

WHEN RECORDED MAIL TO:  
NORTHERN NEVADA TITLE COMPANY  
ATTN: COLLECTION DEPT.  
MAIL TAX STATEMENTS TO:  
John R. Allen and Myrna E. Allen  
P.O. Box 3423  
Truckee, California 95734

TRANSFER TAX \$28.05\*  
BASED ON FULL VALUE LESS LIENS  
AND ENCUMBRANCES OF RECORD  
NORTHERN NEVADA TITLE COMPANY

BY: [Signature]

CONTRACT OF SALE

2 THIS AGREEMENT made and entered into this 19th day of October,  
3 1984, by and between JULIAN C. SMITH, JR. and JOANNA SMITH, husband and  
4 wife as joint tenants, hereinafter referred to as SELLER, and JOHN R.  
5 ALLEN and MYRNA E. ALLEN, husband and wife as joint tenants,  
6 hereinafter referred to as BUYER.

W I T N E S S E T H

8 BUYER agrees to buy and SELLER agrees to sell that real property  
9 hereinafter described upon the terms and conditions hereinafter set  
10 forth:

11 All that certain real property situate in the County of Douglas,  
12 State of Nevada, commonly referred to as (no street address available),  
13 and more particularly described as follows:

14 Being the Southeast 1/4 of the Southeast 1/4 of Section 1, Township  
15 12 North, Range 20 East, M. D. B. & M., and being more particularly  
16 described as follows:

17 Parcel 1-C as shown on the Parcel Map No. 2 of JULIAN SMITH, filed  
18 in the office of the County Recorder of Douglas County, Nevada, on  
19 April 16, 1984, in Book 484 of Official Records at Page 1177, as  
20 Document No. 99552.

21 IT IS MUTUALLY UNDERSTOOD AND AGREED, by and between the parties  
22 hereto:

23 1. The purchase price of the above described real property is  
24 THIRTY TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS, (\$32,500.00), and  
25 shall be payable in lawful money of the United States of America, as  
26 follows:

27 (a) The sum of FIVE THOUSAND AND NO/100 DOLLARS, (\$5,000.00),  
28 upon the execution of this agreement.

29 (b) The remaining balance of TWENTY SEVEN THOUSAND FIVE  
30 HUNDRED AND NO/100 DOLLARS, (\$27,500.00), together with interest thereon  
31 at ELEVEN percent (11%) per annum, shall be payable in monthly  
32 installments of THREE HUNDRED TWELVE AND 57/100 DOLLARS, (\$312.57), or

1 more, beginning November 22, 1984 and continuing in like monthly  
2 installments until October 22, 1989, at which time the entire  
3 unpaid balance together with any unpaid accrued interest shall become due  
4 and payable in full. Interest to commence on October 22, 1984,  
5 or at the close of escrow, whichever first occurs. In addition to the  
6 monthly installments called for herein, BUYER agrees to increase the  
7 monthly installment payment to pay any future increases necessary to pay  
8 the monthly payment of taxes and/or insurance.

9 BUYERS are aware that there is an existing Trust Deed on the  
10 subject property which the SELLER is responsible to continue making  
11 payments on. In the event that the SELLER fails to make such payments,  
12 the BUYER shall have the right to make such payments and deduct said sum  
13 from the monthly payment due the SELLER.

14 (c) BUYER and SELLER have executed appropriate escrow  
15 instructions and installment collection instructions to Northern Nevada  
16 Title Company, 512 N. Division Street, Carson City, Nevada, 89701, and  
17 have delivered said documents to said title company. Said escrow and  
18 installment collection instructions are hereby specifically referred to  
19 and by such reference are incorporated herein as if fully set forth, and  
20 said instructions shall survive the execution of this agreement.

21 Monthly installment payments shall be applied by said  
22 collection agent as follows:

23 (i) The balance to the SELLER.

24 2. There are no fire insurance requirements, as their contract  
25 covers vacant land, however, BUYER should purchase insurance for  
26 liability purposes at their expense.

27 3. SELLER has deposited with escrow agent an executed Grant,  
28 Bargain and Sale Deed to be delivered to BUYER and/or recorded upon  
29 payment in full or payment of the SELLERS equity subject to the Deed of  
30 Trust enumerated herein.

31 BUYER has deposited with escrow agent an executed Quitclaim Deed to  
32 be delivered and/or recorded pursuant to the default provisions set forth

1 in paragraph FIVE (5) herein.

