

ASSIGNMENT OF RENTS
(Continued)

Loan No: [REDACTED]

Page 4

Collect Rents. Lender shall have the right, without notice to Borrower or Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender shall have all the rights provided for in the Lender's Right to Receive and Collect Rents Section, above. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Other Remedies. Lender shall have all other rights and remedies provided in this Assignment or the Note or by law.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Assignment, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Assignment, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. However, Grantor will only pay attorneys' fees of an attorney not Lender's salaried employee, to whom the matter is referred after Grantor's default. Grantor also will pay any court costs, in addition to all other sums provided by law.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Assignment:

Amendments. This Assignment, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Assignment. No alteration of or amendment to this Assignment shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Caption Headings. Caption headings in this Assignment are for convenience purposes only and are not to be used to interpret or define the provisions of this Assignment.

Governing Law. This Assignment will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Arizona without regard to its conflicts of law provisions. This Assignment has been accepted by Lender in the State of Arizona.

Joint and Several Liability. All obligations of Borrower and Grantor under this Assignment shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Grantor signing below is responsible for all obligations in this Assignment. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Assignment.

Merger. There shall be no merger of the interest or estate created by this assignment with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Interpretation. (1) In all cases where there is more than one Borrower or Grantor, then all words used in this Assignment in the singular shall be deemed to have been used in the plural where the context and construction so require. (2) If more than one person signs this Assignment as "Grantor," the obligations of each Grantor are joint and several. This means that if Lender brings a lawsuit, Lender may sue any one or more of the Grantors. If Borrower and Grantor are not the same person, Lender need not sue Borrower first, and that Borrower need not be joined in any lawsuit. (3) The names given to paragraphs or sections in this Assignment are for convenience purposes only. They are not to be used to interpret or define the

**ASSIGNMENT OF RENTS
(Continued)**

Loan No: [REDACTED]

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provisions of this Assignment.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Assignment unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Assignment shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Assignment. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Assignment, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Assignment shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Assignment. Any party may change its address for notices under this Assignment by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

Powers of Attorney. The various agencies and powers of attorney conveyed on Lender under this Assignment are granted for purposes of security and may not be revoked by Grantor until such time as the same are renounced by Lender.

Severability. If a court of competent jurisdiction finds any provision of this Assignment to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Assignment. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Assignment shall not affect the legality, validity or enforceability of any other provision of this Assignment.

Successors and Assigns. Subject to any limitations stated in this Assignment on transfer of Grantor's interest, this Assignment shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Assignment and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Assignment or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Assignment.

Waive Jury. All parties to this Assignment hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Arizona as to all indebtedness secured by this Assignment.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Assignment. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Assignment shall have the meanings attributed to such terms in the Uniform Commercial Code:

Assignment. The word "Assignment" means this ASSIGNMENT OF RENTS, as this ASSIGNMENT OF RENTS may be amended or modified from time to time, together with all exhibits and schedules attached to this ASSIGNMENT OF RENTS from time to time.

Borrower. The word "Borrower" means Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert.

Default. The word "Default" means the Default set forth in this Assignment in the section titled "Default".

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Assignment in the default section of this Assignment.

Grantor. The word "Grantor" means Sheridan Equities, LLC.

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Assignment, together with interest on such amounts as provided in

ASSIGNMENT OF RENTS
(Continued)

Loan No: [REDACTED]

this Assignment.

Lender. The word "Lender" means Metro Phoenix Bank, its successors and assigns.

Note. The word "Note" means the promissory note dated July 30, 2010, in the original principal amount of \$75,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

Property. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Assignment" section of this Assignment.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all of Grantor's present and future rights, title and interest in, to and under any and all present and future leases, including, without limitation, all rents, revenue, income, issues, royalties, bonuses, accounts receivable, cash or security deposits, advance rentals, profits and proceeds from the Property, and other payments and benefits derived or to be derived from such leases of every kind and nature, whether due now or later, including without limitation Grantor's right to enforce such leases and to receive and collect payment and proceeds thereunder.

THE UNDERSIGNED ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT, AND NOT PERSONALLY BUT AS AN AUTHORIZED SIGNER, HAS CAUSED THIS ASSIGNMENT TO BE SIGNED AND EXECUTED ON BEHALF OF GRANTOR ON JULY 30, 2010.

GRANTOR:

SHERIDAN EQUITIES, LLC

By: [REDACTED]
David S. Schweikert, Manager of Sheridan Equities, LLC

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Arizona)
) SS
COUNTY OF Maricopa)

On this 30 day of July, 2010, before me, the undersigned Notary Public, personally appeared **David S. Schweikert, Manager of Sheridan Equities, LLC**, and known to me to be member or designated agent of the limited liability company that executed the ASSIGNMENT OF RENTS and acknowledged the Assignment to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Assignment and in fact executed the Assignment on behalf of the limited liability company.

By [REDACTED] Residing at Maricopa County

Notary Public in and for the State of Arizona
My commission expires 10-4-2011



EMPIRE WEST TITLE AGENCY

When recorded return to:
METRO PHOENIX BANK
4686 E. Van Buren St. # 150
Phoenix, AZ 85008

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
20140657255 10/03/2014 01:18
36317EWA-1-1-1--
ELECTRONIC RECORDING

36317EW-IN
(1-1)

DEED OF RELEASE AND RECONVEYANCE

WHEREAS, the indebtedness secured by the Deed of Trust executed by Sheridan Equities, LLC, whose address is 15749 E. El Lago Blvd, Fountain Hills, AZ 85268; and Metro Phoenix Bank (Beneficiary), whose address is 4686 E. Van Buren, Ste # 150, Phoenix, AZ 85008, dated July 30, 2010 and recorded August 2, 2010 in Document No. 20100657360, of Official Records in the Maricopa County Recorder's office, Maricopa County, Arizona.

BENEFICIARY

NOW, THEREFORE, the present Beneficiary under said Deed of Trust does hereby release and reconvey, without covenant or warranty, express or implied, unto the parties legally entitled all right, title and interest which was heretofore acquired by said Beneficiary under said Deed of Trust.

DATED this 31st day of July 2014

BENEFICIARY:
METRO PHOENIX BANK:

[Redacted Signature]
Stephen P. Haggard, President & CEO

STATE OF ARIZONA)
County of Maricopa)

This instrument was acknowledged before me this day 31st of July 2014 by Stephen P. Haggard of Metro Phoenix Bank.

My Commission Expires:

[Redacted Signature]

Notary Public



When recorded return to:
METRO PHOENIX BANK
4686 E. Van Buren St. # 150
Phoenix, AZ 85008

DEED OF RELEASE AND RECONVEYANCE

WHEREAS, the indebtedness secured by the Deed of Trust executed by Sheridan Equities, LLC, whose address is 15749 E. El Lago Blvd, Fountain Hills, AZ 85268; and Metro Phoenix Bank (Beneficiary), whose address is 4686 E. Van Buren, Ste # 150, Phoenix, AZ 85008, dated July 30, 2010 and recorded August 2, 2010 in Document No. 20100657360, of Official Records in the Maricopa County Recorder's office, Maricopa County, Arizona.

BENEFICIARY

NOW, THEREFORE, the present Beneficiary under said Deed of Trust does hereby release and reconvey, without covenant or warranty, express or implied, unto the parties legally entitled all right, title and interest which was heretofore acquired by said Beneficiary under said Deed of Trust.

DATED this 31st day of July 2014

BENEFICIARY:
METRO PHOENIX BANK:

[Redacted Signature]

Stephen P. Haggard, President & CEO

STATE OF ARIZONA)
County of Maricopa)

This instrument was acknowledged before me this day 31st of July 2014 by Stephen P. Haggard of Metro Phoenix Bank.

My Commission Expires:

[Redacted Signature]

Notary Public



DISBURSEMENT REQUEST AND AUTHORIZATION

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$75,000.00	07-30-2010	08-05-2011	[REDACTED]	131 / 13		RAS	DS
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: Sheridan Equities, LLC; David S. Schweikert; and
Joyce R. Schweikert

Lender: Metro Phoenix Bank
Main Office
4686 E. Van Buren Street, Ste #150
Phoenix, AZ 85008

LOAN TYPE. This is a Variable Rate Nondisclosable Revolving Line of Credit Loan to two Individuals and a Limited Liability Company for \$75,000.00 due on August 5, 2011.

PRIMARY PURPOSE OF LOAN. The primary purpose of this loan is for:

- Personal, Family, or Household Purposes or Personal Investment.
- Business (Including Real Estate Investment).

SPECIFIC PURPOSE. The specific purpose of this loan is: RLOC.

FLOOD INSURANCE. The property that will secure the loan is not located in an area that has been identified by the Director of the Federal Emergency Management Agency as an area having special flood hazards. Therefore, although flood insurance may be available for the property, no special flood hazard insurance protecting property not located in an area having special flood hazards is required by law for this loan at this time.

DISBURSEMENT INSTRUCTIONS. Borrower understands that no loan proceeds will be disbursed until all of Lender's conditions for making the loan have been satisfied. Please disburse the loan proceeds of \$75,000.00 as follows:

Undisbursed Funds:	\$72,031.00
Other Charges Financed:	\$1,487.00
\$1,467.00 Title Insurance	
\$20.00 Wire Fee	
Total Financed Prepaid Finance Charges:	\$1,482.00
\$48.00 Flood Certification and Life of Loan	
\$684.00 Escrow Fees	
\$750.00 Documentation Fee	
Note Principal:	\$75,000.00

LIEN RELEASE FEES. In addition to all other charges, Borrower agrees, to the extent not prohibited by law, to pay all governmental fees for release of Lender's security interests in collateral securing this loan. Borrower will pay these fees at the time the lien or liens are released. The estimated amount of these future lien release fees is \$75.00.

FINANCIAL CONDITION. BY SIGNING THIS AUTHORIZATION, BORROWER REPRESENTS AND WARRANTS TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN BORROWER'S FINANCIAL CONDITION AS DISCLOSED IN BORROWER'S MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED JULY 30, 2010.

BORROWER:

SHERIDAN EQUITIES, LLC

By:

David S. Schweikert, Manager of Sheridan Equities, LLC

David S. Schweikert, Individually

X

Joyce R. Schweikert, Individually

CREDIT
GENERAL LEDGER

METRO PHOENIX BANK

ACCOUNT TITLE Flood Int

DESCRIPTION:

DATE 7 31 10

OFFSET: Sheridan - [REDACTED]

PREPARED BY KTB

APPROVED BY

ACCOUNT NUMBER

AMOUNT

[REDACTED] \$ 48.00

[REDACTED]

CREDIT
GENERAL LEDGER

METRO PHOENIX BANK

ACCOUNT TITLE FAB 91

DESCRIPTION:

DATE 7 31 10

OFFSET: Sheridan - [REDACTED]

PREPARED BY KTB

APPROVED BY

ACCOUNT NUMBER

AMOUNT

[REDACTED] \$ 750.00

[REDACTED]

CREDIT
GENERAL LEDGER

METRO PHOENIX BANK

ACCOUNT TITLE Wire Fee

DESCRIPTION:

DATE 7 31 10

OFFSET: Sheridan - [REDACTED]

PREPARED BY KTB

APPROVED BY

ACCOUNT NUMBER

AMOUNT

[REDACTED] \$ 20.00

[REDACTED]

DEBIT
GENERAL LEDGER

METRO PHOENIX BANK

ACCOUNT TITLE Online Posting

DESCRIPTION:

DATE 7 30 10

OFFSET: Sheridan - [REDACTED]
Dec-750 - Flood 48 wire-20

PREPARED BY KTB

APPROVED BY

ACCOUNT NUMBER

AMOUNT

[REDACTED] \$ 818.00

[REDACTED]



OUTGOING DOMESTIC WIRE TRANSFER REQUEST

Date: 8-2-10 Time: _____ Department Requesting Wire: Branch Loan Administration
Employee Accepting Wire Request: Kelli A. Bader Employee Phone Number: 1805

ORIGINATOR INFORMATION

Customer Name: Sheridan Equities, LLC and David & Joyce Schweikert
Or Business Name: _____
Street Address: _____ State: AZ Zip: 85268
Customer Account Type: DDA SAV GL CD Loan
Customer Account Number: _____ Social Security /Tax ID #: _____

CUSTOMER IDENTIFICATION

Signature Card: Drivers License State/#: _____ Other Identification: _____

BENEFICIARY INFORMATION

Receiving Bank Name: Wells Fargo Bank, N.A. Branch Downtown Phoenix Routing #: _____
Customer to Credit: Thomas Title & Escrow, LLC
Acct. Number to Credit: _____
Street Address: 100 W. Washington City: Phoenix State: Arizona Zip: 85003
Special Instructions: Escrow #'s _____ - Sheridan Equities

CUSTOMER AUTHORIZATION

The bank shall not be liable for any error or delay in transfer due to any cause other than The Bank's own negligence. The Bank shall only be liable for the Customer's actual loss arising from such negligence, not to exceed the amount of the funds transferred which The Bank is unable to recover. In no event shall The Bank be liable for indirect or consequential damages. I have read the above information and request the wire transfer of funds as stated.

Customer Signature _____ Loan Funds _____ Date _____

BANK/WIRE USE ONLY

Employee Verifying (Call Back) Wire Request: _____
(Person verifying (call back) Wire Request MUST be different than the person accepting the Wire Request)

Contact Name: _____ Time Contacted: _____

Amount of Wire: \$1,771.00 Cash: Yes No
Fee: \$20.00 Waive Fee?: Yes No
Total Due: \$1,791.00

Debit Account: Yes No Account Number: _____
Available Funds: \$ _____ Last Deposit Amount & Date: _____

Approved by: _____ Date: 8/2/10

Wire Input By: _____ Wire Verified By: _____ OFAC By: KAB



OUTGOING DOMESTIC WIRE TRANSFER REQUEST

Date: 8-2-10 Time: _____ Department Requesting Wire: Branch Loan Administration
Employee Accepting Wire Request: Kelli A. Bader Employee Phone Number: 1805

ORIGINATOR INFORMATION

Customer Name: Sheridan Equities, LLC and David & Joyce Schweikert
Or Business Name: _____
Street Address: _____ State: AZ Zip: 85268
Customer Account Type: DDA SAV GL CD Loan
Customer Account Number: _____ Social Security /Tax ID #: _____

CUSTOMER IDENTIFICATION

Signature Card: Drivers License State/#: _____ Other Identification: _____

BENEFICIARY INFORMATION

Receiving Bank Name: Wells Fargo Bank, N.A. Branch Downtown Phoenix Routing #: _____
Customer to Credit: Thomas Title & Escrow, LLC
Acct. Number to Credit: _____
Street Address: 100 W. Washington City: Phoenix State: Arizona Zip: 85003
Special Instructions: Escrow #'s _____ - Sheridan Equities

CUSTOMER AUTHORIZATION

The bank shall not be liable for any error or delay in transfer due to any cause other than The Bank's own negligence. The Bank shall only be liable for the Customer's actual loss arising from such negligence, not to exceed the amount of the funds transferred which The Bank is unable to recover. In no event shall The Bank be liable for indirect or consequential damages. I have read the above information and request the wire transfer of funds as stated.

Customer Signature _____ Loan Funds _____ Date _____

BANK/WIRE USE ONLY

Employee Verifying (Call Back) Wire Request: _____
(Person verifying (call back) Wire Request MUST be different than the person accepting the Wire Request)

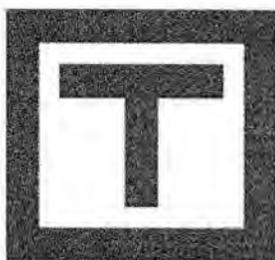
Contact Name: _____ Time Contacted: _____

Amount of Wire: \$311.00 Cash: Yes No
Fee: \$00.00 Waive Fee?: Yes No
Total Due: \$311.00

Debit Account: Yes No Account Number: _____
Available Funds: \$ _____ Last Deposit Amount & Date: _____

Approved by: _____ Date: 8/2/10

Wire Input By: _____ Wire Verified By: _____ OFAC By: KAB



THOMAS
Title & Escrow

16435 N. Scottsdale Rd., Ste. 405
Scottsdale, AZ 85254
480.222.1116 phone

WIRE INSTRUCTIONS

Bank: Wells Fargo Bank, N.A.

Bank Branch: Downtown Phoenix, 100 W. Washington, Phoenix, Arizona 85003

ABA Routing Number: [REDACTED]

Escrow Account Number: [REDACTED]

Account name: Thomas Title & Escrow, LLC

Reference: Escrow number [REDACTED] - Sheridan Equities

CREDIT

METRO PHOENIX BANK

PCB 4
ACCOUNT TITLE

GENERAL LEDGER

DESCRIPTION:

Sheidan Equities -
title fees

OFFSET:

ACCOUNT NUMBER

DATE 8 2 10

PREPARED BY KAB

APPROVED BY [Signature]

AMOUNT

\$ 1771.00

CREDIT

METRO PHOENIX BANK

Wire fee
ACCOUNT TITLE

GENERAL LEDGER

DESCRIPTION:

Sheidan Equities
wire fees

OFFSET:

ACCOUNT NUMBER

DATE 8 2 10

PREPARED BY KAB

APPROVED BY [Signature]

AMOUNT

\$ 20.00

DEBIT

METRO PHOENIX BANK

Online Posting
ACCOUNT TITLE

GENERAL LEDGER

DESCRIPTION:

Sheidan Equities -
Title & wire fees

OFFSET:

ACCOUNT NUMBER

DATE 8 2 10

PREPARED BY KAB

APPROVED BY [Signature]

AMOUNT

\$ 1791.00

CREDIT

METRO PHOENIX BANK

HEB
ACCOUNT TITLE

GENERAL LEDGER

DESCRIPTION:

Shundan - [REDACTED]
remaining title

DATE *8 2 10*

PREPARED BY *CB*

APPROVED BY *HEB*

OFFSET:

[REDACTED]

ACCOUNT NUMBER

AMOUNT

[REDACTED]

\$

311.00

[REDACTED]

DEBIT

METRO PHOENIX BANK

Online Posting
ACCOUNT TITLE

GENERAL LEDGER

DESCRIPTION:

Shundan Equities - [REDACTED]

DATE *8 2 10*

PREPARED BY *CB*

APPROVED BY *HEB*

OFFSET:

[REDACTED]

ACCOUNT NUMBER

AMOUNT

[REDACTED]

\$

311.00

[REDACTED]

BORROWER'S LOAN ADVANCE REQUEST

Date of Request: 8-2-10 Purpose: _____
 Borrower: David Schweikert
 Loan Number: [REDACTED] Principal Loan Amount: _____
 Amount Requested: 36,140.80 Date Needed: 8-2-10
 Remaining Balance: ✓ _____
 Method of Advance: Deposit into Metro Phoenix Bank acct. # _____
 Cashiers Check, payable to: Blue Point, LLC \$11,557.00

Pursuant to the terms of the loan agreement, Borrower is requesting an advance of funds from above reference loan number.

Borrower agrees that the amount of any advance that Metro Phoenix Bank (Bank) makes, will be added to the outstanding principal balance of said loan and will earn interest at the rate(s) in effect on loan from time to time. Borrower understands that the Bank may grant the request, refuse the request or grant part of the request or place conditions on making an advance unless such actions are inconsistent with the terms of the loan agreement. If any conditions for receiving this or future advance(s) are specified below, Borrower agrees to satisfy those conditions before the Bank is obligated to make the advance. Borrower also agrees that any collateral securing the loan will also secure any advance made by Metro Phoenix Bank to Borrower pursuant to the loan agreement. Borrower acknowledges the receipt of this Advance Request.

[REDACTED] 8/2/10
 Borrower's Signature Date Borrower's Signature Date

For Lender's Use Only	
Request is: <input type="checkbox"/> Approved <input type="checkbox"/> Approved in Part <input type="checkbox"/> Not Approved <input type="checkbox"/> Approved subject to the following conditions: _____	
Date Funds Advanced: _____	Amount of Funds Advanced: _____
Comments: _____	
_____ Lender's Signature	_____ Date

Anthem Media Inc

Anthem Media Inc
5524 Bee Caves Road Ste B-5
Austin, TX 78746

jeff@ [REDACTED]

Invoice

DATE	INVOICE #
07/29/2010	1165
TERMS	DUE DATE
Due on receipt	07/29/2010

BILL TO
David Schweikert for Congress

AMOUNT DUE	ENCLOSED
\$19,563.80	

Please detach top portion and return with your payment.

Activity	Amount
• Cable 8/4 - 10	10,475.00
• Radio	7,407.00
• Radio	1,553.00
• City Tax	38.80
• Fed Ex	90.00
TOTAL	\$19,563.80

+ 5,026

\$ 24,589.80

ANTHEM MEDIA WIRE TRANSFER INSTRUCTIONS

Company Information

Anthem Media, Inc
5524 Bee Caves Rd Ste B-5
Austin, TX 78746

Company Contact:
Jeff Norwood
O) [REDACTED]
M) [REDACTED]

5160 labels

Banking Information

IronStone Bank
Norcross, GA
Account Number: [REDACTED]
ABA: [REDACTED]

Banking Contact:
Israel Gibbs
[REDACTED]



STATEMENT

Blue Point LLC

STATEMENT # 109
DATE: AUGUST 2, 2010

35311 N. 92nd Way
Scottsdale, AZ 85262
Chris [REDACTED]

BILL TO Schweikert for Congress

COMMENTS Wiring Information
Blue Point LLC
Acct. # [REDACTED]
Routing # [REDACTED]
Bank of America
Phoenix, AZ

DATE	DESCRIPTION	BALANCE	AMOUNT	
7/28/10	Schweikert #6		\$11,557	
CURRENT	1-30 DAYS PAST DUE			
	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
				\$11,557

REMITTANCE
Statement # [REDACTED]
Date
Amount Due
Amount Enclosed

Make all checks payable to Blue Point LLC

Remitter: Advance from Loan
Memo:

CASHIER'S CHECK

No. [REDACTED]
Date: 8/02/2010

Eleven Thousand Five Hundred Fifty Seven Dollars and Zero Cents*****

\$11,557.00

Pay to the Order of

Operator: 014

Time: 15:27

Source of Funds:

Blue Point LLC
35311 N. 92nd Way
Scottsdale, AZ 85262

Check Fee: \$0.00

Account Information:

40-0



CREDIT
GENERAL LEDGER

METRO PHOENIX BANK

Wife fee
ACCOUNT TITLE

DESCRIPTION:

Shundan Equities wife

DATE 8 2 10

PREPARED BY KTB

APPROVED BY

OFFSET:



ACCOUNT NUMBER

AMOUNT



\$

20.00



CREDIT
GENERAL LEDGER

METRO PHOENIX BANK

PCBB
ACCOUNT TITLE

DESCRIPTION:

Shundan Equities

DATE 8 2 10

PREPARED BY KTB

APPROVED BY

OFFSET:



ACCOUNT NUMBER

AMOUNT



\$

24589.80



DEBIT
GENERAL LEDGER

METRO PHOENIX BANK

Online Posting
ACCOUNT TITLE

DESCRIPTION:

Shundan Equities

DATE 8 2 10

PREPARED BY KTB

APPROVED BY

OFFSET:



ACCOUNT NUMBER

AMOUNT



\$

36166.80



BORROWER'S LOAN ADVANCE REQUEST

Date of Request: 8-3-10 Purpose: _____
 Borrower: Skaidan Equities
 Loan Number: [REDACTED] Principal Loan Amount: _____
 Amount Requested: \$9,800 Date Needed: 8-3-10
 Remaining Balance: _____
 Method of Advance: Deposit into Metro Phoenix Bank acct. # _____
 Cashiers Check, payable to: David Schweiket

Pursuant to the terms of the loan agreement, Borrower is requesting an advance of funds from above reference loan number.

