

1 SECOND DEED OF TRUST AND SECURITY AGREEMENT

2
3 THIS SECOND DEED OF TRUST AND SECURITY AGREEMENT, made
4 this 26 day of FEBRUARY, 1975, between VELDON K. SAGE and
5 KATHY R. SAGE, husband and wife, of P.O. Box 462, Minden, Nevada
6 89423, First Party, Trustors, and RONALD T. BANTA, Lyon County
7 Courthouse, Yerington, Nevada, Second Party, Trustee, and FRANK
8 M. BUELL and BETTY SUE BUELL, husband and wife, of Route 2,
9 Box 90, Gardnerville, Nevada 89410, Third Party, Beneficiaries.

10
11 W I T N E S S E T H :

12 WHEREAS, the said First Party is indebted to Third
13 Party in the sum of THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS
14 (\$3,750.00), lawful money of the United States of America,
15 and has agreed to pay the same with interest thereon in like
16 lawful money, according to the terms of that certain promissory
17 note dated the 27 day of FEBRUARY, 1975, executed
18 and delivered therefor by said First Party to said Third Party,

19 NOW, THEREFORE, THIS INDENTURE WITNESSETH: That
20 First Party in consideration of the foregoing and for the purpose
21 of securing all the covenants and conditions of said promissory
22 note and of this deed of trust and security agreement, and
23 in further consideration of the sum of ONE DOLLAR (\$1.00),
24 legal tender to First Party in hand paid by the said Third
25 Party, the receipt of which is hereby acknowledged, has granted,
26 bargained, sold, conveyed and confirmed, and by these presents
27 does hereby grant, bargain, sell, convey and confirm unto the
28 said Second Party, his successors and assigns, as follows,
29 to-wit:

30 (a) The following described collateral to

1 Trustee, in trust, with power of sale, to have
2 and to hold the same unto Trustee and his
3 successors in interest upon the trust covenants
4 and agreements herein expressed; and

5 (b) A security interest in the following
6 described collateral to Beneficiaries, pursuant
7 to the Nevada Uniform Commerical Code Secured
8 Transactions:

9 DESCRIPTION OF COLLATERAL

10 REAL PROPERTY:

11 Lot 19 in Block "O", as said lot and block
12 are shown on the map of GARDNERVILLE RANCHOS
13 UNIT NO. 4, filed in the office of the County
14 Recorder of Douglas County, State of Nevada,
15 on April 10, 1967.

16 PERSONAL PROPERTY:

17 (1) 1964 Chevrolet pickup with identification
18 number 4C144H165727

19 (1) 1964 Ford automobile with identification
20 number 4R02Y145706

21 All tools and equipment presently used in
22 connection with that certain business located
23 at 1418A Industrial Way, Gardnerville, Nevada,
24 and known as L & S Automotive

25 TO HAVE AND TO HOLD the said premises, with all the
26 tenements, hereditaments and appurtenances thereunto belonging,
27 unto the said Second Party, and to his successors and assigns,
28 upon the trusts herein expressed, that is to say:

29 1. To permit the said First Party, and the heirs
30 and assigns, to possess and enjoy the said described premises,
and to receive the issues and profits thereof until default
be made in the payment of any manner of indebtedness hereby
secured or in the performance of any of the covenants herein
provided; and upon the full payment of said note and of any
extensions or renewals thereof, and the interest thereon, and
all moneys advanced or expended, as herein provided, and all
other proper costs, charges, commissions, half-commissions
and expenses, to release and reconvey in fee unto and at the

1 cost of the said First Party, the heirs and assigns, the said
2 described land and premises.

3 2. That the First Party will pay all ground rents,
4 taxes, assessments, water rates, insurance and other governmental
5 or municipal charges, fines or impositions, for which provision
6 has not been made hereinbefore, and in default thereof the
7 Third Party may pay the same, and the First Party will promptly
8 deliver the official receipts therefor to the Third Party.

9 3. That the First Party will keep the said premises
10 in as good order and condition as they now are, and will not
11 commit or permit any waste of the said premises, reasonable
12 wear and tear excepted.

13 4. That if the premises, or any part thereof, be
14 condemned under any power of eminent domain, or acquired for
15 a public use, the damages, proceeds and the consideration for
16 such acquisition to the extent of the full amount of indebtedness
17 upon this deed of trust and the note secured hereby remaining
18 unpaid, are hereby assigned by the First Party to the Third
19 Party to be applied by Third Party on account of such indebtedness.