2 Unless otherwise provided in said escrow instructions, it is agreed  
3 that title to personal property described in any bill of sale delivered  
4 to said escrow holder shall not pass from SELLER to BUYER until the  
5 purchase price has been fully paid.

6 4. BUYER agrees that the property and buildings and improvements  
7 thereof are, at the date of this contract, in good condition, order and  
8 repair.

9 The SELLER agrees to keep this property in its current condition,  
10 save and except reasonable wear and tear, until such time as this  
11 contract is recorded or at such time as possession has been relinquished  
12 to BUYER, whichever occurs sooner.

13 Upon this contract being recorded, or the BUYER entering into  
14 possession, whichever occurs first, BUYER shall, at his own cost and  
15 expense, maintain the property and the buildings and improvements thereon  
16 in a good order and repair as they are on date of this contract,  
17 reasonable wear and tear excepted.

18 BUYER shall not remove or permit the removal from the property of  
19 any building or other improvement located thereon without the consent of  
20 the SELLER, in writing, nor shall the BUYER commit or permit to be  
21 committed any waste of the property or of any building or improvement  
22 thereon.

23 5. BUYER agrees that all money paid to SELLER by virtue of this  
24 agreement shall immediately become the property of SELLER. In the event  
25 of default in the performance of any term, covenant, or condition  
26 contained in this agreement or contained in said escrow and installment  
27 collection instructions to be performed by BUYER, and which default  
28 remains uncured by BUYER for SIXTY (60) days after notice by SELLER,  
29 SELLER may, either alternatively, concurrently, or consecutively in any  
30 order, exercise the remedies that he has in law or in equity, including,  
31 but not limited to, exercise of one or more of the remedies hereinafter  
32 set forth and the pursuit of any remedy shall not be construed as an

1 election of remedies nor as a waiver of any other remedy:

2 (a) Should BUYER fail to make any payment or to do any act as  
3 herein provided, then SELLER, but without obligation to do so and without  
4 notice to or demand upon BUYER and without releasing BUYER from any  
5 obligation hereof, may make or do the same in such manner and to such  
6 extent as SELLER may deem necessary to protect the security hereof.  
7 SELLER is authorized to enter upon said property for such purposes;  
8 appear in and defend any action or proceeding purporting to effect the  
9 security hereof or the rights or powers of SELLER; pay, purchase, contest  
10 or compromise any encumbrance, charge or lien which in the judgement of  
11 either appears to be prior or superior hereto; and, in exercising any  
12 such powers, pay necessary expenses, employ counsel and pay his fees.

13 BUYER agrees to pay immediately and without demand all sums so  
14 expended by SELLER with interest from date of expenditure at the legal  
15 rate of interest.

16 (b) Declare the balance of the purchase price, together with  
17 the interest accrued thereon, all due and payable.

18 (c) Terminate BUYER'S right to purchase. By virtue of such  
19 termination, SELLER shall be released from any and all obligation, either  
20 at law or in equity, to transfer said property to BUYER, and the Grant,  
21 Bargain and Sale Deed, held by escrow agent, shall be returned on demand  
22 to SELLER without notice to BUYER, and all monies theretofore paid by  
23 BUYER to SELLER shall be considered as rental for the use and occupancy  
24 of said premises to the time of such default and as settled and  
25 liquidated damages and not as a penalty for the breach of this agreement  
26 or the said escrow and installment collection instructions.

27 (d) Institute an action for specific performance of this  
28 agreement and the escrow and installment collection instructions, and to  
29 recover all damages sustained by SELLER, including, but not limited to,  
30 (i) all payments required to be made by BUYER by virtue of this agreement  
31 or the escrow instructions or installment collection instructions; (ii)  
32 the amount necessary to restore the said real property and improvements

1 thereon to the condition it was in at the date BUYER received possession  
2 by reason of this agreement, reasonable wear and tear excepted.

3 (e) In the event that SIXTY (60) days has elapsed from the  
4 date of the Notice of Default set forth herein, BUYERS hereby authorize  
5 the escrow agent to either deliver or record the Quitclaim Deed being  
6 held by escrow agent without further instructions by BUYER.

7 (f) Notwithstanding any provision to the contrary herein,  
8 prior to SIXTY (60) days from the date of the Notice of Default the  
9 BUYERS may either pay the SELLERS equity in full and assume the existing  
10 Deed of Trust or pay the entire balance of this agreement in full.

