

DEED OF TRUST AND SECURITY AGREEMENT
WITH ASSIGNMENT OF RENTS
(Douglas County)

THIS DEED OF TRUST AND SECURITY AGREEMENT WITH ASSIGNMENT OF RENTS (hereinafter referred to as "this Agreement") is made this 22nd day of August, 1983, by and among MATT ROSS DEVELOPMENT CORPORATION, a California corporation, as trustor and debtor ("Trustor"), SILVER STATE TITLE COMPANY, as Trustee ("Trustee"), and VIRGINIA BEACH FEDERAL SAVINGS AND LOAN ASSOCIATION, as beneficiary and secured party ("Beneficiary"), which has its chief place of business at _____.

W I T N E S S E T H :

1. COLLATERAL. The collateral which is encumbered hereby ("the Collateral") is certain real and personal property situate in Douglas County, Nevada. The Collateral consists of the real property described in Exhibit "A" attached hereto and by this reference made a part hereof ("the Property") together with all tenements, hereditaments, appurtenances, easements, water rights, reversions, remainders, mineral, oil, and gas rights and profits appurtenant thereto, used in connection therewith, or any portion thereof; and the following:

(a) All buildings, structures, improvements, appurtenances, furniture, furnishings, fixtures, equipment, building materials, and other personal property, which have been constructed or brought upon, the Property, or used, or intended to be used in connection therewith, including, but not limited to, equipment, appliances, machinery, engines, boilers, incinerators, apparatus, heating and air-conditioning systems, plumbing fixtures, floor and wall coverings, including all replacements and additions thereto; and

(b) All of the estate and interest, and any claim in law or in equity, which Trustor may hereafter acquire in the Collateral; and

(c) The rents, royalties, issues, profits and income of the Collateral, and all rights of Trustor under all present and future leases affecting the Collateral; and

(d) All proceeds and claims arising on account of any damage to, or taking of, the Collateral, or any part thereof, and all claims for relief and recoveries for any loss or diminution in value of the Collateral; and

(e) All of Trustor's general intangibles relating to the development or use of the Collateral, including, but not limited to, all governmental approvals and permits relating to construction of improvements on the Property; and

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Hale, Lane, Peck, Dennison and Howard
Attorneys and Counsellors at Law
Reno, Nevada

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(f) All construction contracts, subcontracts, plans and specifications, architectural drawings, models, and renderings of every kind, relating to the Collateral, which are hereby assigned to Beneficiary by Trustor.

That portion of the Collateral which is real property is herein sometimes referred to as "the Real Property Collateral" and that portion of the Collateral which is personal property is herein sometimes referred to as "the Personal Property Collateral".

2. CREATION OF SECURITY INTEREST IN THE COLLATERAL. Pursuant to Chapter 107 of the Nevada Revised Statutes and Article 9 of Chapter 104 of the Nevada Revised Statutes, Trustor grants to Trustee, in trust, with power of sale, the Collateral for the purpose of securing the obligations described in Paragraph 3 hereinbelow.

3. OBLIGATIONS SECURED. The security interest in the Collateral hereby granted is for the purpose of securing the following described obligations:

(a) Payment of Trustor's indebtedness and performance of Trustor's obligations under a promissory note of even date herewith, in the principal amount of ONE MILLION NINE HUNDRED SEVENTY-SIX THOUSAND AND NO/100THS DOLLARS (\$1,976,000.00), with interest thereon according to the terms thereof, which is made by Trustor payable to Beneficiary, or order, ("the Note"), and any and all extensions, modifications or renewals thereof;

(b) Performance of each and every obligation contained in the Loan Agreement of even date herewith ("the Loan Agreement") wherein Trustor is borrower and Beneficiary is lender, which loan is evidenced by the Note, and the performance of each and every obligation contained in the other loan documents executed in connection with the Loan Agreement;

(c) Performance of each agreement of Trustor incorporated herein by reference or contained herein;

(d) Payment of such additional sums and interest thereon which may be hereafter loaned by Beneficiary to Trustor, its successors or assigns, when such additional sums loaned to Trustor are evidenced by a promissory note or notes reciting that they are secured by this Agreement;

(e) Payment of the expenses and costs incurred or paid by Beneficiary in the preservation, enforcement and realization of the rights of Beneficiary hereunder or under any of the other obligations secured hereby including, but not limited to, attorney's fees, court costs, other litigation expenses and foreclosure expenses;

(f) Payment of the expenses and costs incurred or paid by Beneficiary to preserve, maintain, and rehabilitate the Collateral;

(g) Payment of the expenses and costs incurred or paid by Beneficiary in performing the duties of Trustor pursuant to the obligations secured hereby or under this Agreement for the account of Trustor;

(h) The performance of each and every obligation of Trustor as lessor under any and all leases executed in connection with the Collateral.

