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Recording Requested By:

For Recorder's Use:

When Recorded, mail to:  
Security Bank of Nevada

P.O. Box 458

Minden, NV 89423

**REVOLVING CREDIT DEED OF TRUST**

March 15, 1984

A. DATE: \_\_\_\_\_

B. GRANTOR ("BORROWER") Robert H. Wartgow and Betty A. Wartgow, Husband and Wife  
as Joint Tenants

C. TRUSTEE: Douglas County Title

D. BENEFICIARY ("LENDER") Security Bank of Nevada, a Nevada Banking Corporation.

E. PRINCIPAL AMOUNT OF THE DEBT SECURED: \$ 40,000.00 REVOLVING (See paragraph 3)

Notice: The indebtedness secured by this Deed of Trust is a revolving line of credit evidenced by an "EquityLine Note, Revolving Credit Agreement & Disclosure Statement" (Hereinafter referred to as the "Agreement"). Funds may be advanced by Beneficiary, repaid by Grantor and subsequently readvanced by Beneficiary. Notwithstanding the amount outstanding at any particular time, this Deed of Trust secures a maximum principal amount specified above, plus all interest and costs as specified in the Agreement (as revised, renewed, or modified). Absent a default by Grantor under the terms in Agreement, all advances thereunder by Beneficiary are obligatory and are secured by this Deed of Trust. All such obligatory advances will have the same priority as the funds initially advanced under the Agreement. According to the Agreement, the unpaid balance of the revolving line of credit may at certain times be zero. Notwithstanding this fact, Beneficiary is obligated under the terms of the Agreement to advance to the Grantor up to the amount specified above. Therefore, the interest of the Beneficiary will remain in full force and effect notwithstanding a zero balance under the Agreement.

F. ASSUMPTION FEE \$ \_\_\_\_\_ (See Paragraph 6)

G. DESCRIPTION OF PROPERTY (See Paragraph 2) located in the County of Douglas, Nevada,  
described as:

All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada, described as follows:

Lot 6, as shown on the map of WILDROSE SUBDIVISION PLAT No. 1, filed in the office of the County Recorder of Douglas County, Nevada, on October 28, 1964.

APN No. 25-263-07-0

(see Paragraph 2 below for additional description)

1. **THIS DEED OF TRUST** is made on the date indicated on line A above between the Grantor indicated on Line B above (who shall be referred to herein as "Borrower"), the Trustee indicated on Line C above, and the Beneficiary indicated on Line D above, who may also be indentified as "Lender" herein.

2. **GRANT; WITNESSETH:** That Grantor (Borrower) hereby irrevocably GRANTS, BARGAINS, & SELLS to Trustee, in Trust, with power of sale, the property described on Line G above, TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, reversions, appurtenances, rents (subject to the rights and authorities given herein to Lender to collect and apply the rents), royalties, water, water rights (whether riparian, appropriative, or otherwise and whether or not appurtenant), water permits, and water stock, mineral, oil and gas rights and profits, geothermal rights, and all personal property now or hereafter attached to the Property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property, or the leasehold estate, and are herein referred to as the "Property."

3. **TO SECURE** to Lender (a) the repayment of all advances now or hereafter made by Lender from time to time under an "EquityLine Note, Revolving Credit Agreement & Disclosure Statement" (hereinafter referred to as the "Agreement") which was executed contemporaneously herewith, as that Agreement is revised, extended, modified, renewed, or amended, it being understood that the total principal amount which may be advanced and outstanding at any one time is that amount specified in Line E, above, plus (b) the payment of all finance charges, interest, other charges and fees specified in the Agreement, now or hereafter incurred, and (c) the full performance of all of the terms, conditions, covenants, warranties and undertakings in the Agreement and this Deed of Trust. Further, upon request of Borrower, Lender, at Lender's option prior to full reconveyance of the Property by Trustee to Borrower may make future advances to Borrower. Future advances, with interest and charges thereon, shall be secured by this Deed of Trust, provided the notes so indicate.

4. **SECURITY INTEREST IN PERSONAL PROPERTY:** To the extent this Deed of Trust encumbers personal property, it is intended to be a security agreement and to create a security interest in the personal property pursuant to the Nevada Uniform Commercial Code.

IT IS MUTUALLY AGREED AS FOLLOWS:

5. **DUE ON SALE:**

In the event that Borrower(s) or any successor in interest to Borrower(s) shall sell, transfer or convey, or contract to sell, transfer or convey the Property or any portion thereof, or any interest therein, then, at the option of Lender, the obligation(s) secured by this Deed of Trust shall forthwith become due

and payable although the time of maturity as expressed therein shall not have arrived.

