenture which is hereby incorporated by this reference and made a part hereof.
3. **CONDEMNATION.** Borrower shall promptly notify Lenders of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, and Borrower shall appear in and prosecute any such action or proceeding unless otherwise directed by Lenders in writing. Borrower authorizes Lenders, at Lenders' option, as attorney-in-fact for Borrower, to commence, appear in and prosecute, in Lenders' or Borrower's name, any action or proceeding relating to any condemnation or other taking of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award, payment or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Lenders subject, if this Instrument is on a leasehold to the rights of lessor under the ground lease. Borrower authorizes Lenders to apply such awards, payments, proceeds or damages, after the deduction of Lenders' expenses incurred in the collection of such amounts as provided in the Trust Indenture.
4. **BORROWER AND LIEN NOT RELEASED.** From time to time, Lenders may, at Lenders' option, without giving notice to or obtaining the consent of Borrower, Borrower's successors or assigns or of any junior lienholder or guarantors, without liability on Lenders' part and notwithstanding Borrower's breach of any covenant or agreement of Borrower in this Instrument, extend the time for payment of said indebtedness of any part thereof, reduce the payments thereon, release anyone liable on any of said indebtedness, accept a renewal note or notes therefor, modify the terms and time of payment of said indebtedness, cause the release from the lien of this Instrument any part of the Property, take or release other or additional security, cause Trustee to reconvey any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, join in any extension or subordination agreement, and agree in writing with Borrower to modify the rate of interest or period of amortization of the Bonds or change the amount of the monthly installments payable thereunder. Any actions taken by Lenders or Trustee pursuant to the terms of this paragraph 4 shall not affect the obligation of Borrower or Borrower's successors or assigns to pay the sums secured by this Instrument and to observe the covenants of Borrower contained herein, shall not affect the guaranty of any person, corporation, partnership or other entity for payment of the indebtedness secured hereby, and shall not affect the lien or priority of lien hereof on the Property. Borrower shall pay Lenders a reasonable service charge, together with such title insurance premiums and attorney's fees as may be incurred at Lenders' option, for any such action if taken at Borrower's request.
5. **FORBEARANCE BY LENDERS NOT A WAIVER.** Any forbearance by Lenders in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver or preclude the exercise of any right or remedy. The acceptance by Lenders of payment of any sum secured by this Instrument after the due date of such payment shall not be a waiver of Lenders' right to either require prompt payment when due of all other sums so secured or to declare a default for failure to make prompt payment. The procurement of insurance or the payment of taxes or other liens or charges by Lenders shall not be a waiver of Lenders' right to accelerate the

maturity of the indebtedness secured by this Instrument, nor shall Lenders' receipt of any awards, proceeds or damages under paragraph 3 hereof operate to cure or waive Borrower's default in payment of sums secured by this Instrument.

6. **ESTOPPEL CERTIFICATE.** Borrower shall, within ten days of a written request from Lenders, furnish Lenders with a written statement, duly acknowledged, setting forth the sums secured by this Instrument and any right of set-off, counterclaim or other defense which exists against such sums and the obligations of this Instrument.

7. **UNIFORM COMMERCIAL CODE SECURITY AGREEMENT AND FIXTURE FILING.** This Instrument is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the items specified above as part of the Property, which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and Borrower hereby grants Lenders a security interest in said items. Borrower agrees that Lenders may file this Instrument, or a reproduction thereof, in the real estate records or other appropriate index, as a financing statement for any of the items specified above as part of the Property. Any reproduction of this Instrument or of any other security agreement or financing statement shall be sufficient as a financing statement. In addition, Borrower agrees to execute and deliver to Lenders, upon Lenders' request, any financing statements, as well as extensions, renewals and amendments thereof, and reproductions of this Instrument in such form as Lenders may request to perfect a security interest with respect to said items. Borrower shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements Lenders may reasonably require. Without the prior written consent of Lenders, Borrower shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said items, including replacements and additions thereto. Upon Borrower's breach of any covenant or agreement of Borrower contained in this Instrument, including the covenants to pay when due all sums secured by this Instrument, Lenders shall have the remedies of a secured party under the Uniform Commercial Code and, at Lenders' option, may also invoke the remedies provided in paragraph 13 of this Instrument as to such items. In exercising any of said remedies, Lenders may proceed against the items of real property and any items of personal property specified above as part of the Property separately or together and in any order whatsoever, without in any way affecting the availability of Lenders' remedies under the Uniform Commercial Code or of the remedies provided in paragraph 13 of this Instrument.