4. CLASSIFICATION OF PERSONAL PROPERTY COLLATERAL. Trustor acknowledges that at the time the security interest created hereby

attaches, the Personal Property Collateral consists of inventory, fixtures, equipment, and general intangibles.

5. DEFINITION OF DEFAULT. The occurrence of any of the following shall be a default under this Agreement by Trustor:

(a) Failure of Trustor to pay when due any obligation secured hereby;

(b) Failure of Trustor to perform any other obligation secured hereby or contained herein when the same should be performed;

(c) Breach by Trustor of any warranty, covenant or representation contained herein or in the Loan Agreement;

(d) Filing of a petition by or against Trustor under any State or Federal law relating to the relief of debtors;

(e) Attachment or levy on any property of Trustor;*

(f) Any significant or material or substantial adverse change in the financial condition of Trustor;

~~(g) The Collateral becomes, in the opinion of Beneficiary, inadequate or unenforceable;~~

(h) The dissolution, insolvency or cessation of business by Trustor, or by any surety or guarantor of any obligation of Trustor to Beneficiary; or

(i) Removal of any portion of the Collateral from the State of Nevada without the written consent of Beneficiary having been first obtained.

6. ACCELERATION. Upon the occurrence of a default hereunder, Beneficiary may, at its option, declare immediately due and payable all obligations of Trustor to Beneficiary secured by the Collateral, and the same shall thereupon become immediately due and payable without notice to, or demand on, Trustor, except as otherwise required by law.

7. PROTECTION AND PRESERVATION OF SECURITY. For the protection and preservation of the Collateral, Trustor and Beneficiary agree to be further bound by the covenants and conditions set forth in Exhibit "B" attached hereto and by this reference made a part hereof. Furthermore, Trustor agrees to execute any and all UCC-1 Financing Statements required by Beneficiary in connection herewith. In the event of any inconsistency between the terms and provisions hereof and the Loan Agreement, the terms and provisions of the Loan Agreement shall govern.

8. BENEFICIARY STATEMENT. Beneficiary may charge for a statement regarding the unpaid indebtedness secured hereby, provided the charge therefor is in a reasonable amount.

9. REMEDIES. The rights, powers and remedies given to Beneficiary by this Agreement shall be in addition to all rights, powers and remedies given to Beneficiary by virtue of any statute or rule of law. Any forbearance or failure or delay by Beneficiary in exercising any right, power or remedy hereunder shall not be deemed to be a waiver of any other right, power or remedy, nor as a continuing waiver.

Beneficiary shall have the option of exercising any and all remedies it may possess under NRS Chapters 107 and 104 or any other

remedy it may possess in law or equity and may exercise such remedies concurrently, consecutively in any order, or alternatively, and at its sole discretion. Without in any way limiting the generality of the foregoing, upon the occurrence of a default by Trustor, Beneficiary may proceed under Article 9 of Chapter 104 of the Nevada Revised Statutes as to the Personal Property Collateral, and under Chapter 107 of the Nevada Revised Statutes as to both the Real Property Collateral and Personal Property Collateral in accordance with Beneficiary's rights and remedies with respect to the Real Property Collateral, in which case, the provisions of Article 9 of Chapter 104 of the Nevada Revised Statutes do not apply.

Trustor hereby acknowledges that the sale of the Collateral by Trustee after default of Trustor pursuant to the provisions of this Agreement and Chapter 107 of the Nevada Revised Statutes (as the same may be amended from time to time) or pursuant to a court order rendered in a judicial foreclosure proceeding, shall be deemed to constitute a "commercially reasonable" sale within the meaning of Article 9 of Chapter 104 of the Nevada Revised Statutes, as to the Personal Property Collateral.

