

WHEN RECORDED RETURN TO:
JOHN G. MANNA and AUDREY G. MANNA
c/o JAMES J. HALLEY, ESQ.
ONE EAST FIRST STREET
RENO, NEVADA 89501

First American Escrow 120577-SPS
Douglas County Title 4635

2

1 DEED OF TRUST AND ASSIGNMENT OF RENTS

2 THIS DEED OF TRUST, made the 10th day of September, 1980
3 by and between ESSEX INVESTMENTS LIMITED, a Nevada corporation,
4 as Trustor, FIRST AMERICAN TITLE COMPANY OF NEVADA, a corporation
5 organized and existing under the laws of the State of Nevada, as
6 Trustee, and JOHN H. G. MANNA and AUDREY / ^{JEAN} MANNA, husband and
7 wife, as joint tenants, with right of survivorship, as Benefi-
8 ciaries,

9 W I T N E S S E T H:

10 That said Trustor hereby grants, conveys, and confirms
11 unto said Trustee, in trust, with power of sale, the following
12 described real property situate in the County of Doug-
13 las, State of Nevada, and more particularly described as
14 follows:

15 Lot 15, Block A, as shown on the Map of Round
16 Hill Village Unit No. 2, filed in the office
17 of the Recorder of Douglas County, State of
18 Nevada, on August 31, 1965, Document No. 29312.
(Commonly known as 277 McFaul Way, Round Hill
Village, Nevada)

19 TOGETHER with the tenements, hereditaments, and appur-
20 tenances thereunto belonging, or appertaining, and the reversion
21 and reversions, remainder and remainders, rents, issues and pro-
22 fits thereof.

23 TO HAVE AND TO HOLD the same unto the said Trustee,
24 and its successors, upon the trust hereinafter expressed, namely:

25 (a) As security for the payment of the sum of ONE
26 HUNDRED FIFTY SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$157,500.00),
27 in lawful money of the United States, with interest thereon in
28 like lawful money of the United States, and with expenses and
29 counsel fees according to the terms of the promissory note for
30 said sum this day executed and delivered by Trustor to the Bene-
31 ficiaries; (b) Any other indebtedness or obligation of the
32 Trustor, and any present or future demands of any kind or nature

1 which the Beneficiaries may have against the Trustor, whether
2 created directly or acquired by assignment; whether absolute
3 or contingent; whether existing at the time of the execution
4 of this instrument, or arising thereafter; also as security
5 for the payment and performance of every obligation,
6 covenant, promise, or agreement herein, or in said note contained.

7 AND THIS INDENTURE FURTHER WITNESSETH:

8 FIRST: To protect the security hereinabove granted,
9 Trustor agrees:

10 (1) To keep said property in good condition and repair,
11 fair wear and tear excepted; not to remove, demolish or substan-
12 tially alter any building thereon, except on the written consent
13 of Beneficiaries, which consent shall not be unreasonably withheld;
14 to pay when due all claims for labor performed and materials fur-
15 nished therefor; to comply with all laws, ordinances, regulations,
16 conditions and restrictions affecting said property, or requiring
17 any alterations or improvements to be made thereon; not to commit
18 or permit any waste thereof; not to commit, suffer or permit any
19 act upon said property in violation of any law, ordinance, regu-
20 lation, condition or restriction.

21 (2) To pay, at least 10 days before default or delin-
22 quency, immediately, and in full, encumbrances, charges and
23 claims, with interest on said property, or any part thereof,
24 which now or hereafter appear to be prior or superior hereto.

25 (3) To provide and constantly maintain insurance
26 against loss or damage by fire or windstorm to the buildings
27 thereon in the sum of no less than the full insurable value of
28 the said buildings, in a fire insurance company competent to do
29 business in the State of Nevada. In the event of any damage by
30 fire or windstorm, the proceeds of the insurance policy forth-
31 coming shall be used first to restore the destruction, but if
32 Trustor elects not to so do, then shall be paid against the
principal and interest owing on the promissory note in connection
with this deed of trust. The amount of any such insurance used
toward payment of the cost of replacing or restoring improvements
shall not be deemed a payment of any indebtedness or obligation
secured hereby, but if released to Beneficiaries in lieu of
replacing or restoring improvements, shall apply against
principal and interest then owing on said promissory note.

