



LTIC / Commercial Lender and Search Services
 5600 Cox Road
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**REPORT OF TITLE
 LAWYERS TITLE INSURANCE CORPORATION**

For the benefit of: **TowerCo, Inc.**

Re: 7225 West Highway 24 - Manitou Springs, CO 80829
 LAWYERS TITLE INSURANCE CORPORATION File No. **11379572**
 Customer Reference No. CO2069

Issue Date: 09/02/2008

Scope of Search: Beginning 02/21/1978 and extending through 08/15/2008

Vested Owner (as described in last deed of record):
 George R. Vahsholtz and Teresa K. Vahsholtz

Search disclosed the following:

1. Taxes
 Calendar year: 2007
 Amount: \$2,195.42 annually
 Parcel ID #: 83264-00-018
 Paid through: 2007
 Assessment: \$33,590.00 (total = land and improvements, if any)

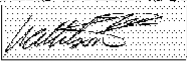
2. Reservation
 Recorded on: 04/23/1951
 Recorded in: Deed Book 1291, Page 601

3. Easement:
 In favor of: The Department of Highways, State of Colorado
 Recorded on: 09/28/1964
 Recorded in: Deed Book 2036, Page 710

 It is extremely difficult, if not impossible, to determine the extent of damage which could arise from errors or omissions in the information set forth in this Report of Title. LAWYERS TITLE INSURANCE CORPORATION would not issue this document, but for your agreement, as part of the consideration given for this document, that with the exception of intentional acts or negligence resulting in errors and omissions which shall not be subject to this limitation, LAWYERS TITLE INSURANCE CORPORATION's liability is limited to \$2,500.00, and that any such liability is predicated upon the payment of LAWYERS TITLE INSURANCE CORPORATION's invoice for this Report of Title, and that is limited in your favor.

No third party is permitted to rely upon the information set forth in this Report of Title, and no liability to any third party is undertaken by LAWYERS TITLE INSURANCE CORPORATION. This Report of Title is limited in scope and is not a title opinion, preliminary title report, or commitment to issue title insurance. No title insurance is undertaken.

LAWYERS TITLE INSURANCE CORPORATION

By: 
 Authorized Signatory

4. Grant of Right of Way:
In favor of: The City of Colorado Springs
Recorded on: 05/10/1978
Recorded in: Deed Book 3037, Page 411
5. Resolution No. 93-419, Land Use-129
Recorded on: 01/24/1994
Recorded in: Deed Book 6365, Page 587
6. Easement:
In favor of: U S West NewVector Group, Inc.
Recorded on: 10/13/1994
Recorded in: Deed Book 6543, Page 586
7. Deed of Trust
From: George R. Vahsholtz and Teresa K. Vahsholtz
To: The Public Trustee of El Paso County, Trustee(s)
In favor of: Washington Mutual Bank, FA, a federal association
Dated: 12/17/2002
Recorded on: 01/02/2003
Recorded in: Instrument No. 203000305
Original \$ amt.: \$318,750.00
8. Deed of Trust
From: George R. Vahsholtz and Teresa K. Vahsholtz
To: The Public Trustee of the County, Trustee(s)
In favor of: Washington Mutual Bank, a federal association
Dated: 02/05/2007
Recorded on: 03/05/2007
Recorded in: Instrument No. 207029705
Original \$ amt.: \$150,000.00

Judgment(s): NONE of record

DEED CHAIN

- A. Type of Deed: Warranty Deed
From: Robert J. Brown and Helen Ruth Brown, husband and wife
To: Win-Try, Inc.
Dated: 01/04/1978
Recorded on: 02/21/1978
Recorded in: Deed Book 3010, Page 276

- B. Type of Deed: Corrected Warranty Deed
From: Robert J. Brown and Helen Ruth Brown, husband and wife
To: Win-Try, Inc.
Dated: 01/04/1978
Recorded on: 05/10/1978
Recorded in: Deed Book 3037, Page 408

- C. Type of Deed: Deed
From: Win-Try, Inc.
To: George R. Vahsholtz and Lynne L. Vahsholtz
Dated: 08/23/1982
Recorded on: 10/27/1982
Recorded in: Deed Book 3626, Page 953

- D. Type of Deed: Deed
From: Benjamin B. Lacy and Margaret Lacy
To: George R. Vahsholtz and Lynne L. Vahsholtz
Dated: 08/23/1982
Recorded on: 10/27/1982
Recorded in: Deed Book 3626, Page 954

- E. Type of Deed: Deed
From: George R. Vahsholtz and Lynne L. Vahsholtz
To: Benjamin B. Lacy and Margaret Lacy
Dated: 08/23/1982
Recorded on: 10/27/1982
Recorded in: Deed Book 3626, Page 955

- F. Type of Deed: Deed
From: George R. Vahsholtz
To: Lynne L. Vahsholtz
Dated: 12/28/1987
Recorded on: 12/30/1987
Recorded in: Deed Book 5460, Page 594

- G. Type of Deed: Deed
From: Lynne L. Vahsholtz
To: George R. Vahsholtz
Dated: 11/26/1990
Recorded on: 11/30/1990
Recorded in: Deed Book 5794, Page 382

EXHIBIT "B" - (Continued)

- H. Type of Deed: Deed
From: Win-Try Corporation, a Colorado corporation by Lynne L. Vahsholtz, its President
To: George Vahsholtz
Dated: 11/22/1990
Recorded on: 11/30/1990
Recorded in: Deed Book 5794, Page 383
- I. Document: Abstract of Judgment/Transcript of Judgement
From: Vahsholtz George R
To: Manitou Springs Development Co.
Recorded on: 11/19/1991
Recorded in: Deed Book 5904, Page 612
- J. Type of Deed: Deed
From: Manitou Springs Development Co.
To: George R. Vahsholtz
Dated: 09/21/1992
Recorded on: 09/22/1992
Recorded in: Deed Book 6044, Page 714
- K. Type of Deed: Quit Claim Deed
From: Lynne L. Vahsholtz
To: George R. Vahsholtz
Dated: 04/21/1994
Recorded on: 04/22/1994
Recorded in: Deed Book 6430, Page 1230
- L. Type of Deed: Quit Claim Deed
From: George R. Vahsholtz
To: George R. Vahsholtz and Teresa K. Vahsholtz
Dated: 12/17/2002
Recorded on: 01/02/2003
Recorded in: Instrument No. 203000304

Legal Description
File No. 11379572

LEGAL DESCRIPTION

Property located in El Paso, CO

A Leasehold Estate, said leasehold being a portion of the following described parent parcel:

A part of the Northeast Quarter of the Southeast Quarter of Section 26 in Township 13 South, Range 68 West of the 6th P.M., El Paso County, Colorado, described as follows: Beginning at a point on the South line of said Northeast Quarter of the Southeast Quarter of Section 26, a distance of 387.0 feet East of the Southwest corner thereof; thence North 00 degrees 26 minutes East, 314.46 feet; thence North 22 degrees 00 minutes West, 81.50 feet; thence North 18 degrees 02 minutes East, 498.67 feet to the Southerly right of way of Colorado State Highway No. 24, as conveyed to the Department of Highways, State of Colorado by Deed Recorded in Book 2036 at Page 712; thence Southeasterly on said Southerly right of way line to intersect the Easterly line of said Northeast Quarter of the Southeast Quarter; thence South on said East line of the Southeast corner of said Northeast Quarter of the Southeast Quarter; thence West on the South line of said Northeast Quarter of the Southeast Quarter, 882.0 feet, more or less, to the point of beginning.

Tax Parcel No. 83264-00-018

**CERTIFICATE AD VALOREM PROPERTY TAXES
COUNTY OF EL PASO, STATE OF COLORADO**

I, the undersigned, County Treasurer, certify that there are no unpaid property taxes or other assessments collectable by my office on the following described property, except as disclosed this date. This does not include assessments not of record this date.

Schedule (Account) No: 83264-00-018

2007 TAXES PAYABLE 2008

Owner Per Tax Record: VAHSOLTZ GEORGE R &
VAHSOLTZ TERESA K

Property Type: Real
Property Location: 26-13-68
Property Description: A TR OF LAND IN SEC 26-13-68 DESC AS
FOLS: BEG AT PT ON S LN OF NE4SE4 SEC 26,
A DIST OF 437.0 FT E OF SW4, TH N 88<31'
>> SEE REVERSE FOR SUPP. INFORMATION <<

Alerts:

<u>Assessed Value</u>		
Land	\$	13500
Imp.	\$	20090
Other	\$	0
TOTAL	\$	33590

<u>Tax District:</u>	<u>Tax Rate</u>	<u>Tax Amount</u>
EL PASO COUNTY	0.006234	209.40
EPC ROAD & BRIDGE (UNSHARED)	0.001280	43.00
MANITOU SPRINGS SCHOOL NO. 14 - GEN	0.040581	1363.11
MANITOU SPRINGS SCHOOL NO. 14 - BOND	0.007606	255.49
* PIKES PEAK LIBRARY	0.003325	111.69
CASCADE FIRE DISTRICT	0.006333	212.73
*TEMPORARY TAX RATE REDUCTION/TAX CREDIT		
	TOTAL 0.065359	2195.42

Information regarding special taxing districts and the boundaries of such districts may be on file or deposit with the Board of County Commissioners, the Clerk to the Board, or the County Assessor.

Balance due on 2007 taxes: 0.00

Amount due valid through AUGUST 28th, 2008: \$ 0.00

IN WITNESS WHEREOF, I hereunto set my hand and seal this 18th day of AUGUST A.D. 2008

Issued to: VELOCITY PUBLIC RECORDS Sandra J. Damron
Treasurer, El Paso County

Fee for issuing this certificate \$10.00 CFC - 20080818 3838093 **By:** *Sandra J. Damron*

Supplemental Information

Schedule (Account) No: 83264-00-018 **Date of Issue:** 18th day of AUGUST A.D. 2008

Full Property Description:

A TR OF LAND IN SEC 26-13-68 DESC AS FOLS: BEG AT PT ON S LN OF NE4SE4 SEC 26, A DIST OF 437.0 FT E OF SW4, TH N 88<31' W 50.0 FT, N 00<26' E 314.46 FT, N 22<00' W 81.50 FT, TH N 18<02' E 498.67 FT TO SLY R/W OF HWY 24, TH S 50<04' E 233.20 FT, S 02<00' W 722.18 FT, TH N 88<31' W 230.0 FT TO POB, TOG WITH TR IN NE4SE4 SEC 26-13-68 AS FOLS: BEG AT A PT ON S LN OF SD NE4SE4 387.0 FT E OF SW COR THEREOF, N 00<26' E 314.46 FT, N 22<00' W 81.50 FT, N 18<02' E 498.67 FT TO SLY R/W LN OF HWY 24, SELY ON SD R/W LN TO INTSEC ELY LN OF SD NE4SE4, S ON E LN TO SE COR OF SD NE4SE4, TH W ON S LN OF SD NE4SE4 882.0 FT TO POB

456

THE UNITED STATES OF AMERICA

To all to whom these Presents shall come, Greeting:

CERTIFICATE)

No. 31

Whereas *Leopold J. O. McWilliam of St. Paul County, Colorado*

has appeared on the General Land Office of the United States a Certificate of the Register of the Land Office, *whereby it appears that full payment has been made by the said*
Leopold J. O. McWilliam

according to the provisions of the Act of Congress of the 27th of April 1850, chapter 140, Act making further provision for the sale of the Public Lands, and the acts supplemental thereto, for the *North East quarter of the South East section of section twenty six, and the West half of the South West quarter and the South East quarter of the North West quarter of section twenty five in Township thirteen South of Range eight West of the South Platte Meridian in Colorado, containing one hundred and fifty acres*

according to the Official Plat of the Survey of the said Lands, assigned to the General Land Office by the Surveyor General, which said Land has been purchased by the said *Leopold J. O. McWilliam*

Now know ye, That the United States of America, in consideration of the premises, and in conformity with the several Acts of Congress in such case made, and provided, have given and granted, and by these presents do give and grant unto the said *Leopold J. O. McWilliam*

and to *his* heirs, the said Tract above described: To have and to hold the same, together with all the rights, privileges, immunities, and appurtenances, of whatsoever nature, thereto belonging, unto the said *Leopold J. O. McWilliam*

and to *his* heirs and assigns forever, subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and canals, and in connection with such water rights as may be recognized and acknowledged by the local customs, laws, and usages of said State, and also subject to the right of the proprietors of a vein or lode to extract and remove the same, should the same be found to penetrate or intersect the premises hereby granted, as provided by law.