Notwithstanding any provision to the contrary set forth herein, Beneficiary may, at its sole discretion, choose such other means for sale of the Personal Property Collateral, or a portion or portions thereof, which Beneficiary deems to be reasonable, so long as such sale complies with the provisions of Article 9 of Chapter 104 of the Nevada Revised Statutes. In such event Beneficiary shall, in its sole discretion, determine which of the Collateral is personal property and therefore subject to the provisions of such Article 9.

In the event of default, Beneficiary may require Trustor to assemble the collateral and make it available to Beneficiary at a place to be designated by Beneficiary which is reasonably convenient to both parties.

10. PURCHASE MONEY. Trustor acknowledges that the proceeds of said obligations secured hereby are to be used to enable Trustor to acquire rights in, or the use of, a portion of the Collateral.

11. REQUEST FOR NOTICE OF DEFAULT. The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to it at Trustor's chief place of business at 700 Larkspur Landing Circle, Suite 263, Larkspur, California 94939.

12. DUE-ON-SALE. In the event that Trustor, or any successor in interest to Trustor in the real property hereby encumbered shall sell, transfer or convey, or contract to sell, transfer or convey, such real property, or any portion thereof, or any interest therein, at the option of Beneficiary, the obligation secured by this Deed of Trust shall forthwith become due and payable although the time of maturity as expressed therein shall not have arrived. Consent to one such transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions.

13. RELEASES. Provided that an unrescinded notice of default and election to sell has not been recorded and mailed to Trustor, then Trustee shall, without further authorization, grant a partial reconveyance from the lien of the Deed of Trust for a portion of the Property consisting of a condominium encumbered hereby, provided:

(a) Until such time as the principal amount of the Loan, together with accrued interest thereon at the Bank of America, N.A., prime rate, is paid in full, Beneficiary shall release a condominium

unit from the lien of the Deed of Trust upon sale of such unit and payment to Beneficiary of 100% of the net sales price of such condominium unit. The term "net sales price" shall be the sales price of such condominium unit less reasonable and necessary broker's commissions and closing costs and a supervision fee of \$2,000.00 per unit released.

(b) After payment to Beneficiary of the principal amount of the Loan, together with accrued interest thereon at the Bank of America, N.A., prime rate as provided above, Beneficiary shall release such condominium units from the lien of the Deed of Trust upon the request of Trustor without payment to Beneficiary until such time as Trustor has realized the sum of \$200,000.00, less any sums received as a supervision fee under paragraph 13 (a) above, from the net sales price of the next condominium unit or units sold. It is the intent of the parties that the total amount to be received by Trustor under paragraphs 13(a) and (b) is \$200,000.00.

(c) After Trustor realizes the sum of \$200,000.00 as provided above, then until such time as Beneficiary is paid additional interest in the sum of \$150,000.00, Beneficiary shall release a condominium unit or units from the lien of the Deed of Trust upon sale of such unit or units and payment to Beneficiary of 100% of the net sales price of such unit or units.

(d) Thereafter, Beneficiary shall release a condominium unit from the lien of the Deed of Trust upon sale of such unit and payment to Beneficiary of additional interest in a sum equal to 50% of the net sales price of such unit.

MATT ROSS DEVELOPMENT CORPORATION,
a California corporation

By: *Michael E. Oettinger*
MICHAEL E. OETTINGER

"TRUSTOR"

VIRGINIA BEACH FEDERAL SAVINGS AND
LOAN ASSOCIATION

By: *William L. Owens*
WILLIAM L. OWENS

"BENEFICIARY"

STATE OF VIRGINIA)
City of NORFOLK) : ss.

On August 22, 1983, personally appeared before me, a Notary Public, MICHAEL E. OETTINGER, PRESIDENT, who acknowledged that he executed the foregoing instrument on behalf of Matt Ross Development Corporation.

[Signature]
Notary Public

SEAL

Hale, Lane, Beck, Dennison and Howard
Attorneys and Counsellors at Law
Reno, Nevada

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STATE OF Virginia)
City of Norfolk) : ss.

On August 22, 1983, personally appeared before me,
a Notary Public, William L. Owens, Pres. P&F
who acknowledged that he executed the foregoing instrument on
behalf of Virginia Beach Federal Savings and Loan Association.