20 5. That the First Party hereby assigns to the Second
21 Party any and all rents of the above-described premises and
22 hereby authorizes Second Party, without waiving or affecting
23 Second Party's right to foreclose or any other right hereunder,
24 to take possession of the premises at any time after there
25 is a default in the payment of the debt or in the performance
26 of any of the obligations herein contained, and to rent the
27 premises for the account of the First Party.

28 6. That notice of the exercise of any option granted
29 herein, or in the note secured hereby, by Third Party is not
30 required to be given, the First Party hereby waiving any such
notice.

1 7. That the First Party hereby agrees that in the
2 event of default in the payment of any installment of principal
3 or interest for a period of thirty (30) days after said payment
4 becomes due and payable, the Third Party may notify Second
5 Party to institute foreclosure proceedings on behalf of Third
6 Party.

7 8. Beneficiary may, in the sole discretion of
8 Beneficiary, appoint Trustee as the agent of Beneficiary for the
9 purpose of disposition of the personal property in accordance
10 with the Nevada Uniform Commercial Code--Secured Transactions.
11

12 9. If Beneficiary should elect to proceed as to both
13 the real and personal property collateral in accordance with
14 Beneficiary's rights and remedies in respect to real property:

15 (a) All the real property and all the personal
16 property may be sold, in the manner and at the time and place
17 provided in paragraph 12 of this Deed of Trust, in one lot, or
18 in separate lots consisting of any combination or combinations of
19 real and personal property, as the Beneficiary may elect, in the
20 sole discretion of Beneficiary.

21 (b) Trustor acknowledges and agrees that a disposition
22 of the personal property collateral in accordance with Benefici-
23 ary's rights and remedies in respect to real property, as
24 hereinabove provided, is a commercially reasonable disposition of
25 the collateral.

26 10. If Beneficiary should elect to proceed as to the
27 personal property collateral in accordance with Beneficiary's
28 rights and remedies in respect to personal property, Beneficiary
29 shall have all the rights and remedies conferred on a secured
30 party by NRS 104.9501 to NRS 104.9507, both inclusive.

1 11. This deed of trust shall be security for payment
2 in lawful money of the United States of any and all additional
3 or future advance of loan which may be made by Third Party
4 to First Party, and any and all sums that may hereafter become
5 due and payable from the First Party to the Third Party for
6 any cause whatsoever, and shall also be security for any and
7 all renewals of the debts of the First Party to the Third Party
8 however evidenced.

9 12. The following covenants, Number 1, 3, 4 (rate
10 of interest to be charged shall be 8%), 5, 6, 7 (reasonable),
11 8 and 9 of Nevada Revised Statute 107.030, are hereby adopted
12 and made a part of this deed of trust.

13 13. The benefits of the covenants herein contained
14 shall accure to, and the obligations thereof shall bind, the
15 heirs, representatives, successors and assigns of the parties
16 hereto and the holder hereof. Whenever used, the singular
17 number shall include the plural, the plural the singular, and
18 the use of any gender shall include all other genders, and
19 the term "Third Party" shall include any obligee of the indebted-
20 ness hereby secured or any transferee thereof whether by operation
21 of law or otherwise.

22 IN WITNESS WHEREOF the said First Party, Trustors,
23 have hereunto set their hands the day and year in this instrument
24 first above written.

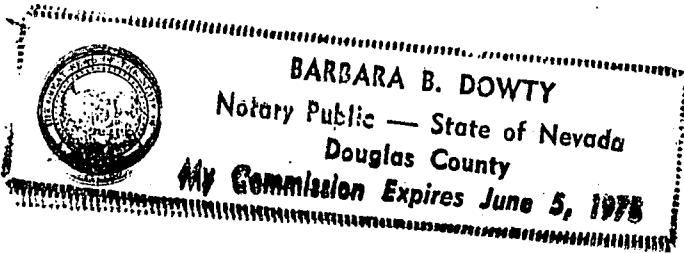
25
26 *Veldon K. Sage*
27 _____
28 VELDON K. SAGE

29 *Kathy R. Sage*
30 _____
30 KATHY R. SAGE

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STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

On this 26th day of February, 1975, before me, a notary public, personally appeared VELDON K. SAGE and KATHY R. SAGE, who acknowledged to me that they executed the foregoing Second Deed of Trust and Security Agreement.



Barbara B. Dowty
Notary Public

COPIES

Recorded at Request of FRANK M. Buell
On MAR 17 1975 At HO Min. Past 2 PM
Official Records of Douglas County, Nevada. Fee \$8.00

Patricia J. Stanley, Recorder. By *Kyline Pelloni* Depute