Borrower agrees that the amount of any advance that Metro Phoenix Bank (Bank) makes, will be added to the outstanding principal balance of said loan and will earn interest at the rate(s) in effect on loan from time to time. Borrower understands that the Bank may grant the request, refuse the request or grant part of the request or place conditions on making an advance unless such actions are inconsistent with the terms of the loan agreement. If any conditions for receiving this or future advance(s) are specified below, Borrower agrees to satisfy those conditions before the Bank is obligated to make the advance. Borrower also agrees that any collateral securing the loan will also secure any advance made by Metro Phoenix Bank to Borrower pursuant to the loan agreement. Borrower acknowledges the receipt of this Advance Request.

[REDACTED] 8/3/10
 Borrower's Signature Date Borrower's Signature Date

For Lender's Use Only	
Request is: <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Approved in Part <input type="checkbox"/> Not Approved <input type="checkbox"/> Approved subject to the following conditions: _____	
Date Funds Advanced: _____	Amount of Funds Advanced: _____
Comments: _____	
<u>[REDACTED]</u>	<u>8/3/10</u>
Lender's Signature	Date

Remitter: Sheridan Equities, LLC

Memo: draw

CASHIER'S CHECK

No. [REDACTED]
Date: 8/03/2010

Nine Thousand Eight Hundred Dollars and Zero Cents*****

\$9,800.00

Pay to the Order of

Operator: 018

Time: 17:16

Source of Funds:

David Schweikert

Check Fee: \$0.00

Account Information:

Sheridan Equities, LLC David S Schweikert

DEBIT

METRO PHOENIX BANK

Online Posting

GENERAL LEDGER

ACCOUNT TITLE

DESCRIPTION:

Sheridan Equities

DATE

8 3 10

PREPARED BY

KAB

APPROVED BY

[Signature]

OFFSET

ACCOUNT NUMBER

AMOUNT

\$

9000.00

BORROWER'S LOAN ADVANCE REQUEST

Date of Request: 8/4/10 Purpose: _____
 Borrower: Stredon Equities, LLC
 Loan Number: [REDACTED] Principal Loan Amount: _____
 Amount Requested: \$ 20,000 Date Needed: 8/4/10
 Remaining Balance: \$ 113.20
 Method of Advance: Deposit into Metro Phoenix Bank acct. # _____
 Cashiers Check, payable to: Blue Point, LLC

Pursuant to the terms of the loan agreement, Borrower is requesting an advance of funds from above reference loan number.

Borrower agrees that the amount of any advance that Metro Phoenix Bank (Bank) makes, will be added to the outstanding principal balance of said loan and will earn interest at the rate(s) in effect on loan from time to time. Borrower understands that the Bank may grant the request, refuse the request or grant part of the request or place conditions on making an advance unless such actions are inconsistent with the terms of the loan agreement. If any conditions for receiving this or future advance(s) are specified below, Borrower agrees to satisfy those conditions before the Bank is obligated to make the advance. Borrower also agrees that any collateral securing the loan will also secure any advance made by Metro Phoenix Bank to Borrower pursuant to the loan agreement. Borrower acknowledges the receipt of this Advance Request.

[REDACTED] 8/4/10
 Borrower's Signature Date Borrower's Signature Date

For Lender's Use Only	
Request is:	<input checked="" type="checkbox"/> Approved <input type="checkbox"/> Approved in Part <input type="checkbox"/> Not Approved <input type="checkbox"/> Approved subject to the following conditions: _____
Date Funds Advanced:	_____ Amount of Funds Advanced: _____
Comments: _____	
<u>[REDACTED]</u>	<u>8/4/10</u>
Lender's Signature	Date

Remitter: David Schweikert
Memo:

CASHIER'S CHECK

No. [REDACTED]
Date: 8/04/2010

Twenty Six Thousand Dollars and Zero Cents*****

\$26,000.00

Pay to the Order of

Operator: 018

Time: 16:23

Source of Funds:

Blue Point LLC
35311 N. 92nd Way
Scottsdale, AZ 85262

Check Fee: \$0.00

Account Information:
40-0



DEBIT
GENERAL LEDGER

METRO PHOENIX BANK

Online Posting
ACCOUNT TITLE

DESCRIPTION: Sheridem - [REDACTED]

DATE 8/4/10

PREPARED BY KTB

APPROVED BY AUB

OFFSET: [REDACTED]

ACCOUNT NUMBER

AMOUNT

[REDACTED]

\$ 26000.00

[REDACTED]



METRO PHOENIX BANK

Loan Presentation – Short Form

Borrower Name(s) Sheridan Equities, LLC David & Joyce Schweikert	Address: City: [REDACTED] Phone: [REDACTED]	Blvd. Zip: 85268 Tax ID: [REDACTED]	Date: 2/2/2011 Loan Officer: RAS Referral Source: Stevenson
Relationship Name(s)	Entity Type: Individual Commercial Real Estate Loan No CRA Gross Rev. / Inc: NA CRA Loan No NAICS Code: OFAC Date: 6/28/10		Reg O <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Yr. Bus. Est.: NA Customer Since: New

Loan Request										
#	Loan Type	Coll. Code	Loan Grade	COMMITMENT			Current Loan Balance	Maturity/Terms	Pricing/Rate & Fee	
				New	Renew	Total				
1	RLOC	13	4	\$79,000	\$75,000	\$154,000	\$74,887	Maturity date of 3/5/2012. Principal balance is due at maturity	WSJ P+2% Floor of 7%. \$750 doc fee	
2										
3										
4										
Subtotal				\$79,000	\$75,000	\$154,000	\$74,887	Other Direct Com	\$0	
Total Commitment – Borrower				\$154,000	Related Debt Commitment		\$0	Total Relationship Commitment	\$154,000	

#	Credit Purpose	Codes:	Pur	Fed	Prod
1	Increase the existing LOC by \$79,000, in which funds will be used to help fund the buy-out of a partner		12	131	230
2					

Collateral						
#	Description of Collateral	Value	Source	Sr. Liens	LTV%	LTC%
1	1 st DOT on four rental properties owned by Mr. & Mrs. Schweikert. See page 2 for details.	\$286,000	Zillow & BPO values	None	54%	N/A

#	Primary Source of Repayment	Secondary Source of Repayment
1	Personal cash flow	Liquidation of collateral

#	Guarantor(s)	F/S Date	Liq. assets	NW	Ad.j NW	Credit Score
	NA					

#	Related Entities	Deposits 12 Mos. Avg.	Deposits 12 Mos. Proj.
	NA		

#	Policy Exceptions	Mitigants
	None noted	

Approval:		Date:	Date:
Recommending Officer: Rickard Strom	[Signature]	2/10/11	Approving Officer: Kevin O'Regan
Recommending Officer:	[Signature]		[Signature]

Borrower: David Schweikert is a local real estate investor and was referred to the bank by Michael Stevenson. Mr. Schweikert currently is the US Representative for Arizona's 5th congressional district. Mr. Schweikert has previously served two terms in the Arizona State House of Representatives (1991-1994), was also chaired the State Board of Equalization where he oversaw billions of dollars in valuation and tax protests from Arizona citizens and businesses, and was the elected Maricopa County Treasurer (2004-2007).

David grew up in Scottsdale with his adoptive parents and two adoptive siblings. He graduated from Saguaro High School in 1980 then earned a BA in finance and real estate in 1985 and a MBA from the ASU WP Carey Executive Program in 2005. David has traveled extensively throughout India, East Asia and Eastern Europe. David Schweikert and his wife Joyce live in Fountain Hills where they run their real estate business, Sheridan Equities, LLC.

Loan Purpose: This is a \$79,000 increase to an existing \$75,000 RLOC. The proposed funds will be used to finance the buyout of an existing partner on a residential property. Previously funds were used to support election campaigning.

Repayment Sources:

PSOR: Personal cash flow

SSOR: Liquidation of collateral.

Collateral: The \$79,000 increase in the LOC will be supported by a 1st DOT on the residential property. This will be an addition to 1st DOT positions on 3 separate rental properties that have already been taken as collateral. Details on collateral have been included below:

Additional Collateral:

Address: 5920 W. State Ave. Glendale, AZ 85301
Size: 1,471 SF
BPO Value: \$70,000
BPO Date: 2/9/2011

Existing Collateral House 1:

Address: 3338 E. Willetta St., Phoenix, AZ 85008
Acquisition date: April, 2009
Size: 1,153 SF
Purchase price: \$27,000
Improvement Cost: \$15,821
Total Cost: \$42,821
Zillow Value: \$77,500
Zillow Date: 2/2/2011

Existing Collateral House 2:

Address: 3031 N. 64th Pl., Phoenix, AZ 85033
Acquisition date: March, 2009
Size: 1,473 SF
Purchase price: \$36,000
Improvement Cost: \$7,688
Total Cost: \$43,688
Zillow Value: \$63,000
Zillow Date: 2/2/2011

Existing Collateral House 3:

Address: 6413 W Lamar Rd., Glendale, AZ 85301
Acquisition date: March, 2009
Size: 1,356 SF
Purchase price: \$36,550
Improvement Cost: \$15,021
Total Cost: \$51,571
Zillow Value: \$75,500
Zillow Date: 2/2/2011

Total Collateral value of the 4 homes: \$286,000

LTV: 54%

Borrower Analysis:

A personal financial statement as of 7/13/2010 has been provided which illustrates liquidity of \$60M, and a net worth of \$2,020,530. Analysis of this statement has been included below:

Net Worth Analysis:

David and Joyce Schweikert Personal Financial Statement dated 7/13/2010			
Assets		Liabilities	
Cash (1)	60,000	Mortgage-Primary Residence	290,000
Liquid Assets	60,000	Mortgage-Investment Properties	193,000
Retirement Accounts	35,000	Installment Loans	73,600
CSVLI	15,630	Revolving Debt	12,500
Personal Residence	300,000	Total Liabilities	569,100
Investment Real Estate (2)	534,000	Net Worth	\$2,020,530
Land held for Investment	0	Adjusted Net Worth (4)	\$375,530
Business Investments (3)	1,560,000		
Personal Properties	85,000		
Total Assets	\$2,589,630	Total Liabilities & Net Worth	\$2,589,630

- (1) Cash accounts are held with Chase Bank.
- (2) Investment in real estate includes the 3 existing properties as well as a rental property operated by Joyce in Scottsdale.
- (3) Business Investments include a \$750M value for Sheridan Equities Holdings which represents the value of David Schweikert's real estate business and a value of \$810M which is allocated to Mass Funds.
- (4) The adjusted net worth excludes the value in the business investments and the personal property.

Cash Flow Analysis:

Metro Phoenix Bank is in receipt of 2008 and 2009 tax returns on Mr. and Mrs. Schweikert. Analysis of these returns has been included below, which shows adequate cash flow coverage to support the current loan facility.

Guarantor Name: Schweikert	2008	2009
Salary, Wages, etc	\$105,132	\$120,503
Interest & Dividends (Schedule B)	\$745	\$0
Schedule C	\$15,002	\$36,114
Total Rental & Royalty Cash Flow	\$2,842	\$2,310
Total Partnership/REMIC Cash Flow	\$0	\$0
Less Federal and State Taxes	(\$16,085)	(\$30,680)
Cash Flow Available for Debt Service	\$107,636	\$128,247
*Mortgages (Primary)	\$21,792	\$21,792
*Mortgages (Investment)	\$9,852	\$9,852
*Installment Loans	\$13,704	\$13,704
*Revolving Credit Lines	\$3,708	\$3,708
Total Debt Service	\$49,056	\$49,056
Excess Cash	\$58,580	\$79,191
Debt/Income	45.58%	38.25%

*Debt is taken from credit reported dated 6/28/2010

Income is generated from wages the Mr. Schweikert receives from being a politician in Arizona, as Mr. Schweikert was voted in as the US Representative for Arizona's 5th congressional district his salary going forward will increase to \$172,000/year. Other additional income is generated from Schedule C income from the real estate business, Sheridan Equities, LLC and various rental income on residential rentals.

Credit Bureau Report:

The bank obtained a credit report for David & Joyce Schweikert on 6/28/10. The FICO score reported was 759 and 767 respectively. No current derogatory information was noted. Old trade as of 11-96 and 1-85.

Recommendation: It is recommended to approve the subject loan request as presented with a risk rating of 4. The borrowers report sufficient personal cash flow to service the subject loan. Furthermore the Bank is well secured at a LTV of 49%.

Credit Covenants

Loan-to-Value:

At all times during the term of the Loan, the unpaid principal balance of the Loan shall not exceed seventy percent (70%) of the value of the Collateral Property, as determined by Lender in Lender's sole discretion. If for any reason the loan-to-value ratio exceeds said percentage, then Borrower shall, upon Lender's demand, immediately reduce the unpaid principal balance of the Loan, or deposit sufficient sums with Lender to reduce the loan-to-value ratio to at or below said percentage.

Appraisals:

If deemed necessary by Lender or if required by law, Lender shall have the right to order appraisal(s) of the Collateral Property from time to time from an appraiser selected by Lender, which appraisals shall comply with all federal and state standards for appraisals and otherwise shall be satisfactory to Lender in all material respects. Borrower agrees to pay the cost and expense for all appraisals and reviews thereof ordered by Lender pursuant to this paragraph.

Reporting Covenants

	Borrower's Financial Statements	Freq	Next Stmt	Tickler Date	Due Date	Comments
1	Type: FYE Type: None Provide the lender with a copy of the borrower's annual TR (David and Joyce Schweikert)	A	2010			
1	Furnish PFS for David and Joyce Schweikert within 30 days of Lender' Other: _____ Other: _____					

Documentation Requirements

- Standard Laser Pro Documents
- Accounts Receivable / Inventory Addendum
- Other – Outside Legal Counsel
- Other –

Conditions Precedent:

Modifications / Approval Conditions:

Tax Return Date	12/31/2008		12/31/2009	
Months Covered	12		12	
Accountant	Self Prepared		Self Prepared	
Analyst	Tzinas		Tzinas	
Credit Score Date				
Stmnt Type	Tax Return	%	Tax Return	%
1. PERSONAL CASH FLOW	105,132	85.0	120,503	75.8
2. SCHED B (Int & Div) CF	745	0.6	-	-
3. SCHED C (Sole Proprietorship) CASH FLOW	15,002	12.1	36,114	22.7
4. SCHED D (Cap G/L) CF	-	-	-	-
5. SCHED E (Rent RE/Royalties) CASH FLOW	2,842	2.3	2,310	1.5
6. SCHED E (Partner) CF	-	-	-	-
7. SCHED E (S Corp) CF	-	-	-	-
8. SCHED E (Estates & Trusts) CASH FLOW	-	-	-	-
9. SCHED F (Farm) CASH FLOW	-	-	-	-
10. OTHER ONGOING CASH I/O	-	-	-	-
11. GROSS CASH FLOW	123,721	100.0	158,927	100.0
12. Less: TOTAL TAXES	16,085	13.0	30,680	19.3
13. CASH FLOW AVAILABLE FOR DEBT SERVICE	107,636	87.0	128,247	80.7
14. Less: EXISTING ANNUAL DEBT SERVICE	49,056	39.7	49,056	30.9
15. CASH FLOW AVAILABLE FOR NEW DEBT SERV	58,580	47.3	79,191	49.8
16. Less: PROPOSED LOAN REQUEST(S)	-	-	-	-
17. CASH FLOW AVAILABLE AFTER NEW DEBT SERV	58,580	47.3	79,191	49.8
18. Less: ORDINARY LIVING EXPENSES	-	-	-	-
19. CASH FLOW EXCESS(SHORTFALL)	58,580	47.3	79,191	49.8

	12/31/2008	12/31/2009
Tax Return Date	12/31/2008	12/31/2009
Months Covered	12	12
Accountant	Self Prepared	Self Prepared
Analyst	Tzinas	Tzinas
Stmnt Type	Tax Return	Tax Return
Credit Score Date		
<hr/>		
Wages, Salary, Tips, etc.	87,201	90,526
Less: FICA Pd-Applicant	6,671	6,925
Spouses Wages, Salary, Tips, etc.	-	-
Less: FICA Pd-Spouse	-	-
Total Salary	80,530	83,601
Alimony Received	-	-
IRA Distributions	-	-
Pensions and Annuities	24,602	36,902
Social Security Benefits	-	-
Other Income	-	-
Child Support Received	-	-
Total Ongoing Cash Inflow	24,602	36,902
Certain Business Expenses	-	-
IRA Deduction	-	-
Spouse's IRA Deduction	-	-
Archer MSA Deduction	-	-
Educator Expenses	-	-
Self-employed SEP, SIMPLE Deduction	-	-
Student Loan Interest Deduction	-	-
Tuition and Fees Deduction	-	-
Alimony Paid	-	-
Child Care Expenses	-	-
Child Support Paid	-	-
Installment Plan Tax Payments	-	-
Total Ongoing Cash Outflow	-	-
<hr/>		
<u>SCHEDULE A Cash Outflows</u>		
Medical & Dental Expenses	-	-
Gifts by Cash or Check	-	-
Unreimbursed Employee Expense	-	-
Total SCHEDULE A Cash Outflow	-	-
<hr/>		
TOTAL PERSONAL CASH FLOW (Before Taxes & Living Expenses)	105,132	120,503
Total Federal Income Tax	13,730	27,904
State & Local Income Tax or Sales Tax	2,355	2,776
Real Estate Taxes-Primary Residence	-	-
Real Estate Taxes-Other	-	-
New Motor Vehicle Taxes	-	-
Other Taxes	-	-
Total Taxes	16,085	30,680
Ordinary Living Expenses	-	-

Tax Return Date	12/31/2008	12/31/2009
Months Covered	12	12
Accountant	Self Prepared	Self Prepared
Analyst	Tzinas	Tzinas
Stmnt Type	Tax Return	Tax Return
Credit Score Date		
<hr/>		
Taxable Interest Income	6,463	-
Plus: Series EE US Savings Bonds	-	-
Plus: Tax-exempt Interest Income	-	-
Taxable Dividend Income	-	-
Plus: Nontaxable Distributions	-	-
Less: K-1 Interest & Dividend Inc	5,718	-
TOTAL SCHED B CASH FLOW	745	-

Tax Return Date	12/31/2008	12/31/2009
Months Covered	12	12
Accountant	Self Prepared	Self Prepared
Analyst	Tzinas	Tzinas
Strmt Type	Tax Return	Tax Return
Credit Score Date		

Company Name: 1

Gross Income	102,798	185,700
Less: Total Expenses	89,448	156,031
Plus: Depletion	-	-
Plus: Depreciation	1,652	6,445
Plus: Mortgage Interest	-	-
Plus: Other Interest	-	-
Plus: Pension & Profit Sharing Plans	-	-
Less: Meals & Ent Exclusion	-	-
Plus: Other Non-Cash Expenses	-	-
Less: Business Use of Home Exp	-	-
Total Cash Inc/(Expenses)	(87,796)	(149,586)
Plus: Other Non-Cash Costs-COGS	-	-
Plus: Other Ongoing Cash Inflow	-	-
Less: Other Ongoing Cash Outflow	-	-
Total Other Cash Inflow/(Outflow)	-	-
TOTAL SCHED C CASH FLOW	15,002	36,114

Tax Return Date	12/31/2008	12/31/2009
Months Covered	12	12
Accountant	Self Prepared	Self Prepared
Analyst	Tzinas	Tzinas
Stmnt Type	Tax Return	Tax Return
Credit Score Date		

RE/Royalty Name: 1

Rents Received	11,000	9,300
Royalties Received	-	-
Total Rental/Royalty Income	11,000	9,300
Tot Exp-Excl Depr/Amort	17,984	16,843
Plus: Mortgage Interest Paid	9,826	9,853
Plus: Other Interest	-	-
Total Inc/(Expense)	(8,158)	(6,990)
Less: K-1 Royalty Income	-	-
Plus: Other Ongoing Cash Inflow	-	-
Less: Other Ongoing Cash Outflow	-	-
TOTAL RE/ROY CASH FLOW	2,842	2,310

Tax Return Date	12/31/2008	12/31/2009
Months Covered	12	12
Accountant	Self Prepared	Self Prepared
Analyst	Tzinas	Tzinas
Stmnt Type	Tax Return	Tax Return
Credit Score Date		
Annual Rent/Mort-Primary Residence	21,792	21,792
Annual Rent/Mortgage-Other	-	-
Annual Pymt on Instmnt Debt	13,704	13,704
Annual Pymt on Revolving Debt	3,708	3,708
Other Annual Debt Pymts	-	-
Annual Debt on Schedule C	-	-
Annual Debt on Schedule E	9,852	9,852
Annual Debt on Schedule F	-	-
TOTAL EXISTING ANNUAL DEBT SERVICE	49,056	49,056

CIF Number
 Responsible Office
 Responsible Officer
 LAS ID#
 Other ID
 Relationship Type

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$154,000.00	02-14-2011	03-05-2012		131 / 13		RAS	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.

Borrower: Sheridan Equities, LLC; David S. Schweikert; and
Joyce R. Schweikert

Lender: Metro Phoenix Bank
Main Office
4686 E. Van Buren Street, Ste #150
Phoenix, AZ 85008

Principal Amount: \$154,000.00

Date of Note: February 14, 2011

PROMISE TO PAY. Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert ("Borrower") jointly and severally promise to pay to Metro Phoenix Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Hundred Fifty-four Thousand & 00/100 Dollars (\$154,000.00), or so much as may be outstanding, together with interest on the unpaid outstanding principal balance of each advance. Interest shall be calculated from the date of each advance until repayment of each advance.