**6. ASSUMPTION; ASSUMPTION FEES:**

This Deed of Trust is not assumable without Lender's prior written consent, and Lender is under no obligation to any party to give such consent. If Lender consents, it may be at terms different than those contained herein or in the Agreement, and Lender reserves the right to charge an assumption fee equal to the amount specified in Line F above.

**7. TAXES AND INSURANCE:**

Borrower agrees to pay when due all taxes on the Property. Further, in the event of any tax or assessment on the interest of any party to this Deed of Trust it shall be deemed that the taxes and assessments are on the interest of the Borrower who agrees to pay the same although assessed against the Lender. Borrower further agrees to pay when due all insurance premiums for the insurance required as set out below. Should Borrower fail to pay taxes or insurance when due, Lender at its option (without any obligation to do so) may pay such amounts and such payment shall be secured by this Deed of Trust, with interest at the rate specified in the Agreement, and Lender may then declare a default hereunder.

**8. INSURANCE REQUIRED:**

a. Borrower, at its expense, shall maintain with insurers approved by Lender: (1) insurance with respect to improvements against loss or damage by fire included under "extended coverage" policies, and any other hazard Lender requires in an amount approved from time to time by Lender, with a replacement cost endorsement without depreciation; (2) at Lender's option, public liability and property damage insurance applicable to the Property in amounts approved from time to time by Lender, with endorsement naming Lender as an additional insured as its interest may appear.

b. All insurance maintained by Borrower shall: (1) except for liability insurance, contain a standard noncontributory mortgage endorsement in favor of Lender; (2) provide that, except in the case of public liability insurance, insurance proceeds shall be payable to Lender, and in the case of hazard insurance, pursuant to the Nevada Standard Mortgage Clause No 438BFUNS or other mortgage clause; (3) provide that any losses shall be payable notwithstanding any act or failure to act or negligence of Lender or Borrower or any other person; (4) provide that no cancellation, reduction in amount or material change in coverage shall be effective until at least 30 days after receipt by Lender and Borrower written notice thereof, and (5) contain only such deductibles, if any, as Lender may approve in writing, and be reasonably satisfactory to Lender in all other respects. Any insurance may, at Borrower's option, be provided through a blanket policy or policies. Upon the execution of this Deed of Trust and thereafter not less than 30 days prior to the expiration date of any policy provided for herein, Borrower will deliver to the Lender the original of any policy or renewal policy required by this Deed of Trust, bearing notations evidencing the payment of premiums, except that, in lieu of any such policy, Borrower may, with Lender's consent deliver a certificate of the insurer, satisfactory to Lender in substance and in form, as to the issuance and effectiveness of such policy and the amount of coverage afforded thereby accompanied by a certified copy of such policy. Delivery of the policy of insurance shall constitute assignment to Lender of any returned premiums.

**9. DAMAGE OR DESTRUCTION; APPLICATION OF INSURANCE PROCEEDS:**

In case of any damage to or destruction of the Property, the amount paid to Lender under any fire or other insurance policy may be applied by Lender upon any indebtedness secured hereby in such order as Lender may determine, or at the option of Lender, the entire amount or any part may be applied to repair or restore the property or released to Borrower. The application or release shall not cure or waive any default, or invalidate any act done pursuant to Notice of Default.

**10. PRESERVATION, MAINTENANCE & USE OF PROPERTY; ABANDONMENT:**

a. Borrower agrees: (1) to protect and preserve the Property and to maintain it in good condition and repair; (2) not to remove, demolish or materially alter any building or any improvement thereon, nor to change or alter the present character or use of the Property; (3) to promptly restore in good workmanlike manner any building or improvement which may be damaged or destroyed and to pay when due all costs incurred therefor; (4) not to commit or permit waste of the Property; (5) to comply with all laws, covenants, conditions or restrictions affecting the Property; and (6) to cultivate, fumigate, irrigate, prune and do all other acts which, from the character of the Property may be reasonably necessary to preserve it.

b. Should the buildings on the property remain unoccupied for six months, notwithstanding any other provisions herein, and without notice to Borrower, Lender may declare a default hereunder.

**11. PROTECTION OF LENDER'S SECURITY:**

a. Borrower agrees to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Lender or Trustee, and should Lender or Trustee elect to also appear in such action, Borrower agrees to pay all costs incurred by Lender or Trustee.

b. If Borrower fails to perform the covenants and agreements contained in this Deed of Trust or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender, at Lender's option, but is under no obligation to do so, may make any appearances, disburse any sums and take any action necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. Any amounts disbursed by Lender pursuant to this paragraph, with interest at the same rate provided for in the Agreement, shall become additional indebtedness of Borrower secured by this Deed of Trust, payable on demand.