This instrument also serves as a fixture filing with respect to that portion of the Property comprised of goods which are or are to become fixtures.

8. **REMEDIES CUMULATIVE.** Each remedy provided in this Instrument is distinct and cumulative to all other rights or remedies under this Instrument or afforded by law or equity, and may be exercised concurrently, independently, or successively, in any order whatsoever.

9. **NOTICE.** Except for any notice required under applicable law to be given in another manner, all notices (including a statement of taxes assessed on real property), requests, demands, waivers, or other communications given as provided in this Instrument or in the Bonds will be in writing, and unless otherwise specifically provided in this Instrument, will be deemed to have been given: (i) if delivered in person, upon delivery, or (ii) if mailed by certified or registered mail, postage prepaid, and addressed to Borrower or Lender at the addresses provided below on the second business day after deposit in the United States mail if addressed to an address located within the same state in which the notice is being mailed or on the third business day after deposit in the United States mail if addressed to an address located within a state other than the state in which the notice is being mailed, or (iii) if sent by overnight express delivery service, enclosed in a prepaid envelope and addressed to Lender or Borrower at the addresses provided below, on the first business day after deposit with the service, or (iv) if sent by tested telex, telegram, telecopy, or other form of rapid transmission confirmed by mailing (as provided in this paragraph), at substantially the same time as the rapid transmission. Either Lender or Borrower may change its respective address

as provided in this paragraph by giving written notice of the change as provided in this paragraph. The addresses for notice are:

(1) NOTICE TO BORROWER:

CARSON VALLEY CHRISTIAN CENTER, LTD.
1095 Stephanie Way
Minden, Nevada 89423
Attention: John J. Jackson, President

(2) NOTICE TO LENDERS:

Reliance Trust Company
3384 Peachtree Road NE
Lenox Plaza, Suite 900
Atlanta, Georgia 30326-1106
Attention: Kathy Knapp, Vice President

and

San Joaquin Bank
4600 California Avenue
Bakersfield, California 93309
Attn: John W. Ivy, Sr. Vice President

10. SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; AGENTS, CAPTIONS. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lenders and Borrower. All covenants and agreements of Borrower shall be joint and several. In exercising any rights hereunder or taking any actions provided for herein, Lenders may act through its employees, agents or independent contractors as authorized by Lenders. The captions and headings of the paragraphs of this Instrument are for convenience only and are not to be used to interpret or define the provisions hereof.

11. GOVERNING LAW; SEVERABILITY. This Instrument shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision of this Instrument or the Bonds conflicts with applicable law, such conflict shall not affect other provisions of this Instrument or the Bonds which can be given effect without the conflicting provisions, and to this end the provisions of this Instrument and the Bonds are declared to be severable. In the event that any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower is interpreted so that any charge provided for in this Instrument or in the Bonds, whether considered separately or together with other charges levied in connection with this Instrument and the Bonds, violates such law, and Borrower is entitled to the benefit of such law, such charge is hereby reduced to the extent necessary to eliminate such violation. The amounts, if any, previously paid to Lenders in excess of the amounts payable to Lenders pursuant to such charges as reduced shall be applied by Lenders to reduce the principal of the indebtedness evidenced by the Bonds. For the purpose of determining whether any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower has been violated, all indebtedness which is secured by this Instrument or evidenced by the Bonds and which constitutes interest, as well as all other charges levied in connection with such indebtedness which constitute interest, shall be deemed to be allocated and spread over the stated term of the Bonds. Unless otherwise required by applicable law, such allocation and

spreading shall be effected in such a manner that the rate of interest computed thereby is uniform throughout the stated term of the Bonds.