PAYMENT. Borrower will pay this loan in one payment of all outstanding principal plus all accrued unpaid interest on March 5, 2012. In addition, Borrower will pay regular monthly payments of all accrued unpaid interest due as of each payment date, beginning March 5, 2011, with all subsequent interest payments to be due on the same day of each month after that. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the The Prime Rate; index shall be adjusted from time to time, as reported daily in the West Coast edition of the Wall Street Journal. (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. The interest rate change will not occur more often than each daily. Borrower understands that Lender may make loans based on other rates as well. The Index currently is 3.250% per annum. Interest on the unpaid principal balance of this Note will be calculated as described in the "INTEREST CALCULATION METHOD" paragraph using a rate of 2.000 percentage points over the Index, adjusted if necessary for any minimum and maximum rate limitations described below, resulting in an initial rate of 7.000% per annum based on a year of 360 days. **NOTICE:** Under no circumstances will the interest rate on this Note be less than 7.000% per annum or more than the maximum rate allowed by applicable law.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

EFFECTIVE RATE. Borrower agrees to an effective rate of interest that is the rate specified in this Note plus any additional rate resulting from any other charges in the nature of interest paid or to be paid in connection with this Note.

PREPAYMENT. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Metro Phoenix Bank, Main Office, 4686 E. Van Buren Street, Ste #150, Phoenix, AZ 85008.

LATE CHARGE. If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment or \$50.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased by adding an additional 5.000 percentage point margin ("Default Rate Margin"). The Default Rate Margin shall also apply to each succeeding interest rate change that would have applied had there been no default. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Default. Borrower fails to comply with any other term, obligation, covenant or condition contained in this Note or in any of the related documents.

Default in Favor of Third Parties. Borrower defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any representation or statement made by Borrower to Lender is false in any material respect.

Death or Insolvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. If any payment is not made when due under this Note or any other event of default shall occur under any other agreement between Lender and Borrower, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. However, Borrower will only pay attorneys' fees of an attorney not Lender's salaried employee, to whom the matter is referred after Borrower's default. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

JURY WAIVER. Lender and Borrower hereby waives the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Arizona without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Arizona.

COLLATERAL. Borrower acknowledges this Note is secured by A Deed of Trust dated February 11, 2011 on property located at: 5920 W. State Ave., Glendale, AZ 85301.

LINE OF CREDIT. This Note evidences a revolving line of credit. Advances under this Note may be requested orally by Borrower or as provided in this paragraph. All oral requests shall be confirmed in writing on the day of the request. All communications, instructions, or directions by telephone or otherwise to Lender are to be directed to Lender's office shown above. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of such authority: David S. Schweikert, Manager of Sheridan Equities, LLC; David S. Schweikert, Individually; and Joyce R. Schweikert, Individually. Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized

PROMISSORY NOTE
(Continued)

Loan No: [REDACTED]

person or (B) credited to any of Borrower's accounts with Lender. The unpaid principal balance owing on this Note at any time may be evidenced by endorsements on this Note or by Lender's internal records, including daily computer print-outs.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

GENERAL PROVISIONS. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Each Borrower understands and agrees that, with or without notice to Borrower, Lender may with respect to any other Borrower (a) make one or more additional secured or unsecured loans or otherwise extend additional credit; (b) alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of any indebtedness, including increases and decreases of the rate of interest on the indebtedness; (c) exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any security, with or without the substitution of new collateral; (d) apply such security and direct the order or manner of sale thereof, including without limitation, any non-judicial sale permitted by the terms of the controlling security agreements, as Lender in its discretion may determine; (e) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; and (f) determine how, when and what application of payments and credits shall be made on any other indebtedness owing by such other Borrower. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PRIOR TO SIGNING THIS NOTE, EACH BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. EACH BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

SHERIDAN EQUITIES, LLC

By: [REDACTED]
David S. Schweikert, Manager of Sheridan Equities, LLC

X [REDACTED]
David S. Schweikert, Individually

X [REDACTED]
Joyce R. Schweikert, Individually

LENDER:

METRO PHOENIX BANK

X [REDACTED]
Rickard A. Strom, Vice President

BUSINESS LOAN AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$154,000.00	02-14-2011	03-05-2012		131 / 13		RAS	RES
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert

Lender: Metro Phoenix Bank
Main Office
4686 E. Van Buren Street, Ste #150
Phoenix, AZ 85008

THIS BUSINESS LOAN AGREEMENT dated February 14, 2011, is made and executed between Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert ("Borrower") and Metro Phoenix Bank ("Lender") on the following terms and conditions. Borrower has received prior commercial loans from Lender or has applied to Lender for a commercial loan or loans or other financial accommodations, including those which may be described on any exhibit or schedule attached to this Agreement. Borrower understands and agrees that: (A) in granting, renewing, or extending any Loan, Lender is relying upon Borrower's representations, warranties, and agreements as set forth in this Agreement; (B) the granting, renewing, or extending of any Loan by Lender at all times shall be subject to Lender's sole judgment and discretion; and (C) all such Loans shall be and remain subject to the terms and conditions of this Agreement.

TERM. This Agreement shall be effective as of February 14, 2011, and shall continue in full force and effect until such time as all of Borrower's Loans in favor of Lender have been paid in full, including principal, interest, costs, expenses, attorneys' fees, and other fees and charges, or until such time as the parties may agree in writing to terminate this Agreement.

ADVANCE AUTHORITY. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of such authority: David S. Schweikert, Manager of Sheridan Equities, LLC; David S. Schweikert, Individually; and Joyce R. Schweikert, Individually.

CONDITIONS PRECEDENT TO EACH ADVANCE. Lender's obligation to make the initial Advance and each subsequent Advance under this Agreement shall be subject to the fulfillment to Lender's satisfaction of all of the conditions set forth in this Agreement and in the Related Documents.

Loan Documents. Borrower shall provide to Lender the following documents for the Loan: (1) the Note; (2) Security Agreements granting to Lender security interests in the Collateral; (3) financing statements and all other documents perfecting Lender's Security Interests; (4) evidence of insurance as required below; (5) together with all such Related Documents as Lender may require for the Loan; all in form and substance satisfactory to Lender and Lender's counsel.

Payment of Fees and Expenses. Borrower shall have paid to Lender all fees, charges, and other expenses which are then due and payable as specified in this Agreement or any Related Document.

Representations and Warranties. The representations and warranties set forth in this Agreement, in the Related Documents, and in any document or certificate delivered to Lender under this Agreement are true and correct.

No Event of Default. There shall not exist at the time of any Advance a condition which would constitute an Event of Default under this Agreement or under any Related Document.

MULTIPLE BORROWERS. This Agreement has been executed by multiple obligors who are referred to in this Agreement individually, collectively and interchangeably as "Borrower." Unless specifically stated to the contrary, the word "Borrower" as used in this Agreement, including without limitation all representations, warranties and covenants, shall include all Borrowers. Borrower understands and agrees that, with or without notice to any one Borrower, Lender may (A) make one or more additional secured or unsecured loans or otherwise extend additional credit with respect to any other Borrower; (B) with respect to any other Borrower alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of any indebtedness, including increases and decreases of the rate of interest on the indebtedness; (C) exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any security, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's or any other Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; (E) determine how, when and what application of payments and credits shall be made on any indebtedness; (F) apply such security and direct the order or manner of sale of any Collateral, including without limitation, any non-judicial sale permitted by the terms of the controlling security agreement or deed of trust, as Lender in its discretion may determine; (G) sell, transfer, assign or grant participations in all or any part of the Loan; (H) exercise or refrain from exercising any rights against Borrower or others, or otherwise act or refrain from acting; (I) settle or compromise any indebtedness; and (J) subordinate the payment of all or any part of any of Borrower's indebtedness to Lender to the payment of any liabilities which may be due Lender or others.

REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants to Lender, as of the date of this Agreement, as of the date of each disbursement of loan proceeds, as of the date of any renewal, extension or modification of any Loan, and at all times any indebtedness exists:

Organization. Sheridan Equities, LLC is a limited liability company which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Arizona. Sheridan Equities, LLC is duly authorized to transact business in all other states in which Sheridan Equities, LLC is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Sheridan Equities, LLC is doing business. Specifically, Sheridan Equities, LLC is, and at all times shall be, duly qualified as a foreign limited liability company in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Sheridan Equities, LLC has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Sheridan Equities, LLC maintains an office at 15749 E. El Lago Blvd, Fountain Hills, AZ 85268. Unless Sheridan Equities, LLC has designated otherwise in writing, the principal office is the office at which Sheridan Equities, LLC keeps its books and records including its records concerning the Collateral. Sheridan Equities, LLC will notify Lender prior to any change in the location of Sheridan Equities, LLC's state of organization or any change in Sheridan Equities, LLC's name. Sheridan Equities, LLC shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Sheridan Equities, LLC and Sheridan Equities, LLC's business activities.

David S. Schweikert maintains an office at 15749 E. El Lago Blvd, Fountain Hills, AZ 85268. Unless David S. Schweikert has designated otherwise in writing, the principal office is the office at which David S. Schweikert keeps its books and records including its records concerning the Collateral. David S. Schweikert will notify Lender prior to any change in the location of David S. Schweikert's principal office address or any change in David S. Schweikert's name. David S. Schweikert shall do all things necessary to comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to David S. Schweikert and David S. Schweikert's business activities.

Joyce R. Schweikert maintains an office at 15749 E. El Lago Blvd, Fountain Hills, AZ 85268. Unless Joyce R. Schweikert has designated otherwise in writing, the principal office is the office at which Joyce R. Schweikert keeps its books and records including its records concerning the Collateral. Joyce R. Schweikert will notify Lender prior to any change in the location of Joyce R. Schweikert's principal office address or any change in Joyce R. Schweikert's name. Joyce R. Schweikert shall do all things necessary to comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Joyce R. Schweikert and Joyce R. Schweikert's business activities.

Assumed Business Names. Borrower has filed or recorded all documents or filings required by law relating to all assumed business names used by Borrower. Excluding the name of Borrower, the following is a complete list of all assumed business names under which Borrower does business: **None.**

Authorization. Borrower's execution, delivery, and performance of this Agreement and all the Related Documents do not conflict with, result in a violation of, or constitute a default under (1) any provision of (a) Borrower's articles of organization or membership agreements, or (b) any agreement or other instrument binding upon Borrower or (2) any law, governmental regulation, court decree, or order applicable to Borrower or to Borrower's properties.

Financial Information. Each of Borrower's financial statements supplied to Lender truly and completely disclosed Borrower's financial condition as of the date of the statement, and there has been no material adverse change in Borrower's financial condition subsequent to the date of the most recent financial statement supplied to Lender. Borrower has no material contingent obligations except as disclosed in such financial statements.

Legal Effect. This Agreement constitutes, and any instrument or agreement Borrower is required to give under this Agreement when delivered will constitute legal, valid, and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms.

Properties. Except as contemplated by this Agreement or as previously disclosed in Borrower's financial statements or in writing to Lender and as accepted by Lender, and except for property tax liens for taxes not presently due and payable, Borrower owns and has good title to

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: [REDACTED]

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all of Borrower's properties free and clear of all Security Interests, and has not executed any security documents or financing statements relating to such properties. All of Borrower's properties are titled in Borrower's legal name, and Borrower has not used or filed a financing statement under any other name for at least the last five (5) years.

Hazardous Substances. Except as disclosed to and acknowledged by Lender in writing, Borrower represents and warrants that: (1) During the period of Borrower's ownership of the Collateral, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from any of the Collateral; (2) Borrower has no knowledge of, or reason to believe that there has been (a) any breach or violation of any Environmental Laws; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Collateral by any prior owners or occupants of any of the Collateral; or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters. (3) Neither Borrower nor any tenant, contractor, agent or other authorized user of any of the Collateral shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from any of the Collateral; and any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations, and ordinances, including without limitation all Environmental Laws. Borrower authorizes Lender and its agents to enter upon the Collateral to make such inspections and tests as Lender may deem appropriate to determine compliance of the Collateral with this section of the Agreement. Any inspections or tests made by Lender shall be at Borrower's expense and for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Borrower or to any other person. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Collateral for hazardous waste and Hazardous Substances. Borrower hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Agreement or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release of a hazardous waste or substance on the Collateral. The provisions of this section of the Agreement, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the termination, expiration or satisfaction of this Agreement and shall not be affected by Lender's acquisition of any interest in any of the Collateral, whether by foreclosure or otherwise.

Litigation and Claims. No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely affect Borrower's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in writing.

Taxes. To the best of Borrower's knowledge, all of Borrower's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

Lien Priority. Unless otherwise previously disclosed to Lender in writing, Borrower has not entered into or granted any Security Agreements, or permitted the filing or attachment of any Security Interests on or affecting any of the Collateral directly or indirectly securing repayment of Borrower's Loan and Note, that would be prior or that may in any way be superior to Lender's Security Interests and rights in and to such Collateral.

Binding Effect. This Agreement, the Note, all Security Agreements (if any), and all Related Documents are binding upon the signers thereof, as well as upon their successors, representatives and assigns, and are legally enforceable in accordance with their respective terms.

AFFIRMATIVE COVENANTS. Borrower covenants and agrees with Lender that, so long as this Agreement remains in effect, Borrower will:

Notices of Claims and Litigation. Promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower or any Guarantor which could materially affect the financial condition of Borrower or the financial condition of any Guarantor.

Financial Records. Maintain its books and records in accordance with GAAP, applied on a consistent basis, and permit Lender to examine and audit Borrower's books and records at all reasonable times.

Financial Statements. Furnish Lender with such financial statements and other related information at such frequencies and in such detail as Lender may reasonably request.

Additional Information. Furnish such additional information and statements, as Lender may request from time to time.

Insurance. Maintain fire and other risk insurance, public liability insurance, and such other insurance as Lender may require with respect to Borrower's properties and operations, in form, amounts, coverages and with insurance companies acceptable to Lender. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Borrower or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest for the Loans, Borrower will provide Lender with such lender's loss payable or other endorsements as Lender may require.

Insurance Reports. Furnish to Lender, upon request of Lender, reports on each existing insurance policy showing such information as Lender may reasonably request, including without limitation the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the properties insured; (5) the then current property values on the basis of which insurance has been obtained, and the manner of determining those values; and (6) the expiration date of the policy. In addition, upon request of Lender (however not more often than annually), Borrower will have an independent appraiser satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

Other Agreements. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any other such agreements.

Loan Proceeds. Use all Loan proceeds solely for Borrower's business operations, unless specifically consented to the contrary by Lender in writing.

Taxes, Charges and Liens. Pay and discharge when due all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, levies and liens, of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Provided however, Borrower will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim so long as (1) the legality of the same shall be contested in good faith by appropriate proceedings, and (2) Borrower shall have established on Borrower's books adequate reserves with respect to such contested assessment, tax, charge, levy, lien, or claim in accordance with GAAP.

Performance. Perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Related Documents, and in all other instruments and agreements between Borrower and Lender. Borrower shall notify Lender immediately in writing of any default in connection with any agreement.

Operations. Maintain executive and management personnel with substantially the same qualifications and experience as the present executive and management personnel; provide written notice to Lender of any change in executive and management personnel; conduct its business affairs in a reasonable and prudent manner.

Environmental Studies. Promptly conduct and complete, at Borrower's expense, all such investigations, studies, samplings and testings as may be requested by Lender or any governmental authority relative to any substance, or any waste or by-product of any substance defined as toxic or a hazardous substance under applicable federal, state, or local law, rule, regulation, order or directive, at or affecting any property or any facility owned, leased or used by Borrower.

Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of Borrower's properties, businesses and operations, and to the use or occupancy of the Collateral, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Inspection. Permit employees or agents of Lender at any reasonable time to inspect any and all Collateral for the Loan or Loans and Borrower's other properties and to examine or audit Borrower's books, accounts, and records and to make copies and memoranda of Borrower's books, accounts, and records. If Borrower now or at any time hereafter maintains any records (including without limitation computer generated records and computer software programs for the generation of such records) in the possession of a third party,

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: [REDACTED]

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Borrower, upon request of Lender, shall notify such party to permit Lender free access to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Borrower's expense.

Environmental Compliance and Reports. Borrower shall comply in all respects with any and all Environmental Laws; not cause or permit to exist, as a result of an intentional or unintentional action or omission on Borrower's part or on the part of any third party, on property owned and/or occupied by Borrower, any environmental activity where damage may result to the environment, unless such environmental activity is pursuant to and in compliance with the conditions of a permit issued by the appropriate federal, state or local governmental authorities; shall furnish to Lender promptly and in any event within thirty (30) days after receipt thereof a copy of any notice, summons, lien, citation, directive, letter or other communication from any governmental agency or instrumentality concerning any intentional or unintentional action or omission on Borrower's part in connection with any environmental activity whether or not there is damage to the environment and/or other natural resources.

Additional Assurances. Make, execute and deliver to Lender such promissory notes, mortgages, deeds of trust, security agreements, assignments, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Loans and to perfect all Security Interests.

Additional Affirmative Covenants. In addition to all affirmative covenants stated, comply with all requirements detailed in the Financial Statement Requirement addendum attached.

RECOVERY OF ADDITIONAL COSTS. If the imposition of or any change in any law, rule, regulation or guideline, or the interpretation or application of any thereof by any court or administrative or governmental authority (including any request or policy not having the force of law) shall impose, modify or make applicable any taxes (except federal, state or local income or franchise taxes imposed on Lender), reserve requirements, capital adequacy requirements or other obligations which would (A) increase the cost to Lender for extending or maintaining the credit facilities to which this Agreement relates, (B) reduce the amounts payable to Lender under this Agreement or the Related Documents, or (C) reduce the rate of return on Lender's capital as a consequence of Lender's obligations with respect to the credit facilities to which this Agreement relates, then Borrower agrees to pay Lender such additional amounts as will compensate Lender therefor, within five (5) days after Lender's written demand for such payment, which demand shall be accompanied by an explanation of such imposition or charge and a calculation in reasonable detail of the additional amounts payable by Borrower, which explanation and calculations shall be conclusive in the absence of manifest error.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Borrower fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agreement or any Related Documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, to the extent permitted by applicable law, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on any Collateral and paying all costs for insuring, maintaining and preserving any Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity.

NEGATIVE COVENANTS. Borrower covenants and agrees with Lender that while this Agreement is in effect, Borrower shall not, without the prior written consent of Lender:

Indebtedness and Liens. (1) Except for trade debt incurred in the normal course of business and indebtedness to Lender contemplated by this Agreement, create, incur or assume indebtedness for borrowed money, including capital leases, (2) sell, transfer, mortgage, assign, pledge, lease, grant a security interest in, or encumber any of Borrower's assets (except as allowed as Permitted Liens), or (3) sell with recourse any of Borrower's accounts, except to Lender.

Continuity of Operations. (1) Engage in any business activities substantially different than those in which Borrower is presently engaged, (2) cease operations, liquidate, merge, transfer, acquire or consolidate with any other entity, change its name, dissolve or transfer or sell Collateral out of the ordinary course of business, or (3) make any distribution with respect to any capital account, whether by reduction of capital or otherwise.

Loans, Acquisitions and Guaranties. (1) Loan, invest in or advance money or assets to any other person, enterprise or entity, (2) purchase, create or acquire any interest in any other enterprise or entity, or (3) incur any obligation as surety or guarantor other than in the ordinary course of business.

Agreements. Enter into any agreement containing any provisions which would be violated or breached by the performance of Borrower's obligations under this Agreement or in connection herewith.

CESSATION OF ADVANCES. If Lender has made any commitment to make any Loan to Borrower, whether under this Agreement or under any other agreement, Lender shall have no obligation to make Loan Advances or to disburse Loan proceeds if: (A) Borrower or any Guarantor is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower or any Guarantor has with Lender; (B) Borrower or any Guarantor dies, becomes incompetent or becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged a bankrupt; (C) there occurs a material adverse change in Borrower's financial condition, in the financial condition of any Guarantor, or in the value of any Collateral securing any Loan; or (D) any Guarantor seeks, claims or otherwise attempts to limit, modify or revoke such Guarantor's guaranty of the Loan or any other loan with Lender; or (E) Lender in good faith deems itself insecure, even though no Event of Default shall have occurred.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the Indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Loan.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's or any Grantor's property or Borrower's or any Grantor's ability to repay the Loans or perform their respective obligations under this Agreement or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Defective Collateralization. This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: [REDACTED]

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Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Loan is impaired.

Inaccuracy. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default on indebtedness, is curable and if Borrower or Grantor, as the case may be, has not been given a notice of a similar default within the preceding twelve (12) months, it may be cured if Borrower or Grantor, as the case may be, after Lender sends written notice to Borrower or Grantor, as the case may be, demanding cure of such default: (1) cure the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

EFFECT OF AN EVENT OF DEFAULT. If any Event of Default shall occur, except where otherwise provided in this Agreement or the Related Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other agreement immediately will terminate (including any obligation to make further Loan Advances or disbursements), and, at Lender's option, all indebtedness immediately will become due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "Insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Lender shall have all the rights and remedies provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any Grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

APPRAISAL. If deemed necessary by Lender or if required by law, Lender shall have the right to order appraisal(s) of the Collateral Property from time to time from an appraiser selected by Lender, which appraisals shall comply with all federal and state standards for appraisals and otherwise shall be satisfactory to Lender in all material respects. Borrower agrees to pay the cost and expense for all appraisals and reviews thereof ordered by Lender pursuant to this paragraph.

LOAN-TO-VALUE. At all times during the term of the Loan, the unpaid principal balance of the Loan shall not exceed seventy percent (70%) of the value of the Collateral Property, as determined by Lender in Lender's sole discretion. If for any reason the loan-to-value ratio exceeds said percentage, then Borrower shall, upon Lender's demand, immediately reduce the unpaid principal balance of the Loan, or deposit sufficient sums with Lender to reduce the loan-to-value ratio to at or below said percentage.

FINANCIAL STATEMENT REQUIREMENTS. An exhibit, titled "Financial Statement Requirements," is attached to this Agreement and by this reference is made a part of this Agreement just as if all the provisions, terms and conditions of the Exhibit had been fully set forth in this Agreement.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. However, Borrower will only pay attorneys' fees of an attorney not Lender's salaried employee, to whom the matter is referred after Borrower's default. Borrower also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Consent to Loan Participation. Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Arizona without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Arizona.

Joint and Several Liability. All obligations of Borrower under this Agreement shall be joint and several, and all references to Borrower shall mean each and every Borrower. This means that each Borrower signing below is responsible for all obligations in this Agreement. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Agreement.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, or between Lender and any Grantor, shall constitute a waiver of any of Lender's rights or of any of Borrower's or any Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Successors and Assigns. All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns. Borrower shall not, however, have the right to assign Borrower's rights under this Agreement or any interest therein, without the prior written consent of Lender.