The fire or windstorm policy as aforementioned shall be
delivered to Beneficiaries, with premiums thereon paid, and
with loss payable clause satisfactory to Beneficiaries attached
thereto.

(4) Should Trustor fail to pay any of the obligations
or to perform any of the agreements, covenants or conditions here-
in contained, Beneficiaries or Trustee may, without notice to or
demand upon, and without releasing Trustor from any obligation
hereunder, pay any of such obligations or perform or cause to be
fulfilled any of such agreements, covenants or conditions, includ-

1 ing, but not limited to, the following: pay or compromise any
2 taxes, assessments, liens, encumbrances, charges or claims against
3 the property hereby conveyed, or any part thereof; effect any
4 insurance on the buildings or other improvements; cause the title
5 to be searched or obtain title insurance; appear in, defend or
6 settle any action or proceeding purporting to affect the security
7 hereof, or any of the property hereby conveyed, or the rights,
8 powers and duties of Beneficiaries and Trustee. In exercising
9 any of the rights or powers herein granted, Beneficiaries and
Trustee may employ counsel, and incur and pay necessary costs and
expenses, including the cost of any title search or title insur-
ance, and counsel fees, in a reasonable amount. All sums expended,
paid or advanced by Beneficiaries or Trustee, under the provisions
of this Deed of Trust, shall bear interest at the rate of twelve
(12%) per cent per annum, until paid, and shall, with the interest
thereon, be secured by this Deed of Trust.

10 (5) As additional security, Trustor hereby gives to
11 and confers upon Beneficiaries the right, power and authority,
12 during the continuance of this trust, to collect the rents, issues
13 and profits of said property, reserving unto Trustor the right,
14 prior to any default by Trustor in payment of any indebtedness
15 secured hereby or in the performance of any obligation or agreement
16 hereunder, to collect and retain such rents, issues and profits
17 thereof as they become due and payable. Upon any such default,
18 Beneficiaries may at any time without notice, by agent or by a
19 receiver to be appointed by a court, and without regard to the
20 adequacy of any security for the indebtedness secured hereby,
21 enter upon and take possession of said property, or any part
22 thereof, in their own name, sue for or otherwise collect such rents,
23 issues and profits, including those past due and unpaid, and apply
24 the same, less costs and expenses of operation and collection,
25 including reasonable attorney's fees, upon any indebtedness
26 or obligation secured hereby, and in such order as Beneficiaries
27 may determine. The entering upon and taking possession of
28 said property, or any part thereof, the collection of such rents,
29 issues and profits or the application thereof as aforesaid, shall
30 not cure or constitute a waiver of any default or notice of
31 default hereunder, or invalidate any act done pursuant to such
32 notice.

22 SECOND: It is mutually agreed that:

23 (1) Beneficiaries shall be entitled to receive and
24 apply upon the obligations secured hereby such sums as may be
25 paid in any eminent domain proceeding affecting the premises,
26 whether payment of said obligations is due or not, provided,
27 of course, that Beneficiaries shall not be entitled to receive
28 said sums beyond the total amount of the obligations secured by
29 this deed of trust.

27 (2) By accepting payment of any sum secured hereby
28 after its due date, Beneficiaries do not waive their right,
29 either to require prompt payment when due of all other sums
30 so secured or to declare default for failure so to pay.

30 (3) At any time, or from time to time, without
31 liability therefor, and without notice, upon written request
32 of Beneficiaries, and presentation of this Deed of Trust and
said note or notes for endorsement, and without affecting
the personal liability of any person for payment of the indebted-
ness secured hereby, Trustee may: Reconvey any part of said

1 property; consent to the making of any map or plat thereof;
2 join in granting any easement thereon; or join in any extension
3 agreement or any agreement subordinating the lien or charge
4 hereof.