In testimony whereof *J. Benjamin Harrison* President of the United States of America, have caused these letters to be made, signed, and the seal of the General Land Office to be hereunto affixed.

Given under my hand, in the City of Washington, this *eleventh* day of *June* in the year of our Lord one thousand eight hundred and *ninety one*, and of the Independence of the United States the one hundred and *fiftieth*

By the President: *Benjamin Harrison*
Ellen McFarland
J. W. Lawrence

25992

U.S.

Recorded at 12:00 o'clock P.M. SEP 28 1964, 19 HARRIET BEALS Recorder
 Reception No. 369935

KNOW ALL MEN BY THESE PRESENTS: That I, or We,

ROBERT J. BROWN and HELEN RUTH BROWN

the Grantor or Grantors,
 of the Galveston County of Texas,
 for and in consideration of the sum of TEN DOLLARS, and other good and valuable considerations to the said Grantor or Grantors in hand paid, the receipt whereof is hereby confessed and acknowledged, have granted, bargained, sold and conveyed, and by these presents do hereby GRANT, BARGAIN, SELL, CONVEY AND CONFIRM unto

The Department of Highways, State of Colorado,

the Grantee, its successors and assigns forever, the following right and interest in real property situate in the El Paso County of El Paso and State of Colorado, owned by said Grantor or Grantors, to-wit:

EACH AND EVERY RIGHT OR RIGHTS OF ACCESS OF THE GRANTOR OR GRANTORS to and from any part of the right-of-way for Colorado State Highway No. 4, a Freeway established according to the laws of the State of Colorado, and from and to any part of the said real property of the Grantor or Grantors abutting upon said Highway, along or across the access line or lines described as follows:

PROJECT NO. F 017-1(2) PARCEL NO. 49 SOUTHWESTERLY LINE

Beginning at a point on the east line of Section 26, T. 13 S., R. 68 W., from which point the SE corner of said Section 26 bears S. 6° 52' W. a distance of 1,729.0 feet;

1. Thence N. 65° 09' W. a distance of 228.5 feet to the center of a 20.0 foot opening which is being excepted from this deed;
2. Thence N. 65° 09' W. a distance of 20.0 feet;
3. Thence N. 57° 14' 30" W. a distance of 44.0 feet;
4. Thence N. 49° 20' W. a distance of 232.3 feet;
5. Thence N. 46° 03' W. a distance of 310.9 feet;
6. Thence N. 50° 04' W. a distance of 233.2 feet;
7. Thence along the arc of a curve to the left with a radius of 498.0 feet, a distance of 41.6 feet (the chord of this arc bears N. 60° 56' 30" W. a distance of 41.6 feet) to the center of a 20.0 foot opening which is being excepted from this deed;
8. Thence along the arc of a curve to the left, with a radius of 498.0 feet a distance of 10.0 feet (the chord of this arc bears N. 63° 55' W. a distance of 10.0 feet) to the east property line.

together with all the appurtenances thereunto belonging.

Excepting, however, from this grant, the right of the Grantor or Grantors to have the following point or points of access at the locations set forth hereinafter, to be limited, however, in use by the Grantor or Grantors, to the width and purpose hereinafter designated:

WIDTH	USE OR PURPOSE	CENTER OF ACCESS OPPOSITE—	
		SIDE	STATION
20.0 feet		Right	117 + 92
20.0 "		"	127 + 00

according to centerline stationing of the Grantee's Project No. F 017-1(2)

Further excepting from this grant, the right of the Grantor or Grantors to have access across the aforesaid line or lines at those points where passageways under the roadway, and public openings in said line or lines, may be provided for that purpose by the Grantee.

This deed, and the rights and interests herein conveyed, shall be and constitute a perpetual burden upon the real property of Grantor or Grantors, adjoining the hereinbefore described access line or lines, across which access will be denied, as herein set forth, and shall be binding upon the Grantor or Grantors, and all the heirs, successors and assigns of the Grantor or Grantors, with respect to said adjoining real property.

And the Grantor or Grantors, for themselves and for their heirs, successors, executors, administrators and assigns, do covenant, grant, bargain and agree to and with the Grantee, its successors and assigns, the above bargained access rights and interests, in the quiet and peaceable possession of the Grantee, and its successors and assigns, against all and every person or persons lawfully claiming, or to claim, the whole or any part thereof, by, through or under the Grantor or Grantors, to WARRANT AND FOREVER DEFEND.

Signed, sealed and delivered this 14th day of September, A.D. 19 64

Robert J. Brown
ROBERT J. BROWN
Helen Ruth Brown
HELEN RUTH BROWN

STATE OF TEXAS
County of GALVESTON
The foregoing instrument was acknowledged before me this 14th day of September, A.D. 19 64
by ROBERT J. BROWN, and HELEN RUTH BROWN

Witness my hand and official seal.
My Commission expires 6-1-1965
STATE OF TEXAS *Barbara B. Adriance*
Barbara B. Adriance, Notary Public in and for
County of GALVESTON, Texas.

The foregoing instrument was acknowledged before me this _____ day of _____, A.D. 19 _____
by _____
Witness my hand and official seal.
My Commission expires _____
Notary Public

Recaption No. 369935 Project: F 017-1(2) Location: Manitou-Cascade Parcel No. 69	DEED OF ACCESS RIGHTS FROM ROBERT J. BROWN, and HELEN RUTH BROWN TO The Department of Highways State of Colorado	STATE OF COLORADO County of EL PASO I, the County Clerk and Recorder of the County aforesaid, do hereby certify that the within document was filed for record in my office on the _____ day of _____, A.D. 19 _____ at the hour of _____ o'clock _____ M., and was thereafter by me duly recorded in Book <u>2226</u> Page <u>710</u> of the records of my office. CLERK AND RECORDER <i>Audrey G. ...</i> Deputy	Fee <u>2.65</u> After recording, please mail to: COLORADO DEPARTMENT OF HIGHWAYS 4201 East Arkansas Avenue Denver, 22, Colorado Attention: Right-of-way Section
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County of El Paso State of Colorado ⁶⁰⁰ FEB 21 1978
RECEIVED AT 11:30 O'CLOCK a.m. HARRIET BEALS *Ray Collins* DEPUTY BOOK 3010 PAGE 276
RECEPTION NO. 406156
WARRANTY DEED

THIS DEED, made this 4th day of January, 1978, between ROBERT J. BROWN and HELEN RUTH BROWN, husband and wife, of the County of Galveston and State of Texas, of the first part, and

WIN-TRY, INC.,

of the County of El Paso and State of Colorado, of the second part:

WITNESSETH, that the said parties of the first part, for and in consideration of the sum of

TEN-----DOLLARS,

to the said parties of the part in hand paid by the said parties of the second part, the receipt whereof is hereby confessed and acknowledged, have granted, bargained, sole and conveyed, and by these presents do grant, bargain, sell, convey and confirm unto the said parties of the second part, their heirs and assigns forever, all the following described lot or parcel of land situate, lying and being in the County of El Paso and State of Colorado, to-wit:

That portion of the Northeast quarter of the Southeast quarter of Section 26 in Township 13 South, Range 68 West of the 6th P.M., described as follows: Beginning at a point on the South line of the Northeast quarter of the Southeast quarter of said Section 26 a distance of 437 feet East of the Southwest corner thereof; running thence North 40° 30' East 53 feet; thence North 16° 35' West 287.4 feet; thence North 22° 00' West 81.5 feet; thence North 8° 30' East 294 feet; thence North 17° 30' East 258 feet to a point on the Southerly line of the right of way of the Midland Terminal Railway Company, formerly the right of way of The Colorado Midland Railway Company; thence Southeasterly on said right of way line to its intersection with the East line of the Northeast quarter of the Southeast quarter of said Section 26; thence South on said East line 275 feet, more or less, to the Southeast corner of the Northeast quarter of the Southeast quarter of said Section 26;

STATE DOCUMENTARY
FEB 21 1978
4:50

Doc Fee - 4.50

thence West on the South line of the Northeast quarter of the Southeast quarter of said Section 26 a distance of 883 feet to the point of beginning. Except right of way for electric power line granted to the City of Colorado Springs.

Except that portion deed to the State of Colorado for the purpose of public highways on September 14, 1964, being acres, more or less.

TOGETHER with all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of the said parties of the part, either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances.

TO HAVE AND TO HOLD the said premises above bargained and described, with the appurtenances, unto the said parties of the second part, their heirs and assigns forever. And the said parties of the first part, for themselves, their heirs, executors, and administrators do covenant, grant, bargain and agree to and with the said parties of the second part, their heirs and assigns, that at the time of the sealing and delivery of these presents well seized of the premises above conveyed, as of good, sure, perfect, absolute and indefeasible estate of inheritance, in law, in fee simple, and have good right, full power and lawful authority to grant, bargain, sell and convey the same in manner and form aforesaid, and that the same are free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and encumbrances of whatever kind or nature soever.

and the above bargained premises in the quiet and peaceable possession of the said parties of the second part, their heirs and assigns, against all and every persons lawfully claiming or to claim the whole or any part thereof, the said parties of the first part shall and will WARRANT AND FOREVER DEPEND.

IN WITNESS WHEREOF the said parties of the first part have hereunto set their hands and seals the day and year first above written.

Signed, Sealed and Delivered in the Presence of

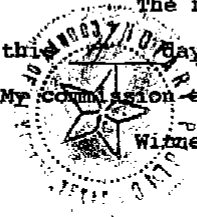
Adelle Roberts
Katherine Phelps

Robert J. Brown
ROBERT J. BROWN

Helen Ruth Brown
HELEN RUTH BROWN

STATE OF TEXAS)
) ss.
COUNTY OF GALVESTON)

The foregoing instrument was acknowledged before this _____ day of January, 1978, by
My commission expires: April 30, 1979



Witness my hand and official seal.

Alton M. Thompson
NOTARY PUBLIC

County of El Paso State of Colorado Fee 6.00
RECEIVED AT 11:00 O'CLOCK A.M. MAY 10 1978
RECEPTION NO. 431742 HARRIET BEALS Ray Collins DEPUTY
CORRECTED
WARRANTY DEED

BOOK 3037 PAGE 408

THIS DEED, made this 4th day of January
1978, between ROBERT J. BROWN and HELEN RUTH BROWN, husband
and wife,
of the County of Galveston and State of Texas, of the first
part, and

WIN-TRY, INC., 105 E. Vermijo, Colo. Spgs., Co.
of the County of El Paso and State of Colorado, of the second
part:

WITNESSETH, that the said parties of the first part,
for and in consideration of the sum of
TEN-----DOLLARS,
to the said parties of the part in hand paid by the said parties
of the second part, the receipt whereof is hereby confessed
and acknowledged, have granted, bargained, sole and conveyed,
and by these presents do grant, bargain, sell, convey and
confirm unto the said parties of the second part, their heirs
and assigns forever, all the following described lot or parcel
of land situate, lying and being in the County of El Paso
and State of Colorado, to-wit:

STATE DOCUMENTARY
MAY 10 1978
FEE \$ 7.00

That portion of the Northeast quarter of the Southeast
quarter of Section 26 in Township 13 South, Range 68
West of the 6th P.M., described as follows: Beginning
at a point on the South line of the Northeast quarter
of the Southeast quarter of said Section 26 a distance
or 437 feet East of the Southwest corner thereof; running
thence North 40° 30' East 53 feet; thence North 16° 35'
West 287.4 feet; thence North 22° 00' West 81.5 feet;
thence North 8° 30' East 294 feet; thence North 17°
30' East 258 feet to a point on the Southerly line of
the right of way of the Midland Terminal Railway Company,
formerly the right of way of The Colorado Midland
Railway Company; thence Southeasterly on said right
of way line to its intersection with the East line of
the Northeast quarter of the Southeast quarter of said
Section 26; thence South on said East line 275 feet,
more or less, to the Southeast corner of the Northeast
quarter of the Southeast quarter of said Section 26;

thence West on the South line of the Northeast quarter of the Southeast quarter of said Section 26 a distance of 883 feet to the point of beginning. Except right of way for electric power line granted to the City of Colorado Springs,

Except that portion deed to the State of Colorado for the purpose of public highways on September 14, 1964. being $1\frac{1}{2}$ acres, more or less.