Survival of Representations and Warranties. Borrower understands and agrees that in extending Loan Advances, Lender is relying on all representations, warranties, and covenants made by Borrower in this Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Agreement or the Related Documents. Borrower further agrees that regardless of any investigation made by Lender, all such representations, warranties and covenants will survive the extension of Loan Advances and delivery to Lender of the Related Documents, shall be continuing in nature, shall be deemed made and redated by Borrower at the time each Loan Advance is made,

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: [REDACTED]

and shall remain in full force and effect until such time as Borrower's indebtedness shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the last to occur.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Waive Jury. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. Accounting words and terms not otherwise defined in this Agreement shall have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date of this Agreement:

Advance. The word "Advance" means a disbursement of Loan funds made, or to be made, to Borrower or on Borrower's behalf on a line of credit or multiple advance basis under the terms and conditions of this Agreement.

Agreement. The word "Agreement" means this Business Loan Agreement, as this Business Loan Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Business Loan Agreement from time to time.

Borrower. The word "Borrower" means Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all property and assets granted as collateral security for a Loan, whether real or personal property, whether granted directly or indirectly, whether granted now or in the future, and whether granted in the form of a security interest, mortgage, collateral mortgage, deed of trust, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien, charge, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

GAAP. The word "GAAP" means generally accepted accounting principles.

Grantor. The word "Grantor" means each and all of the persons or entities granting a Security Interest in any Collateral for the Loan, including without limitation all Borrowers granting such a Security Interest.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Loan.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Borrower is responsible under this Agreement or under any of the Related Documents.

Lender. The word "Lender" means Metro Phoenix Bank, its successors and assigns.

Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced, including without limitation those loans and financial accommodations described herein or described on any exhibit or schedule attached to this Agreement from time to time.

Note. The word "Note" means the Note executed by Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert in the principal amount of \$154,000.00 dated February 14, 2011, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Permitted Liens. The words "Permitted Liens" mean (1) liens and security interests securing indebtedness owed by Borrower to Lender; (2) liens for taxes, assessments, or similar charges either not yet due or being contested in good faith; (3) liens of materialmen, mechanics, warehousemen, or carriers, or other like liens arising in the ordinary course of business and securing obligations which are not yet delinquent; (4) purchase money liens or purchase money security interests upon or in any property acquired or held by Borrower in the ordinary course of business to secure indebtedness outstanding on the date of this Agreement or permitted to be incurred under the paragraph of this Agreement titled "Indebtedness and Liens"; (5) liens and security interests which, as of the date of this Agreement, have been disclosed to and approved by the Lender in writing; and (6) those liens and security interests which in the aggregate constitute an immaterial and insignificant monetary amount with respect to the net value of Borrower's assets.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

Security Agreement. The words "Security Agreement" mean and include without limitation any agreements, promises, covenants, arrangements, understandings or other agreements, whether created by law, contract, or otherwise, evidencing, governing, representing, or creating a Security Interest.

Security Interest. The words "Security Interest" mean, without limitation, any and all types of collateral security, present and future, whether in the form of a lien, charge, encumbrance, mortgage, deed of trust, security deed, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever whether created by law, contract, or otherwise.

BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS BUSINESS LOAN AGREEMENT AND BORROWER AGREES TO ITS TERMS. THIS BUSINESS LOAN AGREEMENT IS DATED FEBRUARY 14, 2011.

BORROWER:

SHERIDAN EQUITIES, LLC

By: [REDACTED]
David S. Schweikert, Manager of Sheridan Equities, LLC

X [REDACTED]
David S. Schweikert, Individually

X [REDACTED]
Joyce R. Schweikert, Individually

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: [REDACTED]

LENDER:

METRO PHOENIX BANK

By: [REDACTED]
Rickard A. Strom, Vice President

LASER PRO Lending, Ver. 5.55.00.002 Copr. Harland Financial Solutions, Inc. 1027, 2011. All Rights Reserved. - AE MICROPLUMC-10-FC TR-251 PR-3

SECURITY TITLE AGENCY

RECORDATION REQUESTED BY:

Metro Phoenix Bank
 Main Office
 4686 E. Van Buren Street, Ste #150
 Phoenix, AZ 85008

WHEN RECORDED MAIL TO:

Metro Phoenix Bank
 Main Office
 4686 E. Van Buren Street, Ste #150
 Phoenix, AZ 85008

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FOR RECORDER'S USE ONLY

DEED OF TRUST

THIS DEED OF TRUST is dated February 14, 2011, among Sheridan Equities, LLC, whose address is 15749 E. El Lago Blvd, Fountain Hills, AZ 85268; David S. Schweikert, and Joyce R. Schweikert, whose address is [REDACTED] ("Trustor"); Metro Phoenix Bank, chartered in the United States of America under the laws of the State of Arizona, whose address is Main Office, 4686 E. Van Buren Street, Ste #150, Phoenix, AZ 85008 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and Metro Phoenix Bank, organized or registered in the United States of America under the laws of the State of Arizona, whose address is 4686 E. Van Buren Rd., Ste #150 & #190, Phoenix, AZ 85008 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Trustor conveys to Trustee in trust, with power of sale, for the benefit of Lender as Beneficiary, all of Trustor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water and water rights flowing through, belonging or in anyway appertaining to the Real Property, and all of Trustor's water rights that are personal property under Arizona law, including without limitation all type 2 nonirrigation grandfathered rights (if applicable), all irrigation rights, all ditch rights, rights to irrigation district stock, all contracts for effluent, all contracts for Central Arizona Project water, and all other contractual rights to water, and together with all rights (but none of the duties) of Trustor as declarant under any presently recorded declaration of covenants, conditions and restrictions affecting real property; and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Maricopa County, State of Arizona:

Lot 5, Northfield, according to the plat of record in the office of the county recorder of Maricopa County, Arizona, in Book 30 of Maps, page 45.

The Real Property or its address is commonly known as 5920 W. State Ave., Glendale, AZ 85301. The Real Property tax identification number is 143-43-126.

REVOLVING LINE OF CREDIT. This Deed of Trust secures the Indebtedness including, without limitation, a revolving line of credit, which obligates Lender to make advances to Trustor so long as Trustor complies with all the terms of the Note.

Trustor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Trustor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Trustor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Trustor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Trustor's obligations under the Note, this Deed of Trust, and the Related Documents.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Trustor agrees that Trustor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Trustor may (1) remain in possession

**DEED OF TRUST
(Continued)**

Loan No: [REDACTED]

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and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Trustor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Trustor represents and warrants to Lender that: (1) During the period of Trustor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Trustor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Trustor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Trustor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Trustor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Beneficiary, at its option, but without obligation to do so, may correct any condition violating any applicable Environmental Law affecting the Property, and in doing so shall conclusively be deemed to be acting reasonably and for the purpose of protecting the value of its collateral, and all costs of correcting a condition or violation shall be payable to Beneficiary by Trustor as provided in the Expenditures by Lender section of this Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Trustor or to any other person. The representations and warranties contained herein are based on Trustor's due diligence in investigating the Property for Hazardous Substances. Trustor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Trustor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Trustor's ownership or interest in the Property, whether or not the same was or should have been known to Trustor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Trustor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Trustor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Trustor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Trustor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Trustor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Trustor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Trustor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Trustor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Trustor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Trustor agrees neither to abandon or leave unattended the Property. Trustor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Trustor is a

**DEED OF TRUST
(Continued)**

Loan No: [REDACTED]

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corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Trustor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Arizona law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Trustor shall pay when due (and in all events prior to delinquency) all taxes and assessments, including without limitation sales or use taxes in any state, local privilege or excise taxes based on gross revenues, special taxes, charges (including water and sewer), fines and impositions levied against Trustor or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Trustor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust. Beneficiary shall have the right, but not the duty or obligation, to charge Trustor for any such taxes or assessments in advance of payment. In no event does exercise or non-exercise by Beneficiary of this right relieve Trustor from Trustor's obligation under this Deed of Trust or impose any liability whatsoever on Beneficiary.

Right to Contest. Trustor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Trustor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Trustor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Trustor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Trustor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Trustor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Trustor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Trustor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Trustor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Trustor shall procure and maintain policies of fire insurance with standard extended coverage endorsements 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, and with a standard mortgagee clause in favor of Lender. Trustor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Trustor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Trustor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Trustor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Trustor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Trustor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Trustor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Trustor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Trustor from the proceeds for the reasonable cost of repair or restoration if Trustor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to

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the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Trustor as Trustor's interests may appear.

Trustor's Report on Insurance. Upon request of Lender, however not more than once a year, Trustor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Trustor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

TAX AND INSURANCE RESERVES. Subject to any limitations and consistent with any requirements set by applicable law, Lender may require Trustor to maintain with Lender reserves for payment of annual taxes, assessments, and insurance premiums, which reserves shall be created by an initial deposit and subsequent monthly payments, or payments at such other interval as payments under the Note may be due, of a sum estimated by Lender to be sufficient to pay the total annual taxes, assessments, and insurance premiums Lender reasonably anticipates to be paid from these reserves. The reserve funds shall be held by Lender as a general deposit from Trustor, which Lender may satisfy by payment of the taxes, assessments, and insurance premiums required to be paid by Trustor as they become due. Lender shall have the right to draw upon the reserve funds to pay such items, and Lender shall not be required to determine the validity or accuracy of any item before paying it. Nothing in the Deed of Trust shall be construed as requiring Lender to advance other monies for such purposes, and Lender shall not incur any liability for anything it may do or omit to do with respect to the reserve account. Subject to any limitations set by applicable law, if the reserve funds disclose a shortage or deficiency, Trustor shall pay such shortage or deficiency as required by Lender. All amounts in the reserve account are hereby pledged to further secure the Indebtedness, and Lender is hereby authorized to withdraw and apply such amounts on the Indebtedness upon the occurrence of an Event of Default. Lender shall not be required to pay any interest or earnings on the reserve funds unless required by law or agreed to by Lender in writing. Lender does not hold the reserve funds in trust for Trustor, and Lender is not Trustor's agent for payment of the taxes and assessments required to be paid by Trustor.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Trustor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Trustor's failure to discharge or pay when due any amounts Trustor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Trustor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, to the extent permitted by applicable law, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Trustor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default and shall be exercisable by Lender to the extent permitted by applicable law.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Trustor warrants that: (a) Trustor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender, or have otherwise been previously disclosed to and accepted by Lender in writing in connection with this Deed of Trust, and (b) Trustor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Trustor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Trustor's title or the interest of Trustee or Lender under this Deed of Trust, Trustor shall defend the action at Trustor's expense. Trustor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Trustor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Trustor warrants that the Property and Trustor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Trustor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Trustor's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Trustor shall promptly notify Lender in writing,

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and Trustor shall promptly take such steps as may be necessary to defend the action and obtain the award. Trustor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Trustor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Trustor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Trustor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on Trustor which Trustor is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Trustor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Trustor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Trustor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Trustor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Trustor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Trustor shall not remove, sever or detach the Personal Property from the Property. Upon default, Trustor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Trustor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Trustor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Trustor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Trustor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Trustor. Unless prohibited by law or Lender agrees to the contrary in writing, Trustor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Trustor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Trustor and at Trustor's expense. For such purposes, Trustor hereby irrevocably appoints Lender as Trustor's attorney-in-fact for the purpose of making, executing, delivering,

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filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Trustor pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Trustor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance without warranty and shall execute and deliver to Trustor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Any reconveyance fee required by law shall be paid by Trustor, if permitted by applicable law.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Trustor fails to make any payment when due under the Indebtedness.

Other Defaults. Trustor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Trustor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Trustor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the Indebtedness or Grantor's ability to perform Grantor's obligations under this Deed of Trust or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Trustor or on Trustor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution of Trustor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Trustor's existence as a going business or the death of any member, the insolvency of Trustor, the appointment of a receiver for any part of Trustor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Trustor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Trustor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Trustor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Trustor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Trustor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Trustor under the terms of any other agreement between Trustor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Trustor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Trustor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default in payment is curable and if Trustor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured if Trustor, after Lender sends written notice to Trustor demanding cure of such default: (1) cures the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

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RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Trustor under this Deed of Trust, after Trustor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender shall have the right at its option without notice to Trustor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Trustor would be required to pay.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law. To the extent permitted by law, Trustor shall be and remain liable for any deficiency remaining after sale, either pursuant to the power of sale or judicial proceedings.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Trustor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Trustor irrevocably designates Lender as Trustor's attorney-in-fact to endorse instruments received in payment thereof in the name of Trustor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Trustor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Trustor, Trustor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in equity.

Notice of Sale. Lender shall give Trustor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Property. To the extent permitted by applicable law, Trustor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Insurance Policies. Lender shall have the right upon an Event of Default, but not the obligation, to assign all of Trustor's right, title and interest in and to all policies of insurance on the Property and any unearned premiums paid on such insurance to any receiver or any purchaser of the Property at a foreclosure sale, and Trustor hereby appoints Lender as attorney in fact to assign and transfer such policies.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. However, Trustor will only pay attorneys' fees of an attorney not Lender's salaried employee, to whom the matter is referred

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after Trustor's default. Trustor also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Trustor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Trustor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of Maricopa County, State of Arizona. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Trustor, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Trustor agrees to keep Lender informed at all times of Trustor's current address. Unless otherwise provided or required by law, if there is more than one Trustor, any notice given by Lender to any Trustor is deemed to be notice given to all Trustors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Trustor's residence, Trustor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Trustor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Arizona without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Arizona.

Joint and Several Liability. All obligations of Trustor under this Deed of Trust shall be joint and several, and all references to Trustor shall mean each and every Trustor. This means that each Trustor signing below is responsible for all obligations in this Deed of Trust. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Deed of Trust.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust

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Unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Trustor, shall constitute a waiver of any of Lender's rights or of any of Trustor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Trustor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Trustor, Lender, without notice to Trustor, may deal with Trustor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing Trustor from the obligations of this Deed of Trust or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Trustor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Arizona as to all Indebtedness secured by this Deed of Trust.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means Metro Phoenix Bank, and its successors and assigns.

Borrower. The word "Borrower" means Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Trustor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and

DEED OF TRUST
(Continued)

Loan No: [REDACTED]

expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Trustor's obligations or expenses incurred by Trustee or Lender to enforce Trustor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

Lender. The word "Lender" means Metro Phoenix Bank, its successors and assigns.

Note. The word "Note" means the promissory note dated February 14, 2011, in the original principal amount of \$154,000.00 from Trustor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. **NOTICE TO TRUSTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Trustor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means Metro Phoenix Bank, whose address is 4686 E. Van Buren Rd., Ste #150 & #190, Phoenix, AZ 85008 and any substitute or successor trustees.

Trustor. The word "Trustor" means Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert.

EACH TRUSTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND EACH TRUSTOR AGREES TO ITS TERMS.

TRUSTOR:

SHERIDAN EQUITIES, LLC

By: [REDACTED]
David S. Schweikert, Manager of Sheridan Equities, LLC

X [REDACTED]
David S. Schweikert, Individually

X [REDACTED]
Joyce R. Schweikert, Individually

DEED OF TRUST
(Continued)

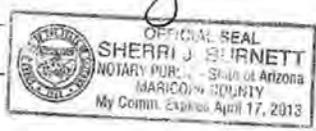
Loan No: [REDACTED]

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Arizona)
)
) SS
COUNTY OF Maricopa)

On this 22 day of February, 2011, before me, the undersigned Notary Public, personally appeared David S. Schweikert, Manager of Sheridan Equities, LLC, and known to me to be member or designated agent of the limited liability company that executed the Deed of Trust and acknowledged the Deed of Trust to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Deed of Trust and in fact executed the Deed of Trust on behalf of the limited liability company.

By [REDACTED] Residing at Philly
Notary Public in and for the State of Arizona
My commission expires 4/17/2013



INDIVIDUAL ACKNOWLEDGMENT

STATE OF Arizona)
)
) SS
COUNTY OF Maricopa)

On this day before me, the undersigned Notary Public, personally appeared David S. Schweikert and Joyce R. Schweikert, to me known to be the individuals described in and who executed the Deed of Trust, and acknowledged that they signed the Deed of Trust as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 22nd day of February, 2011.
By [REDACTED] Residing at Philly
Notary Public in and for the State of Arizona
My commission expires 4/17/2013



REQUEST FOR FULL RECONVEYANCE
(To be used only when obligations have been paid in full)

To: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to:

Date: _____ Beneficiary: _____
By: _____
Its: _____

RECORDATION REQUESTED BY:

Metro Phoenix Bank
 Main Office
 4686 E. Van Buren Street, Ste #150
 Phoenix, AZ 85008

WHEN RECORDED MAIL TO:

Metro Phoenix Bank
 Main Office
 4686 E. Van Buren Street, Ste #150
 Phoenix, AZ 85008

FOR RECORDER'S USE ONLY

3/3

ASSIGNMENT OF RENTS

THIS ASSIGNMENT OF RENTS dated February 14, 2011, is made and executed between Sheridan Equities, LLC, whose address is 15749 E. El Lago Blvd, Fountain Hills, AZ 85268; David S. Schweikert, and Joyce R. Schweikert, whose address is [REDACTED] (referred to below as "Grantor") and Metro Phoenix Bank, chartered in the United States of America under the laws of the State of Arizona, whose address is 4686 E. Van Buren Street, Ste #150, Phoenix, AZ 85008 (referred to below as "Lender").

ASSIGNMENT. For valuable consideration, Grantor hereby assigns, grants a continuing security interest in, and conveys to Lender all of Grantor's right, title, and interest in and to the Rents from the following described Property located in Maricopa County, State of Arizona:

Lot 5, Northfield, according to the plat of record in the office of the county recorder of Maricopa County, Arizona, in Book 30 of Maps, page 45.

The Property or its address is commonly known as 5920 W. State Ave., Glendale, AZ 85301. The Property tax identification number is 143-43-126.

REVOLVING LINE OF CREDIT. This Assignment secures the Indebtedness including, without limitation, a revolving line of credit, which obligates Lender to make advances to Grantor so long as Grantor complies with all the terms of the Note.

THIS ASSIGNMENT IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF GRANTOR UNDER THE NOTE, THIS ASSIGNMENT, AND THE RELATED DOCUMENTS. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Assignment or any Related Documents, Grantor shall pay to Lender all amounts secured by this Assignment as they become due, and shall strictly perform all of Grantor's obligations under this Assignment. Unless and until Lender exercises its right to collect the Rents as provided below and so long as there is no default under this Assignment, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents, provided that the granting of the right to collect the Rents shall not constitute Lender's consent to the use of cash collateral in a bankruptcy proceeding.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that:

Ownership. Grantor is entitled to receive the Rents free and clear of all rights, loans, liens, encumbrances, and claims except as disclosed to and accepted by Lender in writing.

Right to Assign. Grantor has the full right, power and authority to enter into this Assignment and to assign and convey the Rents to Lender.

No Prior Assignment. Grantor has not previously assigned or conveyed the Rents to any other person by any instrument now in force.

No Further Transfer. Grantor will not sell, assign, encumber, or otherwise dispose of any of Grantor's rights in the Rents except as provided in this Assignment.

LENDER'S RIGHT TO RECEIVE AND COLLECT RENTS. Lender shall have the right at any time, and even

**ASSIGNMENT OF RENTS
(Continued)**

Loan No: [REDACTED]

Page 2

though no default shall have occurred under this Assignment, to collect and receive the Rents. For this purpose, Lender is hereby given and granted the following rights, powers and authority:

Notice to Tenants. Lender may send notices to any and all tenants of the Property advising them of this Assignment and directing all Rents to be paid directly to Lender or Lender's agent.

Enter the Property. Lender may enter upon and take possession of the Property; demand, collect and receive from the tenants or from any other persons liable therefor, all of the Rents; institute and carry on all legal proceedings necessary for the protection of the Property, including such proceedings as may be necessary to recover possession of the Property; collect the Rents and remove any tenant or tenants or other persons from the Property.

Maintain the Property. Lender may enter upon the Property to maintain the Property and keep the same in repair; to pay the costs thereof and of all services of all employees, including their equipment, and of all continuing costs and expenses of maintaining the Property in proper repair and condition, and also to pay all taxes, assessments and water utilities, and the premiums on fire and other insurance effected by Lender on the Property.

Compliance with Laws. Lender may do any and all things to execute and comply with the laws of the State of Arizona and also all other laws, rules, orders, ordinances and requirements of all other governmental agencies affecting the Property.

Lease the Property. Lender may rent or lease the whole or any part of the Property for such term or terms and on such conditions as Lender may deem appropriate.

Employ Agents. Lender may engage such agent or agents as Lender may deem appropriate, either in Lender's name or in Grantor's name, to rent and manage the Property, including the collection and application of Rents.

Other Acts. Lender may do all such other things and acts with respect to the Property as Lender may deem appropriate and may act exclusively and solely in the place and stead of Grantor and to have all of the powers of Grantor for the purposes stated above.

No Requirement to Act. Lender shall not be required to do any of the foregoing acts or things, and the fact that Lender shall have performed one or more of the foregoing acts or things shall not require Lender to do any other specific act or thing.

APPLICATION OF RENTS. All costs and expenses incurred by Lender in connection with the Property shall be for Grantor's account and Lender may pay such costs and expenses from the Rents. Lender, in its sole discretion, shall determine the application of any and all Rents received by it; however, any such Rents received by Lender which are not applied to such costs and expenses shall be applied to the Indebtedness. All expenditures made by Lender under this Assignment and not reimbursed from the Rents shall become a part of the Indebtedness secured by this Assignment, and shall be payable on demand, with interest at the Note rate from date of expenditure until paid.

FULL PERFORMANCE. If Grantor pays all of the Indebtedness when due and otherwise performs all the obligations imposed upon Grantor under this Assignment, the Note, and the Related Documents, Lender shall execute and deliver to Grantor a suitable satisfaction of this Assignment and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Property. Any termination fee required by law shall be paid by Grantor, if permitted by applicable law.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Assignment or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Assignment or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, to the extent permitted by applicable law, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Rents or the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Assignment also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default and shall be exercisable by Lender to the extent permitted by applicable law.

DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Assignment:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Assignment or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Default on Other Payments. Failure of Grantor within the time required by this Assignment to make any

**ASSIGNMENT OF RENTS
(Continued)**

Loan No: [REDACTED]

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payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Default in Favor of Third Parties. Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or ability to perform Grantor's obligations under this Assignment or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Assignment or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Assignment or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Grantor's existence as a going business or the death of any member, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against the Rents or any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Property Damage or Loss. The Property is lost, stolen, substantially damaged, sold, or borrowed against.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Assignment within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty that Grantor would be required to pay.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender shall have all the rights provided for in the Lender's Right to Receive and Collect Rents Section, above. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**ASSIGNMENT OF RENTS
(Continued)**

Loan No: [REDACTED]

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Other Remedies. Lender shall have all other rights and remedies provided in this Assignment or the Note or by law.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Assignment, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Assignment, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. However, Grantor will only pay attorneys' fees of an attorney not Lender's salaried employee, to whom the matter is referred after Grantor's default. Grantor also will pay any court costs, in addition to all other sums provided by law.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Assignment:

Amendments. This Assignment, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Assignment. No alteration of or amendment to this Assignment shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Caption Headings. Caption headings in this Assignment are for convenience purposes only and are not to be used to interpret or define the provisions of this Assignment.