11 6. The parties further agree:

12 (a) That in the event either party shall be required to bring a  
13 suit for default in the performance of any term, covenant or condition to  
14 be performed by either party under this agreement, the prevailing party  
15 shall be entitled to all costs incurred in enforcing a remedy for such  
16 default, which shall include actual attorneys' fees for the service of  
17 any attorney used in the enforcement of a remedy.

18 (b) That in the event of the termination of the BUYER'S right  
19 to purchase by reason of such default, BUYER will become a tenant at will  
20 of SELLER, and BUYER will peaceably vacate the above described premises  
21 and SELLER may re-enter the premises and take possession thereof and  
22 remove all persons therefrom, using any and all lawful means to do so,  
23 including the right of unlawful detainer pursuant to N.R.S. Chapter 40.

24 (c) The waiver by SELLER of any breach of any term, covenant  
25 or condition contained herein, or in the escrow and installment  
26 collection instructions shall not be deemed a continuing waiver of any  
27 subsequent breach, whether of the same or of another term, covenant or  
28 conditions of this agreement or the escrow and installment collection  
29 instructions.

30 7. BUYER and SELLER are aware and acknowledge that the existing  
31 Deed of Trust now of record may contain an acceleration or due on sale  
32 clause, and, in the event that the lender thereunder attempts to call

1 said loan due or accelerate the interest, that BUYER will be responsible  
2 to either re-negotiate the terms of the Deed of Trust or pay it in full.  
3 In the event that the lender attempts to call such loan or accelerate the  
4 interest rate BUYER and SELLER agree to indemnify SELLER; ITILDO, INC.,  
5 and Northern Nevada Title Company, and hold them harmless from loss they  
6 may sustain by reason of said Deed of Trust being called due or the  
7 interest accelerated.

8 BUYER may prepay without penalty all or any portion of balance due  
9 SELLER or on any other encumbrance on the property as the terms of such  
10 encumbrance so provide.

11 8. All improvements and additions to the subject premises,  
12 undertaken by BUYER, shall become permanent parts thereof, and, in the  
13 event of default, BUYER shall have no claim thereto nor any right to  
14 reimbursement therefor. BUYER shall indemnify and hold SELLER and the  
15 property of SELLER, including SELLER'S interest in the property, free and  
16 harmless from any liability for any mechanics' liens or other expenses or  
17 damages resulting from any renovations, alterations, building repair, or  
18 other work placed on the property by the BUYER.

19 9. SELLER shall have the right to inspect or examine the property  
20 at all reasonable times.

21 10. The taking for public use, destruction of, or damage to, any  
22 building or other improvement now or hereafter placed on the property, or  
23 of any personal property, if any, described in this contract, whether  
24 from taking for public use, fire or other cause, shall not constitute a  
25 failure of consideration or release the BUYER from any obligations under  
26 this contract; it being expressly understood that the BUYER bears all  
27 risk of loss to, or damage of, the property.

28 Any award of damages from any taking for public use, or from any  
29 damage to said real or personal property or any part hereof is assigned  
30 to SELLER with the right to apply or release such monies in the same  
31 manner and effect as provided for disposition of proceeds of fire  
32 insurance.

1 11. BUYER does hereby indemnify and hold SELLER free and harmless  
2 from any and all demands, claims by third parties for personal injury or  
3 property damage, loss, or liability resulting from the injury to or death  
4 of any person or persons because of the negligence of the BUYER or the  
5 condition of the property at the time or times after the date of  
6 possession of the property is delivered to the BUYER.

7 12. BUYER shall be entitled to enter into possession of the  
8 property upon execution and recording of this contract and to continue in  
9 possession thereof so long as they are not in default in the performance  
10 of this contract.

11 13. Payment of all monies becoming due hereunder by the BUYER and  
12 the performance of all covenants and conditions of this contract to be  
13 kept and performed by the BUYER, are conditions precedent to the  
14 performance by the SELLER of the covenants and conditions of this contract  
15 to be kept and performed by the SELLER. It is understood and agreed that  
16 title to all subject properties shall remain in the SELLER until the full  
17 payment of SELLER'S equity, principal and interest thereon has been paid  
18 as herein provided. However, upon BUYER'S faithful performance of this  
19 agreement, or as otherwise provided herein, BUYER shall be entitled to  
20 receive from SELLER good and sufficient deed to the subject property.