TOGETHER with all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of the said parties of the part, either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances.

TO HAVE AND TO HOLD the said premises above bargained and described, with the appurtenances, unto the said parties of the second part, their heirs and assigns forever. And the said parties of the first part, for themselves, their heirs, executors, and administrators do covenant, grant, bargain and agree to and with the said parties of the second part, their heirs and assigns, that at the time of the en- sealing and delivery of these present well seized of the premises above conveyed, as of good, sure, perfect, absolute and indefeasible estate of inheritance, in law, in fee simple, and have good right, full power and lawful authority to grant, bargain, sell and convey the same in manner and form aforesaid, and that the same are free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and encum- berances of whatever kind or nature soever.

and the above bargained premises in the quiet and peaceable possession of the said parties of the second part, their heirs and assigns, against all and every persons lawfully claiming or to claim the whole or any part thereof, the said parties of the first part shall and will WARRANT AND FOREVER DEFEND.

IN WITNESS WHEREOF the said parties of the first part have hereunto set their hands and seals the day and year first above written.

Signed, Sealed and Delivered in the Presence of

Kathleen Peeps

Adelle Roberts

Robert J. Brown
ROBERT J. BROWN

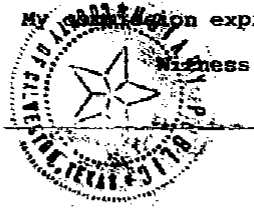
Helen Ruth Brown
HELEN RUTH BROWN

STATE OF TEXAS)
) ss.
COUNTY OF GALVESTON)

The foregoing instrument was acknowledged before this 25 day of April, 1978, by ROBERT J. BROWN and HELEN RUTH BROWN.

My ~~commission~~ expires: April 30, 1979

Witness my hand and official seal.



Alma M. Thompson
NOTARY PUBLIC

00913003

1982 OCT 27 AM 11:14

BOOK 3626 PAGE 953

APRIS W. SCHMITT
El Paso County Clerk & Recorder

This Deed, Made this 23rd day of August in the year of our Lord
one thousand nine hundred and eighty-two between

Win-Try, Inc., a corporation duly organized

and existing under and by virtue of the laws of the State of Colorado, of the first part, and
George R. Vahsholtz and Lynne L. Vahsholtz, as joint tenants,
of the County of El Paso and State of Colorado, of the second part:

Witnesseth, That the said party of the first part, for and in consideration of the sum of
One Dollar and other valuable consideration
to it in hand paid by the said parties of the second part, the receipt whereof is hereby confessed and acknowledged,
has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, convey and confirm unto
the said parties of the second part, not in tenancy in common but in joint tenancy, the survivor of them, their assigns
and the heirs and assigns of such survivor forever, all the following described lot or parcel of land, situate,
lying and being in the County of El Paso and State of Colorado, to-wit:

That portion of the Northeast quarter of the Southeast quarter of Section 26 in
Township 13 South, Range 68 West of the 6th P.M., described as follows: Beginning
at a point on the South line of the Northeast quarter of the Southeast quarter of
said Section 26 a distance of 437 feet East of the Southwest corner thereof;
running thence North 40° 30' East 53 feet; thence North 16° 35' West 287.4 feet;
thence North 22° 00' West 81.5 feet; thence North 8° 30' East 294 feet; thence
North 17° 30' East 258 feet to a point on the Southerly line of the right of way
of the Midland Terminal Railway Company, formerly the right of way of The
Colorado Midland Railway Company; thence Southeasterly on said right of way line
to its intersection with the East line of the Northeast quarter of the Southeast
quarter of said Section 26; thence South on said East line 275 feet, more or less,
to the Southeast corner of the Northeast quarter of the Southeast quarter of said
Section 26; thence West on the South line of the Northeast quarter of the
Southeast quarter of said Section 26 a distance of 883 feet to the point of
beginning. Except right of way for electric power line granted to the City of
Colorado Springs. Except that portion deeded to the State of Colorado for the
purpose of public highways on September 14, 1964, being 16 acres, more or less.

Together with all and singular the hereditaments and appurtenances thereto belonging, or in anywise apper-
taining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the
claims, right, title, interest, claims and demands whatsoever of the said party of the first part, either in law or equity
of, in and to the above bargained premises, with the hereditaments and appurtenances.

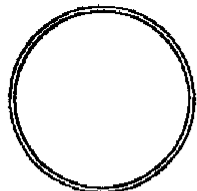
To Have and To Hold the said premises above bargained and described, with the appurtenances, unto the said
parties of the second part, the survivor of them, their assigns, and the heirs and assigns of such survivor forever.
And the said party of the first part, for itself, its successors and assigns, does covenant, grant, bargain and agree
to and with the said parties of the second part, the survivor of them, their assigns and the heirs and assigns of such
survivor, that at the time of the executing and delivery of these presents, it is well seized of the premises above
conveyed, as of good, sure, perfect, absolute and indefeasible estate of inheritance, in law, in fee simple, and has
good right, full power and lawful authority to grant, bargain, sell and convey the same in manner and form aforesaid,
and that the same are free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and
incumbrances of whatever kind or nature aforesaid.

and the above bargained premises in the quiet and peaceable possession of the said parties of the second part, the
survivor of them, their assigns and the heirs and assigns of such survivor, against all and every person or persons
lawfully claiming or to claim the whole or any part thereof, the said party of the first part shall and will WARRANT
AND FOREVER DEFEND.

In Witness Whereof, The said party of the first part has caused its corporate name to be hereunto subscribed
by its President and its corporate seal to be hereunto affixed, attested by its Secretary, the day and
year first above written.

Attest:

George R. Vahsholtz
Asst. Secretary



WIN-TRY, INC.

James L. ...
Secretary



STATE OF COLORADO,

County of El Paso

The foregoing instrument was acknowledged before me this 23rd day of August

1982, by Lynne L. Vahsholtz as President and
George R. Vahsholtz as Joint Secretary of
Win-Try, Inc., a corporation.

My business address is:
20 East Vermijo, #310
Colorado Springs, CO 80903

My notarial commission expires: _____
Notary seal.
Anderson
Anderson
Notary Public

STATE DOCUMENTARY
OCT 27 1982

DF.
&

3.00

ARDIS W. SCHMITT
El Paso County Clerk & Recorder

3.00

Know all Men by these Presents, That, # We, Benjamin B. Lacy and
Margaret Lacy
of the County of El Paso and the State of Colorado for the
consideration of One Dollar and other valuable consideration
in hand paid, hereby sell and convey to George R. Vahsholtz and Lynne L. Vahsholtz,
in joint tenancy
of the County of El Paso and State of Colorado the following
real property situate in the County of El Paso and State of Colorado to-wit:

That portion of the Northeast Quarter of the Southeast Quarter of Section
26 in Township 13 South, Range 68 West of the 6th P.M., described as follows:

Beginning at a point on the South line of the Northeast Quarter of the
Southeast Quarter of said Section 26 a distance of 387 feet East of the
Southwest corner thereof; thence Easterly on the South line thereof 50.00
feet; thence N 40° 30' E 53 feet; thence N 16° 35' W 287.4 feet; thence S 00°
26' W 314.46 feet to the point of beginning.

D.F.
8

STATE DOCUMENTARY

OCT 27 1982

FEE \$5.00

with all its appurtenances and warrant the title against all persons claiming under me

Signed and delivered this 23rd day of August A. D. 1982

IN THE PRESENCE OF

Benjamin B. Lacy

Margaret Lacy

STATE OF COLORADO.

County of El Paso

I, Karen A. Henderson, in and for
said El Paso County, in the State aforesaid, do hereby certify that
Benjamin B. Lacy and Margaret Lacy, who are personally known to
me to be the persons whose names subscribed to the foregoing deed, appeared before
me this day in person, and acknowledged that they signed, sealed and delivered the said
instrument of writing as their free and voluntary act and deed, for the uses and purposes
therein set forth.

Given under my hand and seal this 23rd day
of August, A. D. 1982

My commission expires 9/17 A. D. 1985

My business is
20 East
Colorado Springs, CO 80903
Karen A. Henderson
Karen A. Henderson
Notary Public

ARDIS W. SCHMITT
El Paso County Clerk & Recorder

Know all Men by these Presents, That, I, We, George R. Vahsholtz
and Lynne L. Vahsholtz
of the County of El Paso and the State of Colorado for the
consideration of One Dollar and other valuable consideration

3.00

in hand paid, hereby sell and convey to Benjamin B. Lacy and Margaret Lacy
in joint tenancy
of the County of El Paso and State of Colorado, the following
real property situate in the County of El Paso and State of Colorado, to-wit:

That portion of the Northeast Quarter of the Southeast Quarter of
Section 26 in Township 13 South, Range 68 West of the Sixth P.M.,
described as follows: Commencing at a point on the South line of the
Northeast Quarter of the Southeast Quarter of said Section 26 a distance
of 437 feet East of the Southwest corner thereof; thence N 40° 30' E
53 feet; thence N 16° 35' W 287.4 feet; thence N 22° 00' W 81.9 feet
to the point of beginning of the tract herein described; thence N 8°
30' E 294 feet; thence N 17° 30' E 218.1 feet to the southerly right
of way line of U.S. Highway 24; thence along the arc of a curve to the
right with a radius of 498.0 feet, a distance of 51.6 feet (the chord
of this arc bears S61° 31' E, a distance of 51.6 feet); thence
S 18° 02' W 498.67 feet to the point of beginning.

D.F.
Q

STATE DOCUMENTARY

OCT 27 1982

SEE \$1,000

with all its appurtenances and warrant the title against all persons claiming under me

Signed and delivered this 23rd day of August A. D. 19 82

IN THE PRESENCE OF

George R. Vahsholtz
Lynne L. Vahsholtz

STATE OF COLORADO

County of El Paso

Karen A. Henderson

I, Karen A. Henderson in and for
said El Paso County, in the State aforesaid, do hereby certify that
George R. Vahsholtz and Lynne L. Vahsholtz who are personally known to
me to be the person s whose name s subscribed to the foregoing deed, appeared before
me this day in person, and acknowledged that they signed, sealed and delivered the said
instrument of writing as their free and voluntary act and deed, for the uses and purposes
therein set forth.

Given under my hand and seal, this 23rd day
of August A. D. 19 82

My commission expires 9/17 A. D. 19 85

My business address is

Karen A. Henderson

20 East Main

Karen A. Henderson

Colorado Springs, CO 80903

Notary Public

Over and across a portion of that tract of land as recorded in Book 3010 at Page 276 under Reception No. 406156 of the records of El Paso County, Colorado, said tract being in the Northeast Quarter of the Southeast Quarter of Section 26, Township 13 South, Range 68 West of the 6th P.M., El Paso County, Colorado.

Said Right-of-Way and Easement is for the power line as the same is now constructed and to be 35.00 feet in width, 17.50 feet each side of the following described centerline:

Beginning at a point approximately 750.00 feet East of the West line of said Northeast of the Southeast Quarter of Section 26; thence North $39^{\circ}44'$ West a distance of 534.00 feet more or less to a point on the East line of that tract of land as recorded in Book 2331 at Page 360 of the records of said El Paso County, said point being the point of terminus of said centerline.