~~Notary Public~~

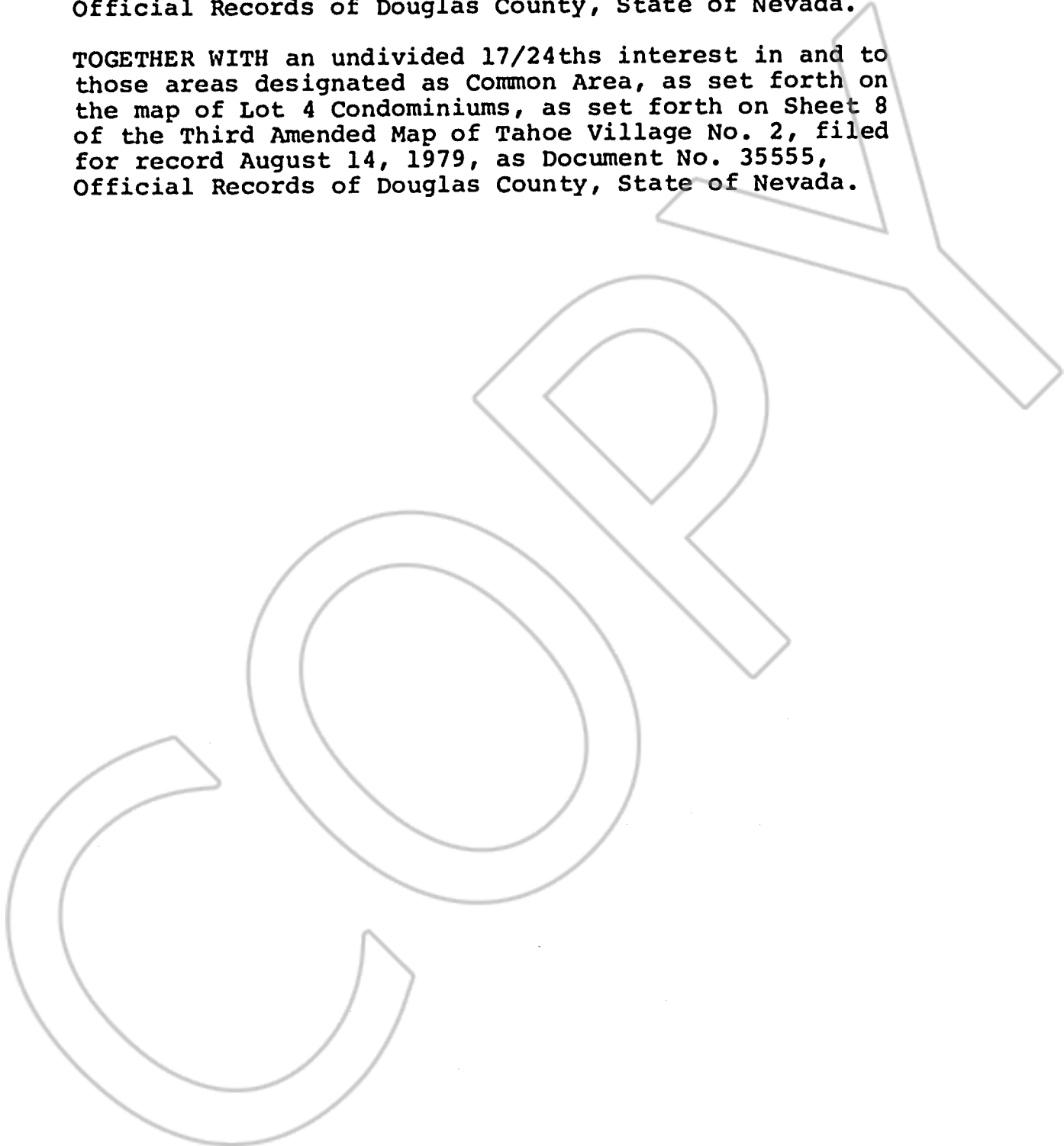
SEAL

EXHIBIT "A"

All that certain real property situate in the County of Douglas, State of Nevada, described as follows:

Units 1, 2, 4, 5, 6, 7, 8, 9, 10, 12, 13, 15, 17, 19, 20, 21 and 23 of Lot 4 Condominiums, as set forth on Sheet 8 of Third Amended Map of Tahoe Village No. 2, filed for record August 14, 1979, as Document No. 35555, Official Records of Douglas County, State of Nevada.

