

SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST, made this 13th day of May, 198 5, by and between David W. Smith and Debra E. Smith, husband and wife

trustor, to STEWART TITLE OF NORTHERN NEVADA, a corporation, trustee, for HARICH TAHOE DEVELOPMENTS, beneficiary.

WITNESSETH

That the trustor does hereby grant, bargain, sell and convey unto the trustee with power of sale all that certain property situate in Douglas County, Nevada, as follows:

(See Exhibit "A" attached hereto and incorporated herein by this reference.)

AND ALSO all the estate, interest, and other claim, in law and in equity, which the trustor now has or may hereafter acquire in and to said property.

TOGETHER WITH the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion, reversions and remainders.

FIRST: Payment of an indebtedness in the sum of \$ 14,400.00 evidenced by a promissory note of even date herewith, with interest thereon, according to the terms of said note, which note is by reference made a part hereof, executed by the trustor, delivered to beneficiary, and payable to the order of beneficiary, and any and all modifications, extensions and renewals thereof. Payment of all THE RIDGE TAHOE PROPERTY OWNERS ASSOCIATION assessments, dues and membership fees as they become due and payable.

SECOND: Payment of such additional sums with interest thereon as may be hereafter loaned by beneficiary to trustor as additional advances under this deed of trust by the promissory note or notes of trustor, and payment of any monies advanced or paid out by beneficiary or by the trustee to or for trustor pursuant to the provisions of this deed of trust, and payment of all indebtedness of the trustor to the beneficiary or to the trustee which may exist or be contracted for during the life of this instrument, with interest, and also as security for the payment and performance of every obligation, covenant, promise or agreement contained herein or contained in any promissory note or notes secured hereby.

THIRD: The expenses and costs incurred or paid by beneficiary or trustee in preservation or enforcement of the rights and remedies of beneficiary and the duties and liabilities of trustor hereunder, including, but not limited to, attorney's fees, court costs, witnesses' fees, expert witnesses' fees, collection costs, and costs and expenses paid by beneficiary or trustee in performing for trustor's account any obligations of trustor or to collect the rents or prevent waste.

AND THIS INDENTURE FURTHER WITNESSETH:

1. Trustor promises and agrees to pay when due all assessments, dues and membership fees assessed by or owing to THE RIDGE TAHOE PROPERTY OWNERS ASSOCIATION upon the above-described premises and shall not permit said claims to become a lien upon the premises; to comply with all laws affecting said property and not to commit or permit any acts upon said property in violation of any law, covenant, condition or restriction affecting said property.

2. Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust in good repair and insured against loss by fire, with extended coverage endorsement, for full insurable value in a company or companies authorized to issue such insurance in the State of Nevada, and as may be approved by beneficiary, naming beneficiary and trustor as insureds, as their interest may appear, and to deliver the policy to beneficiary or to collection agent of beneficiary and in default thereof, beneficiary may procure such insurance and/or make such repairs and expend for either of such purposes, such sums or sums as beneficiary may deem proper, any such advance for repairs or insurance to be deemed secured hereby.

3. Trustor promises and agrees that if default be made in the payment when due of any installment of principal or interest, or obligation, in accordance with the terms of any note secured hereby, or in the performance of any of the covenants, promises or agreements contained herein; or if the trustor becomes insolvent or makes a general assignment for the benefit of the creditors; or if a petition in bankruptcy is filed by or against the trustor, or if a proceeding be voluntarily or involuntarily instituted for reorganization or other debtor relief provided for by the bankruptcy act; EXCEPT AS PROVIDED IN PARAGRAPH 9 IF THE TRUSTOR SHALL SELL, TRANSFER, HYPOTHECATE, EXCHANGE OR OTHERWISE AGREE TO SELL BY CONTRACT OF SALE OR OTHERWISE BE DIVESTED OF TITLE IN ANY MANNER OR WAY, WHETHER VOLUNTARILY OR INVOLUNTARILY, OR BY THE OPERATION OF LAW OR OTHERWISE; then upon the happening of any such events, the beneficiary, at its option may declare all promissory notes, sums and obligations secured hereby immediately due and payable without demand or notice, irrespective of the maturity dates expressed therein, and beneficiary or trustee may record a notice of such breach or default and elect to cause said property to be sold to satisfy the indebtedness and obligations secured hereby.

4. The following covenants, Nos. 1, 3, 4 (interest 10%), 5, 6, 7, (counsel fees 10%), 8 and 9 of NRS 107.030, when not inconsistent with covenants and provisions contained herein, are hereby adopted and made a part of this deed of trust.

5. The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative.

6. The benefits of the covenants, terms, conditions and agreements herein contained shall accrue to, and the obligations thereof shall bind the heirs, representatives, successors and assigns of the parties hereto and the beneficiary hereof. Whenever used, the singular number shall include the plural, the plural the singular and the use of any gender shall include all other genders, and the term "beneficiary" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

7. The trusts created hereby are irrevocable by the trustor.

8. Beneficiary hereby agrees that in the event of default under the terms of this deed of trust and upon the return to Beneficiary of the Exhibit "A" real property that the liability of Trustor shall be limited to all monies paid to date of the return of the Exhibit "A" real property and that no deficiency judgment shall lie against the trustor.