**12. INSPECTION:**

Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give borrower notice prior to any inspection.

**13. CONDEMNATION:**

a. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for any conveyance in lieu of condemnation, are hereby assigned, and shall be paid, to Lender.

b. If the property is abandoned by Borrower or if after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days of the date of the notice, Lender is authorized to collect the proceeds. The amount paid to Lender may be applied by Lender upon any indebtedness secured hereby in such order as Lender may determine, or at the option of Lender the entire amount, or any part, may be applied to repair or restore the Property or may be released to Borrower. The application or release shall not cure or waive any default or notice of default or invalidate any act done pursuant to a notice of default.

c. Unless the Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the installments referred to in the Agreement or change the amount of the installments.

**14. EVENTS OF DEFAULT:**

Borrower shall be in default if any one or more of the following events occur: (a) Borrower fails to pay any amounts due under the Agreement or other indebtedness secured by this Deed of Trust; (b) Borrower fails to perform or comply with any of the terms of the Agreement or This Deed of Trust; (c) Borrower fails to perform or comply with any of the terms of any other instrument securing the debt secured hereby; (d) Borrower or any guarantor makes an assignment for the benefit of creditors or admits in writing its inability to pay its debts as they become due or files a petition in Bankruptcy, or files a petition seeking reorganization, arrangement, composition, adjustment, liquidation, dissolution, or similar relief under any present or future statute, law, or regulation or fails to file an answer or seasonably contest the material allegations of a petition against borrower in any such proceeding, or seeks to consent or acquiesce in the appointment of a trustee, receiver or liquidator of a part of its properties; (e) If, within sixty days after the commencement of any proceeding against Borrower or any guarantor seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law, or regulation, such proceeding is not dismissed, or if within sixty days after the appointment without the consent or acquiescence of Borrower or any guarantor of a trustee, receiver or liquidator of any material part of its properties, the appointment shall not have been vacated; or (f) Borrower defaults on any indebtedness secured by a deed of trust or mortgage which is either superior or subordinate to the lien of this Deed of Trust.

**15. WAIVERS OF DEFAULT:**

An acceptance of any partial or late payment or any delay (intentional or negligent) in declaring a default or any other forbearance shall not constitute a waiver of default, unless such a waiver is given in writing by Lender. Any waiver, whether by assent or operation of law, of any delay or default shall not constitute a waiver of any other or future delay or default.

**16. ACCELERATION; OTHER REMEDIES UPON DEFAULT:**

a. Upon any default as defined herein, Lender may (a) declare all sums secured hereby to be immediately due and payable without demand or notice, and (b) have a receiver appointed as a matter of right without regard to the sufficiency of the Property or any other security or guaranty and without any showing as required by NRS 107.100, and (c) exercise any rights or remedies Lender may have under the Agreement, any guaranty, or under Nevada law.

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b. The entering upon and taking possession of the Property, the collection of rents, issues and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking or damage of the Property, and the application or release thereof, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

**17. ASSIGNMENT OF RENTS; LENDER IN POSSESSION:**

a. As additional security, Borrower hereby assigns to Lender the lessor's interest in any lease of the Property and the rents and profits of the Property, provided that Borrower shall, prior to Default or abandonment of the Property, have the right to collect and retain the rents as they become due and payable. Borrower will not collect or accept any payment of rent under any lease for more than one month in advance and will duly observe and perform each of its obligations under each lease or rental agreement. This assignment shall not be deemed to impose upon Lender any obligation of Borrower under any lease or rental agreement or any obligation to collect rent.

b. Upon default or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver, shall be entitled to (a) collect the rents and profits without taking possession of the Property, or (b) to enter upon, take possession of and manage the Property and to collect the rents and profits of the Property, including those past due. All rents and profits collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receivers fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Deed of Trust. Lender and the receiver shall be liable to account only for those rents actually received.

**18. ADOPTION OF STATUTORY COVENANTS:**

Covenants No 1, 3, 4 (the rate shall be that specified in the Agreement or Note) 5, 6, 7 (5%), 8 and 9 of NRS 107.030 are hereby adopted and made a part of this Deed of Trust.