12. **ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDERS IN POSSESSION.** As part of the consideration for the indebtedness evidenced by the Bonds, Borrower hereby absolutely and unconditionally assigns and transfers to Lenders all the rents and revenues of the Property, including those now due, past due, or to become due by virtue of any lease or other agreement for the occupancy or use of all or any part of the Property, regardless of to whom the rents and revenues of the Property are payable. Borrower hereby authorizes Lenders or Lenders' agents to collect the aforesaid rents and revenues and hereby directs each tenant of the Property to pay such rents to Lenders or Lenders' agents; provided, however, that prior to written notice given by Lenders to Borrower for the breach by Borrower of any covenant or agreement of Borrower in this Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lenders and Borrower, to apply the rents and revenues so collected to the sums secured by this Instrument in the order provided in the Trust Indenture, so long as no such breach has occurred, to the account of Borrower, it being intended by Borrower and Lenders that this assignment of rents constitutes an absolute assignment and not an assignment for additional security only. Upon delivery of written notice by Lenders to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this Instrument, and without the necessity of Lenders entering upon and taking and maintaining full control of the Property in person, by agent or by a court-appointed receiver, Lenders shall immediately be entitled to possession of all rents and revenues of the Property as the same become due and payable, including, but not limited to, rents then due and unpaid, and all such rents shall immediately, upon delivery of such notice, be held by Borrower as trustee for the benefit of Lenders only; provided, however, that the written notice by Lenders to Borrower of the breach by Borrower shall contain a statement that Lenders exercise their rights to such rents. Borrower agrees that commencing upon delivery of such written notice of Borrower's breach by Lenders to Borrower, each tenant of the Property shall make such rents payable to and pay such rents to Lenders or Lenders' agents on Lenders' written demand to each tenant therefor, delivered to each tenant personally, by mail or by delivering such demand to each rental unit, without any liability on the part of said tenant to inquire further as to the existence of a default by Borrower.

Borrower hereby covenants that Borrower has not executed any prior assignment of said rents, that Borrower has not performed, and will not perform, any acts or has not executed, and will not execute, any instrument which would prevent Lenders from exercising its rights under this paragraph 12, and that, at the time of execution of this Instrument, there has been no anticipation or prepayment of any of the rents of the Property for more than two months prior to the due dates of such rents. Borrower covenants that Borrower will not hereafter collect or accept payment of any rents of the Property more than two months prior to the due dates of such rents. Borrower further covenants that Borrower will execute and deliver to Lenders such further assignments of rents and revenues of the Property as Lenders may from time to time request.

Upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, Lenders may in person, by agent or by a court-appointed receiver, regardless of the adequacy of Lenders' security, enter upon and take and maintain full control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance thereof including, but not limited to, the execution, cancellation or modification of leases, the collection of all rents and revenues of the Property, the making of repairs to the Property and the execution or termination of contracts providing for the management or maintenance of the Property, all on such terms as are deemed best to protect the security of this Instrument. In the event Lenders elect to seek the appointment of a receiver for the Property upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, Borrower hereby expressly consents to the appointment of such receiver. Lenders or the receiver shall be entitled to receive a reasonable fee for so managing the Property. Lenders may obtain the appointment of a receiver by a court of competent jurisdiction, upon ex parte application without notice to Borrower, such notice being hereby waived by

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Borrower, as a matter of right and without regard to the value of the collateral or the adequacy of any security for the sums secured by this Instrument.

All rents and revenues collected subsequent to delivery of written notice by Lenders to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this Instrument shall be applied first to the costs, if any, of taking control of and managing the Property and collecting the rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, costs of repairs to the Property, premiums on insurance policies, taxes, assessments and other charges on the Property, and the costs of discharging any obligation or liability of Borrower as lessor or landlord of the Property and then to the sums secured by this Instrument. Lenders or the receiver shall have access to the books and records used in the operation and maintenance of the Property and shall be liable to account only for those rents actually received. Lenders shall not be liable to Borrower, anyone claiming under or through Borrower or anyone having an interest in the Property by reason of anything done or left undone by Lenders under this paragraph 12.

If the rents of the Property are not sufficient to meet the costs, if any, of taking control of and managing the Property and collecting the rents, any funds expended by Lenders for such purposes shall become indebtedness of Borrower to Lenders secured by this Instrument. Unless Lenders and Borrower agree in writing to other terms of payment, such amounts shall be payable upon notice from Lenders to Borrower requesting payment thereof and shall bear interest from the date of disbursement at the rate stated in the Bonds or the Trust Indenture, as may be applicable, unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Borrower under applicable law.