Governing Law. This Assignment will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Arizona without regard to its conflicts of law provisions. This Assignment has been accepted by Lender in the State of Arizona.

Joint and Several Liability. All obligations of Grantor under this Assignment shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each Grantor signing below is responsible for all obligations in this Assignment. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Assignment.

Merger. There shall be no merger of the interest or estate created by this assignment with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Interpretation. (1) In all cases where there is more than one Borrower or Grantor, then all words used in this Assignment in the singular shall be deemed to have been used in the plural where the context and construction so require. (2) If more than one person signs this Assignment as "Grantor," the obligations of each Grantor are joint and several. This means that if Lender brings a lawsuit, Lender may sue any one or more of the Grantors. If Borrower and Grantor are not the same person, Lender need not sue Borrower first, and that Borrower need not be joined in any lawsuit. (3) The names given to paragraphs or sections in this Assignment are for convenience purposes only. They are not to be used to interpret or define the provisions of this Assignment.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Assignment unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Assignment shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Assignment. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Assignment, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Assignment shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Assignment. Any party may change its address for notices under this Assignment by giving formal written notice to the other parties, specifying that the purpose of the notice is

**ASSIGNMENT OF RENTS
(Continued)**

Loan No: [REDACTED]

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to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

Powers of Attorney. The various agencies and powers of attorney conveyed on Lender under this Assignment are granted for purposes of security and may not be revoked by Grantor until such time as the same are renounced by Lender.

Severability. If a court of competent jurisdiction finds any provision of this Assignment to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Assignment. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Assignment shall not affect the legality, validity or enforceability of any other provision of this Assignment.

Successors and Assigns. Subject to any limitations stated in this Assignment on transfer of Grantor's interest, this Assignment shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Assignment and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Assignment or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Assignment.

Waive Jury. All parties to this Assignment hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Arizona as to all Indebtedness secured by this Assignment.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Assignment. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Assignment shall have the meanings attributed to such terms in the Uniform Commercial Code:

Assignment. The word "Assignment" means this ASSIGNMENT OF RENTS, as this ASSIGNMENT OF RENTS may be amended or modified from time to time, together with all exhibits and schedules attached to this ASSIGNMENT OF RENTS from time to time.

Borrower. The word "Borrower" means Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert.

Default. The word "Default" means the Default set forth in this Assignment in the section titled "Default".

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Assignment in the default section of this Assignment.

Grantor. The word "Grantor" means Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert.

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Assignment, together with interest on such amounts as provided in this Assignment.

Lender. The word "Lender" means Metro Phoenix Bank, its successors and assigns.

Note. The word "Note" means the promissory note dated February 14, 2011, in the original principal amount of \$154,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

Property. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Assignment" section of this Assignment.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all of Grantor's present and future rights, title and interest in, to and under any and all present and future leases, including, without limitation, all rents, revenue, income, issues, royalties, bonuses, accounts receivable, cash or security deposits, advance rentals, profits and proceeds

ASSIGNMENT OF RENTS
(Continued)

Loan No: [REDACTED]

from the Property, and other payments and benefits derived or to be derived from such leases of every kind and nature, whether due now or later, including without limitation Grantor's right to enforce such leases and to receive and collect payment and proceeds thereunder.

THE UNDERSIGNED ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT, AND NOT PERSONALLY BUT AS AN AUTHORIZED SIGNER, HAS CAUSED THIS ASSIGNMENT TO BE SIGNED AND EXECUTED ON BEHALF OF GRANTOR ON FEBRUARY 14, 2011.

GRANTOR:

SHERIDAN EQUITIES, LLC

By: [REDACTED]
David S. Schweikert, Manager of Sheridan Equities, LLC

X [REDACTED]
David S. Schweikert, Individually

X [REDACTED]
Joyce R. Schweikert, Individually

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Arizona)
) SS
COUNTY OF Maricopa)

On this 20 day of February, 2011, before me, the undersigned Notary Public, personally appeared David S. Schweikert, Manager of Sheridan Equities, LLC, and known to me to be member or designated agent of the limited liability company that executed the ASSIGNMENT OF RENTS and acknowledged the Assignment to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Assignment and in fact executed the Assignment on behalf of the limited liability company.

By [REDACTED] Residing at Phoenix
Notary Public in and for the State of Arizona
My commission expires 4/17/2013



ASSIGNMENT OF RENTS
(Continued)

Loan No: [REDACTED]

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Arizona)
) SS
COUNTY OF Maricopa)

On this day before me, the undersigned Notary Public, personally appeared **David S. Schweikert and Joyce R. Schweikert**, to me known to be the individuals described in and who executed the ASSIGNMENT OF RENTS, and acknowledged that they signed the Assignment as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 22 day of February, 2011.

By [Signature] Residing at _____

Notary Public in and for the State of Arizona

My commission expires 4/17/2013



OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
20130505919,06/03/2013 11:26
ELECTRONIC RECORDING
SheridanEquities-4-1-1--N

RECORDATION REQUESTED BY:

Metro Phoenix Bank
Main Office
4686 E. Van Buren Street, Ste #150
Phoenix, AZ 85008

WHEN RECORDED MAIL TO:

Metro Phoenix Bank
Main Office
4686 E. Van Buren Street, Ste #150
Phoenix, AZ 85008

FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated May 31, 2013, is made and executed between Sheridan Equities, LLC, whose address is 15749 E. El Lago Blvd, Fountain Hills, AZ 85268 ("Trustor") and Metro Phoenix Bank, chartered in the United States of America under the laws of the State of Arizona, whose address is Main Office, 4686 E. Van Buren Street, Ste #150, Phoenix, AZ 85008 ("Lender").

DEED OF TRUST. Lender and Trustor have entered into a Deed of Trust dated February 14, 2011 (the "Deed of Trust") which has been recorded in Maricopa County, State of Arizona, as follows:

Recorded February 24, 2011 at File #20110161378 in the official records of the County of Maricopa, State of Arizona.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in Maricopa County, State of Arizona:

Lot 5, Northfield, according to the plat of record in the office of the county recorder of Maricopa County, Arizona, in Book 30 of Maps, page 45.

The Real Property or its address is commonly known as 5920 W. State Ave., Glendale, AZ 85301. The Real Property tax identification number is 143-43-126.

MODIFICATION. Lender and Trustor hereby modify the Deed of Trust as follows:

1. David S. Schweikert and Joyce R. Schweikert are removed as Grantors of said property. Grantor of said property is Sheridan Equities LLC only.

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Deed of Trust shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Deed of Trust as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the promissory note or other credit agreement secured by the Deed of Trust (the "Note"). It is the intention of Lender to retain as liable all

**MODIFICATION OF DEED OF TRUST
(Continued)**

Loan No: [REDACTED]

parties to the Deed of Trust and all parties, makers and endorsers to the Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Modification. If any person who signed the original Deed of Trust does not sign this Modification, then all persons signing below acknowledge that this Modification is given conditionally, based on the representation to Lender that the non-signing person consents to the changes and provisions of this Modification or otherwise will not be released by it. This waiver applies not only to any initial extension or modification, but also to all such subsequent actions.

TRUSTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST AND TRUSTOR AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED MAY 31, 2013.

TRUSTOR:

SHERIDAN EQUITIES LLC

By: [REDACTED]
David Schweikert, Manager of Sheridan Equities LLC

LENDER:

METRO PHOENIX BANK

X [REDACTED]
Mary Myron, Loan Officer

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: [REDACTED]

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Arizona)
) SS
COUNTY OF Maricopa)

On this 31st day of May, 20 13, before me, the undersigned Notary Public, personally appeared **David Schweikert, Manager of Sheridan Equities LLC**, and known to me to be member or designated agent of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the limited liability company.

By [REDACTED] Residing at Phoenix, AZ

Notary Public in and for the State of Arizona

My commission expires 1-12-15



MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: [REDACTED]

LENDER ACKNOWLEDGMENT

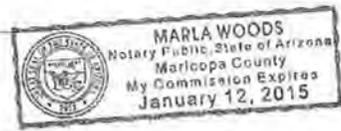
STATE OF Arizona)
) SS
COUNTY OF Maricopa)

On this 31st day of May, 20 13, before me, the undersigned Notary Public, personally appeared **Mary Myron** and known to me to be the **Loan Officer**, authorized agent for **Metro Phoenix Bank** that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of **Metro Phoenix Bank**, duly authorized by **Metro Phoenix Bank** through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and in fact executed this said instrument on behalf of **Metro Phoenix Bank**.

By [REDACTED] Residing at Phoenix, AZ

Notary Public in and for the State of Arizona

My commission expires 1-12-15



OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
20131036147 12/05/2013 08:02
02111891A-2-2-2--
ELECTRONIC RECORDING

WHEN RECORDED MAIL TO:

Metro Phoenix Bank
4686 E. Van Buren Street #150
Phoenix, AZ. 85008



DO NOT REMOVE THIS COVER SHEET. IT IS NOW PART OF THE RECORDED DOCUMENT.

DOCUMENT TO BE RECORDED:

Deed of Release and Reconveyance

**Regarding Document # 20110161378 and further modified
June 3, 2013 in Document # 20130505919**

RECCVR

When recorded return to:
METRO PHOENIX BANK
4686 E. Van Buren St. # 150
Phoenix, AZ 85008

DEED OF RELEASE AND RECONVEYANCE

WHEREAS, the indebtedness secured by the Deed of Trust executed by Sheridan Equities, L.L.C., an Arizona limited liability company, whose address is 15749 E. El Lago Blvd, Fountain Hills, AZ 85268; David S. Schweikert, and Joyce R. Schweikert whose address is [REDACTED] and Metro Phoenix Bank (Beneficiary), whose address is 4686 E. Van Buren, Ste # 150, Phoenix, AZ 85008, dated February 14, 2011 and recorded February 24, 2011 in Document No. 20110161378, and further modified May 31, 2013 and recorded June 3, 2013 in Document No. 20130505919, of Official Records in the Maricopa County Recorder's office, Maricopa County, Arizona.

BENEFICIARY

NOW, THEREFORE, the present Beneficiary under said Deed of Trust does hereby release and reconvey, without covenant or warranty, express or implied, unto the parties legally entitled all right, title and interest which was heretofore acquired by said Beneficiary under said Deed of Trust.

DATED this 28th day of August 2013

BENEFICIARY:
METRO PHOENIX BANK:

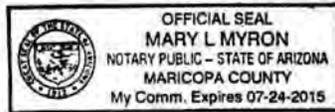
[REDACTED]
Michael Morano, EVP

STATE OF ARIZONA)
County of Maricopa)

This instrument was acknowledged before me this day 28th of August by Michael Morano of Metro Phoenix Bank.

My Commission Expires: 7-24-2015

[REDACTED]
Notary Public



When recorded return to:
METRO PHOENIX BANK
4686 E. Van Buren St. # 150
Phoenix, AZ 85008

DEED OF RELEASE AND RECONVEYANCE

WHEREAS, the indebtedness secured by the Deed of Trust executed by Sheridan Equities, L.L.C., an Arizona limited liability company, whose address is 15749 E. El Lago Blvd, Fountain Hills, AZ 85268; David S. Schweikert, and Joyce R. Schweikert whose address is [REDACTED] and Metro Phoenix Bank (Beneficiary), whose address is 4686 E. Van Buren, Ste # 150, Phoenix, AZ 85008, dated February 14, 2011 and recorded February 24, 2011 in Document No. 20110161378, and further modified May 31, 2013 and recorded June 3, 2013 in Document No. 20130505919, of Official Records in the Maricopa County Recorder's office, Maricopa County, Arizona.

BENEFICIARY

NOW, THEREFORE, the present Beneficiary under said Deed of Trust does hereby release and reconvey, without covenant or warranty, express or implied, unto the parties legally entitled all right, title and interest which was heretofore acquired by said Beneficiary under said Deed of Trust.

DATED this 28th day of August 2013

BENEFICIARY:
METRO PHOENIX BANK:

[REDACTED]

Michael Morano, EVP

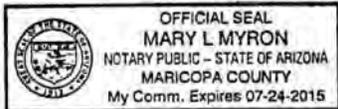
STATE OF ARIZONA)
County of Maricopa)

This instrument was acknowledged before me this day 28th of August by Michael Morano of Metro Phoenix Bank.

My Commission Expires: 7-24-2015

[REDACTED]

Notary Public



OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL

20131036146 12/05/2013 08:02
02111891A-2-2-1--
ELECTRONIC RECORDING

WHEN RECORDED MAIL TO:

Metro Phoenix Bank
4686 E. Van Buren Street #150
Phoenix, AZ. 85008

DO NOT REMOVE THIS COVER SHEET. IT IS NOW PART OF THE RECORDED DOCUMENT.

DOCUMENT TO BE RECORDED:

Assignment of Rents Full Reconveyance

Regarding Document # 20110161379 dated February 24, 2011

RECCVR

When Recorded send to:
Metro Phoenix Bank
4686 E. Van Buren St., Ste 150
Phoenix, AZ 85008

ASSIGNMENT OF RENTS FULL RECONVEYANCE

METRO PHOENIX BANK, as Lender under the Assignment of Rents, dated February 14, 2011 in which Sheridan Equities, LLC; and David S. Schweikert, and Joyce R. Schweikert, are Grantor(s) and/or Borrower(s) and METRO PHOENIX BANK is Lender, and recorded on February 24, 2011 as Instrument No. 20110161379 in the office of the County Recorder of Maricopa County, Arizona, having received under said Assignment of Rent a written request to release and reconvey, reciting that all indebtedness secured by said Assignment of Rents has been fully satisfied, does hereby release and reconvey, without covenant or warranty, express or implied, to the person or persons legally entitled thereto, all right, title and interest now held by said Lender thereunder in and to the property described in said Assignment of Rents, situated in Maricopa County, Arizona as follows:

The Property or its address is commonly known as 5920 W. State Ave., Glendale, AZ 85301.

Metro Phoenix Bank

[Redacted Signature]

By: Michael S. Morano, EVP, COO

State of ARIZONA }
County of Maricopa } SS:

On this 28th day of August, 2013, this instrument was acknowledged before me the undersigned, a Notary Public in and for said County and State.

[Redacted Signature]
Notary Public



My commission expires: 7-24-2015

Release

When Recorded send to:
Metro Phoenix Bank
4686 E. Van Buren St., Ste 150
Phoenix, AZ 85008

ASSIGNMENT OF RENTS FULL RECONVEYANCE

METRO PHOENIX BANK, as Lender under the Assignment of Rents, dated February 14, 2011 in which Sheridan Equities, LLC; and David S. Schweikert, and Joyce R. Schweikert, are Grantor(s) and/or Borrower(s) and METRO PHOENIX BANK is Lender, and recorded on February 24, 2011 as Instrument No. 20110161379 in the office of the County Recorder of Maricopa County, Arizona, having received under said Assignment of Rent a written request to release and reconvey, reciting that all indebtedness secured by said Assignment of Rents has been fully satisfied, does hereby release and reconvey, without covenant or warranty, express or implied, to the person or persons legally entitled thereto, all right, title and interest now held by said Lender thereunder in and to the property described in said Assignment of Rents, situated in Maricopa County, Arizona as follows:

The Property or its address is commonly known as 5920 W. State Ave., Glendale, AZ 85301.

Metro Phoenix Bank

[Redacted Signature]

By: Michael S. Morano, EVP, COO

State of ARIZONA

County of Maricopa

} ss:

On this 28th day of August, 2013, this instrument was acknowledged before me the undersigned, a Notary Public in and for said County and State.

[Redacted Signature]

Notary Public



My commission expires:

7-24-2015

Release

DISBURSEMENT REQUEST AND AUTHORIZATION

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$154,000.00	02-14-2011	03-05-2012	[REDACTED]	131 / 13		RAS	[REDACTED]
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert
Lender: Metro Phoenix Bank
 Main Office
 4686 E. Van Buren Street, Ste #150
 Phoenix, AZ 85008

LOAN TYPE. This is a Variable Rate Nondisclosable Revolving Line of Credit Loan to two individuals and a Limited Liability Company for \$154,000.00 due on March 5, 2012.

PRIMARY PURPOSE OF LOAN. The primary purpose of this loan is for:
 Personal, Family, or Household Purposes or Personal Investment.
 Business (Including Real Estate Investment).

SPECIFIC PURPOSE. The specific purpose of this loan is: RLOC.

FLOOD INSURANCE. The property that will secure the loan is not located in an area that has been identified by the Director of the Federal Emergency Management Agency as an area having special flood hazards. Therefore, although flood insurance may be available for the property, no special flood hazard insurance protecting property not located in an area having special flood hazards is required by law for this loan at this time.

DISBURSEMENT INSTRUCTIONS. Borrower understands that no loan proceeds will be disbursed until all of Lender's conditions for making the loan have been satisfied. Please disburse the loan proceeds of \$154,000.00 as follows:

Amount paid to others on Borrower's behalf:	\$77,555.00
\$77,555.00 to Security Title Agency	
Other Disbursements:	\$74,887.00
\$74,887.00 Previously Disbursed	
Other Charges Financed:	\$792.00
\$65.00 Appraisal	
\$707.00 Title Insurance	
\$20.00 Wire Fee	
Total Financed Prepaid Finance Charges:	\$766.00
\$16.00 Flood Certification and Life of Loan	
\$750.00 Documentation Fee	
Note Principal:	\$154,000.00

LIEN RELEASE FEES. In addition to all other charges, Borrower agrees, to the extent not prohibited by law, to pay all governmental fees for release of Lender's security interests in collateral securing this loan. Borrower will pay these fees at the time the lien or liens are released. The estimated amount of these future lien release fees is \$75.00.

FINANCIAL CONDITION. BY SIGNING THIS AUTHORIZATION, BORROWER REPRESENTS AND WARRANTS TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN BORROWER'S FINANCIAL CONDITION AS DISCLOSED IN BORROWER'S MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED FEBRUARY 14, 2011.

BORROWER:

SHERIDAN EQUITIES, LLC
 By: [REDACTED]
 David S. Schweikert, Manager of Sheridan Equities, LLC

X [REDACTED]
 David S. Schweikert, Individually

X [REDACTED]
 Joyce R. Schweikert, Individually



OUTGOING DOMESTIC WIRE TRANSFER REQUEST

Date: 2/23/2011 Time: _____ Department Requesting Wire: Branch Loan Administration
Employee Accepting Wire Request: Mary Myron employee Phone Number: [REDACTED]

ORIGINATOR INFORMATION

Customer Name: Sheridan Equities, LLC and David & Joyce Schweikert
Or Business Name: _____
Street Address: [REDACTED] State: AZ Zip: 85268
Customer Account Type: DDA SAV GL CD Loan
Customer Account Number: [REDACTED] Social Security /Tax ID #: [REDACTED]

CUSTOMER IDENTIFICATION

Signature Card: Drivers License State/#: _____ Other Identification: _____

BENEFICIARY INFORMATION

Receiving Bank Name: M & I Marshall & Ilsley Bank Routing #: [REDACTED]
Customer to Credit: Security Title Agency, 7901 N 16th ST, #225
Acct. Number to Credit: [REDACTED]
Street Address: 1 E Camelback City: Phoenix State: Arizona Zip: 85012
Special Instructions: Escrow # [REDACTED] - Sheridan Equities

CUSTOMER AUTHORIZATION

The bank shall not be liable for any error or delay in transfer due to any cause other than The Bank's own negligence. The Bank shall only be liable for the Customer's actual loss arising from such negligence, not to exceed the amount of the funds transferred which The Bank is unable to recover. In no event shall The Bank be liable for indirect or consequential damages. I have read the above information and request the wire transfer of funds as stated.