**19. ORDER OF APPLICATION OF SECURITIES; CUMULATIVE REMEDIES:**

a. If the indebtedness secured hereby is now or hereafter secured by any other collateral, Lender may, at its option, exhaust any of the other collateral as well as the security hereunder either concurrently or independently and in any order it determines. Lender may apply the proceeds to the indebtedness secured hereby without affecting the status or waiving its right to exhaust all or any other security including the security hereunder, and without waiving any breach or default or its right or power whether or contained herein or in any such other security instrument.

b. All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust, the Agreement or any Guaranty or Security Agreement or afforded by law or equity, and may be exercised concurrently, independently or successively.

**20. LENDER'S RIGHTS TO DEAL WITH COLLATERAL; RIGHTS AGAINST GUARANTORS:**

a. Without affecting the liability of any person, including Borrower, for the payment of any indebtedness secured hereby, or the lien of this Deed of Trust on the Property for the full amount of any indebtedness unpaid (other than any person or property specifically released by Lender) Lender and Trustee are respectively empowered as follows:

b. Lender may, without notice do any one or more of the following: (1) release any person liable for the payment of any of the indebtedness; (2) extend the time or otherwise alter the terms of payment of any of the indebtedness; (3) accept additional security therefor of any kind, including deeds of trust or mortgages; (4) alter, substitute or release any property securing the indebtedness.

c. Trustee may, without liability and without notice, upon written request of lender and presentation of this Deed of Trust and the Note for endorsement: (1) consent to the making any map or plat of the property; (2) join in granting any easement or creating any restriction thereon; (3) join in any subordination or other agreement affecting this Deed of Trust or the lien or charge thereof; (4) reconvey, without any warranty, any part of the property.

**21. SUCCESSOR & ASSIGNS BOUND; JOINT & SEVERAL LIABILITY; CAPTIONS AND HEADLINES:**

The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower. All covenants and agreements of Borrower shall be joint and several. The headlines and captions of the paragraphs of this Deed of Trust are for convenience and are not to be used to modify the provisions hereof.

**22. NOTICE:**

Any Notice provided for in this Deed of Trust shall be mailed to the Property Address stated above. Notice to Lender shall be mailed to the address disclosed on the face hereof following the words "When Recorded, Mail to:".

**23. GOVERNING LAW; SEVERABILITY:**

This Deed of Trust shall be governed by the laws of Nevada. In the event that any word, clause or provision of this Deed of Trust conflicts with applicable law or shall be deemed by a court of competent jurisdiction to be illegal or unenforceable, such offending word, clause, or provision shall be severed and all remaining provisions which can be given effect without the offending provision shall remain fully enforceable.

**24. WAIVER OF HOMESTEAD:**

Each Borrower hereby specifically waives any existing homestead on the Property and the right to declare a homestead on the Property with priority over this Deed of Trust.

**25. ATTORNEY'S FEES AND COSTS OF COLLECTION:**

In the event of a default, or a bankruptcy affecting the Property, or any action to enjoin a Trustees's sale under this Deed of Trust, Borrower agrees to pay all costs incurred by Lender and Trustee, including reasonable attorney's fees (whether an action is filed or not and including attorney's fees paid in any bankruptcy or debtors proceeding and further including the salary of staff counsel if one is used in lieu of outside legal services).

**26. WAIVER OF STATUTE OF LIMITATIONS:**

The pleading of any statute of limitations as a defense to any and all obligations secured by this Deed of Trust is hereby waived, to the full extent permissible by law.

*Robert H. Wartgow*

BORROWER Robert H. Wartgow

*Betty A. Wartgow*

BORROWER Betty A. Wartgow

STATE OF NEVADA )  
COUNTY OF Carson City ) SS:

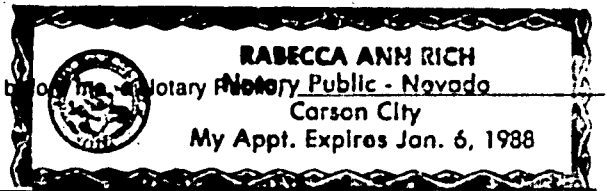
On this 22nd day of March, 19 84, personally appeared before me, a Notary Public, Robert H. Wartgow and Betty A. Wartgow who acknowledged that they executed the above instrument.

they

*Rebecca Ann Rich*  
Notary Public Rebecca Ann Rich

STATE OF NEVADA )  
COUNTY OF ) SS:

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, personally appeared \_\_\_\_\_ who acknowledged that he/she executed the above instrument.



Notary Public

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COPY

REQUESTED BY  
**DOUGLAS COUNTY TITLE**

IN OFFICIAL RECORDS OF  
DOUGLAS CO. NEVADA

*H. L. ...*  
1984 MAR 28 AM 11:57

SUZANNE BEAUDREAU  
RECORDER

*Suzanne Beaudreau*  
*clerk*

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