4 (4) Upon written request of Beneficiaries stating that
5 all sums secured hereby have been paid, and upon surrender of this
6 Deed of Trust and said note or notes to Trustee for cancellation
7 and retention, and upon payment of its fees, Trustee shall reconvey
8 without warranty, the property then held hereunder. The grantee
9 in such reconveyance may be described as the "person or persons
10 legally entitled thereto". The recitals in such reconveyance of
11 any matters of fact shall be conclusive proof of the truthfulness
12 thereof.

9 (5) If breach or default be made in the prompt payment
10 when due, or any sum secured hereby, or in the performance of any
11 promise or agreement contained herein, or contained in any convey-
12 ance under which Trustor claims or derives title, then, and at any
13 time thereafter, Beneficiaries may, at their option, declare all
14 sums secured hereby immediately due and payable, without demand or
15 notice; and Beneficiaries or Trustee shall record in the office of
16 the County Recorder of the County wherein said property, or any
17 part thereof, is situated, a notice of such breach or default and
18 election to cause said property to be sold to satisfy the indebted-
19 ness and obligations secured hereby, as provided by the laws of
20 the State of Nevada with reference to deeds of trust.

15 On application of Beneficiaries, and after at least
16 three months shall have elapsed following the recordation of said
17 notice of breach or default, Trustee shall give notice of the
18 time and place of sale in the manner and for a time not less than
19 that required by law for the sale or sales of real property under
20 execution, and without demand on Trustor, shall sell said property
21 at the time and place of sale fixed in said notice of sale, either
22 as a whole or in separate parcels, and in such order as Trustee
23 may determine, at public auction, to the highest bidder for cash
24 in lawful money of the United States, payable at time of sale.
25 Trustee may postpone sale of all or any portion of said property
26 by public announcement at such time and place of sale, and from
27 time to time thereafter may postpone such sale by public
28 announcement at the time fixed by the preceding postponement, and
29 without further notice. Trustee may make such sale at the time to
30 which the same shall be so postponed. Trustee shall deliver to the
31 purchaser its deed conveying the property so sold, but without
32 any covenant or warranty, express or implied. The recitals in any
such deed of any matters or facts stated either specifically or in
general terms, or as conclusions of law or fact, shall be
conclusive against all persons as to all matters or facts therein
recited. Any person, including Trustor, Trustee or Beneficiaries,
may purchase at such sale. Trustor hereby agrees to surrender
immediately, and without demand, possession of said property to
any purchaser at any sale held hereunder. In the conduct of any
such sale, Trustee may act itself, or through any auctioneer,
agent or attorney. In addition to the indebtedness and other
obligations secured hereby, Trustor hereby agrees to pay the
expenses of such sale and of this trust, and compensation of
Trustee in an amount equal to one percent (1%) of the amount
secured hereby and remaining unpaid, and counsel fees in a
reasonable amount, and also such sums, if any, as Trustee or
Beneficiaries shall have paid for procuring an abstract of title
or search of or certificate or report or insurance as to the

1 title to said property, or any part thereof, subsequent to the
2 execution of this instrument, all of which sums shall be secured
3 hereby and become due upon any default hereunder made by Trustor.
4 Trustee shall apply the proceeds of any sale held hereunder to the
5 satisfaction of the sums secured hereby, in such order and to
6 such extent as Beneficiaries, in the exercise of their absolute
7 discretion, may direct. Any surplus in the hands of Trustee after
8 the payment of all sums secured hereby, shall be paid to the
9 person or persons legally entitled thereto on the proof of such
10 right.

11 Beneficiaries, from time to time before Trustee's sale,
12 may rescind any such notice of breach or default and of election
13 to cause to be sold said property by executing and delivering
14 to Trustee a written notice of such rescission, which notice, when
15 recorded, shall also constitute a cancellation of any prior
16 declaration of default and demand for sale. The exercise by
17 Beneficiaries of such right of rescission shall not constitute a
18 waiver of any breach or default then existing or subsequently
19 occurring, or impair the right of Beneficiaries to execute and
20 deliver to Trustee, as above provided, other declaration of
21 default and demands for sale, and notices of default, and of
22 election to cause to be sold such property to satisfy the
23 obligations hereof, nor otherwise affect any provision, covenant
24 or condition of said note or notes or this Deed of Trust, or any
25 of the rights, obligations or remedies of the parties thereunder.

