

WHEN RECORDED, MAIL TO:

Town of Taylor
P.O. Box 158
Taylor, AZ 85939

DEED OF TRUST

TRUSTOR: NORTHEAST ARIZONA TRAINING CENTER, ARIZONA

TRUSTOR'S ADDRESS: 1840 W. PAPERMILL ROAD, TAYLOR, ARIZONA 85939
P.O. BOX 610, HOLBROOK, ARIZONA 86025

BENEFICIARY: TOWN OF TAYLOR, ARIZONA

BENEFICIARY'S ADDRESS: PO BOX 158, TAYLOR, ARIZONA 85939

TRUSTEES: TOWN OF TAYLOR, ARIZONA

PROPERTY IN Navajo County, State of Arizona, located at and near:

1840 W. PAPERMILL ROAD, TAYLOR, ARIZONA 85939,
WHICH PROPERTY IS MORE SPECIFICALLY DESCRIBED IN
EXHIBIT "1"

WHICH IS ATTACHED HERETO AND HEREBY INCORPORATED HEREIN BY
THIS REFERENCE

THIS DEED OF TRUST is made between the Trustor, Trustee and Beneficiary named above. Trustor irrevocably grants and conveys to Trustee in trust, with power of sale, the above-described real property and all buildings, improvements and fixtures located thereon or hereinafter erected thereon, together with the leases, rents, issues, profits, or income thereof, (all of which are hereinafter called "property income"); SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such property income; AND SUBJECT TO covenants, conditions, restrictions, rights-of-way, and easements of record.

THIS DEED OF TRUST IS MADE FOR THE PURPOSE OF SECURING:

(A) Performance of each agreement of Trustor herein contained. (B) Payment of the indebtedness evidenced by promissory note(s) of even date herewith, and any extension or renewal thereof, in the principal sum of **\$390.000 (plus interest and fees as committed in the GADA Loan document from February, 2005)** executed by Trustor in favor of Beneficiary or order.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good workmanlike manner any building which may be constructed, damaged, or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; and do all other acts which from the character or use of said property may be reasonably necessary.

2. To provide, maintain, and deliver to Beneficiary fire insurance policies satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at the option of Beneficiary, the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee and to pay all costs and expenses of Beneficiary and Trustee, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear or be named and in any suit brought by Beneficiary to foreclose this Deed of Trust.

4. To pay: before delinquent, all taxes and assessments affecting said property; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof which appear to be prior or superior hereto; all costs, fees and expenses of this Trust, including, without limiting the generality of the foregoing, the fees of Trustee for issuance of any Deed of Partial Release and Partial Reconveyance or Deed of Release and Full Reconveyance and all lawful charges, costs and expenses in the event of reinstatement of, following default in, this Deed of Trust or the obligations secured, hereby.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, without obligation to do so and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel, and pay counsel's reasonable fees.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, together with interest from the date of

expenditure at the highest rate as is provided for in the note secured by this Deed of Trust. Any amounts so paid by Beneficiary or Trustee shall become part of the debt secured by this Deed of Trust and a lien on said premises or shall become immediately due and payable at option of Beneficiary or Trustee.

IT IS MUTUALLY AGREED:

6. That any award of damages in connection with any condemnation, or any such taking, or for injury to the property by reason of public use or for damages for private trespass or injury thereto, is assigned and shall be paid to Beneficiary as further security for all obligations secured hereby (reserving unto the Trustor, however, the right to sue therefor and for the ownership thereof subject to this Deed of Trust), and, upon receipt of such moneys, Beneficiary may hold the same as such further security or apply to release the same in the same manner and with the same effect as above-provided for disposition of proceeds of fire or other insurance.

7. That time is of the essence of this Deed of Trust, and that by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

8. That at any time or from time to time, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said note(s) for endorsement, without liability therefor, without affecting the personal liability of any person for payment of the indebtedness secured hereby, without affecting the security hereof for the full amount secured hereby on all property remaining subject hereto and without the necessity that any sum representing the value or any portion thereof of the property affected by the Trustee's action be credited on the indebtedness, the Trustee may: (a) release and reconvey all or any part of said property; (b) consent to the making and recording, or either, of any map or plat of the property or any part thereof; (c) join in granting any easement thereof; and (d) join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance or charge hereof.

9. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note(s) to Trustee for cancellation, and upon payment of its fees, Trustee shall release and reconvey, without covenant or warranty, express or implied, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

10. That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of this Trust, to collect the property income, reserving to Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such property income as it becomes due and payable.

Upon any such default, Beneficiary may at any time, without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, sue for or otherwise collect such property income in his own name, including that past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such property income and the application thereof as aforesaid, shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

11. That upon default by Trustor in the payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice thereof, setting forth the nature thereof, and of election to cause to be sold said property under this Deed of Trust. Beneficiary also shall deposit with Trustee this Deed of Trust, said note(s) and all documents evidencing expenditures secured hereby.