Any entering upon and taking and maintaining of control of the Property by Lenders or the receiver and any application of rents as provided herein shall not cure or waive any default hereunder or invalidate any other right or remedy of Lenders under applicable law or provided herein. This assignment of rents of the Property shall terminate at such time as this Instrument ceases to secure indebtedness held by Lenders.

Non-Uniform Covenants. Borrower and Lenders further covenant and agree as follows:

13. **ACCELERATION; REMEDIES.** Upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, including, but not limited to, the covenants to pay when due any sums secured by this Instrument, Lenders at Lenders' option may declare all of the sums secured by this Instrument to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law or provided herein. Lenders shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including, but not limited to, attorney's fee, costs of documentary evidence, abstracts and title reports.

Borrower acknowledges that the power of sale herein granted may be exercised by Lenders without prior judicial hearing. Borrower has the right to bring an action to assert the non-existence of a breach or any other defense of Borrower to acceleration and sale. Lenders shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including, but not limited to, attorney's fees, costs of documentary evidence, abstracts and title reports. If Lenders invoke the power of sale and if it is determined in a hearing held in accordance with applicable law that Trustee can proceed to sale, Trustee shall take such action regarding notice of sale and shall give such additional notices to Borrower and to other persons as applicable law may require. After the lapse of such time as may be required by applicable law and after the publication of the notice of sale, Trustee shall sell the Property according to applicable laws. Trustee may sell the Property at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. 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. Lenders or Lenders' designee(s) may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the trust of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all costs and expenses of the sale, including, but not limited to, Trustee's and attorney's fees and costs of title evidence; (b) to all sums secured by this Instrument in such order as Lender, in Lender's sole discretion, directs; and (c) the excess, if any, to the person or persons legally entitled thereto.

14. **RECONVEYANCE.** Upon payment of all sums secured by this Instrument, Lenders shall request Trustee to reconvey the Property and shall surrender and release the lien of this Instrument and all bonds evidencing indebtedness secured by this Instrument to Trustee. Trustee shall reconvey and release the Property without warranty to the person or persons legally entitled thereto. Such person or persons shall pay Trustee's reasonable costs incurred in so reconveying and releasing the Property.

15. **SUBSTITUTE TRUSTEE.** Lenders, at Lenders' option, may from time to time, by an instrument in writing, appoint a successor trustee to any Trustee appointed hereunder, which instrument, when executed and acknowledged by conclusive proof of proper substitution of such successor trustee. The successor trustee shall, without conveyance of the Property, succeed to all the title powers and duties conferred upon the Trustee herein and by applicable law. Said instrument shall contain the name of the original Lender(s), Trustee and Borrower hereunder, the book and page where this Instrument is recorded, and the name and address of the successor trustee. If notice of default has been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee have been paid to such Trustee who shall endorse receipt thereof upon such instrument of substitution. The procedure herein provided for substitution of trustee shall govern the exclusion of all other provisions for substitution, statutory or otherwise.

16. **REQUEST FOR NOTICES.** Borrower requests that copies of the notice of default and notice of sale be sent to Borrower at Borrower's address stated herein.

17. **STATEMENT OF OBLIGATION.** Lenders may collect a fee not to exceed the maximum allowed by applicable law for furnishing a statement of obligation. If no maximum is stated by applicable law, the fee for furnishing such statement shall be \$100.00.

18. **FUTURE ADVANCES.** Upon request of Borrower, Lenders, at Lenders' options so long as this Instrument secures indebtedness held by Lenders, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Instrument when evidenced by promissory notes/indentures stating that said notes/indentures are secured hereby.

19. **COUNTERPARTS.** This Instrument may be simultaneously executed and delivered in counterpart each, as an original, shall constitute one and the same Instrument.

20. **CONFLICT.** In the event of conflict between the terms, covenants and conditions of the Trust Indenture and this Instrument, the terms of this Instrument shall control.

21. **ATTORNEY'S FEES.** As used in this Instrument and in the Indenture and Promissory Note, "attorney's fees" shall include attorney's fees, if any, which may be awarded by a court of competent jurisdiction.

22. **LEGAL CAPACITY.** All parties signing the within instrument have declared themselves to be of full legal capacity.

IN WITNESS WHEREOF, Borrower has executed this Instrument or has caused the same to be executed and sealed by its representatives thereunto duly authorized.