26 (6) Trustee and Beneficiaries, and each of them, shall
27 be entitled to enforce payment of any indebtedness or obligation
28 and performance and observance of any agreement secured hereby,
29 and to exercise all rights and powers under this Deed of Trust,
30 or under any other agreement or any laws now or hereafter in force,
31 notwithstanding that some or all of said indebtedness and obliga-
32 tions secured hereby, are now or shall hereafter be otherwise
secured, whether by mortgage, deed of trust, security agreement,
lien, assignment or otherwise. Neither the acceptance of this
Deed of Trust, nor its enforcement, whether by court action or
pursuant to the power of sale or other powers herein contained,
shall prejudice or in any manner affect Trustee's or Beneficiaries'
right to realize upon or enforce any other security now or here-
after held by Trustee or Beneficiaries, it being agreed that
Trustee and Beneficiaries, and each of them, shall be entitled
to enforce this deed of trust and any other security now or here-
after held by Beneficiaries or Trustee in such order and manner
as they, or either of them, may in their uncontrolled discretion
determine.

25 (7) Beneficiaries are authorized by themselves, their
26 agents or workmen, to enter at any reasonable time upon any part
27 of the property, and the improvements located thereon, for the
28 purpose of inspecting the same, and for the purpose of performing
29 any of the acts they are authorized to perform under the terms of
30 this deed of trust.

31 (8) This Deed of Trust applies to, inures to the bene-
32 fit of, and binds all parties hereto, their heirs, legatees,
devises, administrators, executors, successors and assigns.
The term "beneficiary" shall include not only the original
Beneficiaries hereunder, but also any future owner, holder or
pledgee of the note or notes secured hereby. In this Deed
of Trust, whenever the context so requires, the masculine gender
includes the feminine and neuter, and the singular number

1 includes the plural.

2 (9) Beneficiaries may from time to time by instrument
3 in writing, appoint a successor or successors to, or discharge
4 and appoint a new Trustee in the place of any Trustee named
5 herein or acting hereunder, which instrument shall be executed
6 and acknowledged by Beneficiaries, and recorded in the office of
7 the County Recorder of the County where said property is situated,
8 and such successor or successors or new Trustee shall have all
9 the estate, powers and duties of said predecessor Trustee.

10 (10) No delay or omission by Beneficiaries in the exer-
11 cise of any right or remedy accruing upon any default or in the
12 doing of any of the matters and things by them to be done under
13 the terms and provisions of this Deed of Trust, and said note or
14 notes, shall impair any such right or remedy, nor be construed
15 to be a waiver of any such default or acquiescence therein,
16 nor shall it affect any subsequent default of the same or a
17 different nature and every such right or remedy may be exercised
18 from time to time and as often as it is deemed expedient by
19 Beneficiaries.

20 (11) The rights and remedies of Beneficiaries upon
21 the occurrence of one or more defaults by Trustor, (whether
22 such rights and remedies are conferred by Statute, by rule of
23 law, by this Deed of Trust, or otherwise), may be exercised by
24 Beneficiaries, in the sole discretion of Beneficiaries, either
25 alternatively, concurrently, or consecutively, in any order.
26 The exercise by Beneficiaries, or by Trustee at the express
27 direction of Beneficiaries, of any one or more of such rights
28 and remedies shall not be construed to be an election of
29 remedies, nor a waiver of any other rights and remedies
30 Beneficiaries might have, unless, and limited to the extent
31 that Beneficiaries shall so elect or so waive by an instrument
32 in writing.

33 THIRD: The following covenants are hereby adopted:
34 Nos. 1, 2, 3, 5, 6, 7 and 9 of Nevada Revised Statutes 107.030,
35 when not inconsistent with other covenants and provisions
36 herein contained, are hereby made a part of this Deed of Trust.

37 IN WITNESS WHEREOF, the Trustor has executed these
38 presents by and through its officer duly authorized to do so
39 the day and year first above written:

40 ESSEX INVESTMENTS LIMITED

41 By: 

42 James J. Halley President