Customer Signature _____ Loan Funds _____ Date _____

BANK/WIRE USE ONLY

Employee Verifying (Call Back) Wire Request: _____
(Person verifying (call back) Wire Request MUST be different than the person accepting the Wire Request)

Contact Name: _____ Time Contacted: _____

Amount of Wire: \$78,149.00 Cash: Yes No
Fee: \$20.00 Waive Fee?: Yes No
Total Due: \$78,169.00

Debit Account: Yes No Account Number: _____
Available Funds: \$ _____ Last Deposit Amount & Date: _____

Approved by: [REDACTED] _____ Date: 2-23-11

Wire Input By: _____ Wire Verified By: _____ OFAC By: MLM

CREDIT
GENERAL LEDGER

METRO PHOENIX BANK

Appraisal Fee
ACCOUNT TITLE

DESCRIPTION: BPO Sheridan Equities, LLC
[REDACTED]
OFFSET: [REDACTED]

DATE 2 23 11
PREPARED BY MM
APPROVED BY KAB

ACCOUNT NUMBER

AMOUNT

[REDACTED]

\$

650.00

[REDACTED]

CREDIT
GENERAL LEDGER

METRO PHOENIX BANK

Wire Fee
ACCOUNT TITLE

DESCRIPTION: Sheridan Equities, LLC Wire
[REDACTED]
OFFSET: [REDACTED]

DATE 2 23 11
PREPARED BY MM
APPROVED BY KAB

ACCOUNT NUMBER

AMOUNT

[REDACTED]

\$

20.00

[REDACTED]

CREDIT
GENERAL LEDGER

METRO PHOENIX BANK

PCBB
ACCOUNT TITLE

DESCRIPTION: Loan Proceeds wired to Security Title Sheridan Equities
[REDACTED]
OFFSET: [REDACTED]

DATE 2 23 11
PREPARED BY MM
APPROVED BY KAB

ACCOUNT NUMBER

AMOUNT

[REDACTED]

\$

78149.00

[REDACTED]

DEBIT
GENERAL LEDGER

METRO PHOENIX BANK

Online Posting
ACCOUNT TITLE

DESCRIPTION: Line increase & Renewal Sheridan Equities
[REDACTED]
OFFSET: various g/L'S

DATE 2 23 11
PREPARED BY MM
APPROVED BY KAB

ACCOUNT NUMBER

AMOUNT

[REDACTED]

\$

79000.00

[REDACTED]

CREDIT

METRO PHOENIX BANK

Flot Certification
ACCOUNT TITLE

GENERAL LEDGER

DESCRIPTION:

Flot Cert Sheridan Equities

DATE *2-23-11*

PREPARED BY *MM*

APPROVED BY *KAB*

OFFSET:

[REDACTED]

ACCOUNT NUMBER

[REDACTED]

\$

AMOUNT

16.00

CREDIT

METRO PHOENIX BANK

FASB Fee
ACCOUNT TITLE

GENERAL LEDGER

DESCRIPTION:

Sheridan Equities = [REDACTED]
DC Fee - Earned

DATE *2-23-11*

PREPARED BY *MM*

APPROVED BY *KAB*

OFFSET:

[REDACTED]

ACCOUNT NUMBER

[REDACTED]

\$

AMOUNT

750.00

Sheridan Equities, LLC David S Schweikert-LON Account# [REDACTED]

Type	Image	Entry Date	Post Date	Orig Amount	Amount	Sequence #	Description	Error	Balance
		01/05/12	01/05/12		\$927.59		1/05/2012 1/05/2012		\$153,886.80
		01/05/12	01/05/12	\$927.59	\$0.00		1/05/2012 1/05/2012		\$153,886.80
		12/05/11	12/05/11		\$897.68		12/05/2011 12/05/2011		\$153,886.80
		11/04/11	11/05/11		\$927.59		11/05/2011 11/05/2011		\$153,886.80
		11/04/11	11/05/11	\$927.59	\$0.00		11/05/2011 11/05/2011		\$153,886.80
		10/05/11	10/05/11		\$897.67		10/05/2011 10/05/2011		\$153,886.80
		10/05/11	10/05/11	\$897.67	\$0.00		10/05/2011 10/05/2011		\$153,886.80
		09/02/11	09/05/11		\$927.60		9/05/2011 9/05/2011		\$153,886.80
		09/02/11	09/05/11	\$927.60	\$0.00		9/05/2011 9/05/2011		\$153,886.80
		08/05/11	08/05/11		\$927.59		8/05/2011 8/05/2011		\$153,886.80
		08/05/11	08/05/11	\$927.59	\$0.00		8/05/2011 8/05/2011		\$153,886.80
		07/05/11	07/05/11		\$897.67		7/05/2011 7/05/2011		\$153,886.80
		07/05/11	07/05/11	\$897.67	\$0.00		7/05/2011 7/05/2011		\$153,886.80
		06/03/11	06/05/11		\$927.60		6/05/2011 6/05/2011		\$153,886.80
		06/03/11	06/05/11	\$927.60	\$0.00		6/05/2011 6/05/2011		\$153,886.80
		05/05/11	05/05/11		\$897.67		5/05/2011 5/05/2011		\$153,886.80
		05/05/11	05/05/11	\$897.67	\$0.00		5/05/2011 5/05/2011		\$153,886.80
		04/05/11	04/05/11		\$927.59		4/05/2011 4/05/2011		\$153,886.80
		04/05/11	04/05/11	\$927.59	\$0.00		4/05/2011 4/05/2011		\$153,886.80
		03/04/11	03/05/11		\$561.33		3/05/2011 3/05/2011		\$153,886.80
		03/04/11	03/05/11	\$561.33	\$0.00		3/05/2011 3/05/2011		\$153,886.80
		02/23/11	02/23/11		\$79,000.00		- Line Increase		\$153,886.80



Melissa A. Royal

1745 S Alma School Road, Suite 115
Mesa, AZ 85210

INVOICE

INVOICE #3012
DATE: FEBRUARY 09, 2011

To:
Metro Phoenix Bank
c/o Mary Myron
4686 E. Van Buren Ste.150
Phoenix, AZ 85008
Phone 602-346-1825

FOR:
BPO for:
5920 West State Avenue, Glendale, AZ 85301

DESCRIPTION	AMOUNT
Interior BPO - 5920 West State Avenue, Glendale, AZ 85301	\$65
<div style="font-size: 2em; font-weight: bold; opacity: 0.5;">PAID</div> <div style="font-size: 1.2em; font-weight: bold; margin-top: 5px;">2/24/11</div>	
TOTAL	\$65

*Make all checks payable to HomeSmart Real Estate
Payment is due within 90 days of BPO completion*

Thank you for your business!

DEBIT

GENERAL LEDGER

METRO PHOENIX BANK

Appraised Fee

ACCOUNT TITLE

DESCRIPTION:

PO Invoice Sheridan Equities

DATE

2/24/11

PREPARED BY

MM

APPROVED BY

KAB

OFFSET:

Cashiers check

ACCOUNT NUMBER

[REDACTED]

AMOUNT

\$

45.00

[REDACTED]

Remitter: Metro Phoenix Bank
Memo: Invoice #3012

CASHIER'S CHECK

No. [REDACTED]

Date: 2/24/2011

\$65.00

Sixty Five Dollars and Zero Cents

Pay to the Order of

Operator: 057

Time: 12:57

Source of Funds:

Home Smart Real Estate
1745 S. Alma School Rd., #115
Mesa, AZ 85210

Check Fee: \$0.00
Account Information:

00-0

[REDACTED]

LIMITED LIABILITY COMPANY RESOLUTION TO BORROW / GRANT COLLATERAL

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$154,000.00	02-14-2011	03-05-2012		131 / 13		RAS	RS

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.
Any item above containing "****" has been omitted due to text length limitations.

Borrower: Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert
 [Redacted]
Company: Sheridan Equities, LLC
 15749 E. El Lago Blvd
 Fountain Hills, AZ 85268

Lender: Metro Phoenix Bank
 Main Office
 4686 E. Van Buren Street, Ste #150
 Phoenix, AZ 85008

I. THE UNDERSIGNED, DO HEREBY CERTIFY THAT:

THE COMPANY'S EXISTENCE. The complete and correct name of the Company is Sheridan Equities, LLC ("Company"). The Company is a limited liability company which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Arizona. The Company is duly authorized to transact business in all other states in which the Company is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which the Company is doing business. Specifically, the Company is, and at all times shall be, duly qualified as a foreign limited liability company in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. The Company has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. The Company maintains an office at 15749 E. El Lago Blvd, Fountain Hills, AZ 85268. Unless the Company has designated otherwise in writing, the principal office is the office at which the Company keeps its books and records. The Company will notify Lender prior to any change in the location of the Company's state of organization or any change in the Company's name. The Company shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to the Company and the Company's business activities.

RESOLUTIONS ADOPTED. At a meeting of the members of the Company, duly called and held on _____, at which a quorum was present and voting, or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Resolution were adopted.

MANAGER. The following named person is a manager of Sheridan Equities, LLC:

NAMES	TITLES	AUTHORIZED	ACTUAL SIGNATURE
David S. Schweikert	Manager	Y	X [Redacted Signature]

ACTIONS AUTHORIZED. The authorized person listed above may enter into any agreements of any nature with Lender, and those agreements will bind the Company. Specifically, but without limitation, the authorized person is authorized, empowered, and directed to do the following for and on behalf of the Company:

Borrow Money. To borrow, as a cosigner or otherwise, from time to time from Lender, on such terms as may be agreed upon between the Company and Lender, such sum or sums of money as in his or her judgment should be borrowed, without limitation.

Execute Notes. To execute and deliver to Lender the promissory note or notes, or other evidence of the Company's credit accommodations, on Lender's forms, at such rates of interest and on such terms as may be agreed upon, evidencing the sums of money so borrowed or any of the Company's indebtedness to Lender, and also to execute and deliver to Lender one or more renewals, extensions, modifications, refinancings, consolidations, or substitutions for one or more of the notes, any portion of the notes, or any other evidence of credit accommodations.

Grant Security. To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender any property now or hereafter belonging to the Company or in which the Company now or hereafter may have an interest, including without limitation all of the Company's real property and all of the Company's personal property (tangible or intangible), as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed (including any amendments to or modifications, renewals, and extensions of such promissory notes), or any other or further indebtedness of the Company to Lender at any time owing, however the same may be evidenced. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition to or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated or encumbered.

Execute Security Documents. To execute and deliver to Lender the forms of mortgage, deed of trust, pledge agreement, hypothecation agreement, and other security agreements and financing statements which Lender may require and which shall evidence the terms and conditions under and pursuant to which such liens and encumbrances, or any of them, are given; and also to execute and deliver to Lender any other written instruments, any chattel paper, or any other collateral, of any kind or nature, which Lender may deem necessary or proper in connection with or pertaining to the giving of the liens and encumbrances.

Deposit Accounts. To open one or more depository accounts in the Company's name and sign and deliver all documents or items required to fulfill the conditions of all banking business, including without limitation the initiation of wire transfers, until authority is revoked by action of the Company on written notice to Lender.

Negotiate Items. To draw, endorse, and discount with Lender all drafts, trade acceptances, promissory notes, or other evidences of indebtedness payable to or belonging to the Company or in which the Company may have an interest, and either to receive cash for the same or to cause such proceeds to be credited to the Company's account with Lender, or to cause such other disposition of the proceeds derived therefrom as he or she may deem advisable.

Further Acts. In the case of lines of credit, to designate additional or alternate individuals as being authorized to request advances under such lines, and in all cases, to do and perform such other acts and things, to pay any and all fees and costs, and to execute and deliver such other documents and agreements, including agreements waiving the right to a trial by jury, as the manager may in his or her discretion deem reasonably necessary or proper in order to carry into effect the provisions of this Resolution. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from the Company, at Lender's address shown above, written notice of revocation of such authority: David S. Schweikert, Manager of Sheridan Equities, LLC; David S. Schweikert, Individually; and Joyce R. Schweikert, Individually.

ASSUMED BUSINESS NAMES. The Company has filed or recorded all documents or filings required by law relating to all assumed business names used by the Company. Excluding the name of the Company, the following is a complete list of all assumed business names under which the Company does business: **None.**

MULTIPLE BORROWERS. The Company may enter into transactions in which there are multiple borrowers on obligations to Lender and the Company understands and agrees that, with or without notice to the Company, Lender may discharge or release any party or collateral securing an obligation, grant any extension of time for payment, delay enforcing any rights granted to Lender, or take any other action or inaction, without the loss to Lender of any of its rights against the Company; and that Lender may modify transactions without the consent of or notice to anyone other than the party with whom the modification is made.

NOTICES TO LENDER. The Company will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (A) change in the Company's name; (B) change in the Company's assumed business name(s); (C) change in the management or in the Managers of the Company; (D) change in the authorized signer(s); (E) change in the Company's principal office address; (F) change in the Company's state of organization; (G) conversion of the Company to a new or different type of business entity; or (H) change in any other aspect of the Company that directly or indirectly relates to any agreements between the Company and Lender. No change in the Company's name or state of organization will take effect until after Lender has received notice.

CERTIFICATION CONCERNING MANAGERS AND RESOLUTIONS. The manager named above is duly elected, appointed, or employed by or for the Company, as the case may be, and occupies the position set opposite his or her respective name. This Resolution now stands of record on the books of the Company, is in full force and effect, and has not been modified or revoked in any manner whatsoever.

CONTINUING VALIDITY. Any and all acts authorized pursuant to this Resolution and performed prior to the passage of this Resolution are hereby ratified and approved. This Resolution shall be continuing, shall remain in full force and effect and Lender may rely on it until written notice of its revocation shall have been delivered to and received by Lender at Lender's address shown above (or such addresses as Lender may designate from time to time). Any such notice shall not affect any of the Company's agreements or commitments in effect at the time notice is given.

IN TESTIMONY WHEREOF, I have hereunto set my hand and attest that the signature set opposite the name listed above is his or her genuine

LIMITED LIABILITY COMPANY RESOLUTION TO BORROW / GRANT COLLATERAL
(Continued)

Loan No: [REDACTED]

signature.

I have read all the provisions of this Resolution, and I personally and on behalf of the Company certify that all statements and representations made in this Resolution are true and correct. This Limited Liability Company Resolution to Borrow / Grant Collateral is dated February 14, 2011.

CERTIFIED TO AND ATTESTED BY:

[REDACTED]

David S. Schweikert, Manager of Sheridan Equities, LLC

NOTE: If the manager signing this Resolution is designated by the foregoing document as one of the managers authorized to act on the Company's behalf, it is advisable to have this Resolution signed by at least one non-authorized manager of the Company.



METRO PHOENIX BANK

Loan Presentation – Short Form

Borrower Name(s) Sheridan Equities, LLC David & Joyce Schweikert		Address: 15749 E El Lago Blvd. City: Fountain Hills Zip: 85268 Phone: [REDACTED] Tax ID: [REDACTED]		Date: 5/18/2012 Loan Officer: R. Strom Referral Source: Stevenson	
Relationship Name(s)		Entity Type: Individual Commercial Real Estate Loan: No Gross Rev. / Inc: CRA Loan: No NAICS Code:		Reg O <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Yr. Bus. Est.: NA Customer Since: New	
		OFAC Date: 5/15/12			

Loan Request										
#	Loan Type	Coll. Code	Loan Grade	COMMITMENT			Current Loan Balance	Maturity/Terms	Pricing/Rate & Fee	
				New	Renew	Total				
1	RLOC	13	4	\$0	\$154,000	\$154,000	\$153,887	Maturity date of 5/5/2013. Principal balance is due at maturity.	WSJ P+2% Floor of 7%. \$250 doc fee	
2										
3										
4										
Subtotal				\$0	\$154,000	\$154,000	\$153,887	Other Direct Com	\$0	
Total Commitment – Borrower				\$154,000	Related Debt Commitment		\$0	Total Relationship Commitment	\$154,000	

#	Credit Purpose	Codes:	Pur	Fed	Prod
1	Renewal of existing \$154,000 RLOC originated in July 2010 to fund election campaigning. The principal amount will be due at the maturity in 2013.		12	131	230
2					

#	Description of Collateral	Value	Source	Sr. Liens	LTV%	LTC%
1	1 st DOT on four rental properties owned by Mr. & Mrs. Schweikert. See page 2 for details.	\$227,000	Zillow	None	68%	N/A

#	Primary Source of Repayment	Secondary Source of Repayment
1	Personal cash flow	Liquidation of collateral

#	Guarantor(s)	F/S Date	Liq. assets	NW	Ad.j NW	Credit Score
	NA					

#	Related Entities	Deposits 12 Mos. Avg.	Deposits 12 Mos. Proj.
	David and Joyce Schweikert congress campaign funds	\$177,542	

#	Policy Exceptions	Mitigants
	None noted	

Approval: Recommending Officer: Rickard Strom [Signature]		Date: 5/18/12		Date: 5/18/12	
Approving Officer: Stephen P. Haggard [Signature]					

Borrower: David Schweikert is a local real estate investor and was referred to the bank by Michael Stevenson. Mr. Schweikert currently is the US Representative for Arizona's 5th congressional district. Mr. Schweikert has previously served two terms in the Arizona State House of Representatives (1991-1994), was also chaired the State Board of Equalization where he oversaw billions of dollars in valuation and tax protests from Arizona citizens and businesses, and was the elected Maricopa County Treasurer (2004-2007).

David grew up in Scottsdale with his adoptive parents and two adoptive siblings. He graduated from Saguro High School in 1980 then earned a BA in finance and real estate in 1985 and a MBA from the ASU WP Carey Executive Program in 2005. David has traveled extensively throughout India, East Asia and Eastern Europe. David Schweikert and his wife Joyce live in Fountain Hills where they run their real estate business, Sheridan Equities, LLC.

Loan Purpose: Renew the existing \$154,000 RLOC that was originally used to support election campaigning and later to buyout a partner on a residential property. The principal amount will be due at maturity.

Repayment Sources:

PSOR: Personal cash flow

SSOR: Liquidation of collateral.

Collateral: The LOC will be supported by a 1st DOT on below presented residential properties. Details on collateral have been included below: The collateral house 1 was purchased in early 2011 for \$78,900. Site visits were done in May of 2012, please refer to pictures and site visit forms in the client file.

Collateral House 1:

Address: 5920 W. State Ave. Glendale, AZ 85301
Size: 1,471 SF
BPO Value: \$70,000
BPO Date: 2/9/2011
Zillow Value: \$63,100
Zillow Date: 5/15/2012

Collateral House 2:

Address: 3338 E. Willetta St., Phoenix, AZ 85008
Acquisition date: April, 2009
Size: 1,153 SF
Purchase price: \$27,000
Improvement Cost: \$15,821
Total Cost: \$42,821
Zillow Value: \$52,800
Zillow Date: 5/15/2012

Collateral House 3:

Address: 3031 N. 64th Pl., Phoenix, AZ 85033
Acquisition date: March, 2009
Size: 1,473 SF
Purchase price: \$36,000
Improvement Cost: \$7,688
Total Cost: \$43,688
Zillow Value: \$45,400
Zillow Date: 5/15/2012

Collateral House 4:

Address: 6413 W Lamar Rd., Glendale, AZ 85301
Acquisition date: March, 2009
Size: 1,356 SF
Purchase price: \$36,550
Improvement Cost: \$15,021
Total Cost: \$51,571
Zillow Value: \$65,700
Zillow Date: 5/15/2012

Total Collateral value of the 4 homes: \$227,000
LTV: 68%

Borrower Analysis:

A personal financial statement as of 4/14/2012 has been provided which illustrates liquidity of \$35M, and a net worth of \$2,818,000. Analysis of this statement has been included below:

Net Worth Analysis:

David and Joyce Schweikert			
Personal Financial Statement dated 4/14/2012			
Assets		Liabilities	
Cash (1)	35,000	Mortgage-Primary Residence	280,000
Liquid Assets	35,000	Mortgage-Investment Properties	193,000
Retirement Accounts	90,000	Installment Loans	60,000
CSVLI	200,000	Revolving Debt	4,000
Personal Residence	300,000	Total Liabilities	537,000
Investment Real Estate (2)	500,000	Net Worth	\$2,818,000
Loans to Campaign Comm	600,000	Adjusted Net Worth (4)	\$1,188,000
Business Investments (3)	1,550,000		
Personal Properties	80,000		
Total Assets	\$3,355,000	Total Liabilities & Net Worth	\$3,355,000

- (1) Cash accounts are held with Chase Bank.
- (2) Investment in real estate includes the 3 existing properties as well as a rental property operated by Joyce in Scottsdale.
- (3) Business Investments include a \$750M value for Sheridan Equities Holdings which represents the value of David Schweikert's real estate business and a value of \$800M which is allocated to Mass Funds.
- (4) The adjusted net worth excludes the value in the business investments and the personal property.

Cash Flow Analysis:

Metro Phoenix Bank is in receipt of 2008, 2009, 2010 and 2011 tax returns on Mr. and Mrs. Schweikert. Analysis of these returns has been included below, which shows adequate cash flow coverage to support the current loan facility.

Guarantor Name: Schweikert	2008	2009	2010	2011
Personal Cash Flow	\$105,132	\$120,503	\$115,672	\$252,379
Interest & Dividends (Schedule B)	\$745	\$0		\$77
Schedule C	\$15,002	\$36,114	\$6,527	(\$25,802)
Total Rental & Royalty Cash Flow	\$2,842	\$2,310	\$17,961	\$27,662
Total Partnership/REMIC Cash Flow	\$0	\$0		
Less Living Expense	(\$24,000)	(\$24,000)	(\$24,000)	(\$24,000)
Less Federal and State Taxes	(\$16,085)	(\$30,680)	(\$15,745)	(\$48,780)
Cash Flow Available for Debt Service	\$83,636	\$104,247	\$100,415	\$181,536
*Mortgages (Primary)	\$21,792	\$21,792	\$21,792	\$18,636
*Mortgages (Investment)	\$9,852	\$9,852	\$9,852	\$11,280
*Installment Loans	\$13,704	\$13,704	\$13,704	\$13,704
*Revolving Credit Lines	\$3,708	\$3,708	\$3,708	\$900
Total Debt Service	\$49,056	\$49,056	\$49,056	\$44,520
Excess Cash	\$34,580	\$55,191	\$51,359	\$137,016
Debt/Income	58.65%	47.06%	48.85%	24.52%

Income is generated from wages the Mr. Schweikert receives from being a politician in Arizona, as Mr. Schweikert was voted in as the US Representative for Arizona's 5th congressional district his salary going forward will be approximately \$172,000/year. Other additional income is generated from Schedule C income from the real estate business, Sheridan Equities, LLC and various rental income on residential rentals.

Credit Bureau Report:

The bank obtained a credit report for David & Joyce Schweikert on 5/15/12. The FICO score reported was 803 and 791 respectively. No current derogatory information was noted. Old trade as of 11-96 and 1-85.

Recommendation: It is recommended to approve the subject loan request as presented with a risk rating of 4. The borrowers report sufficient personal cash flow to service the subject loan. Furthermore the Bank is well secured at a LTV of 49%.

Credit Covenants

Loan-to-Value:

At all times during the term of the Loan, the unpaid principal balance of the Loan shall not exceed seventy percent (70%) of the value of the Collateral Property, as determined by Lender in Lender's sole discretion. If for any reason the loan-to-value ratio exceeds said percentage, then Borrower shall, upon Lender's demand, immediately reduce the unpaid principal balance of the Loan, or deposit sufficient sums with Lender to reduce the loan-to-value ratio to at or below said percentage.

Appraisals:

If deemed necessary by Lender or if required by law, Lender shall have the right to order appraisal(s) of the Collateral Property from time to time from an appraiser selected by Lender, which appraisals shall comply with all federal and state standards for appraisals and otherwise shall be satisfactory to Lender in all material respects. Borrower agrees to pay the cost and expense for all appraisals and reviews thereof ordered by Lender pursuant to this paragraph.

Reporting Covenants

	Borrower's Financial Statements	Freq	Next Stmt	Tickler Date	Due Date	Comments
1	Type: FYE Type: None Provide the lender with a copy of the borrower's annual TR (David and Joyce Schweikert)	A	2012		4/15/2013	2011 T/R in file
1	Furnish PFS for David and Joyce Schweikert within 30 days of Lender' Other: _____ Other: _____	A	2013			4/14/2012 in file
	Documentation Requirements <input checked="" type="checkbox"/> Standard Laser Pro Documents <input type="checkbox"/> Accounts Receivable / Inventory Addendum <input type="checkbox"/> Other – Outside Legal Counsel <input type="checkbox"/> Other –					
#	Conditions Precedent:					
#	Modifications / Approval Conditions:					

CHANGE IN TERMS AGREEMENT

Principal	Loan Date	Maturity	Loan No.	Call / Coll	Account	Officer
\$154,000.00	02-14-2011	05-05-2013		131 / 13		RAS

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.
Any item above containing "****" has been omitted due to text length limitations.