Trustee shall record and give notice of Trustee's sale and shall sell the property at public auction, all in the manner required by law. Any persons, including Trustor, Trustee or Beneficiary, may purchase at such sale, Trustee shall deliver to such purchaser its Deed conveying the property so sold, but without any covenant or warranty, express or implied. Trustor requests that a copy of any notice of Trustee's sale hereunder be mailed to Trustor at his address hereintofore set forth.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale and reasonable attorney's fees, Trustee shall apply the proceeds of sale in the manner provided by law. To the extent permitted by law, an action may be maintained by Beneficiary to recover a deficiency judgment for any balance due hereunder.

In lieu of sale, pursuant to the power of sale conferred hereby, this Deed of Trust may be foreclosed in the same manner provided by law for the foreclosure of mortgages on real property. Beneficiary shall also have all other rights and remedies available to it hereunder and at law or in equity. All rights and remedies shall be cumulative.

12. That Trustee may resign by mailing or delivering notice thereof to Beneficiary and Trustor. Beneficiary may appoint a successor Trustee in the manner prescribed by law. A successor Trustee herein shall, without conveyance from the predecessor Trustee, succeed to all the predecessor's title, estate, rights, powers and duties.

13. The term Beneficiary shall mean the owner and holder of the note(s) secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural.

14. That Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of a pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

15. That the trust relationship created by this Deed of Trust is limited solely to the creation and enforcement of a security interest in real property. All of Trustee's duties, whether fiduciary or otherwise, are strictly limited to those duties imposed by this instrument and A.R.S. §33-801 *et. seq.*, inclusive, and no additional duties, burdens or responsibilities are or shall be placed on Trustee.

16. That this Deed of Trust applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns.

Dated this 14th day of September, 2012.

NORTHEAST ARIZONA TRAINING CENTER



David Tenney
Chairman of the Board of Directors

STATE OF ARIZONA)
) ss.
COUNTY OF NAVAJO)

This instrument was acknowledge before me this 14th day of September, 2012, by David Tenney in his capacity, and as duly authorized, as Chairman of the Board of Directors of Northeast Arizona Training Center.

Notary Public

My commission expires:

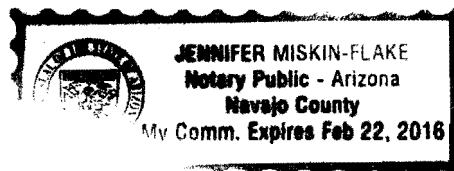


Exhibit “1”

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ATTACHMENT "A"

A parcel of land located in Section 33, Township 13 North, Range 21 East of the Gila and Salt River Base and Meridian, Town of Taylor, Navajo County, Arizona, all as more particularly described as follows:

COMMENCING at a point on the Northerly right-of-way of Paper Mill Road, said point being marked with a 1/2 inch rebar LS 9868, and said point bears North 85 degrees 25' 41" East, 984.05 feet from the witness corner for Section 3 and 4, T 12 N, R 21 E, as set by LS 7334;

THENCE North 00 degrees, 30' 16" West, 834.84 feet to a 1/2 Inch rebar capped LS 9868; to the POINT OF BEGINNING;

THENCE N 00 Degrees 30' 16" W, 450.00 feet;

THENCE N 89 degrees 29' 44" E, 678.06 feet;

THENCE S 03 degrees 30' 16" E 1284.84 feet to a point on the North right-of-way line of Paper Mill Road;

THENCE S 88 degrees 29' 44" W 260.60 feet to a point on the Northerly right-of-way of Paper Mill Road, said point bears N 88 degrees 08' 54" W, 1385.88 feet from the witness corner for Section 33 and 34, Township 13 North, Range 21 East as set by LS 7334;

THENCE N 00 degrees 30' 28" W 834.84 feet;

THENCE N 89 degrees 29' 44" E 417.42 feet to a 1/2 inch rebar capped with LS 9868, also being the POINT OF BEGINNING, containing 12.00 acres more or less."

BEST PICTURE POSSIBLE

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LEGAL DESCRIPTION

That portion of Section 33, Township 13 North, Range 21 East of the Gila and Salt River Meridian, Navajo County, Arizona as described as follows:

Beginning at a point on the North Right of Way of Paper Mill Road, said point being marked with a 1/2" rebar capped LS 9868, and said point bears N 85° 29' 41" E 984.05 feet from the witness corner for Sections 3 and 4, Township 12 North, Range 21 East as set by LS 7334;

THENCE N 00° 30' 16" W 834.84 feet to a 1/2" rebar capped LS 9868;

THENCE N 89° 29' 44" E 417.42 feet to a 1/2" rebar capped LS 9868;

THENCE S 00° 30' 26" E 834.84 feet to a point on the North Right of Way of Paper Mill Road, said point being marked with a 1/2" rebar capped LS 9868, and said point bears N 83° 08' 54" W 1385.88 feet from the witness corner for Sections 33 and 34, Township 13 North, Range 21 East as set by LS 7334;

THENCE S 89° 29' 44" W 417.42 feet along the North Right of Way of Paper Mill Road to the point of beginning.

CONTAINING 8.000 Acres more or less.

SUBJECT TO all Easements of record.

BEST PICTURE POSSIBLE