Signed, sealed and delivered in the presence of the following in Douglas County, Nevada:

BORROWER:
CARSON VALLEY CHRISTIAN CENTER, LTD.
Minden, Nevada

WITNESS
Print Name: _____

BY: [Signature]
JOHN J. JACKSON
President

WITNESS
Print Name: _____

BY: [Signature]
KEVIN W. TREVITHICK
Secretary

WITNESS
Print Name: _____

BY: [Signature]
ROY W. CONOVER
Treasurer

(CORPORATE SEAL)

STATE OF NEVADA

COUNTY OF DOUGLAS CARSON CITY

On 9-21-04, before me, Sharon K. Zehring, Notary Public, personally appeared John J. Jackson, President, Kevin W. Trevithick, Secretary, and Roy W. Conover, Treasurer () personally known to me - **OR** - (✓) proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal, this the 21ST day of September 2004.

(NOTARIAL SEAL)

[Signature]
SIGNATURE OF NOTARY

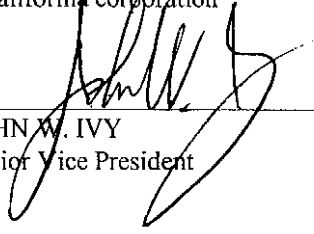
My Commission Expires: 8-16-08



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SAN JOAQUIN BANK
a California corporation



JOHN W. IVY
Senior Vice President


STATE OF CALIFORNIA

COUNTY OF Kern

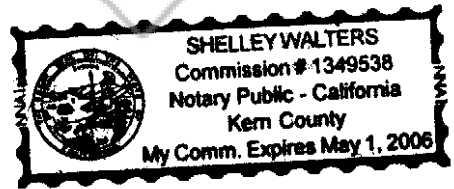
On October 12, 2004 before me, Shelley Walters, Notary Public, personally appeared John W. Ivy, Senior Vice President, personally known to me - **OR** - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

(NOTARIAL SEAL)



SIGNATURE OF NOTARY



Signed, sealed, and delivered in the presence of the following in Fulton County, Georgia:

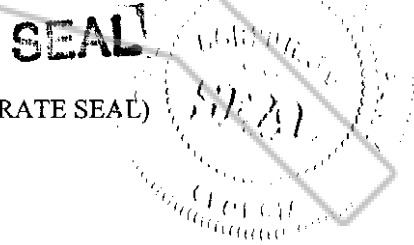
TRUSTEE:
RELIANCE TRUST COMPANY
Atlanta, Georgia

Carole M Clarke
WITNESS
Printed Name: CAROLE M. CLARKE

BY: Kathy E Knapp
KATHY E. KNAPP
Vice President

Melissa J O'Brien
WITNESS
Printed Name: Melissa J. O'Brien

BY: Michael E Green
MICHAEL E. GREEN
Assistant Secretary



(CORPORATE SEAL)

STATE OF GEORGIA
COUNTY OF FULTON

On October 7, 2004 before me, AUDRA M. HABBERLEY, Notary Public, personally appeared Kathy E. Knapp, Vice President, and Michael E. Green, Assistant Secretary, personally known to me - OR - () proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

(NOTARIAL SEAL)

Audra M Habberley
SIGNATURE OF NOTARY

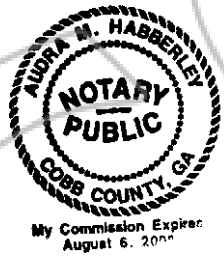


EXHIBIT A

Legal Description

All that real property situate in the County of Douglas, State of Nevada, described as follows:

A Parcel of land situated in and being a portion of the North 1/2 of Section 32, and the South 1/2 of Section 29, in Township 14 North, Range 20 East, M.D.B.&M., more particularly described as follows:

COMMENCING at the section corner common to Sections 28, 29, 32, and 33, in Township 14 North, Range 20 East, M.D.B.&M.:

thence North 89°24'38" West a distance of 2,650.74 feet to the True Point of Beginning;

thence continuing North 89°24'38" West, a distance of 1,306.85 feet to point;

thence South 00°02'53" West, a distance of 1,333.37 feet to a point;

thence South 89°59'47" East, a distance of 1,306.70 feet to a point;

thence North 00°03'17" East, a distance of 1,333.37 feet to the POINT OF BEGINNING.

PRESERVING THEREFROM a non-exclusive access and utility easement, with incidents thereto over and across the Northerly 30 feet of said land.