TOGETHER WITH an undivided 17/24ths interest in and to those areas designated as Common Area, as set forth on the map of Lot 4 Condominiums, as set forth on Sheet 8 of the Third Amended Map of Tahoe Village No. 2, filed for record August 14, 1979, as Document No. 35555, Official Records of Douglas County, State of Nevada.



TRUSTOR AGREES:

(1) To keep and preserve in good condition and repair, not to remove or demolish any buildings thereon, to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor, and if the loan secured hereby or any part thereof is being obtained for the purpose of construction of improvements on said property, Trustor also agrees, anything in the Deed to the contrary notwithstanding (a) to complete same in accordance with plans and specifications satisfactory to Beneficiary, (b) to allow Beneficiary to inspect said property at all times during construction, (c) to replace any work or materials unsatisfactory to Beneficiary, within fifteen (15) calendar days after written notice from Beneficiary of such fact, which notice may be given to the Trustor by certified mail, sent to his last known address, or by personal service of the same, (d) that work shall not cease on the construction of such improvements for any reason whatsoever for a period of fifteen calendar days, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereon, not to commit, suffer or permit any act upon said property in violation of law, to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general. The Trustee, upon presentation to it of an affidavit signed by Beneficiary, setting forth facts showing a default by Trustor under this paragraph, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

(2) To provide and maintain in force at all times, fire and other types of insurance as may be required, each in an amount satisfactory to, and with Loss Payable to said Beneficiary. Said insurance policies shall be in form and content, and for such term, and in such corporations as may be satisfactory to the Beneficiary, and shall be delivered to and remain in possession of Beneficiary as further security for the faithful performance of these trusts.

At least sixty (60) days prior to the expiration of any said insurance policy, a policy or policies renewing or extending said expiring insurance shall be delivered to said Beneficiary together with a receipt showing payment of the premium therefor. By executing this Deed of Trust the Trustor specifically requests the Beneficiary to obtain and maintain in force in the event any said insurance policy and a receipt for payment of the premium therefor be not so delivered to said Beneficiary by the Trustor, but Beneficiary shall be under no obligation to do so, and the obtaining of any such insurance and the payment of the premium therefor by Beneficiary shall not release Trustor from any obligation hereof. Neither Trustee nor Beneficiary shall be responsible for such insurance or for the collection of any insurance moneys, or for any insolvency of any insurer or insurance underwriter. Any and all unexpired insurance shall inure to the benefit of, and pass to the purchaser of, the property conveyed hereby at the Trustee's sale held hereunder.

The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(3) Should Trustor sell, convey, transfer, dispose of or further encumber said property, or any part thereof, or any interest therein, or agree so to do, without consent of Beneficiary being first obtained, then Beneficiary shall have the right at its option to declare all sums secured hereby forthwith due and payable. Consent to one such transaction shall not be deemed to be a waiver of the right to require such consent to future or successive transactions. If this Deed of Trust or any Note secured hereby contains any provision conferring on Beneficiary the right to demand any penalty, fee or sum of money for prepayment of any indebtedness secured hereby, Trustor agrees to pay the maximum amount of such penalty, fee or sum of money which Beneficiary would have been entitled to demand pursuant to such provision. If any of said indebtedness shall be paid prior to the due date thereof stated in said Note or this Deed, even if notwithstanding Trustor shall have defaulted in payment thereof, or in performance of any agreement hereunder, said Beneficiary, by reason thereof, shall have declared all sums secured hereby immediately due and payable.

Beneficiary may charge Trustor a reasonable fee, but not exceeding such amount as may from time to time be authorized by law, for furnishing any statement or notice relating to this Deed of Trust or the indebtedness hereby secured, including, but not limited to, notice showing the information specified in Chapter 107, Nevada Revised Statutes, 107.090 and 107.090. Beneficiary may also charge Trustor a reasonable fee for any other service rendered Trustor or on his behalf, connected with this Deed, or the loan secured hereby, including without limiting the generality of the foregoing, the delivery to an escrow holder of a request for full or partial reconveyance of this Deed, transmitting to an escrow holder moneys secured hereby; changing its records pertaining to this Deed and the loan secured hereby to show a new owner of said property, replacing an existing policy of fire insurance or other casualty insurance, held by Beneficiary hereunder, with another such policy. Any such charge shall be secured hereby and Trustor agrees to pay the same together with interest from the date of such charge at the rate specified in said note immediately and without demand.