21 14. The BUYER represents to the SELLER that the property has been  
22 inspected by BUYER and BUYER has been assured by means independent of the  
23 SELLER or of any agent of the SELLER the truth of all facts material to  
24 this contract, and that the property, as it is described in this contract  
25 is, and has been purchased by the BUYER as a result of such inspection or  
26 investigation and not by or through any representations made by the  
27 SELLER or by any agent of the SELLER. The BUYER hereby expressly waives  
28 any and all claims for damages or for rescission or cancellation of this  
29 contract because of any representations made by the SELLER or by any  
30 agent of the SELLER, other than such representations as may be contained  
31 in this contract, and the escrow and installment collection instructions  
32 incorporated herein. The BUYER further agrees that the SELLER and any

1 and all agents of the SELLER shall not be liable for or on account of any  
2 inducements, promises, representations, or agreements not contained in  
3 this contract or the escrow and installment collection instructions  
4 incorporated herein; that no agent or employee of the SELLER is or has  
5 been authorized by the SELLER to make any representations with respect to  
6 the property and that, if any such representations have been made, they  
7 are wholly unauthorized and not binding on the SELLER.

8 15. This contract binds the parties hereto and shall be binding on  
9 and shall inure to the benefit of their heirs, executors, administrators,  
10 successors, and assigns of the parties hereto, but nothing in this  
11 paragraph shall be construed as a consent by the SELLERS to any  
12 assignment of this contract or of any interest therein by the BUYERS.

13 16. Whenever used, the singular number shall include the plural,  
14 the plural the singular, and the use of any gender shall include the  
15 other genders.

16 17. Time is expressly declared to be of the essence of this  
17 agreement.

18 18. The invalidity of any clause to this contract shall not operate  
19 to void the entire contract.

20 IN WITNESS WHEREOF, the parties have hereunto set their hands the  
21 day and year first above written.

22  
23 SELLER *Julian C. Smith, Jr.*  
24 Julian C. Smith, Jr.

25 *Joanna Smith*  
26 Joanna Smith

27 BUYER *John R. Allen*  
28 John R. Allen

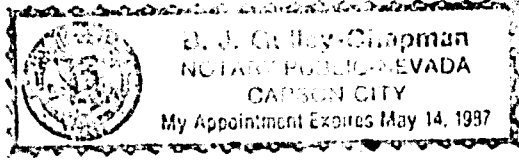
29 *Myrna E. Allen*  
30 Myrna E. Allen

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STATE OF NEVADA )  
 ) ss.  
COUNTY OF CARSON CITY



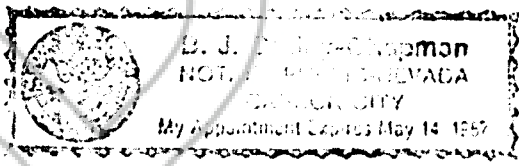
On this 18th day of October, 1988, personally appeared  
before me a Notary Public in and for said County, \_\_\_\_\_  
John R. Allen and Myrna E. Allen

known to me to be the persons described in and who executed the  
foregoing instrument, who acknowledged to me that t he y executed the  
same freely and voluntarily and for the uses and purposes therein  
mentioned.

WITNESS my hand and official seal.

*[Handwritten signature]*

STATE OF NEVADA )  
 ) ss.  
COUNTY OF CARSON CITY



On this 19th day of October, 1988, personally appeared  
before me a Notary Public in and for said County, \_\_\_\_\_  
Julian C. Smith, Jr. and Joanna Smith

known to me to be the persons described in and who executed the  
foregoing instrument, who acknowledged to me that t he y executed the  
same freely and voluntarily and for the uses and purposes therein  
mentioned.

WITNESS my hand and official seal.

*[Handwritten signature]*

REQUESTED BY  
**Northern Nevada Title Company**  
IN OFFICIAL RECORDS OF  
CLERK OF COUNTY CLERK, NEVADA

'84 OCT 22 P2:07

PAGE NINE OF NINE

SUZANNE B. ...  
RECORDED  
\$13.00 PAID BY ... DEPUTY

**109073**

BOOK **1084** PAGE **2463**

Edward Bernard  
ATTORNEY AT LAW  
a professional corporation  
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CARSON CITY, NEVADA 89701  
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