87 DEC 30 PM 2:31

559

ARDIS W. SCHMIDT
CLERK & RECORDER

This Deed, Made this 28th day of December in the year of our Lord one thousand nine hundred and eighty-seven BETWEEN GEORGE R. VAHSBOLTZ, 7225 W. Highway 24, Manitou Springs, CO 80829

of the County of El Paso and State of Colorado, of the first part, and LYNNE L. VAHSBOLTZ, 7225 W. Highway 24, Manitou Springs, CO 80829 of the County of El Paso and State of Colorado, of the second part,

Witnesseth, That the said party of the first part, for and in consideration of the sum of ONE and 00/100 DOLLARS,

to the said party of the first part in hand paid by the said party of the second part, the receipt whereof is hereby confessed and acknowledged, has: remised, released, sold, conveyed and Quit-Claimed, and by these presents does remise, release, sell, convey, and Quit-Claim unto the said party of the second part, her heirs and assigns forever, all the right, title, interest, claim and demand which the said party of the first part has in and to the following described real property situate, lying and being in the County of El Paso and State of Colorado, to-wit:

STATE DOCUMENTAR

DEC 30 1987

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 26 IN TOWNSHIP 13 SOUTH, RANGE 68 WEST OF THE 6TH PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 26 A DISTANCE OF 437 FEET EAST OF THE SOUTHWEST CORNER THEREOF; THENCE N 88 DEGREES 31 MINUTES W ON SAID SOUTH LINE 50.00 FEET; THENCE N 00 DEGREES 26 MINUTES E 314.46 FEET; THENCE N 22 DEGREES 00 MINUTES W. 81.50 FEET; THENCE N 18 DEGREES 02 MINUTES E 498.67 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF U. S. HIGHWAY 24; THENCE S 50

DEGREES 04 MINUTES E ALONG SAID SOUTHERLY RIGHT OF WAY 233.20 FEET; THENCE S 02 DEGREES 00 MINUTES W 722.18 FEET TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 26; THENCE N 88 DEGREES 31 MINUTES W 230.00 FEET TO THE POINT OF BEGINNING, COUNTY OF EL PASO, STATE OF COLORADO.

COMMONLY KNOWN AS: 7225 West Highway 24 Manitou Springs, Colorado 80829

To Have and to Hold the Same, Together with all and singular the appurtenances and privileges thereto belonging or in anywise thereto appertaining, and all the estate, right, title, interest and claim whatsoever, of the said party of the first part, either in law or equity, to the only proper use, benefit and behoof of the said party of the second part her heirs and assigns forever.

In Witness Whereof, The said party of the first part has hereunto set his hand and seal the day and year first above written.

Signed, Sealed and Delivered in the Presence of *George R. Vahsholtz*
George R. Vahsholtz

STATE OF COLORADO, }
County of El Paso } ss. STATUTORY ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 28th day of December, 19 87 by George R. Vahsholtz.

Witness my hand and official seal.
My commission expires: Sept. 24, 1991

Laurel M. Kulp
Laurel M. Kulp

Address: 14 W. Castilla St., Colo. Spgs., CO 80903

ARDIS W. SCHMIDT
CLERK & RECORDER
7225 W. HIGHWAY 24
MANITOU SPRINGS, CO 80829



01984145

90 NOV 30 PM 3:34

BOOK PAGE
5794 382

Filed for record this day of A. D. 19... at...
ARDIS W. SCHMITT
EL PASO COUNTY CLERK & RECORDER RECORDER

This Deed, Made this 26th day of November in the year of our Lord one thousand nine hundred and ninety BETWEEN

LYNNE L. VAHSOLTZ
of the County of El Paso and State of Colorado, of the first part, and
GEORGE R. VAHSOLTZ
of the County of El Paso and State of Colorado, of the second part,

Witnesseth, That the said party of the first part, for and in consideration of the sum of -----TEN and 00/100 (\$10.00-----) DOLLARS, to the said party of the first part in hand paid by the said party of the second part, the receipt whereof is hereby confessed and acknowledged, has remise, released, sold, conveyed and Quit-Claimed, and by these presents does remise, release, sell, convey, and Quit-Claim unto the said party of the second part, his heirs and assigns forever, all the right, title, interest, claim and demand which the said party of the first part has in and to the following described real property situate, lying and being in the County of El Paso and State of Colorado, to-wit:

A tract of land in Section 26-13-68 described as follows: Beginning at a point on the South line of the Northeast 1/4 of the Southeast 1/4 of Section 26, a distance of 437.0 feet East of the Southwest 1/4, thence North 88 31 West 50.0 feet, North 22 00 West 81.50 feet, thence North 18 02 East 498.67 feet to the Southerly right-of-way of Highway 24, thence South 50 04 East 233.20 feet, South 02 00 West 722.18 feet to the Southerly right-of-way of Highway 24, thence South 50 04 East 233.20 feet, South 02 00 West 722.18 feet, thence North 88 31 West 230.00 feet to point of beginning, all in El Paso County, Colorado. Commonly known as 7225 West Highway 24, Manitou Springs, El Paso County, Colorado.

Assessor's Schedule No. 83264-00-014

STATE DOCUMENTARY

NOV 30 1990

FEE NONE

To Have and to Hold the Same, Together with all and singular the appurtenances and privileges thereunto belonging or in anywise thereto appertaining, and all the estate, right, title, interest and claim whatsoever, of the said party of the first part, either in law or equity, to the only proper use, benefit and behoof of the said party of the second part his heirs and assigns forever. In Witness Whereof, The said party of the first part has hereunto set her hand and seal the day and year first above written.

Signed, Sealed and Delivered in the Presence of

Lynne L. Vahsoltz Seal
Seal
Seal
Seal

STATE OF COLORADO, }
County of El Paso } ss. STATUTORY ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 29th day of Nov 1990 by

Witness my hand and official seal.
My commission expires 6/29/92

NOTARY PUBLIC
ARDIS W. SCHMITT
EL PASO COUNTY, COLORADO

*If acting in official or representative capacity, insert name and also office or capacity and for whom acting.

Reception No. _____ **ARDIS W. SCHMIDT** RECORDER
EL PASO COUNTY CLERK & RECORDER

500

This Deed, Made this **26th** day of **November** in the year of our Lord one thousand nine hundred and **ninety** **BETWEEN**

WIN-TRY CORPORATION, a Colorado Corporation by **Lynne L. Vahsholtz**, its President of the County of **El Paso** and State of Colorado, of the first part, and **GEORGE VAHSHOLTZ** of the County of **El Paso** and State of Colorado, of the second part,

Witnesseth, That the said party of the first part, for and in consideration of the sum of **TEN and 00/100 (\$10.00)** DOLLARS,

to the said party of the first part in hand paid by the said party of the second part, the receipt whereof is hereby confessed and acknowledged, has remised, released, sold, conveyed and Quit-Claimed, and by these presents does remise, release, sell, convey, and Quit-Claim unto the said party of the second part, his heirs and assigns forever, all the right, title, interest, claim and demand which the said party of the first part has in and to the following described real property situate, lying and being in the County of **El Paso** and State of Colorado, to-wit:

None

A tract of land in Section 26-13-68 described as follows: Beginning at a point on the South line of the Northeast 1/4 of the Southeast 1/4 of Section 26, a distance of 387.0 feet East of the Southwest 1/4, thence North 00°26' East 314.46 feet, North 22°00' West 81.50 feet, North 18°02' East 498.67 feet to the Southerly right-of-way of Highway 24, Southeasterly on said right-of-way line to intersect with the Easterly line of said Northeast 1/4 of the Southeast 1/4, South on the East line to the Southeast corner of said Northeast 1/4 of the Southeast 1/4, thence West on the South line of said Northeast 1/4 of the Southeast 1/4 882.0 feet to the poin of beginning. ALL in El Paso County, Colorado.

Assessors Schedule No. 83264-00-015

STATE DOCUMENTARY

NOV 30 1980

FEE None

To Have and to Hold the Same, Together with all and singular the appurtenances and privileges thereunto belonging or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of the said party of the first part, either in law or equity, to the only proper use, benefit and behoof of the said party of the second part his heirs and assigns forever.

In Witness Whereof, The said party of the first part has hereunto set her hand and seal the day and year first above written.

Signed, Sealed and Delivered in the Presence of _____
_____ Seal
_____ Seal
_____ Seal
_____ Seal

STATE OF COLORADO, }
County of **El Paso** } as STATUTORY ACKNOWLEDGMENT

acknowledged before me this **29** day of **Nov** 19**80**

Witness my hand and official seal.
My commission expires **6/29/90**

ARDIS W. SCHMIDT
NOTARY PUBLIC

*If acting in official or representative capacity, insert name and also office or capacity and for whom acting.

Receipt No. 8201452

ARDIS W. SCHMITT
EL PASO COUNTY CLERK & RECORDER

BOOK 6044
PAGE 714

This Deed, Made this 20th day of Sept in the year of our Lord one thousand nine hundred and ninety-two BETWEEN

MANITOU SPRINGS DEVELOPMENT CO.

of the County of El Paso and State of Colorado, of the first part, and
GEORGE R. VAHSBOLTZ
of the County of El Paso and State of Colorado, of the second part,
Witnesseth, That the said party of the first part, for and in consideration of the sum of
TEN AND NO/100***DOLLARS,
to the said party of the first part in hand paid by the said party of the second part, the receipt whereof is hereby confessed and acknowledged, has remised, released, sold, conveyed and Quit-Claimed, and by these presents do es remise, release, sell, convey, and Quit-Claim unto the said party of the second part, his heirs and assigns forever, all the right, title, interest, claim and demand which the said party of the first part has in and to the following described property situate, lying and being in the County of El Paso and State of Colorado, to-wit:

A tract of land in Section 26-13-68 described as follows: Beginning at a point on the South line of the Northeast 1/4 of the Southeast 1/4 of Section 26, a distance of 387.0 feet East of the Southwest corner thereof, North 00°26' East 314.46 feet, North 22°00' West 81.50 feet, North 18°02' East 498-67 feet to the Southerly right-of-way of highway 24, Southeasterly on said right-of-way line to intersect with the Easterly line of said Northeast 1/4 of the Southeast 1/4, South on the East line to the Southeast Corner of said Northeast 1/4 of the Southeast 1/4, thence West on the South line of said Northeast 1/4 of the Southeast 1/4 882.0 feet to the point of beginning. AND

A tract of land in Section 26-13-68 described as follows: Beginning at a point on the South line of the Northeast 1/4 of the Southeast 1/4 of Section 26, a distance of 437.0 feet East of the Southwest 1/4, thence North 88°31' West 50.0 feet, North 22°00' West 81.50 feet thence North 18°02' East 498.67 feet to the Southerly right-of-way of Highway 24, thence South 50°04' East 233.20 feet, South 02°00' West 722.18 feet to the Southerly right-of-way of Highway 24, thence South 50°04; East 233.20 feet, South 02°00' West 722.18 feet, thence North 88°31' West 230.00 feet to point of beginning, all in El Paso County, Colorado.

Assessor's scheduled No.'s: 83264-00-014 and 83264-00-015

*Any claim, title or interest in and to the Transcript of Judgment recorded 11-19-91 with the El Paso County Clerk & Recorder in Book 5904 at Page 612, El Paso County, State of Colorado.

To Have and to Hold the Same, Together with all and singular the appurtenances and privileges thereunto belonging or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of the said party of the first part, either in law or equity, to the only proper use, benefit and behoof of the said party of the second part his heirs and assigns forever.
In Witness Whereof, The said party of the first part has hereunto set its hand and seal the day and year first above written.

Signed, Sealed and Delivered in the Presence of

MANITOU SPRINGS DEVELOPMENT CO. *Seal*

STATE DOCUMENTARY

By: Robert J. Mason *Seal*
Robert J. Mason, Attorney at Law *Seal*

SEP 22 1992

FEE none

STATE OF COLORADO,)
County of El Paso)
STATUTORY ACKNOWLEDGMENT
The foregoing instrument was acknowledged before me this 20th day of Sept, 1992 by Robert J. Mason, Attorney for Manitou Springs Development Co.
Witness my hand and official seal.
My commission expires 4-8-96
Chanda Owens
NOTARY PUBLIC



*If acting in official or representative capacity, insert name and also office or capacity and for whom acting.

Filed for record the _____ day of _____, A.D. 19____, at _____ o'clock _____ M. _____ RECORDER.
Reception No. _____ By _____ DEPUTY.