Said land more fully shown as Parcel 26, more fully set forth on that certain Record of Survey filed for record in the office of the County Recorder of Douglas County, Nevada, on May 6, 1980, in Book 580, Page 266, as Document No. 44253.

NOTE (NRS 111.312): The above metes and bounds description appeared previously in that certain GRANT, BARGAIN AND SALE DEED, recorded in the office of the County Recorder of Douglas County, Nevada on AUGUST 12, 1999, in Book 0899, Page 2264, as Document No. 474340, of Official Records.

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EXHIBIT "B"

DEBTOR:

CARSON VALLEY CHRISTIAN CENTER, LTD.
A Nevada Non-Profit Religious Corporation
1095 Stephanie Way
Minden, Nevada 89423-8897

SECURED PARTY:

RELIANCE TRUST COMPANY
A Georgia Bank and Trust Company
3384 Peachtree Rd., NE Suite 900
Atlanta, GA 30326

SAN JOAQUIN BANK
A California Corporation
4600 California Avenue
Bakersfield, CA 93309

(a) All buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, and all fixtures, machinery, equipment, building materials, appliances and goods of every nature now or hereafter located on or upon, or intended to be used in connection with, the Land or the improvements thereon, including, but not by way of limitation, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light; and all elevators and related machinery and equipment; all plumbing; and all personal property and fixtures of every kind and character now or at any time hereafter located in or upon the Land or the improvements thereon, or which may now or hereafter be used or obtained in connection therewith, including, without limitation, fixtures, machinery, equipment, appliances, vehicles (excluding Debtor's personal automobiles, if any), building supplies and materials, books and records, chattels, inventory, accounts, farm products, consumer goods, general intangibles and personal property of every kind and nature whatsoever now or hereafter owned by Debtor and located in, on or about, or used or intended to be used with or in connection with the use, operation or enjoyment of the Land or any improvements thereon, including all extensions, additions, improvements, betterments, after-acquired property, renewals, replacements and substitutions, or proceeds from a permitted sale of any of the foregoing, and all the right, title and interest of Debtor in any such fixtures, machinery, equipment, appliances, vehicles and personal property subject to or covered by any prior security agreement, conditional sales contract, chattel mortgage or similar lien or claim, together with the benefit of any deposits or payments now or hereafter made by Debtor or on behalf of Debtor, all trade names, trademarks, service marks, logos and goodwill related thereto which in any way now or hereafter belong, relate or appertain to the Land or any improvements thereon or any part thereof or are now or hereafter acquired by Debtor; and all inventory, accounts, chattel paper, documents, equipment, fixtures, farm products, consumer goods and general intangibles constituting proceeds acquired with cash proceeds of any of the property described herein, and all other interests of every kind and character in all of the real, personal, intangible and mixed properties described herein which Debtor may now own or at any time hereafter acquire, all of which are hereby declared and shall be deemed to be fixtures and accessions to the Land and a part of the Land as between the parties hereto and all persons claiming by, through or under them.

(b) All of the interest of Debtor in all easements, rights-of-way, licenses, operating agreements, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, oil and gas and other 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 estates, rights, titles, interests, privileges, liberties, tenements,

hereditaments and appurtenances, reversion and reversions, remainder and remainders, whatsoever, in any way belonging, relating or appertaining to the Land or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Debtor.

(c) All income (including but not limited to, all revenues, pledges, income, gifts, donations and offerings from whatever source owned by Debtor), rents, issues, royalties, profits, revenues and other benefits of the Land from time to time accruing, all payments under leases or tenancies, proceeds of insurance, condemnation awards and payments and all payments on account of oil and gas and other mineral leases, working interests, production payments, royalties, overriding royalties, rents, delay rents, operating interests, participating interests and other such entitlements, and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Debtor of, in and to the same (hereinafter collectively referred to as the "Revenues"); reserving only the right to Debtor to collect the Revenues as provided in the Deed And Agreement executed by Debtor in favor of Secured Party.

(d) All construction or development contracts, subcontracts, architectural agreements, labor, material and payment bonds, and plans and specifications relating to the construction of improvements on the Land including, without limitation (i) any engineering or architectural agreements entered into with respect to the design and other engineering or architectural services; (ii) the plans and specifications for the construction of said improvements prepared by any engineer or architect; and (iii) any agreements entered into with contractors, suppliers, materialmen or laborers with respect to construction of improvements on the Land.