9. This deed of trust may be assumed only when the following conditions have been met: the payment to beneficiary or assigns of an assumption fee of \$150 per interval week; credit approval of new purchaser; and completion of an acceptance form and statements of acknowledgments by new purchaser of all condominium documents.

IN WITNESS WHEREOF, the trustor has executed this deed of trust the day and year first above written.

STATE OF NEVADA
COUNTY OF DOUGLAS } ss.

On _____ personally
appeared before me, a Notary Public,

who acknowledged that he executed the above instrument.

Signature _____
(Notary Public)

David W. Smith
Debra E. Smith

Jan Hayes
Witnessed By: Jan Hayes

→ If executed by a Corporation the Corporation Form of Acknowledgment must be used.

Title Order No. _____

Escrow or Loan No. 33-136-24-01

SPACE BELOW THIS LINE FOR RECORDER'S USE

Notarial Seal

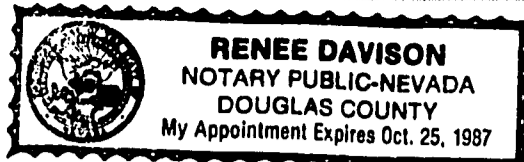
WHEN RECORDED MAIL TO

Name DOUGLAS COUNTY TITLE COMPANY
Street Address P.O. BOX 1400
ZEPHYR COVE, NV 89448
City & State _____

117839

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STATE OF Nevada)
COUNTY OF Douglas)



On this 13th day of May, 19 85, personally appeared before me, the undersigned, a Notary Public in and for the County of Douglas, State of Nevada, Jan Hayes known to me to be the same person whose name is subscribed to the attached instrument as a witness to the signatures of David W. Smith and Debra E. Smith and upon oath did depose that he was present and saw them affix their signature _____ to the attached instrument and that thereupon the y acknowledged to him that the y executed the same freely and voluntarily and for the used and purposes therein mentioned, and that as such witness thereupon subscribed his name to said instrument as a witness thereto.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official stamp at my office in the County of Douglas, the day and year in this certificate first above written.

Renee Davison
Signature of Notary Renee Davison

EXHIBIT "A"

PARCEL ONE:

An undivided 1/51st interest in and to that certain condominium as follows:
(a) An undivided 1/20th interest, as tenants-in-common, in and to Lot 33 of Tahoe Village Unit No. 3, Fifth-Amended Map, recorded October 29, 1981, as Document No. 61612 as corrected by Certificate of Amendment recorded November 23, 1981 as Document No. 62661, all of Official Records Douglas County, State of Nevada. Except therefrom units 121 to 140 as shown and defined on that certain Condominium Plan recorded August 20, 1982, as Document No. 70305 of Official Records.
(b) Unit No. 136 as shown and defined on said Condominium Plan.

PARCEL TWO:

A non-exclusive right to use the real property known as Parcel "A" on the Official Map of Tahoe Village Unit No. 3, recorded January 22, 1973, as Document No. 63805, records of said county and state, for all those purposes provided for in the Declaration of Covenants, Conditions and Restrictions recorded January 11, 1973, as Document No. 63681, in Book 173, Page 229 of Official Records and in the modifications thereof recorded September 28, 1973 as Document No. 69063 in Book 973, Page 812 of Official Records and recorded July 2, 1976 as Document No. 1472 in Book 776, Page 87 of Official Records.

PARCEL THREE:

A non-exclusive easement for ingress and egress and recreational purposes and for use and enjoyment and incidental purposes over, on and through Lots 29, 39, 40 and 41 as shown on said Tahoe Village Unit No. 3, Fifth Amended Map and as corrected by said Certificate of Amendment.

PARCEL FOUR:

(a) A non-exclusive easement for roadway and public utility purposes as granted to Harich Tahoe Developments in deed re-recorded December 8, 1981 as Document No. 63026, being over a portion of Parcel 26-A (described in Document No. 0112 recorded June 17, 1976) in Section 30, Township 13 North, Range 19 East, M.D.M.,
(b) An easement for ingress, egress and public utility purposes, 32' wide, the centerline of which is shown and described on the 5th amended map of Tahoe Village No. 3, recorded October 29, 1981 as Document No. 61612 and amended by Certificate of Amendment recorded November 23, 1981 as Document No. 62661, Official Records, Douglas County, State of Nevada

PARCEL FIVE:

The exclusive right to use said UNIT and the non-exclusive right to use the real property referred to in subparagraph (a) of Parcel One and Parcels Two, Three and Four above during ONE "use week" within the Spring/Fall "use season", as said quoted terms are defined in the Declaration of Restrictions, recorded September 17, 1982, as Document No. 71000 of said Official Records. The above described exclusive and non-exclusive rights may be applied to any available unit in the project, during said use week within said season.

REQUESTED BY
DOUGLAS COUNTY TITLE
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'85 MAY 24 P1:10

SUZANNE BEAUDREAU
RECORDER
\$ 6.00 PAID Bh DEPUTY

117839
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