QUIT CLAIM DEED

THIS DEED, Made this day of April 21, 1994

between
LYNNE L. VANHOLTZ

of the County of EL PASO and State of

Colorado, of the first part, and
GEORGE R. VANHOLTZ

RECORDER'S STAMP
500
STATE DOCUMENTARY
APR 22 1994
FEE 140.00

whose legal address is 7225 WEST HIGHWAY 24
of the County of EL PASO and State of Colorado, of the second part;
WITNESSETH, That the said party of the first part, for and in consideration of the sum of 10.00

TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION

to the said part(ies) of the first part in hand paid by the said part(ies) of the second part, the receipt whereof is here-
by confessed and acknowledged, has remised, released, sold conveyed and QUIT CLAIMED, and by these presents do(es) remise,
release, sell, convey and QUIT CLAIM unto the said part(ies) of the second part, (their) heirs, successors and assigns,
forever, all the right, title, interest, claim and demand which is said part(ies) of the first part ha(s) in and to the
following described lot or parcel of land situate, lying and being in the County of EL PASO
and State of Colorado, to wit:

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 26 IN
TOWNSHIP 13 SOUTH, RANGE 68 WEST OF THE 6TH PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST
QUARTER OF SAID SECTION 26 A DISTANCE OF 437 FEET EAST OF THE SOUTHWEST CORNER
THEREOF; THENCE N 88 DEGREES 31 MINUTES W ON SAID SOUTH LINE 50.00 FEET; THENCE N 00
DEGREES 26 MINUTES E 314.46 FEET; THENCE N 22 DEGREES 00 MINUTES W 81.50 FEET;
THENCE N 18 DEGREES 02 MINUTES E 498.67 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF U.
S. HIGHWAY 24; THENCE S 50 DEGREES 04 MINUTES E ALONG SAID SOUTHERLY RIGHT OF WAY
233.20 FEET; THENCE S 02 DEGREES 00 MINUTES W 722.18 FEET TO THE SOUTH LINE OF THE
NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 26; THENCE N 88 DEGREES
31 MINUTES W 230.00 FEET TO THE POINT OF BEGINNING, COUNTY OF EL PASO, STATE OF
COLORADO.

also known as street and number 7225 WEST HIGHWAY 24

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging or
in anywise thereto appertaining, and all the estate, right, title, interest and claim whatsoever, of the said part(ies)
of the first part, either in law or equity, to the only proper use, benefit and behoof of the said part(ies) of the second
part, (their) heirs and assigns forever.

IN WITNESS WHEREOF, The said part(ies) of the first part ha(s) hereunto set their hand and seal the day and
year first above written.

Signed, Sealed and Delivered in the Presence of

Lynne L. Vanholtz (REAL)
LYNNE L. VANHOLTZ

_____ (REAL)

STATE OF COLORADO
County of _____ (REAL)

_____ (REAL)

This instrument was acknowledged before me this day of April 21, 1994

_____ (REAL)



February 4, 1998. Witness my hand and official seal.

Ardis W. Schmitt
Ardis W. Schmitt
Notary Public

094141535

94 OCT 13 AM 9:41

BOOK PAGE
6543 586

DAVID M. SCHMIDT
EL PASO COUNTY CLERK & RECORDER

FILED FOR RECORD AT REQUEST OF
AND WHEN RECORDED RETURN TO:

Exhibit C



U S WEST NewVector Group, Inc.
3350 161st Avenue SE
P.O. Box 91211
Bellevue, Washington 98009-2211

15

EASEMENT

Security Title

The Grantor, George R. Vahsholtz, for an in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, grants and conveys to Grantee, U S West NewVector Group, Inc., an ingress, egress, utilities and communications facilities easement and right-of-way, on, over, across, along, under, and through Grantor's property. A legal description of the property and easement, to be obtained at Grantee's expense, shall be attached hereto as Exhibit B, and shall become the final description of the property and easement granted hereunder.

The easement granted herein shall run with the land described in attached Exhibit B. The terms hereof shall apply to and be binding upon the Grantor's heirs, executors, administrators, successors and assigns.

DATED this 26th day of May, 1994.

GRANTOR:

George R. Vahsholtz
George R. Vahsholtz

515-42-6250
SS# or Tax ID #

Address: 14 West Costilla Street
Colorado Springs, CO 80903

E-00736 A 93

EXHIBIT B

LEGAL DESCRIPTION

EASEMENT PARCEL

A PARCEL OF LAND SITUATED IN A PORTION OF A PARCEL OF LAND AS DESCRIBED BY DEED RECORDED IN BOOK 5794 AT PAGE 383, BEING A PORTION OF THE NORTHEAST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SECTION 28, TOWNSHIP 13 SOUTH, RANGE 88 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 28; THENCE SOUTH $80^{\circ}55'45''$ EAST ALONG THE SOUTH LINE OF THE NORTHEAST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 28 A DISTANCE OF 387.00 FEET TO THE SOUTHWEST CORNER OF SAID BOOK 5794 PAGE 383; THENCE NORTH $08^{\circ}01'15''$ EAST ALONG THE WEST LINE OF SAID BOOK 5794 PAGE 383 A DISTANCE OF 48.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH $08^{\circ}01'15''$ EAST ALONG THE WEST LINE OF SAID BOOK 5794 PAGE 383 A DISTANCE OF 80.00 FEET; THENCE SOUTH $81^{\circ}58'45''$ EAST A DISTANCE OF 80.00 FEET; THENCE SOUTH $08^{\circ}01'05''$ WEST A DISTANCE OF 80.00 FEET; THENCE NORTH $81^{\circ}58'45''$ WEST A DISTANCE OF 80.00 FEET TO THE TRUE POINT OF BEGINNING. CONTAINING 3,600 SQUARE FEET MORE OR LESS.

20' INGRESS-EGRESS & UTILITY EASEMENT

AN EASEMENT, 20.00 FEET IN WIDTH, OVER AND ACROSS A PARCEL OF LAND AS DESCRIBED BY DEED RECORDED IN BOOK 5794 AT PAGE 383, BEING A PORTION OF THE NORTHEAST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SECTION 28, TOWNSHIP 13 SOUTH, RANGE 88 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO, BEING 10.00 FEET ON EITHER SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE SOUTHWEST CORNER OF SAID BOOK 5794 PAGE 383; THENCE SOUTH $80^{\circ}55'45''$ EAST ALONG THE SOUTH LINE OF SAID BOOK 5794 PAGE 383 AND THE SOUTH LINE OF THE NORTHEAST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 28 A DISTANCE OF 82.90 FEET TO THE TRUE POINT OF BEGINNING; THENCE THE FOLLOWING TWO (2) COURSES ALONG THE CENTERLINE OF SAID EASEMENT:

1. THENCE NORTH $48^{\circ}44'59''$ WEST A DISTANCE OF 17.84 FEET;
2. THENCE NORTH $17^{\circ}40'41''$ WEST A DISTANCE OF 41.85 FEET TO THE POINT OF TERMINUS ON THE SOUTH LINE OF THE ABOVE-DESCRIBED LEASE PARCEL, FROM WHENCE THE SOUTHWEST CORNER BEARS NORTH $81^{\circ}58'45''$ WEST A DISTANCE OF 30.00 FEET.

ARDIS W. SCHMITT
EL PASO COUNTY CLERK & RECORDER*Free*

Commissioner Brown moved adoption of the following Resolution:

BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF EL PASO, STATE OF COLORADO

RESOLUTION NO. 93-419, Land Use-129

WHEREAS, George Vahsholtz/U.S. West New Vector Group did file a petition with the Planning Department of El Paso County on or about October 1, 1993, for approval of a variance of use within the R-T (Residential-Topographic) Zone District to construct a 30-foot wood pole cellular telephone tower and associated 432 square foot equipment building located on an easement within a 15.6-acre parcel (Tax Schedule Nos. 83264-00-014, and -015) where such is not permitted; and

WHEREAS, a public hearing was held by the El Paso County Planning Commission on November 16, 1993, upon which date the Planning Commission did by formal resolution recommend approval of the subject use variance petition with conditions and notations; and

WHEREAS, a public hearing was held by this Board on December 16, 1993; and

WHEREAS, based on the evidence, testimony, exhibits, study of the master plan for the unincorporated area of the county, recommendations of the El Paso County Planning Commission, comments of the El Paso County Planning Department, comments of public officials and agencies, and comments from all interested parties, this Board finds as follows:

1. That proper posting, publication, and public notice was provided as required by law for the hearings before the Planning Commission and the Board of County Commissioners of El Paso County.
2. That the hearings before the Planning Commission and the Board of County Commissioners were extensive and complete, that all pertinent facts, matters and issues were submitted and that all interested parties were heard at those hearings.
3. That the proposed variance of use conforms to Section 35.9, Standards Governing the Approval or Disapproval of a Petition for a Use Variance, of the El Paso County Zoning Resolutions.
4. That the proposed variance is in compliance with the recommendations set forth in the master plan for the unincorporated area of the county.
5. That the proposed land use will be compatible with existing and permitted land uses in the area.

Resolution No. 93-419, Land Use-129
Page 2

6. That the proposed land use does not permit the use of any area containing a commercial mineral deposit in a manner which would interfere with the present or future extraction of such deposit by an extractor.
7. That the strict application of the El Paso County Zoning Resolutions would result in peculiar and exceptional practical difficulties or undue hardship upon the owner of the property.
8. That for the above-stated and other reasons, the proposed variance of use is in the best interest of the health, safety, morals, convenience, order, prosperity, and welfare of the citizens of El Paso County.

NOW, THEREFORE, BE IT RESOLVED that the petition of George Vahsholtz/U.S. West New Vector Group for a variance of use within the R-T (Residential-Topographic) Zone District to permit construction of a 30-foot wooden pole cellular telephone tower and associated 432 square foot equipment building located on an easement within a 15.6-acre parcel (Tax Schedule Nos. 83264-00-014, and -015) where such is not a permitted use for the unincorporated area of El Paso County as described in Exhibit A, which is attached hereto and incorporated by reference, be approved;

BE IT FURTHER RESOLVED that the following conditions and notations shall be placed upon this approval:

CONDITIONS:

1. Approval is for the establishment of a cellular telephone communication tower not exceeding 30 feet in height and associated equipment building.
2. The site and facilities shall be developed in a manner as depicted on the site plan dated September 23, 1993.
3. Prior to the Planning Department's authorization for the issuance of a building permit, a grading and erosion control plan shall be approved by the El Paso County Department of Public Works based upon the criteria referenced in the El Paso County Drainage Criteria Manual. The two parcels, as they presently exist, shall be combined to form only a single parcel.
4. The Variance of Use shall expire five years from the date of Board of County Commissioners' approval.

Resolution No. 93-419, Land Use-129
Page 3

NOTATIONS:

1. Costs incurred by the applicant to establish the facility, or to comply with the conditions of approval shall not be used as justification to extend the use beyond the five-year time limit.
2. Variance of Use requests not forwarded to the Board of County Commissioners for consideration within 180 days of Planning Commission action shall be deemed withdrawn and shall have to be resubmitted in their entirety.

AND BE IT FURTHER RESOLVED that the record and recommendations of the El Paso County Planning Commission be adopted.

DONE THIS 16th day of December, 1993, at Colorado Springs,
Colorado.



P. J. [Signature]
Deputy County Clerk

BOARD OF COUNTY COMMISSIONERS
OF EL PASO COUNTY, COLORADO

By [Signature]
Chairperson

Commissioner Whittenmore seconded the adoption of the foregoing Resolution. The roll having been called, all five Commissioners voted "aye," and the Resolution was unanimously adopted by the Board of County Commissioners of the County of El Paso, State of Colorado.

Resolution No. 93-419, Land Use-129
EXHIBIT A

A parcel of land situated in a portion of a parcel of land as described by deed recorded in Book 5794 at Page 383, being a portion of the Northeast one-quarter of the Southeast one-quarter of Section 26, Township 13 South, Range 68 West of the 6th Principal Meridian, County of El Paso, State of Colorado, more particularly described as follows:

Commencing at the Southwest corner of the Northeast one-quarter of the Southeast one-quarter of said Section 26; thence South $80^{\circ}55'45''$ East along the South line of the Northeast one-quarter of the Southeast one-quarter of said Section 26, a distance of 387.00 feet to the Southwest corner of said Book 5794 Page 383; thence North $08^{\circ}01'15''$ East along the West line of said Book 5794 Page 383 a distance of 46.00 feet to the true point of beginning; thence continuing North $08^{\circ}01'15''$ East along the West line of said Book 5794 Page 383 a distance of 60.00 feet; thence South $81^{\circ}58'45''$ East a distance of 60.00 feet; thence South $08^{\circ}01'05''$ West a distance of 60.00 feet; thence North $81^{\circ}58'45''$ West a distance of 60.00 feet to the true point of beginning. Containing 3,600 square feet more or less.