Borrower: Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert
Lender: Metro Phoenix Bank
 Main Office
 4688 E. Van Buren Street, Ste #150
 Phoenix, AZ 85008

Principal Amount: \$154,000.00

Date of Agreement: March 5, 2012

DESCRIPTION OF EXISTING INDEBTEDNESS. That certain Revolving Line of Credit in the total amount of \$154,000.00 in which the current Principal Balance is \$153,886.80, evidenced by a Promissory Note (the "Note"), executed and delivered by Sheridan Equities, LLC, and David S. and Joyce R. Schweikert ("Borrower"), dated February 14, 2011, and subsequently modified on this date March 5, 2012.

DESCRIPTION OF COLLATERAL. The indebtedness is secured by Deed(s) of Trust made, executed and delivered by Sheridan Equities, LLC an Arizona limited liability company, and David S. and Joyce R. Schweikert ("Trustor") in favor of Metro Phoenix Bank ("Trustee") dated July 30, 2010 and recorded August 2, 2010 in the Office of the County Recorder of Maricopa County, Arizona, as Instrument No. 20100657371, No. 20100657390, and No. 20100657355; and by a Deed of Trust made, executed and delivered by Sheridan Equities, LLC an Arizona limited liability company, and David S. and Joyce R. Schweikert ("Trustor") in favor of Metro Phoenix Bank ("Trustee") dated February 14, 2011 and recorded February 24, 2011 in the Office of the County Recorder of Maricopa County, Arizona, as Instrument No. 20110161378.

DESCRIPTION OF CHANGE IN TERMS. The Note and Business Loan Agreement are hereby amended and changed as follows:

The Maturity Date of the Note is hereby extended from March 5, 2012 to May 5, 2013.

As a condition to the Lender entering into this Change in Terms Agreement, Borrower has agreed to pay interest current to June 5, 2012 in the amount of \$2,752.84 and a documentation fee of \$250.00 due at execution of this agreement.

All other terms and conditions in this loan, security and related documentation will remain the same and in full force and effect.

PROMISE TO PAY. Sheridan Equities, LLC; David S. Schweikert; and Joyce R. Schweikert ("Borrower") jointly and severally promise to pay to Metro Phoenix Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Hundred Fifty-four Thousand & 00/100 Dollars (\$154,000.00) or so much as may be outstanding, together with interest on the unpaid outstanding principal balance of each advance. Interest shall be calculated from the date of each advance until repayment of each advance.

PAYMENT. Borrower will pay this loan in one payment of all outstanding principal plus all accrued unpaid interest on May 5, 2013. In addition, Borrower will pay regular monthly payments of all accrued unpaid interest due as of each payment date, beginning July 5, 2012, with all subsequent interest payments to be due on the same day of each month after that. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The interest rate on this loan is subject to change from time to time based on changes in an independent index which is the The Prime Rate; index shall be adjusted from time to time, as reported daily in the West Coast edition of the Wall Street Journal. (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current index rate upon Borrower's request. The interest rate change will not occur more often than each day. Borrower understands that Lender may make loans based on other rates as well. The Index currently is 3.250% per annum. Interest on the unpaid principal balance of this loan will be calculated as described in the "INTEREST CALCULATION METHOD" paragraph using a rate of 2.000 percentage points over the Index, adjusted if necessary for any minimum and maximum rate limitations described below, resulting in an initial rate of 7.000% per annum based on a year of 360 days. NOTICE: Under no circumstances will the interest rate on this loan be less than 7.000% per annum or more than the maximum rate allowed by applicable law.

INTEREST CALCULATION METHOD. Interest on this loan is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this loan is computed using this method.

EFFECTIVE RATE. Borrower agrees to an effective rate of interest that is the rate specified in this Agreement plus any additional rate resulting from any other charges in the nature of interest paid or to be paid in connection with this Agreement.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments of accrued unpaid interest. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Agreement, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Metro Phoenix Bank, Main Office, 4688 E. Van Buren Street, Ste #150, Phoenix, AZ 85008.

LATE CHARGE. If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment or \$50.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, the interest rate on this loan shall be increased by adding an additional 5.000 percentage point margin ("Default Rate Margin"). The Default Rate Margin shall also apply to each succeeding interest rate change that would have applied had there been no default. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Indebtedness.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or ability to perform Borrower's obligations under this Agreement or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Foreclosure Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Indebtedness. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness evidenced by this Note.

CHANGE IN TERMS AGREEMENT

Loan No: [REDACTED] (Continued)

Page 2

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Agreement within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Agreement and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Agreement if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. However, Borrower will only pay attorneys' fees of an attorney not Lender's salaried employee, to whom the matter is referred after Borrower's default. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOVERNING LAW. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Arizona without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Arizona.

DISHONORED ITEM FEE. Borrower will pay a fee to Lender of \$25.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness prohibited by and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

COLLATERAL. Borrower acknowledges this Agreement is secured by the following collateral described in the security instruments listed herein:

- (A) a Deed of Trust dated February 14, 2011, to a trustee in favor of Lender on real property described as "Real Property located at 3031 N. 64th Drive, Phoenix, AZ 85033" and located in Maricopa County, State of Arizona.
- (B) an Assignment of All Rents to Lender on real property described as "Real Property located at 3031 N. 64th Drive, Phoenix, AZ 85033" and located in Maricopa County, State of Arizona.
- (C) a Deed of Trust dated March 5, 2012, to a trustee in favor of Lender on real property described as "Real Property located at 3338 E. Willetta Street, Phoenix, AZ 85008" and located in Maricopa County, State of Arizona.
- (D) an Assignment of All Rents to Lender on real property described as "Real Property located at 3338 E. Willetta Street, Phoenix, AZ 85008" and located in Maricopa County, State of Arizona.
- (E) a Deed of Trust dated March 5, 2012, to a trustee in favor of Lender on real property described as "Real Property located at 6413 W. Lamar Road, Glendale, AZ 85301" and located in Maricopa County, State of Arizona.
- (F) an Assignment of All Rents to Lender on real property described as "Real Property located at 6413 W. Lamar Road, Glendale, AZ 85301" and located in Maricopa County, State of Arizona.
- (G) a Deed of Trust dated March 5, 2012, to a trustee in favor of Lender on real property described as "Real Property located at 5920 W. State Ave., Glendale, AZ 85301" and located in Maricopa County, State of Arizona.
- (H) an Assignment of All Rents to Lender on real property described as "Real Property located at 5920 W. State Ave., Glendale, AZ 85301" and located in Maricopa County, State of Arizona.

LINE OF CREDIT. This Agreement evidences a revolving line of credit. Advances under this Agreement may be requested orally by Borrower or as provided in this paragraph. All oral requests shall be confirmed in writing on the day of the request. All communications, instructions, or directions by telephone or otherwise to Lender are to be directed to Lender's office shown above. The following person or persons are authorized to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of such authority: David S. Schweikert, Manager of Sheridan Equities, LLC; David S. Schweikert, Individually; and Joyce R. Schweikert, Individually. Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person or (B) credited to any of Borrower's accounts with Lender. The unpaid principal balance owing on this Agreement at any time may be evidenced by endorsements on this Agreement or by Lender's internal records, including daily computer print-outs.

CONTINUING VALIDITY. Except as expressly changed by this Agreement, the terms of the original obligation or obligations, including all agreements evidenced or securing the obligation(s), remain unchanged and in full force and effect. Consent by Lender to this Agreement does not waive Lender's right to strict performance of the obligation(s) as changed, nor obligate Lender to make any future change in terms. Nothing in this Agreement will constitute a satisfaction of the obligation(s). It is the intention of Lender to retain as liable parties all makers and endorsers of the original obligation(s), including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, will not be released by virtue of this Agreement. If any person who signed the original obligation does not sign this Agreement below, then all persons signing below acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing party consents to the changes and provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension, modification or release, but also to all such subsequent actions.

PRIOR NOTE. A Deed of Trust dated July 30, 2010 on property located at: 3031 N. 64th Dr., Phoenix, AZ 85033; 3338 E. Willetta St., Phoenix, AZ 85008; 6413 W. Lamar Rd., Glendale, AZ 85301; and a Deed of Trust dated February 14, 2011 on property located at: 5920 W. State Ave., Glendale, AZ 85301.

SUCCESSORS AND ASSIGNS. Subject to any limitations stated in this Agreement on transfer of Borrower's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Borrower, Lender, without notice to Borrower, may deal with Borrower's successors with reference to this Agreement and the indebtedness by way of forbearance or extension without releasing Borrower from the obligations of this Agreement or liability under the indebtedness.

MISCELLANEOUS PROVISIONS. If any part of this Agreement cannot be enforced, this fact will not affect the rest of the Agreement. Lender may delay or forgo enforcing any of its rights or remedies under this Agreement without losing them. Each Borrower understands and agrees that, with or without notice to Borrower, Lender may with respect to any other Borrower (a) make one or more additional secured or unsecured loans or otherwise extend additional credit; (b) alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of any indebtedness, including increases and decreases of the rate of interest on the indebtedness; (c) exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any security, with or without the substitution of new collateral; (d) apply such security and direct the order or manner of sale thereof, including without limitation, any non-judicial sale permitted by the terms of the controlling security agreements, as Lender in its discretion may determine; (e) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; and (f) determine how, when and what application of payments and credits shall be made on any other indebtedness owing by such other Borrower. Borrower and any other person who signs, guarantees or endorses this Agreement, to the extent allowed by law, waives presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Agreement, and unless otherwise expressly stated in writing, no party who signs this Agreement, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Agreement are joint and several.

CHANGE IN TERMS AGREEMENT
(Continued)

Loan No: [REDACTED]

PRIOR TO SIGNING THIS AGREEMENT, EACH BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS AGREEMENT, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. EACH BORROWER AGREES TO THE TERMS OF THE AGREEMENT.

BORROWER:

SHERIDAN EQUITIES, LLC
By [REDACTED]
David S. Schweikert, Manager of Sheridan Equities, LLC

X [REDACTED]
David S. Schweikert, Individually

X [REDACTED]
Joyce A. Schweikert, Individually

LENDER:

METRO PHOENIX BANK
X [REDACTED] V.P.
Rickard A. Strom, Vice President

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METRO PHOENIX BANK

Loan Presentation – Short Form



Borrower Name(s) Sheridan Equities, LLC David & Joyce Schweikert		Address: City: Fountain Hills Zip: 85268 Phone: [Redacted] Tax ID: [Redacted]		Date: 5/05/2013 Loan Officer: R. Strom Referral Source: Stevenson	
Relationship Name(s)		Entity Type: Individual Commercial Real Estate Loan No Gross Rev. / Inc: CRA Loan No NAICS Code: OFAC Date: 4-26-2013		Reg O <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Yr. Bus. Est.: N/A Customer Since: 2010	

Loan Request											
#	Loan Type	Coll. Code	Loan Grade	COMMITMENT			Current Loan Balance	Maturity/Terms	Pricing/Rate& Fee		
				New	Renew	Total					
1	Term	13	4	\$0	\$154,000	\$154,000	\$153,887	60 month maturity; Monthly P&I payments due amortizing over 20 years.	6% Fixed \$250 doc fee		
Subtotal				\$0	\$154,000	\$154,000	\$153,887	Other Direct Com	\$0		
Total Commitment – Borrower				\$154,000	Related Debt Commitment		\$0	Total Relationship Commitment	\$154,000		
#	Credit Purpose							Codes:	Pur	Fed	Prod
1	Term out of existing \$154,000 RLOC								12	131	230
2											

Collateral						
#	Description of Collateral	Value	Source	Sr. Liens	LTV%	LTC%
1	1 st DOT on four rental properties owned by Mr. & Mrs. Schweikert. See page 2 for details.	\$281,016	Zillow as of 3/12/2013	None	55%	N/A

#	Primary Source of Repayment	Secondary Source of Repayment
1	Personal cash flow	Liquidation of collateral

#	Borrower(s)	F/S Date	Liq.assets	NW	Ad.j NW	Credit Score
1	David & Joyce Schweikert	3-31-2013	\$48,426	\$2,659,406	\$1,029,406	732 & 738

#	Related Entities	Deposits 12 Mos. Avg.	Deposits 12 Mos. Proj.
	David and Joyce Schweikert congress campaign funds	\$177,542	

#	Policy Exceptions	Mitigants
	None	

Approval:		Date:		Date:	
Credit Analyst: Eve Tzinas		Approving Officer: Michael S. Morano			
Recommending Officer: Rickard Strom 		5/22/13		5/22/13	

Background: David Schweikert is a local real estate investor and was referred to the bank by Michael Stevenson. Mr. Schweikert currently is the US Representative for Arizona's 5th congressional district. Mr. Schweikert has previously served two terms in the Arizona State House of Representatives (1991-1994), chaired the State Board of Equalization where he oversaw billions of dollars in valuation and tax protests from Arizona citizens and businesses, and was the elected Maricopa County Treasurer (2004-2007).

David grew up in Scottsdale with his adoptive parents and two adoptive siblings. He graduated from Saguaro High School in 1980 then earned a BA in finance and real estate in 1985 then received an MBA from the ASU WP Carey Executive Program in 2005. David has traveled extensively throughout India, East Asia and Eastern Europe. David Schweikert and his wife Joyce live in Fountain Hills where they run their real estate business, Sheridan Equities, LLC.

Loan Purpose: Term out of existing \$154,000 RLOC that was originally used to support election campaigning and later to buyout a partner on a residential property. Since inception, Borrower has paid MPB debt as agreed.

Repayment Sources:

PSOR: Personal cash flow.

SSOR: Liquidation of collateral.

Collateral: Subject loan will continue to be collateralized by a 1st DOT on the residential properties outlined below. In accordance with Section 400.04, Item 1 of Metro Phoenix Bank's Commercial Loan Policy, an appraisal is not required for transactions less than \$250M. MPB did however obtain Zillow values for each home (attached) and performed site visits (see *Site Visit* tab within Borrower's loan folder for individual property evaluations).

Property Location	Annual Rent	SF	Year Built	Zillow Value	Purchase Price
5920 W. State Ave, Glendale, AZ 85301	\$ 9,132	1,471	1946	\$ 74,398	\$ 78,900
3338 E. Willetta Street, Phoenix, AZ 85008	\$ 10,380	1,153	1955	\$ 76,415	\$ 27,000
3031 N 64th Place, Phoenix, AZ 85033	\$ 10,116	1,473	1970	\$ 65,836	\$ 36,000
6413 W. Lamar Rd, Glendale, AZ 85301	\$ 9,480	1,356	1974	\$ 64,367	\$ 36,550
Total Annual Rent	\$ 39,108				
				Total Zillow Value (as of 3/12/2013)	\$ 281,016
				Total Purchase Price	\$ 178,450
				LTV (\$154M / 281M)	55%
Total Annual Rent	\$ 39,108				
LESS Taxes & Insurance	\$ (6,550)				
LESS 10% Vacancy	\$ (3,911)				
LESS 5% Maintenance/Repair	\$ (1,955)				
Cash Flow Available to Service Debt	\$ 26,692				
MPB Debt (\$154M, 6%, P&I, 20-yr Amortiz)	\$ 13,500				
DSCR	1.98				

Estimates for taxes and insurance above were obtained directly from Borrower's 2011 tax return while rental income was obtained from Borrower's most recent PFS. Rental income disclosed within Borrower PFS (Schedule 4) is in-line with prior year income captured within Schedule E. In order to more accurately describe cash flow related to subject collateral, vacancy and repair costs were also factored into the above scenario. As illustrated above, Borrower is capable of adequately servicing MPB debt.

Borrower Analysis:

A personal financial statement dated 3/31/2013 has been provided which illustrates liquidity of \$48M and a net worth of \$2,659,406. MPB has verified Borrower's liquid assets and retirement accounts via statements. A summary of Borrower's PFS is outlined below:

Net Worth Analysis:

David and Joyce Schweikert			
Personal Financial Statement dated 3/31/2013			
Assets		Liabilities	
Cash (1)	48,426	Mortgage-Primary Residence	275,000
Liquid Assets	48,426	Mortgage-Investment Properties	181,000
Retirement Accounts	67,980	Installment Loans	40,000
CSVLI	20,000	Revolving Debt	11,000
Personal Residence	300,000	Total Liabilities	507,000
Investment Real Estate (2)	500,000	Net Worth	\$2,659,406
Loans to Campaign Comm	600,000	Adjusted Net Worth (4)	\$1,029,406
Business Investments (3)	1,550,000		
Personal Properties	80,000		
Total Assets	\$3,166,406	Total Liabilities & Net Worth	\$3,166,406

- (1) Cash accounts are held with Chase Bank (see statement dated 3/29/13) and Bank of America (see statement dated 4/10/13).
- (2) Investment in real estate includes subject collateral and a rental property located at 11011 N 92nd Street, Scottsdale, AZ which is operated by Joyce.
- (3) Business Investments include a \$750M value for Sheridan Equities Holdings which represents the value of David Schweikert's real estate business and a value of \$800M which is allocated to MAS Funds.
- (4) The adjusted net worth excludes the value in business investments and the personal property.

Cash Flow Analysis:

Metro Phoenix Bank is in receipt of 2009 - 2011 tax returns for Mr. and Mrs. Schweikert. At this time, 2012 personal tax returns are on extension, however, MPB is in receipt of 2012 W-2s. Analysis outlined below illustrates strong cash flow coverage to support the current loan facility.

Guarantor Name: Schweikert	2009	2010	2011	2012 Est
Personal Cash Flow (W-2 Income)	\$120,503	\$115,672	\$252,379	\$260,995
Interest & Dividends (Schedule B)	\$0	\$0	\$77	\$0
Schedule C	\$36,114	\$6,527	(\$25,802)	(\$25,802)
Schedule E (Rental Income)	\$2,310	\$17,961	\$27,662	\$27,662
Less Living Expense	(\$24,000)	(\$24,000)	(\$24,000)	(\$24,000)
Less Federal and State Taxes	(\$30,680)	(\$15,745)	(\$48,780)	(\$45,730)
Cash Flow Available for Debt Service	\$104,247	\$100,415	\$181,536	\$193,125
*Mortgages (Primary)	\$21,792	\$21,792	\$18,636	\$18,636
*Mortgages (Investment)	\$9,852	\$9,852	\$11,280	\$13,500
*Installment Loans	\$13,704	\$13,704	\$13,704	\$13,704
*Revolving Credit Lines	\$3,708	\$3,708	\$900	\$6,132
Total Debt Service	\$49,056	\$49,056	\$44,520	\$51,972
Excess Cash	\$55,191	\$51,359	\$137,016	\$141,153

Mr. Schweikert's W-2 income is generated from his position as a US Representative for Arizona's 5th congressional district. Based on Borrower's 2012 W-2, his earnings were \$173M. Mrs. Schweikert also receives W-2 wages. In 2012, her wages totaled \$88M and was from Scottsdale Eye Surgery Center. Schedule C and E income for 2012 have been estimated based on prior year earnings since 2012 is on extension. The Schedule C income relates to real estate business activities of Sheridan Equities, LLC while Schedule E income relates to revenue generated from residential rentals.

Credit Bureau Report:

A credit report dated 4/26/2013 displayed credit scores of 732 and 738 for David and Joyce Schweikert respectively. The Schweikert's each indicate 17 satisfied accounts with zero derogatory payments. Mr. Schweikert has 65% of revolving availability while Mrs. Schweikert reflects 74% revolving availability. Each has no public records reported and oldest tradeline dates to November 1997 and October 1986.

CONCLUSIONS:

Key Credit Strengths:

- Strong cash flow
- Low LTV of 55%
- Borrower experience with residential properties
- Loan has paid as agreed

Key Credit Weaknesses and Mitigating Factors:

- Inherent risk associated with real estate lending, mitigated by loan –to-value and global cash flow.

Recommendation:

Based on the above strengths and weaknesses, a risk rating of 4 is recommended. Approve as presented.

Credit Covenants

Loan-to-Value:

At all times during the term of the Loan, the unpaid principal balance of the Loan shall not exceed seventy percent (70%) of the value of the Collateral Property, as determined by Lender in Lender's sole discretion. If for any reason the loan-to-value ratio exceeds said percentage, then Borrower shall, upon Lender's demand, immediately reduce the unpaid principal balance of the Loan, or deposit sufficient sums with Lender to reduce the loan-to-value ratio to at or below said percentage.

Appraisals:

If deemed necessary by Lender or if required by law, Lender shall have the right to order appraisal(s) of the Collateral Property from time to time from an appraiser selected by Lender, which appraisals shall comply with all federal and state standards for appraisals and otherwise shall be satisfactory to Lender in all material respects. Borrower agrees to pay the cost and expense for all appraisals and reviews thereof ordered by Lender pursuant to this paragraph.

Reporting Covenants

	Borrower's Financial Statements	Freq	Next Stmt	Tickler Date	Due Date	Comments
	Type: <u>FYE</u> Type:					
1	Provide the lender with a copy of the borrower's annual TR (David and Joyce Schweikert)	A	10/13		4/15/2013	2012 Extension on file
1	Furnish PFS for David and Joyce Schweikert within 30 days of Lender'	A	3/14		3/2014	3/31/2013 on file
	Other: _____					
	Other: _____					

Documentation Requirements

- Standard Laser Pro Documents
- Accounts Receivable / Inventory Addendum
- Other – Outside Legal Counsel
- Other –

Conditions Precedent:

1 Need site visitation form completed prior to closing.

Modifications / Approval Conditions:

CHANGE IN TERMS AGREEMENT

Principal	Loan Date	Maturity	Loan No.	Call / Coll	Account	Officer	Initials
\$153,886.80	02-14-2011	06-05-2018	[REDACTED]	131 / 13		RAS	[Signature]

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.

Borrower: Sheridan Equities LLC, David S. Schweikert and Joyce R. Schweikert

Lender: Metro Phoenix Bank
Main Office
4686 E. Van Buren Street, Ste #150
Phoenix, AZ 85008

Principal Amount: \$153,886.80

Date of Agreement: May 31, 2013

DESCRIPTION OF EXISTING INDEBTEDNESS. A certain Promissory Note and Revolving Line of Credit dated July 30, 2010 in the amount of \$75,000.00, executed by Borrower in favor of Lender; and a certain Promissory Note and Revolving Line of Credit dated February 14, 2011 in the amount of \$154,000.00, executed by Borrower in favor of Lender; and a certain Change In Terms Agreement dated March 5, 2012 in the amount of \$154,000.00, with a current outstanding Principal Balance of \$153,886.80, executed by Borrower in favor of Lender. The Notes and Change In Terms Agreement are hereinafter referred to as the "Note".