(4) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and in such order as Beneficiary may determine, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding, and in any action or proceeding whatsoever affecting the security hereof, including, but not limited to any condemnation proceeding in which Beneficiary or Trustee may appear or be named and any suit brought by Beneficiary to foreclose this Deed of Trust.

(5) To pay, at least ten (10) days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all incumbrances, charges and liens, with interest on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

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

(6) To pay immediately and without demand all sums so expended by Beneficiary or Trustee with interest from date of expenditure at the rate specified in said note.

(7) To insure the payment of taxes and assessments, which are now or hereafter may be a lien upon the property described at least ten (10) days before the delinquency thereof as provided for in paragraph (5) hereinabove, and to pay such premiums upon policies of insurance which may be required by the Beneficiary as provided for in paragraph (2) hereinabove, the Trustor agrees to pay the Beneficiary, in addition to any other payments required hereunder, an installment of the taxes and special assessments levied or to be levied against the hereinabove described premises and an installment of the premium or premiums that will become due and payable to renew the insurance on the premises covered hereby and required by the Beneficiary, Trustor agreeing to deliver promptly to Beneficiary all bills and notices therefor. Such installments shall be equal to the estimated premium or premiums for such insurance and taxes and assessments next due (as estimated by Beneficiary) less all installments already paid therefor, divided by the number of months that are to elapse before one month prior to the date such premium or premiums and taxes and assessments will become delinquent. If the amounts paid to the Beneficiary under the provisions of this paragraph are insufficient to discharge the obligation of the Trustor to pay such premium or premiums, taxes and assessments as the same become due, Trustor shall pay to Beneficiary upon its demand such additional sums as it may require to discharge Trustor's obligation to pay premium or premiums, taxes and assessments. At the option of the Beneficiary, all moneys paid to Beneficiary under the terms of this paragraph shall be held by Beneficiary in trust to pay such premium or premiums, taxes and assessments before the same become delinquent, or may be credited directly to interest and principal due under the terms of the note secured hereby and upon payment by the Beneficiary of taxes, assessments and insurance premiums, the amount to paid shall be charged to the principal due upon the note secured hereby. If the Trustor shall fail to pay the installments provided for in this paragraph, such failure shall constitute a default under this Deed of Trust.

(8) In the event of default in the payment of any of the moneys to be paid under the terms of the Note secured hereby or this Deed of Trust or in the performance of any of the covenants and obligations of this Deed of Trust then any funds in the possession of the Beneficiary under the provisions of paragraph (7) may at the option of the Beneficiary be applied to the payment of principal and/or interest upon the obligation secured hereby in lieu of being applied to any of the purposes for which the fund established under paragraph (7) is established.

(9) Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

(10) By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure to pay.

(11) At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said Note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property, consent to the making of any map or plat thereof, join in granting any easement or join in any extension agreement or any agreement subordinating the lien or charge hereof.

(12) Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of the original of this Deed and said Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto". Five years after issuance of such full reconveyance, Trustee may destroy said Note and this Deed (unless directed in such request to retain them). Such request and reconveyance shall operate as a re-assignment of the rents, issues and profits hereinafter assigned to Beneficiary.