QUIT CLAIM DEED

THIS DEED, Made this day 17TH DAY of DECEMBER 2002, between

GEORGE R. VAHSHOLTZ

of the County of EL PASO and State of COLORADO, grantor and

GEORGE R. VAHSHOLTZ AND TERESA K. VAHSHOLTZ

whose legal address is 7225 WEST HIGHWAY 24, MANITOU SPRINGS, of the County of and State of Colorado, Grantees:

WITNESSETH, that the said grantor, for and in consideration of the sum of \$1.00 DOLLAR, the receipt and sufficiency of which is hereby acknowledged, has remised, released, sold, conveyed and QUIT CLAIMED, and by these presents does remise, release, sell, convey and QUIT CLAIM unto the grantees, their heirs, successors and assigns, forever, not in tenancy in common, but in joint tenancy, all the right, title, interest claim and demand which grantor has in and to the real property, together with improvements, if any, situate, lying and being in the County of El Paso and State of Colorado, described as follows:

F
D/C

A PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 26 IN TOWNSHIP 13 SOUTH, RANGE 61 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 26, A DISTANCE OF 387.0 FEET EAST OF THE SOUTHWEST CORNER THEREOF; THENCE NORTH 00 DEGREES 26 MINUTES EAST, 314.46 FEET; THENCE NORTH 72 DEGREES 00 MINUTES WEST, 81.50 FEET; THENCE NORTH 18 DEGREES 02 MINUTES EAST, 498.67 FEET TO THE SOUTHERLY RIGHT OF WAY OF COLORADO STATE HIGHWAY NO. 24, AS CONVEYED TO THE DEPARTMENT OF HIGHWAYS, STATE OF COLORADO BY DEED RECORDED IN BOOK 2236 AT PAGE 712; THENCE SOUTHEASTERLY ON SAID SOUTHERLY RIGHT OF WAY LINE TO INTERSECT THE EASTERLY LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE SOUTH ON SAID EAST LINE TO THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE WEST ON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, 882.0 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

also known by street and number as 7225 W HWY 24, MANITOU SPRINGS, Colorado 80829.

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of the grantor, either in law or equity, to the only proper use, benefit and behoove of the grantees, their heirs and assigns forever. The singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

IN WITNESS WHEREOF, The grantor has executed this deed on the date set forth above.

George R. Vahsholtz
GEORGE R. VAHSHOLTZ

STATE OF COLORADO

)ss.

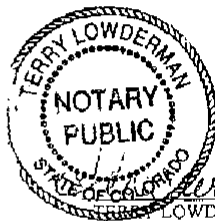
COUNTY OF EL PASO

The foregoing instrument was acknowledged before me this day of 17th day of December, 2002

By: GEORGE R. VAHSHOLTZ

My Commission expires: 8/20/2006

Witness my hand and official seal.



Terry Lowderman, Notary Public



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Doc \$0.00 Page
Rec \$105.00 1 of 21

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AFTER RECORDING RETURN TO:

Washington Mutual Bank, FA
C/O ACS IMAGE SOLUTIONS
12691 PALA DRIVE MS156DPCA
GARDEN GROVE, CA 92841

[Space Above This Line For Recording Data]

LAND TITLE - COLORADO SPRINGS 45349

DEED OF TRUST

03-0498-061579496-3

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated December 17, 2002, together with all Riders to this document.

(B) "Borrower" is GEORGE R. VAHSCHOLTZ AND TERESA K. VAHSCHOLTZ

Borrower is the trustor under this Security Instrument.

(C) "Lender" is Washington Mutual Bank, FA, a federal association.

Lender is a Bank organized and existing under the laws of

United States of America. Lender's address is:

400 East Main Street Stockton, CA 95290

Lender is the beneficiary under this Security Instrument.

(D) "Trustee" is the Public Trustee of El Paso County, Colorado.

(E) "Note" means the promissory note signed by Borrower and dated December 17, 2002.

The Note states that Borrower owes Lender Three Hundred Eighteen Thousand Seven Hundred Fifty & 00/100

Dollars (U.S. \$ 318,750.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than January 1, 2033.

(F) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(G) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

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(H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower (check box as applicable):

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> Graduated Payment Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Biweekly Payment Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Rate Improvement Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Other(s) (specify) | | |

(I) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(J) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(K) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(L) "Escrow Items" means those items that are described in Section 3.

(M) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds, whether by way of judgment, settlement or otherwise, paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(N) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(O) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(P) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(Q) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note; and (iii) the performance of all agreements of Borrower to pay fees and charges arising out of the loan whether or not herein set forth. For this purpose, Borrower, in consideration of the debt and the trust herein created,

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2 of 21

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irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in El Paso County, Colorado:

LONG LEGAL

which currently has the address of 7225 WEST HIGHWAY 24 (Street),
MANITOU SPRINGS (City), 80829 ("Property Address"):
(Zip Code)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record and liens for taxes for the current year not yet due and payable.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one of more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not

Theresa A. Sholdt El Paso Cty, CO 203000305
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obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance of the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower

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Doc \$0.00 Page
Rec \$105.00 4 of 21

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shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than twelve monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than twelve monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

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Rec \$105.00 5 of 21

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5. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Lender may purchase such insurance from or through any company acceptable to Lender including, without limitation, an affiliate of Lender, and Borrower acknowledges and agrees that Lender's affiliate may receive consideration for such purchase. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

Borrower hereby absolutely and irrevocably assigns to Lender all of Borrower's right, title and interest in and to all proceeds from any insurance policy (whether or not the insurance policy was required by Lender) that are due, paid or payable with respect to any damage to such property, regardless of whether the insurance policy is established before, on or after the date of this Security Instrument. By absolutely and irrevocably assigning to Lender all of Borrower's rights to receive any and all proceeds from any insurance policy, Borrower hereby waives, to the full extent allowed by law, all of Borrower's rights to receive any and all of such insurance proceeds.

Borrower hereby absolutely and irrevocably assigns to Lender all of Borrower's right, title and interest in and to (a) any and all claims, present and future, known or unknown, absolute or contingent; (b) any and all causes of action, (c) any and all judgments and settlements (whether through litigation, mediation, arbitration or otherwise); (d) any and all funds sought against or from any party or parties whatsoever, and (e) any and all funds received or receivable in

Theresa A. Sholdt El Paso Cty, CO 203000305
01/02/2003 09:10
Doc \$0.00 Page
Rec \$105.00 6 of 21

Recording

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including but not limited to, land subsidence, landslide, windstorm, earthquake, fire, flood or any other cause.

Borrower agrees to execute, acknowledge if requested, and deliver to Lender, and/or upon notice from Lender shall request any insurance agency or company that has issued any insurance policy to execute and deliver to Lender, any additional instruments or documents requested by Lender from time to time to evidence Borrower's absolute and irrevocable assignments set forth in this paragraph.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, or remove or demolish any building thereon, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in good condition and repair in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property in good and workmanlike manner if damaged to avoid further

Theresa A. Sholdt El Paso Cty, CO
01/02/2003 09:10 203000305
Doc \$0.00 Page
Rec \$105.00 7 of 21

Recording

Handwritten initials/signature

deterioration or damage. Lender shall, unless otherwise agreed in writing between Lender and Borrower, have the right to hold insurance or condemnation proceeds. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause. Lender does not make any warranty or representation regarding, and assumes no responsibility for, the work done on the Property, and Borrower shall not have any right to rely in any way on any inspection(s) by or for Lender or its agent. Borrower shall be solely responsible for determining that the work is done in a good, thorough, efficient and workmanlike manner in accordance with all applicable laws.

Borrower shall (a) appear in and defend any action or proceeding purporting to affect the security hereof, the Property or the rights or powers of Lender or Trustee; (b) at Lender's option, assign to Lender, to the extent of Lender's interest, any claims, demands, or causes of action of any kind, and any award, court judgement, or proceeds of settlement of any such claim, demand or cause of action of any kind which Borrower now has or may hereafter acquire arising out of or relating to any interest in the acquisition or ownership of the Property. Lender and Trustee shall not have any duty to prosecute any such claim, demand or cause of action. Without limiting the foregoing, any such claim, demand or cause of action arising out of or relating to any interest in the acquisition or ownership of the Property may include (i) any such injury or damage to the Property including without limit injury or damage to any structure or improvement situated thereon, (ii) or any claim or cause of action in favor of Borrower which arises out of the transaction financed in whole or in part by the making of the loan secured hereby, (iii) any claim or cause of action in favor of Borrower (except for bodily injury) which arises as a result of any negligent or improper construction, installation or repair of the Property including without limit, any surface or subsurface thereof, or of any building or structure thereon or (iv) any proceeds of insurance, whether or not required by Lender, payable as a result of any damage to or otherwise relating to the Property or any interest therein. Lender may apply, use or release such monies so received by it in the same manner as provided in Paragraph 5 for the proceeds of insurance.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting

Theresa A. Sholdt El Paso Cty, CO
01/02/2003 09:10 : 203000305
Doc \$0.00 Page
Rec \$105.00 8 of 21

Recording
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and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage

Thressa A. Sholdt El Paso Cty, CO 203000305
 01/02/2003 09:10
 Doc \$0.00 Page
 Rec \$105.00 9 of 21

Recording

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insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is

Theresa A. Sholdt El Paso Cty, CO
01/02/2003 09:10 203000305
Doc \$0.00 Page
Rec \$105.00 10 of 21

Record

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less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgement, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgement, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. This Security Instrument cannot be changed or modified except as otherwise provided herein or by agreement in writing signed by Borrower, or any Successor in interest to Borrower and Lender. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successor in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy. No waiver by Lender of any right under this Security Instrument shall be effective unless in writing. Waiver by Lender of any right granted to Lender under this Security Instrument or of any provision of this Security Instrument as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by

Thressa A. Sholdt El Paso Cty, CO

01/02/2003 09:10

Doc \$0.00 Page

Req \$105.00 11 of 21

203000305

Recording

Handwritten initials/signature

Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. Borrower shall pay such other charges as Lender may deem reasonable for services rendered by Lender and furnished at the request of Borrower; any Successor in interest to Borrower or any agent of Borrower. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the

Thressa A. Sholdt El Paso Cty, CO 203000305
01/02/2003 09:10
Doc \$0.00 Page
Ruc \$105.00 12 of 21

Recording
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conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgement enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument,

Thressa A. Sholdt El Paso Cty, CO 203000305

01/02/2003 09:10

Doc \$0.00 Page
Rec \$105.00 13 of 21

Recording

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and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substance in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use, or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

Thressa A. Sholdt El Paso Cty, CO 203000305
 01/02/2003 09:10
 Doc \$0.00 Page
 Rec \$105.00 14 of 21

Recording

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NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence. If Borrower or any successor in interest to Borrower files (or has filed against Borrower or any successor in interest to Borrower) a bankruptcy petition under Title 11 or any successor title of the United States Code which provides for the curing of prepetition default due on the Note, interest at a rate determined by the Court shall be paid to Lender on post-petition arrears.

If Lender invokes the power of sale, Lender shall give written notice to Trustee of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Lender shall mail a copy of the notice to Borrower as provided in Section 15. Trustee shall record a copy of the notice in the county in which the Property is located. Trustee shall publish a notice of sale for the time and in the manner provided by Applicable Law and shall mail copies of the notice of sale in the manner prescribed by Applicable Law to Borrower and to the other persons prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder for cash at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's certificate describing the Property and the time the purchaser will be entitled to Trustee's deed. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. Release. Upon payment of all sums secured by this Security Instrument, Lender shall request that Trustee release this Security Instrument and shall produce for Trustee, duly cancelled, all notes evidencing debts secured by this Security Instrument. Trustee shall release this Security Instrument without further inquiry or liability. Borrower shall pay any recordation costs and the statutory Trustee's fees. Lender or the Trustee (whether or not the Trustee is affiliated with Lender) may charge Borrower a fee for releasing this Security Instrument, but only if the fee is not prohibited by Applicable Law.

24. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

Thressa A. Sholdt El Paso Cty, CO
01/02/2003 09:10 203000305
Doc \$0.00 Page
Rec \$105.00 15 of 21

Recording
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BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

George R. Vahsholtz

GEORGE R. VAHSHOLTZ

Teresa K. Vahsholtz

TERESA K. VAHSHOLTZ

(Space Below This Line For Acknowledgment)

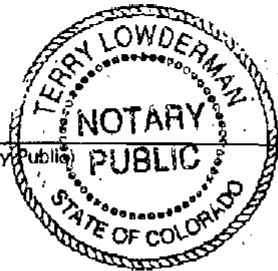
State of COLORADO)
County of El Paso) SS.

The foregoing instrument was acknowledged before me, this 17 day of December 2002, by George R. Vahsholtz and Teresa K. Vahsholtz

Witness my hand and official seal:

My commission expires: 8/20/06

Terry Lowderman



[SEAL]

(Notary Public)

Theresa A. Sholdt-El Paso Cty, CO 203000305
01/02/2003 09:10
Doc \$0.00 Page
Rec \$105.00 16 of 21

Recording

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EXHIBIT A

A PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 26 IN TOWNSHIP 13 SOUTH, RANGE 68 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 26, A DISTANCE OF 387.0 FEET EAST OF THE SOUTHWEST CORNER THEREOF; THENCE NORTH 00 DEGREES 26 MINUTES EAST, 314.46 FEET; THENCE NORTH 22 DEGREES 00 MINUTES WEST, 81.50 FEET; THENCE NORTH 18 DEGREES 02 MINUTES EAST, 498.67 FEET TO THE SOUTHERLY RIGHT OF WAY OF COLORADO STATE HIGHWAY NO. 24, AS CONVEYED TO THE DEPARTMENT OF HIGHWAYS, STATE OF COLORADO BY DEED RECORDED IN BOOK 2036 AT PAGE 712; THENCE SOUTHEASTERLY ON SAID SOUTHERLY RIGHT OF WAY LINE TO INTERSECT THE EASTERLY LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE SOUTH ON SAID EAST LINE TO THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE WEST ON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, 882.0 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

FOR INFORMATIONAL PURPOSES: PURPORTED STREET ADDRESS:
7225 W HWY 24, MANTOU SPRINGS, CO

Thressa A. Sholdt El Paso Cty, CO 203000305
01/02/2003 09:10
Doc \$0.00 Page
Rec \$105.00 17 of 21

Recording

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**FIXED/ADJUSTABLE RATE RIDER
(1 Year Treasury Index - Rate Caps)**

03-0498-061579496-3

THIS FIXED/ADJUSTABLE RATE RIDER is made this 17th day of December, 2002, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Fixed/Adjustable Rate Note (the "Note") to Washington Mutual Bank, PA ("Lender") of the same date and covering the property described in the Security Instrument and located at:

7225 WEST HIGHWAY 24, MANITOU SPRINGS, CO 80829
(Property Address)

THE NOTE PROVIDES FOR A CHANGE IN THE BORROWER'S FIXED INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THE NOTE LIMITS THE AMOUNT BORROWER'S ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE BORROWER MUST PAY.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. ADJUSTABLE RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial fixed interest rate of 5.250 %. The Note also provides for a change in the initial fixed rate to an adjustable interest rate, as follows:

4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The initial fixed interest rate I will pay will change to an adjustable interest rate on the first day of January, 2008, and the adjustable interest rate I will pay may change on that day every 12th month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change, is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. The most recent

Theresa A. Sholdt El Paso Cty, CO
01/02/2003 09:10
Doc \$0.00 Page
Rec \$105.00 18 of 21

203000305

Recording

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Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding Two & Seventy-Five Hundredths percentage points (2.750%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 10.250% or less than 2.750%. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.0%) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 10.250%.

(E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my initial fixed interest rate to an adjustable interest rate and of any changes in my adjustable interest rate before the effective date of any change. The notice will include the amount of my monthly payment, and any information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

(G) Failure to Make Adjustments

If for any reason Note Holder fails to make an adjustment to the interest rate or payment amount as described in this Note, regardless of any notice requirement, I agree that Note Holder may, upon discovery of such failure, then make the adjustment as if they had been made on time. I also agree not to hold Note Holder responsible for any damages to me which may result from Note Holder's failure to make the adjustment and to let the Note Holder, at its option, apply any excess monies which I may have paid to partial Prepayment of unpaid "Principal."

Thressa A. Sholdt El Paso Ctv, CD
01/02/2003 09:10
Doc \$0:00 Page :
Rec \$105.00 19 of 21

203000305

Recording

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B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

1. Until Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in section A above, section 18 of the Security Instrument shall read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

2. When Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in section A above, Section 18 of the Security Instrument described in section B1 above shall then cease to be in effect, and the provisions of Section 18 of the Security Instrument shall be amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be

Thressa A. Sholdt El Paso Cty, CO 203000305
01/02/2003 09:10
Doc \$0.00 Page
Rto \$105.00 20 of 21

Recording

impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Fixed/Adjustable Rate Rider.

X George R. Vahsholtz
GEORGE R. VAHSHOLTZ

X Teresa K. Vahsholtz
TERESA K. VAHSHOLTZ

Theresa A. Sholdt El Paso Cty, CO 203000305
01/02/2003 09:10
Doc \$0.00 : Page
Rec \$105.00 21 of 21

Recording

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Doc \$0.00 Page
Rec \$46.00 1 of 9 207029705



Recording requested by and
when

Record & Return to:
Group 9 Inc.
2150 Cabot Blvd West
Langhorne, PA 19047



WaMu Equity Plus™
DEED OF TRUST

Loan Number: 0749909735

THIS REVOLVING CREDIT DEED OF TRUST is made on 02/05/2007 between and
among:
GEORGE R. VAHSHOLTZ AND TERESA K. VAHSHOLTZ

whose address is 7225 WEST HWY 24
MANITOU SPRINGS, CO 80829 ("Grantor"); the Public Trustee of the
County, or City and County, in which the real property described below is located ("Trustee"); and
WASHINGTON MUTUAL BANK, A FEDERAL ASSOCIATION, WHICH IS ORGANIZED AND
EXISTING UNDER THE LAWS OF THE UNITED STATES OF AMERICA AND WHOSE ADDRESS IS
2273 N GREEN VALLEY PARKWAY, SUITE #14, HENDERSON, NV 89014 ("BENEFICIARY") AND
ITS SUCCESSORS OR ASSIGNS.

1. **Granting Clause.** For the benefit of Beneficiary, Grantor hereby grants, bargains, sells, and
conveys to Trustee in trust, with power of sale, the real property in EL PASO
County, Colorado, described below, and all rights and interest in it Grantor ever gets:
SHOWN ON EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF BY THIS
REFERENCE.

which has a street address of 7225 W HWY 24
MANITOU SPRINGS, Colorado 80829
Tax Parcel Number: 83264-00-018 together with all
insurance proceeds and condemnation proceeds related to it; income, rents and profits from it; all
30092 (10/28/05) w7.1 BORROWER COPY Page 1 of 8

plumbing, lighting, air conditioning, and heating apparatus and equipment and other improvements; all improvements now or hereafter erected on the property; and all fencing, blinds, drapes, floor coverings, built-in appliances, and other fixtures, at any time installed on or in or used in connection with such real property.

All of the property described above is called the "Property". If any of the Property is personal property, this Deed of Trust is also a Security Agreement which grants Beneficiary, as secured party, a security interest in all such property. Despite any other provision of this Deed of Trust, however, Beneficiary is not granted, and will not have, a nonpurchase money security interest in household goods, to the extent such security interest would be prohibited by applicable law. As used herein "State" shall refer to the state of Colorado.

2. **Obligation Secured.** This Deed of Trust is given to secure performance of each promise of Grantor contained herein and in a WaMu Equity Plus(TM) Agreement and Disclosure with Beneficiary of even date herewith with a maximum credit limit of \$150,000.00 the ("Credit Agreement"), including any extensions, renewals or modifications thereof, and repayment of all sums borrowed by Grantor under the Credit Agreement, with interest from the date of each advance until paid at the rates provided therein. The Credit Agreement provides for variable and fixed rates of interest. Under the Credit Agreement, the Grantor may borrow, repay and re-borrow from time to time, up to the maximum credit limit stated above, and all such advances shall be secured by the lien of this Deed of Trust. This Deed of Trust also secures payment of certain fees and charges payable by Grantor under the Credit Agreement, certain fees and costs of Beneficiary as provided in Section 10 of this Deed of Trust, and repayment of money advanced by Beneficiary to protect the Property or Beneficiary's interest in the Property, including advances made pursuant to Section 6 below. The Credit Agreement provides that unless sooner repaid, all amounts due under the Credit Agreement are due and payable in full thirty (30) years from the date of this Deed of Trust (the "Maturity Date"). All amounts due under the Credit Agreement and this Deed of Trust are called the "Debt."

3. **Representations of Grantor.** Grantor represents that:

- (a) Grantor is the owner of the Property, which is unencumbered except by easements, reservations, and restrictions of record not inconsistent with the intended use of the Property and any existing first mortgage or deed of trust given in good faith and for value, the existence of which has been disclosed in writing to Beneficiary. Grantor warrants and will defend generally the title to the Property against all claims and demands, subject to the encumbrances listed; and
- (b) The Property is not presently and will not during the term of this Deed of Trust be used for any agricultural purposes.

4. **Promises of Grantor.** Grantor promises to promptly pay the Debt, including all installments and other amounts payable under the terms of the Credit Agreement, when due, and to promptly pay and perform all of Grantor's other obligations under the Credit Agreement and this Deed of Trust. Grantor also promises:

- (a) To keep the Property in good repair and not to remove, alter or demolish any of the improvements on the Property, without first obtaining Beneficiary's written consent;
- (b) To allow representatives of Beneficiary to inspect the Property at any reasonable hour, and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Property;
- (c) To pay on time all lawful taxes and assessments on the Property;
- (d) To perform on time all terms, covenants and conditions of any prior mortgage or deed of trust covering the Property or any part of it and pay all amounts due and owing thereunder in a timely manner;

(e) To see to it that this Deed of Trust remains a valid lien on the Property superior to all liens except those described in Section 3(a), and to keep the Property free of all encumbrances which may impair Beneficiary's security;

(f) To keep the improvements on the Property insured by a company satisfactory to Beneficiary against fire and extended coverage perils, and against such other risks as Beneficiary may reasonably require, in an amount equal to the full insurable value of the improvements, and to deliver evidence of such insurance coverage to Beneficiary. Subject to the rights of the holder of any lien described in Section 3(a), Beneficiary shall be named as the loss payee on all such policies pursuant to a standard lender's loss payable clause. In the event of loss or damage to the Property, Grantor shall give prompt notice to the insurance carrier and Beneficiary. If Grantor fails to promptly notify the insurance carrier, Beneficiary may do so. The amount collected under any insurance policy shall be applied to the repair of such improvements, unless doing so would impair Beneficiary's security, in which event such proceeds may be applied upon any indebtedness hereby secured. In the event of default and foreclosure of the Property, Beneficiary shall have all the right, title and interest of Grantor in all insurance policies if Beneficiary acquires title to the Property, and in all proceeds of insurance resulting from any damage to the Property prior to such sale or acquisition. No application of insurance proceeds to the Debt shall extend or postpone the due dates of any installments payable under the terms of the Credit Agreement; and

(g) To advise Beneficiary immediately in writing of any change in Grantor's name, address or employment.