DESCRIPTION OF COLLATERAL. That certain Deed of Trust and Assignment of Rents dated July 30, 2010, executed by Borrower as Trustor, and Lender as Beneficiary and Trustee, and Recorded August 2, 2010 at File #20100657371 in the office of the County Recorder of Maricopa County, Arizona, on property located at 3031 N. 64th Dr., Phoenix, AZ 85033; AND that certain Deed of Trust and Assignment of Rents dated July 30, 2010, executed by Borrower as Trustor, and Lender as Beneficiary and Trustee, and Recorded August 2, 2010 at File #20100657360 in the office of the County Recorder of Maricopa County, Arizona, on property located at 6413 W. Lamar Rd., Glendale, AZ 85301; AND that certain Deed of Trust and Assignment of Rents dated July 30, 2010, executed by Borrower as Trustor, and Lender as Beneficiary and Trustee, and Recorded August 2, 2010 at File #20100657356 in the office of the County Recorder of Maricopa County, Arizona, on property located at 3338 E. Willetta St., Phoenix, AZ 85008; AND that certain Deed of Trust and Assignment of Rents dated February 14, 2011, executed by Borrower as Trustor, and Lender as Beneficiary and Trustee, and Recorded February 24, 2011 at File #20110161378 in the office of the County Recorder of Maricopa County, Arizona, on property located at 5920 W. State Ave., Glendale, AZ 85301.

DESCRIPTION OF CHANGE IN TERMS.

- The Maturity Date of said Note shall now be June 5, 2018.
- Effective May 31, 2013, the Note shall no longer be a Revolving Line of Credit and the interest rate shall be changed to 6.00% fixed. Said Note shall now be termed out over a period of five (5) years, at a rate of 6.00%, with principal and interest payments due monthly in the amount of \$1,111.21, based on a 20 year amortization, beginning July 5, 2013, and shall continue thereafter until the Maturity Date of June 5, 2018, at which time all remaining principal and accrued interest shall be due and payable; and as further described under "Payment" paragraph below.
- Borrower shall pay interest due of \$777.98, good through May 31, 2013, on the day this Change In Terms Agreement is signed.
- Borrower shall pay a Documentation Fee of \$250.00 on the day this Change In Terms Agreement is signed.
- Tax Service Contracts shall be ordered on the four (4) properties securing said Note at a cost of \$250.00, and a Modification of Deed of Trust Recording Fee of \$9.00 shall be due and payable by Borrower on the day this Change In Terms Agreement is signed.
- Borrower shall sign new Documents, as deemed necessary by Lender, with this Change In Terms Agreement, including but not limited to: Change In Terms Agreement; Loan Agreement; Borrowing Resolution; and Modification of Deed of Trust Agreement.

All other terms and conditions of said Note shall remain the same and in full force and effect.

PAYMENT. Borrower will pay this loan in 59 regular payments of \$1,111.21 each and one irregular last payment estimated at \$132,052.10. Borrower's first payment is due July 5, 2013, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on June 5, 2018, and will be for all principal and all accrued interest not yet paid.

INTEREST CALCULATION METHOD. Interest on this loan is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this loan is computed using this method.

CONTINUING VALIDITY. Except as expressly changed by this Agreement, the terms of the original obligation or obligations, including all agreements evidenced or securing the obligation(s), remain unchanged and in full force and effect. Consent by Lender to this Agreement does not waive Lender's right to strict performance of the obligation(s) as changed, nor obligate Lender to make any future change in terms. Nothing in this Agreement will constitute a satisfaction of the obligation(s). It is the intention of Lender to retain as liable parties all makers and endorsers of the original obligation(s), including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, will not be released by virtue of this Agreement. If any person who signed the original obligation does not sign this Agreement below, then all persons signing below acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing party consents to the changes and provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension, modification or release, but also to all such subsequent actions.

CHANGE IN TERMS AGREEMENT,
(Continued)

Loan No: [REDACTED]

PRIOR TO SIGNING THIS AGREEMENT, EACH BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS AGREEMENT. EACH BORROWER AGREES TO THE TERMS OF THE AGREEMENT.

CHANGE IN TERMS SIGNERS:

SHERIDAN EQUITIES LLC

By: [REDACTED]
David Schweikert, Manager of Sheridan Equities LLC

X [REDACTED]
David S. Schweikert, Guarantor

X _____
Joyce R. Schweikert, Guarantor

LENDER:

METRO PHOENIX BANK

X [REDACTED]
Mary Myron, Loan Officer

CHANGE IN TERMS AGREEMENT
(Continued)

Loan No: [REDACTED]

Page 2

PRIOR TO SIGNING THIS AGREEMENT, EACH BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS AGREEMENT. EACH BORROWER AGREES TO THE TERMS OF THE AGREEMENT.

CHANGE IN TERMS SIGNERS:

SHERIDAN EQUITIES LLC

By: _____
David Schweikert, Manager of Sheridan Equities LLC

X _____
David S. Schweikert, Guarantor

X [REDACTED]
Joyce R. Schweikert, Guarantor

LENDER:

METRO PHOENIX BANK
[REDACTED]
X _____
Mary Myron, Loan Officer

BUSINESS LOAN AGREEMENT

Principal \$153,886.80	Loan Date 02-14-2011	Maturity 06-05-2018	Loan No [REDACTED]	Call / Coll 131 / 13	Account	Officer RAS	<i>[Signature]</i>
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: Sheridan Equities LLC, David S. Schweikert and Joyce R. Schweikert
[REDACTED]

Lender: Metro Phoenix Bank
Main Office
4686 E. Van Buren Street, Ste #150
Phoenix, AZ 85008

THIS BUSINESS LOAN AGREEMENT dated May 31, 2013, is made and executed between Sheridan Equities LLC, David S. Schweikert and Joyce R. Schweikert ("Borrower") and Metro Phoenix Bank ("Lender") on the following terms and conditions. Borrower has received prior commercial loans from Lender or has applied to Lender for a commercial loan or loans or other financial accommodations, including those which may be described on any exhibit or schedule attached to this Agreement. Borrower understands and agrees that: (A) in granting, renewing, or extending any Loan, Lender is relying upon Borrower's representations, warranties, and agreements as set forth in this Agreement; (B) the granting, renewing, or extending of any Loan by Lender at all times shall be subject to Lender's sole judgment and discretion; and (C) all such Loans shall be and remain subject to the terms and conditions of this Agreement.

TERM. This Agreement shall be effective as of May 31, 2013, and shall continue in full force and effect until such time as all of Borrower's Loans in favor of Lender have been paid in full, including principal, interest, costs, expenses, attorneys' fees, and other fees and charges, or until such time as the parties may agree in writing to terminate this Agreement.

ADVANCE AUTHORITY. The following person or persons are authorized to request advances and authorize payments under the loan until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of such authority: David S. Schweikert, Manager of Sheridan Equities, LLC; David S. Schweikert, Individually; and Joyce R. Schweikert, Individually.

CONDITIONS PRECEDENT TO EACH ADVANCE. Lender's obligation to make the initial Advance and each subsequent Advance under this Agreement shall be subject to the fulfillment to Lender's satisfaction of all of the conditions set forth in this Agreement and in the Related Documents.

Loan Documents. Borrower shall provide to Lender the following documents for the Loan: (1) the Note; (2) Security Agreements granting to Lender security interests in the Collateral; (3) financing statements and all other documents perfecting Lender's Security Interests; (4) evidence of insurance as required below; (5) together with all such Related Documents as Lender may require for the Loan; all in form and substance satisfactory to Lender and Lender's counsel.

Payment of Fees and Expenses. Borrower shall have paid to Lender all fees, charges, and other expenses which are then due and payable as specified in this Agreement or any Related Document.

Representations and Warranties. The representations and warranties set forth in this Agreement, in the Related Documents, and in any document or certificate delivered to Lender under this Agreement are true and correct.

No Event of Default. There shall not exist at the time of any Advance a condition which would constitute an Event of Default under this Agreement or under any Related Document.

MULTIPLE BORROWERS. This Agreement has been executed by multiple obligors who are referred to in this Agreement individually, collectively and interchangeably as "Borrower." Unless specifically stated to the contrary, the word "Borrower" as used in this Agreement, including without limitation all representations, warranties and covenants, shall include all Borrowers. Borrower understands and agrees that, with or without notice to any one Borrower, Lender may (A) make one or more additional secured or unsecured loans or otherwise extend additional credit with respect to any other Borrower; (B) with respect to any other Borrower alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of any indebtedness, including increases and decreases of the rate of interest on the indebtedness; (C) exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any security, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's or any other Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; (E) determine how, when and what application of payments and credits shall be made on any indebtedness; (F) apply such security and direct the order or manner of sale of any Collateral, including without limitation, any non-judicial sale permitted by the terms of the controlling security agreement or deed of trust, as Lender in its discretion may determine; (G) sell, transfer, assign or grant participations in all or any part of the Loan; (H) exercise or refrain from exercising any rights against Borrower or others, or otherwise act or refrain from acting; (I) settle or compromise any indebtedness; and (J) subordinate the payment of all or any part of any of Borrower's indebtedness to Lender to the payment of any liabilities which may be due Lender or others.

REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants to Lender, as of the date of this Agreement, as of the date of each disbursement of loan proceeds, as of the date of any renewal, extension or modification of any Loan, and at all times any indebtedness exists:

Organization. Sheridan Equities LLC is a limited liability company which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Arizona. Sheridan Equities LLC is duly authorized to transact business in all other states in which Sheridan Equities LLC is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Sheridan Equities LLC is doing business. Specifically, Sheridan Equities LLC is, and at all times shall be, duly qualified as a foreign limited liability company in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Sheridan Equities LLC has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Sheridan Equities LLC maintains an office at 15749 E. El Lago Blvd, Fountain Hills, AZ 85268. Unless Sheridan Equities LLC has designated otherwise in writing, the principal office is the office at which Sheridan Equities LLC keeps its books and records including its records concerning the Collateral. Sheridan Equities LLC will notify Lender prior to any change in the location of Sheridan Equities LLC's state of organization or any change in Sheridan Equities LLC's name. Sheridan Equities LLC shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Sheridan Equities LLC and Sheridan Equities LLC's business activities.

David S. Schweikert maintains an office at 15749 E. El Lago Blvd, Fountain Hills, AZ 85268. Unless David S. Schweikert has designated otherwise in writing, the principal office is the office at which David S. Schweikert keeps its books and records including its records concerning the Collateral. David S. Schweikert will notify Lender prior to any change in the location of David S. Schweikert's principal office address or any change in David S. Schweikert's name. David S. Schweikert shall do all things necessary to comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to David S. Schweikert and David S. Schweikert's business activities.

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: [REDACTED]

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Joyce R. Schweikert maintains an office at 15749 E. El Lago Blvd, Fountain Hills, AZ 85268. Unless Joyce R. Schweikert has designated otherwise in writing, the principal office is the office at which Joyce R. Schweikert keeps its books and records including its records concerning the Collateral. Joyce R. Schweikert will notify Lender prior to any change in the location of Joyce R. Schweikert's principal office address or any change in Joyce R. Schweikert's name. Joyce R. Schweikert shall do all things necessary to comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Joyce R. Schweikert and Joyce R. Schweikert's business activities.

Assumed Business Names. Borrower has filed or recorded all documents or filings required by law relating to all assumed business names used by Borrower. Excluding the name of Borrower, the following is a complete list of all assumed business names under which Borrower does business: **None.**

Authorization. Borrower's execution, delivery, and performance of this Agreement and all the Related Documents do not conflict with, result in a violation of, or constitute a default under (1) any provision of (a) Borrower's articles of organization or membership agreements, or (b) any agreement or other instrument binding upon Borrower or (2) any law, governmental regulation, court decree, or order applicable to Borrower or to Borrower's properties.

Financial Information. Each of Borrower's financial statements supplied to Lender truly and completely disclosed Borrower's financial condition as of the date of the statement, and there has been no material adverse change in Borrower's financial condition subsequent to the date of the most recent financial statement supplied to Lender. Borrower has no material contingent obligations except as disclosed in such financial statements.

Legal Effect. This Agreement constitutes, and any instrument or agreement Borrower is required to give under this Agreement when delivered will constitute legal, valid, and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms.

Properties. Except as contemplated by this Agreement or as previously disclosed in Borrower's financial statements or in writing to Lender and as accepted by Lender, and except for property tax liens for taxes not presently due and payable, Borrower owns and has good title to all of Borrower's properties free and clear of all Security Interests, and has not executed any security documents or financing statements relating to such properties. All of Borrower's properties are titled in Borrower's legal name, and Borrower has not used or filed a financing statement under any other name for at least the last five (5) years.

Hazardous Substances. Except as disclosed to and acknowledged by Lender in writing, Borrower represents and warrants that: (1) During the period of Borrower's ownership of the Collateral, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from any of the Collateral. (2) Borrower has no knowledge of, or reason to believe that there has been (a) any breach or violation of any Environmental Laws; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Collateral by any prior owners or occupants of any of the Collateral; or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters. (3) Neither Borrower nor any tenant, contractor, agent or other authorized user of any of the Collateral shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from any of the Collateral; and any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations, and ordinances, including without limitation all Environmental Laws. Borrower authorizes Lender and its agents to enter upon the Collateral to make such inspections and tests as Lender may deem appropriate to determine compliance of the Collateral with this section of the Agreement. Any inspections or tests made by Lender shall be at Borrower's expense and for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Borrower or to any other person. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Collateral for hazardous waste and Hazardous Substances. Borrower hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Agreement or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release of a hazardous waste or substance on the Collateral. The provisions of this section of the Agreement, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the termination, expiration or satisfaction of this Agreement and shall not be affected by Lender's acquisition of any interest in any of the Collateral, whether by foreclosure or otherwise.

Litigation and Claims. No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely affect Borrower's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in writing.

Taxes. To the best of Borrower's knowledge, all of Borrower's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

Lien Priority. Unless otherwise previously disclosed to Lender in writing, Borrower has not entered into or granted any Security Agreements, or permitted the filing or attachment of any Security Interests on or affecting any of the Collateral directly or indirectly securing repayment of Borrower's Loan and Note, that would be prior or that may in any way be superior to Lender's Security Interests and rights in and to such Collateral.

Binding Effect. This Agreement, the Note, all Security Agreements (if any), and all Related Documents are binding upon the signers thereof, as well as upon their successors, representatives and assigns, and are legally enforceable in accordance with their respective terms.

AFFIRMATIVE COVENANTS. Borrower covenants and agrees with Lender that, so long as this Agreement remains in effect, Borrower will:

Notices of Claims and Litigation. Promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower or any Guarantor which could materially affect the financial condition of Borrower or the financial condition of any Guarantor.

Financial Records. Maintain its books and records in accordance with GAAP, applied on a consistent basis, and permit Lender to examine and audit Borrower's books and records at all reasonable times.

Financial Statements. Furnish Lender with the following:

Tax Returns. As soon as available, but in no event later than thirty (30) days after the applicable filing date for the tax reporting period ended, Borrower's Federal and other governmental tax returns, prepared by Borrower.

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: [REDACTED]

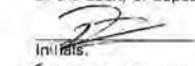
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Additional Requirements. Provide Lender with a personal financial statement within 30 days of Lender's request.

All financial reports required to be provided under this Agreement shall be prepared in accordance with GAAP, applied on a consistent basis, and certified by Borrower as being true and correct.

Additional Information. Furnish such additional information and statements, as Lender may request from time to time.

Additional Requirements. At all times during the term of the Loan, the unpaid principal balance of the Loan shall not exceed seventy percent (70%) of the value of the collateral property, as determined by Lender in Lender's sole discretion. If for any reason the Loan-to-Value Ratio exceeds said percentage, then Borrower shall, upon Lender's demand, immediately reduce the unpaid principal balance of the Loan, or deposit sufficient sums with Lender to reduce the Loan-to-Value Ratio to at or below said percentage.


Initials.

Insurance. Maintain fire and other risk insurance, public liability insurance, and such other insurance as Lender may require with respect to Borrower's properties and operations, in form, amounts, coverages and with insurance companies acceptable to Lender. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Borrower or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest for the Loans, Borrower will provide Lender with such lender's loss payable or other endorsements as Lender may require.

Insurance Reports. Furnish to Lender, upon request of Lender, reports on each existing insurance policy showing such information as Lender may reasonably request, including without limitation the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the properties insured; (5) the then current property values on the basis of which insurance has been obtained, and the manner of determining those values; and (6) the expiration date of the policy. In addition, upon request of Lender (however not more often than annually), Borrower will have an independent appraiser satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

Other Agreements. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any other such agreements.

Loan Proceeds. Use all Loan proceeds solely for Borrower's business operations, unless specifically consented to the contrary by Lender in writing.

Taxes, Charges and Liens. Pay and discharge when due all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, levies and liens, of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Provided however, Borrower will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim so long as (1) the legality of the same shall be contested in good faith by appropriate proceedings, and (2) Borrower shall have established on Borrower's books adequate reserves with respect to such contested assessment, tax, charge, levy, lien, or claim in accordance with GAAP.

Performance. Perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Related Documents, and in all other instruments and agreements between Borrower and Lender. Borrower shall notify Lender immediately in writing of any default in connection with any agreement.

Operations. Maintain executive and management personnel with substantially the same qualifications and experience as the present executive and management personnel; provide written notice to Lender of any change in executive and management personnel; conduct its business affairs in a reasonable and prudent manner.

Environmental Studies. Promptly conduct and complete, at Borrower's expense, all such investigations, studies, samplings and testings as may be requested by Lender or any governmental authority relative to any substance, or any waste or by-product of any substance defined as toxic or a hazardous substance under applicable federal, state, or local law, rule, regulation, order or directive, at or affecting any property or any facility owned, leased or used by Borrower.

Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of Borrower's properties, businesses and operations, and to the use or occupancy of the Collateral, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Inspection. Permit employees or agents of Lender at any reasonable time to inspect any and all Collateral for the Loan or Loans and Borrower's other properties and to examine or audit Borrower's books, accounts, and records and to make copies and memoranda of Borrower's books, accounts, and records. If Borrower now or at any time hereafter maintains any records (including without limitation computer generated records and computer software programs for the generation of such records) in the possession of a third party, Borrower, upon request of Lender, shall notify such party to permit Lender free access to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Borrower's expense.

Environmental Compliance and Reports. Borrower shall comply in all respects with any and all Environmental Laws; not cause or permit to exist, as a result of an intentional or unintentional action or omission on Borrower's part or on the part of any third party, on property owned and/or occupied by Borrower, any environmental activity where damage may result to the environment, unless such environmental activity is pursuant to and in compliance with the conditions of a permit issued by the appropriate federal, state or local governmental authorities; shall furnish to Lender promptly and in any event within thirty (30) days after receipt thereof a copy of any notice, summons, lien, citation, directive, letter or other communication from any governmental agency or instrumentality concerning any intentional or unintentional action or omission on Borrower's part in connection with any environmental activity whether or not there is damage to the environment and/or other natural resources.

Additional Assurances. Make, execute and deliver to Lender such promissory notes, mortgages, deeds of trust, security agreements, assignments, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Loans and to perfect all Security Interests.

RECOVERY OF ADDITIONAL COSTS. If the imposition of or any change in any law, rule, regulation or guideline, or the interpretation or application of any thereof by any court or administrative or governmental authority (including any request or policy not having the force of law)

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: [REDACTED]

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Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of Borrower's properties, businesses and operations, and to the use or occupancy of the Collateral, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

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**BUSINESS LOAN AGREEMENT
(Continued)**

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shall impose, modify or make applicable any taxes (except federal, state or local income or franchise taxes imposed on Lender), reserve requirements, capital adequacy requirements or other obligations which would (A) increase the cost to Lender for extending or maintaining the credit facilities to which this Agreement relates, (B) reduce the amounts payable to Lender under this Agreement or the Related Documents, or (C) reduce the rate of return on Lender's capital as a consequence of Lender's obligations with respect to the credit facilities to which this Agreement relates, then Borrower agrees to pay Lender such additional amounts as will compensate Lender therefor, within five (5) days after Lender's written demand for such payment, which demand shall be accompanied by an explanation of such imposition or charge and a calculation in reasonable detail of the additional amounts payable by Borrower, which explanation and calculations shall be conclusive in the absence of manifest error.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Borrower fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agreement or any Related Documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, to the extent permitted by applicable law, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on any Collateral and paying all costs for insuring, maintaining and preserving any Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity.

CESSTION OF ADVANCES. If Lender has made any commitment to make any Loan to Borrower, whether under this Agreement or under any other agreement, Lender shall have no obligation to make Loan Advances or to disburse Loan proceeds if: (A) Borrower or any Guarantor is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower or any Guarantor has with Lender; (B) Borrower or any Guarantor dies, becomes incompetent or becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged a bankrupt; (C) there occurs a material adverse change in Borrower's financial condition, in the financial condition of any Guarantor, or in the value of any Collateral securing any Loan; or (D) any Guarantor seeks, claims or otherwise attempts to limit, modify or revoke such Guarantor's guaranty of the Loan or any other loan with Lender; or (E) Lender in good faith deems itself insecure, even though no Event of Default shall have occurred.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Loan.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's or any Grantor's property or Borrower's or any Grantor's ability to repay the Loans or perform their respective obligations under this Agreement or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Defective Collateralization. This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the indebtedness.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Loan is impaired.

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default on indebtedness, is curable and if Borrower or Grantor, as the case may be, has not been given a notice of a similar default within the preceding twelve (12) months, it may be cured if Borrower or Grantor, as the case may be, after Lender sends written notice to Borrower or Grantor, as the case may be, demanding cure of such default: (1) cure the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

EFFECT OF AN EVENT OF DEFAULT. If any Event of Default shall occur, except where otherwise provided in this Agreement or the Related

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: [REDACTED]

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Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other agreement immediately will terminate (including any obligation to make further Loan Advances or disbursements), and, at Lender's option, all indebtedness immediately will become due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "Insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Lender shall have all the rights and remedies provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any Grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

APPRAISAL. If deemed necessary by Lender or if required by law, Lender shall have the right to order appraisal(s) of the Collateral Property from time to time from an appraiser selected by Lender, which appraisals shall comply with all federal and state standards for appraisals and otherwise shall be satisfactory to Lender in all material respects. Borrower agrees to pay the cost and expense for all appraisals and reviews thereof ordered by Lender pursuant to this paragraph.


Initials

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. However, Borrower will only pay attorneys' fees of an attorney not Lender's salaried employee, to whom the matter is referred after Borrower's default. Borrower also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Consent to Loan Participation. Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Arizona without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Arizona.

Joint and Several Liability. All obligations of Borrower under this Agreement shall be joint and several, and all references to Borrower shall mean each and every Borrower. This means that each Borrower signing below is responsible for all obligations in this Agreement. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Agreement.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, or between Lender and any Grantor, shall constitute a waiver of any of Lender's rights or of any of Borrower's or any Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Successors and Assigns. All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns. Borrower

**BUSINESS LOAN AGREEMENT
(Continued)**

Loan No: [REDACTED]

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