(e) If applicable, any and all management contracts, agreements, or other correspondence entered into by and between Debtor and third parties for the management of the collateral secured hereby.

(f) Together with any and all additional items of personal property, furnishings, fixtures, equipment, furniture, trade fixtures, and other items of property not heretofore referenced above, including any and all musical instruments, church pews, chairs, pulpits, podiums, and all other items used in connection with the Issuer and Issuer's functions.

EXHIBIT "C"

AGREEMENT BETWEEN LIENHOLDERS

THIS AGREEMENT is made by and between **RELIANCE TRUST COMPANY**, a Georgia Bank and Trust Company, as Trustee for the benefit of the Bondholders of **CARSON VALLEY CHRISTIAN CENTER, LTD. FIRST MORTGAGE BONDS, 2004 SERIES A**, having a notice address at 3384 Peachtree Road NE, Suite 900, Atlanta, Fulton County, Georgia 30326, **SAN JOAQUIN BANK**, a California corporation (hereinafter "**Lender**"), having a notice address at 4600 California Avenue, Bakersfield, California 93309, and **CARSON VALLEY CHRISTIAN CENTER, LTD.**, a Nevada non-profit religious corporation (hereinafter "**Issuer/Borrower**") whose address is 1095 Stephanie Way, Minden, Nevada 89423.

RECITALS:

Issuer/Borrower desires to issue \$2,269,000 First Mortgage Bonds, 2004 Series A, dated October 15, 2004 (hereinafter referred to as the "**Series A Bonds**"), and \$356,000 Subordinate General Mortgage Bonds, 2004 Series B, dated October 15, 2004, hereinafter referred to as the ("**Bonds**") to provide a reserve for sinking fund payments, refinance existing debt, provide funds for a renovation project, and to pay costs and fees related to the issuance of the bonds. Reliance Trust Company ("**Reliance**" and/or "**Trust Agent**") will serve as trustee for the Series A Bonds, Trust Company for the Series B Bonds, and Paying Agent, Escrow Agent, and Registrar/Transfer Agent for the Bonds. Michael R. Funderburk, Attorney-At-Law, will serve as trustee for the Series B Bonds.

The Series A Bonds will be issued under a Trust Indenture (the "**Indenture**") dated October 15, 2004, and are secured by a joint and equal parity deed of trust (the "**Deed of Trust**") dated September 21, 2004. The Series B Bonds are issued under a Secondary Trust Indenture (the "**Secondary Indenture**"), dated October 15, 2004, and are secured by a subordinate deed of trust dated September 21, 2004 (the "**Subordinate Deed of Trust**"). The Series B Bonds are and will remain subordinate to the Series A Bonds.

Issuer/Borrower intends to obtain a \$2,269,000 loan from San Joaquin Bank evidenced by a certain Promissory Note (the "**Loan**" and/or the "**Note**"). The proceeds of the Loan will be used to purchase \$2,269,000 of the Series A Bonds, which will be issued in the name of Issuer/Borrower into its treasury and pledged to San Joaquin Bank to secure the Loan (the Series A Bonds pledged to secure the Loan being referred to as the "**Pledged Bonds**"). California Plan of Church Finance, Inc. ("**Broker**") intends to resell the Pledged Bonds as the Issuer/Borrower's agent on a best-efforts basis. The proceeds from the resale of the Pledged Bonds will be used to repay the Loan. The Issuer/Borrower has executed and delivered to Trust Agent and San Joaquin Bank the Deed of Trust, Assignment of Rents and Security Agreement on certain real property and improvements as described therein (the "**Property**") which will secure on an equal and parity basis both (i) the Bonds and other obligations under the Indenture and (ii) the Loan. Upon payment of the Loan from the resale of Pledged Bonds, San Joaquin Bank's interest under the Deed of Trust will be released. The Trust Agent and San Joaquin Bank have entered into the Agreement Between Lienholders setting forth their agreements with respect to default administration, application of proceeds and allocation of expenses.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and agreements herein contained, Lender, Reliance and Issuer/Borrower do hereby agree as follows:

1. Equity of Liens. The parties do hereby agree that Issuer/Borrower shall execute the Deed of Trust and other collateral documents related thereto (the "**Security Documents**") as may be required by Lender or Reliance for the benefit of both Lender and Reliance and that such Security Documents shall jointly secure both the Note and the Bonds. The note and the bonds shall both be secured by a first lien of equal position and parity, and shall be governed by the provisions of the Security Documents, or other documents or instruments creating the same, as well as, the provisions of this Agreement as hereinafter set forth.