5. Sale, Transfer or Further Encumbrance of Property. The Credit Agreement is personal to Grantor, and the entire Debt shall become immediately due and payable in full upon sale or other transfer of the Property or any interest therein by Grantor by contract of sale or otherwise including, without limit, any further encumbrance of the Property. Grantor will be in default under the terms hereof if Grantor sells or transfers the Property or any interest in the Property, by contract of sale or otherwise, without paying the Debt in full at or prior to the time of sale or transfer. In no event will any person other than Grantor be entitled to obtain advances from Beneficiary under the terms of the Credit Agreement.

6. Protection of Beneficiary's Rights. If Grantor fails to comply with any of the covenants in Section 4, including all the terms of any prior mortgage or deed of trust, Beneficiary may take any action required to comply with any such covenants without waiving any other right or remedy it may have for Grantor's failure to comply. Repayment to Beneficiary of all the money spent by Beneficiary on behalf of Grantor shall be secured by this Deed of Trust. At Beneficiary's option, advances may be made against the Credit Agreement to pay amounts due hereunder. No such advance by Beneficiary shall relieve Grantor from liability for failure to fulfill the covenants in Section 4, or constitute a waiver by Beneficiary of Grantor's default. The amount advanced shall bear interest at the rates from time to time applicable under the Credit Agreement and be repayable by Grantor on demand. Although Beneficiary may take action under this paragraph, Beneficiary is not obligated to do so.

7. Remedies For Default.

(a) Prompt performance under this Deed of Trust is essential. If Grantor does not pay any installment of the Debt or other amount due hereunder on time, or any other event occurs that entitles Beneficiary to declare the unpaid balance of the Debt due and payable in full under the Credit Agreement, or if Grantor fails to comply with any other term, condition, obligation or covenant contained in the Credit Agreement or this Deed of Trust, or any other deed of trust, mortgage, trust indenture or security agreement or other instrument having priority over this Deed of Trust, or if any representation of Grantor herein was false or misleading, the Debt and any other money whose repayment is secured by this Deed of Trust shall immediately become due and

payable in full, at the option of Beneficiary, and the total amount owed by Grantor shall thereafter bear interest at the rate(s) stated in the Credit Agreement. Beneficiary may then or thereafter notify Trustee of the default and of Beneficiary's election and demand to have the Property sold pursuant to Trustee's power of sale in accordance with applicable law, and deliver to Trustee any documentation as may be required by law. After giving any notices and advertising the sale of the Property as required by applicable law, Trustee shall sell the Property, either in whole or in separate parcels or other part, and in such order as Trustee may choose, at public auction to the highest bidder for cash in lawful money of the United States which will be payable at the time of sale, all in accordance with applicable law. Anything in the preceding sentence to the contrary notwithstanding, Beneficiary may apply the Debt towards any bid at any such sale. Trustee may postpone any such sale by providing such notice as may be required by law. Trustee shall apply the proceeds of the sale as follows: (i) to the expenses of the sale, including the Trustee's fees and the Beneficiary's reasonable attorney's fees; (ii) to the obligations secured by this Deed of Trust; and (iii) the surplus, if any, shall go to the person(s) legally entitled thereto.

(b) After the expiration of the period of redemption, the Trustee shall deliver to the holder of the Certificate of Purchase the Trustee's deed or deeds to the property sold. The Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust. This recital shall be prima facie evidence of such compliance and conclusive evidence of such compliance in favor of bona fide purchasers and encumbrancers for value.

(c) To the extent permitted by law, the power of sale conferred by this Deed of Trust is not an exclusive remedy. Beneficiary may cause this Deed of Trust to be judicially foreclosed, sue on the Note, or take any other action available at law or in equity. During the pendency of any foreclosure or other realization proceedings, Beneficiary shall also have the right to collect the income, rents, and profits of the Property and apply the amounts so collected to the payment of the Debt in the manner provided in the Credit Agreement, and shall have the right to secure the appointment of a receiver for the Property, its income, rents, and profits.

(d) By accepting payment of any sum secured by this Deed of Trust after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare a default for failure to so pay.

8. Cure by Grantor; Reinstatement. If required by applicable law, Beneficiary will notify Grantor in writing of Grantor's default, and give Grantor the opportunity to cure the default within the time period stated in the written notice as specified by applicable law, prior to declaring amounts secured by this Deed of Trust immediately due and payable in full.

If Grantor meets certain conditions, Grantor shall have the right to reinstate, and have the enforcement of this Deed of Trust discontinued, after the commencement of foreclosure proceedings but prior to the time of the sale of the Property pursuant to the power of sale, or the entry of a judgment enforcing this Deed of Trust if foreclosure is made through the courts. These conditions are that, in accordance with applicable law, Grantor (a) gives written notice of Grantor's intent to cure the default at least seven (7) days (or such other period as is specified by law) prior to the date of a foreclosure sale pursuant to the power of sale, (b) cures the default at least one (1) day prior to the foreclosure sale, or entry of judgment, by paying all amounts then due under this Deed of Trust, without acceleration, (c) cures any default in any other covenants or agreements, (d) pays all expenses incurred in enforcing this Deed of Trust including, but not limited to, Beneficiary's reasonable attorney's fees, and (e) takes such other action as Beneficiary may reasonably require to assure that the lien of this Deed of Trust, Beneficiary's rights in the Property, and Grantor's obligation to pay the sums secured by this Deed of Trust continue unchanged. Upon reinstatement by Grantor, this Deed of Trust and the Debt secured hereby shall remain fully effective as if no acceleration had occurred. The right to reinstate set forth in this paragraph shall not apply in the

case Beneficiary elects to declare the Debt due and payable in full pursuant to the provisions of Section 5 of this Deed of Trust.

9. **Condemnation; Eminent Domain.** The proceeds of any award or claim for damages in connection with any condemnation or other taking of the Property by eminent domain, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Beneficiary. In the event any portion of the Property is taken or damaged in an eminent domain proceeding, the entire amount of the award, or such portion as may be necessary to fully satisfy the Debt, shall be paid to Beneficiary to be applied in the same manner as payments under the Credit Agreement.

10. **Fees and Costs.** Grantor shall pay Beneficiary's and Trustee's reasonable costs of searching records, other reasonable expenses as allowed by law, and reasonable attorney's fees, in any lawsuit or other proceeding to foreclose this Deed of Trust; in any lawsuit or proceeding which Beneficiary or Trustee prosecutes or defends to protect the lien of this Deed of Trust; and in any other action taken by Beneficiary to collect the Debt and, any action taken in bankruptcy proceedings as well as any appellate proceedings.

11. **Release.** Beneficiary will request that Trustee release this Deed of Trust when all sums secured by this Deed of Trust have been paid, all other obligations secured by this Deed of Trust have been satisfied, and Beneficiary has no further obligation to make any future advances to Grantor. Grantor specifically requests that Beneficiary not request Trustee to release this Deed of Trust, notwithstanding the payment by Grantor of all sums then owed to Beneficiary, at any time prior to the termination of Grantor's right to obtain further advances under the terms of the Credit Agreement, unless Grantor specifically requests Beneficiary to release this Deed of Trust in writing at the time the Debt secured by this Deed of Trust is paid in full. Beneficiary shall have no obligation to make any loan advances under the terms of the Credit Agreement after Beneficiary requests the Trustee to release this Deed of Trust. At the time Beneficiary requests Trustee to release this Deed of Trust, Beneficiary shall produce for the Trustee, duly cancelled, the Credit Agreement evidencing the Debt secured by this Deed of Trust. Trustee shall release this Deed of Trust without further inquiry or liability. Grantor shall pay any recording costs and the statutory Trustee's fees. If the Credit Line is cancelled or terminated, subject to applicable law, Beneficiary may delay the release of this Security Instrument for a reasonable period of time to post to the Credit Line Account any advances that Grantor has received.

12. **Waiver of Homestead Exemption.** Grantor hereby waives and releases all rights Grantor has in the Property as a homestead exemption, or other exemption, now or hereafter provided under any State or federal law.

13. **Notices.** Unless applicable law requires the use of another method, any notice to Grantor under the terms of this Deed of Trust shall be given by delivering it or by mailing it by first class mail, postage prepaid, addressed to Grantor at the Property address or any other address Grantor designates by notice to Beneficiary. Any notice to Beneficiary must be given to Beneficiary by first class mail, postage prepaid, addressed to Beneficiary at Beneficiary's address shown on the first page of this Deed of Trust, or any other address Beneficiary designates by notice to Grantor.

14. **Savings Clause.** If a law, which applies to this Deed of Trust or the Credit Agreement and which sets maximum loan charges, is finally interpreted by a court having jurisdiction so that the interest or other loan charges collected or to be collected in connection with this Deed of Trust or the Credit Agreement exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (ii) any sums already

collected from Grantor which exceeded permitted limits will be refunded to Grantor. Beneficiary may choose to make this refund by reducing the principal owed or by making a direct payment. If a refund reduces the principal, the reduction will be treated as a partial prepayment.

15. **Miscellaneous.** This Deed of Trust shall benefit and obligate the heirs, devisees, legatees, administrators, executors, successors, and assigns of the parties hereto. The term "Beneficiary" shall mean the holder and owner of the Credit Agreement secured by this Deed of Trust, whether or not that person is named as Beneficiary herein. The words used in this Deed of Trust referring to one person shall be read to refer to more than one person if two or more have signed this Deed of Trust or become responsible for doing the things this Deed of Trust requires. This Deed of Trust shall be governed by and construed in accordance with federal law and, to the extent federal law does not apply, the laws of the state of Colorado. If any provision of this Deed of Trust is determined to be invalid under law, the remaining provisions of this Deed of Trust shall nonetheless remain in full force and effect.

16. **Beneficiary and Similar Statements.** Beneficiary may collect a fee in the maximum amount allowed by law for furnishing any beneficiary statement, payoff demand statement or similar statement.

17. **Riders.** If one or more riders are executed by Grantor and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

Condominium Rider

Other: _____
(specify)


Planned Unit Development Rider

0749909735

By signing below, Grantor accepts and agrees to the provisions of this Deed of Trust and any rider(s) executed by Grantor concurrently and recorded therewith.

DATED AT EL PASO, COLORADO this 14th day of FEB, 2007.

GRANTOR(S):


GEORGE R VAHSHOLTZ


TERESA K VAHSHOLTZ

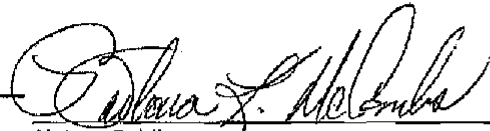
0749909735

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

The above Deed of Trust was acknowledged before me on 2-14-07, by
GEORGE R VAHSHOLTZ and
TERESA K VAHSHOLTZ and
____ and
____ and
____ and
____ and
____ and

WITNESS my hand and official seal.

My commission expires: 01.08.09



Notary Public

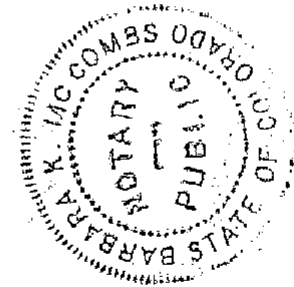


EXHIBIT "A"
ATTACHMENT TO SECURITY INSTRUMENT

THE FOLLOWING DESCRIBED PROPERTY LOCATED IN THE COUNTY OF EL PASO, STATE OF COLORADO, DESCRIBED AS FOLLOWS:
A PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 26 IN TOWNSHIP 13 SOUTH, RANGE 68 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 26, A DISTANCE OF 387.0 FEET EAST OF THE SOUTHWEST CORNER THEREOF; THENCE NORTH 00 DEGREES 26 MINUTES EAST, 314.46 FEET, THENCE NORTH 22 DEGREES 00 MINUTES WEST, 81.50 FEET; THENCE NORTH 18 DEGREES 02 MINUTES EAST, 498.67 FEET TO THE SOUTHERLY RIGHT OF WAY OF COLORADO STATE HIGHWAY NO. 24, AS CONVEYED TO DEPARTMENT OF HIGHWAYS, STATE OF COLORADO BY DEED RECORDED IN BOOK 2036 AT PAGE 712, THENCE SOUTHEASTERLY ON SAID SOUTHERLY RIGHT OF WAY LINE TO INTERSECT THE EASTERLY LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE SOUTH ON SAID EAST LINE TO THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, THENCE WEST ON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, 882.0 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.