

NOTICE OF BREACH AND DEFAULT AND OF ELECTION TO CAUSE SALE OF REAL PROPERTY UNDER DEED OF TRUST

IN THE MATTER OF the Deed of Trust made by GILWILL TRADING CO., LTD., a
Liechtenstein corporation, Trustor, to LAWYERS TITLE INSURANCE
CORPORATION, A Virginia corporation Trustee, dated October 1, 19 79,
Recorded February 1 1980, as Document No. 41100, in Book 280, Page
014, of Official Records, in the office of the County Recorder of Douglas
County, Nevada, securing among other obligations, a Note for \$ 17,500.00
in favor of K & M DEVELOPERS, INC., a Nevada Corporation or order.

NOTICE IS HEREBY GIVEN that a breach of an obligation for which said Deed of Trust is a security has occurred in that there has been a default as follows:

Non-payment of principal remaining balance of \$11,078.15 due on February 1, 1983 with interest thereon from February 1, 1983., and for any advances made on real property taxes, late payments and penalties provided for in said Note.

A.P. No. 27-671-03-1

There is now owing and unpaid upon said note the sum of \$ 11,078.15 principal and interest thereon from February 1,, 19 83.

By reason of said breach and default, it is hereby declared that the whole of said unpaid amount of said note and all other sums secured by said Deed of Trust is immediately due and payable, and notice is hereby given of the election of the undersigned to cause DOUGLAS COUNTY TITLE CO., INC., a Nevada corporation, as Substituted TRUSTEE thereunder to sell the property described therein in the manner provided in said Deed of Trust, and notice is further hereby given that the undersigned heretofore executed and delivered to said TRUSTEE a written declaration of said breach and default and a written demand for the sale of said property.

NOTICE

YOU MAY HAVE THE RIGHT TO CURE THE DEFAULT HEREIN AND REINSTATE THE OBLIGATION SECURED BY SUCH DEED OF TRUST ABOVE DESCRIBED. SECTION 107.080 NRS PERMITS CERTAIN DEFAULTS TO BE CURED UPON THE PAYMENT OF THE AMOUNTS REQUIRED BY THAT SECTION WITHOUT REQUIRING PAYMENT OF THAT PORTION OF PRINCIPAL AND INTEREST WHICH WOULD NOT BE DUE HAD NO DEFAULT OCCURRED. WHERE REINSTATEMENT IS POSSIBLE, IF THE DEFAULT IS NOT CURED WITHIN 35 DAYS FOLLOWING THE RECORDING AND MAILING TO TRUSTOR OR TRUSTOR'S SUCCESSOR IN INTEREST OF THIS NOTICE, THE RIGHT OF REINSTATEMENT WILL TERMINATE AND THE PROPERTY MAY THEREAFTER BE SOLD.

To determine if reinstatement is possible and the amount, if any, necessary to cure the default, contact the TRUSTEE.

STATE OF NEVADA)
) s.s.
COUNTY OF DOUGLAS)

K&M DEVELOPERS, INC., a
Nevada Corporation

[Signature]
SEAL
By Michael D. Murphy, President

On May 1, 19 84 personally appeared before me, a Notary Public

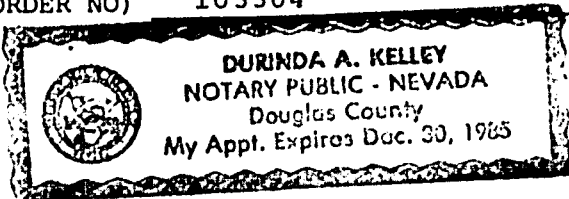
Michael D. Murphy, President of
K&M Developers, Inc., a Nevada
Corporation

who acknowledged that he executed the above instrument

[Signature]
(Notary Public)

REQUESTED BY
DOUGLAS COUNTY TITLE
IN OFFICIAL RECORDS OF
DOUGLAS CO. NEVADA
\$ 5.00 - P.R.
1984 MAY 10 PM 12:06

ORDER NO) 103304



SUZANNE BEAUDREAU
RECORDER

[Signature]
100664
BOOK 584 PAGE 923

When recorded mail to: Douglas County Title Co., Inc., P.O. Box 1400, Zephyr Cove, Nevada 89448