2. Definition of Indebtedness. For purposes of this Agreement, the term "**Indebtedness**" shall refer to both (i) the Note, and (ii) the Bonds. The interest of Lender and Trustees in the Indebtedness shall vary as their respective interests therein may from time to time appear.

3. Application of Payments. The parties agree that the proceeds of the resale of the Pledged Bonds will be used to pay the principal balance and accrued interest, to the extent received, of the Note.

4. Procedures upon Default. Notwithstanding any provisions to the contrary set forth or contained in (i) the Note, (ii) the Bonds, (iii) the Indenture, or (iv) the Security Documents or other security instrument or document securing the payment of the indebtedness, in the event of a default by Borrower under any of the terms and provisions of the instruments or legal documents described above, at the election of either Lender or Reliance all of the Indebtedness, both the Note and the Series A Bonds, shall become immediately due and payable in full. In the event of a default under either the Loan, the Series A Bonds, or the Indenture, the party holding such defaulted obligation will give written notice to the other party within ten (10) days after learning of such event of default. If either Reliance or Lender elects to accelerate the Series A Bonds or the Loan as a result of any default, such party shall likewise give written notice to the other party of such election prior to taking any action thereon and, in such event, both Reliance and Lender agree to accelerate their respective portion of the Indebtedness on such election by the other. In such event, all collection and foreclosure actions or proceedings shall be conducted jointly by Lender and Reliance. All legal fees, court costs and related expenses and all receipts from collection and foreclosure hereunder shall be shared proportionately between Lender and Reliance in the same proportion that the unpaid principal balance of each party's portion of the Indebtedness bears to the unpaid principal balance of the total Indebtedness; provided that, if the parties retain separate legal counsel to assist in collection or foreclosure or if a party retains legal counsel in addition to jointly-obtained counsel, then the party retaining such separate or additional legal counsel shall pay the fees and expenses thereof. In the event of a default under either portion of the Indebtedness, the Reliance and Lender hereto agree to work together in good faith in attempting to make joint decisions regarding such matters as collection attempts, foreclosure, selection of counsel, and maintenance and disposition of the collateral. In the event of receipt of proceeds from the collateral, any such proceeds shall be divided between Lender and Reliance based upon the unpaid principal balance of each party's portion of the Indebtedness bears to the unpaid principal balance of the total Indebtedness.

5. Term. This Agreement shall continue until the earliest to occur of: (a) payment in full of the Note and release of Lender's interest in the Security Documents; (b) a repossession of the Property, or a final, nonappealable judgment has been entered foreclosing the Property and the sale of the Property has been made and confirmed as required by law and the proceeds from such sale(s) disbursed to Lender and Reliance according to the terms hereof; or (c) the mutual written agreement of the parties to terminate this Agreement.

6. Enforcement. In any action brought to enforce or defend any of the provisions of this Agreement, the prevailing party or parties shall be entitled to recover its reasonable attorney's fees and expenses from any other party in addition to other relief awarded.

7. Construction. This Agreement does not make any party the employee, agent, partner or legal representative of any other party for any purpose whatsoever. No party is granted any right or authority to assume or create any obligation or responsibility, express or implied, on behalf of or in the name of any other party.

8. Issuer/Borrower's Indemnity. Issuer/Borrower enters into this Agreement hereby agreeing to the arrangement between Issuer/Pledgee and Trustees set forth herein in all respects. Furthermore, Issuer/Borrower does hereby agree to indemnify and hold harmless the Reliance of and from any loss, expense, damages, costs, attorney's fees or other liability incurred as a result of this agreement and the transactions contemplated hereby, and does hereby release Reliance from any liability or duty to inquire as to the validity of the Note owing to Lender, the proper use of the proceeds of the Note or the adequacy of funding documentation.

9. Applicable Law. This Agreement is given under and shall in all respects be governed by the laws of the State of California.

10. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which together shall constitute but one and the same instrument.