(13) As additional security, Trustor hereby gives to and confers upon the Beneficiary the right, power, and authority, during the continuance of these trusts, to collect the rents, issues, profits, royalties and payments of said property, or arising or accruing by reason of any oil, gas, or mineral lease thereof, and all installments of money payable pursuant to any agreement for the sale of said property or any part thereof, reserving unto Trustor the right prior to default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues, profits, royalties, payments and installments of money, as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter and take possession of said property or any part thereof, in his own name, use for or otherwise collect such rents, issues, profits, royalties, payments and installments of money, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as Beneficiary may determine. If Beneficiary should take possession of said property, Beneficiary may rent or lease any or all of said property upon such terms as may be reasonable under all the circumstances. The entering upon and taking possession of said property, the collection of such rents, issues, profits, royalties, payments and installments of money, and the application thereof as aforesaid, shall not cure nor waive any default or Notice of Default hereunder nor invalidate any act done pursuant to such notice. Failure or discontinuance of Beneficiary at any time or from time to time to collect any such moneys shall not in any manner impair the subsequent enforcement by Beneficiary of the right, power and authority herein conferred upon it. Nothing contained herein, nor the exercise of any right, power or authority herein granted to Beneficiary, shall be, or be construed to be, an affirmation by it of any tenancy, lease or option, nor an assumption of liability under, nor a subordination of the lien or charge this Deed to, and such tenancy lease or option.

(14) If breach or default be made in the prompt payment, when due, of any sum secured hereby, or in the performance of any promise contained herein, or contained in any conveyance under which said Trustor claims or derives title, then and at any time thereafter the Beneficiary hereunder may declare all sums secured hereby immediately due and payable, without demand or notice, and the Beneficiary or Trustee shall record in the office of the County Recorder of the county or counties herein said property or any part thereof is situated, a notice of such breach or default and election to cause the said property to be sold to satisfy the indebtedness and obligations secured hereby, as provided by the laws of the State of Nevada with reference to the foreclosure of deeds of trust.

On application of the Beneficiary, and after at least three (3) months shall have elapsed following the recording of said notice of breach or default, the Trustor shall give notice of the time and place of sale in the manner and for a time not less than that required by law for the sale of real property under execution, and without demand on separate parcels, and in such order as it may determine, at public auction, to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustor may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement, and without further notice it may make such sale at the time to which the same shall be so postponed. Trustor shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recital 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 proof of the truthfulness thereof, and such deed shall be conclusive against all persons as to all matters or facts therein recited. Any persons, including Trustor, Trustee or Beneficiary, 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 the Trustee may act itself, or through any auctioneer, agent or attorney. In addition to the indebtedness and other obligations secured hereby, the Trustor hereby agrees to pay the expenses of such sale and of this trust, and compensation of the Trustee in an amount equal to one per cent (1%) of the amount secured hereby and remaining unpaid, but in no event less than Twenty-five Dollars (\$25.00), and counsel fees in an amount equal to six per cent (6%) of the amount remaining unpaid and secured hereby, but in no event less than One Hundred Dollars (\$100.00), and also such sums, if any, as Trustor or Beneficiary shall have paid for procuring an abstract of title of warranty or certificate of report as to the title to said premises or any part thereof subsequent to the execution of this instrument, all of which sums shall be secured hereby and become due upon any default hereunder made by the Trustor. The Trustee shall apply the proceeds of any sale held hereunder to the satisfaction of the sums secured hereby and become due upon any default hereunder made by the Trustor. The Trustee shall apply the proceeds of any sale held hereunder to the satisfaction of the sums secured hereby, in such order and to such extent as the Beneficiary, in the exercise of its absolute discretion, may direct. Any surplus in the hands of the Trustee after the payment of all sums secured hereby, shall be paid to the person or persons legally entitled thereto on the proof of such right. Trustor agrees to pay forthwith to Beneficiary or other person or persons entitled thereto any deficiency remaining after the application of the proceeds of sale to the payment of all sums secured hereby.

(15) Beneficiary may, from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein and acting hereunder, which instrument, executed and acknowledged by Beneficiary and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance, from the Trustor predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded, and the name and address of the new Trustee. If notice of default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereon upon such instrument of substitution. The procedure herein provided for substitution of Trustees shall be exclusive of all other provisions for substitutions, statutory or otherwise.

(16) This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Beneficiary" shall mean the owner and holder, including pledgees of the Note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter and the singular number includes the plural.

(17) Trustor accepts this Trust under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be party, unless brought by Trustor.

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.

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COPY

REQUESTED BY
SILVER STATE TITLE CO.
THE OFFICIAL RECORDS OF
CLARK COUNTY, NEVADA
\$13.00 per
1983 NOV 14 PM 3:54

SUZANNE BEAUDREAU
RECORDER

Suzanne Beaudreau
dep.

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