

SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST, made 3 of January 1986, by and between PETER Y. KRETZMER AND MILLICENT KRETZMER, husband and wife Trustor, to DOUGLAS COUNTY TITLE CO, INC. a subsidiary of STEWART TITLE CO., 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 references) 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 and all rents, issues and profits of said real property, subject to the rights and authority conferred upon Beneficiary hereinafter set forth to collect and apply such rents issues and profits.

FOR THE PURPOSE OF SECURING:

FIRST: Payment of an indebtedness in the sum of \$ 19,125.00 evidenced by a promisory note of even date herewith, with interest thereon, according to the terms of said note, which note is by reference made a party herof, executed by the Trustor, delivered to Beneficiary, and any and all modifications, extension and renewals thereof hereinafter set forth to collect and apply such rents, issues and profits.

SECOND: Payment of all THE RIDGE TAHOE PROPERTY OWNERS ASSOCIATION assessments, dues and membership fees as they become due.

THIRD: 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 promisory 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 promisory note or notes secured hereby.

FOURTH: 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 cost 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. Annually, Trustor agrees to cause to be delivered to Beneficiary or to the collection agent of Beneficiary a certified copy of the original policy or policies of insurance purchased by THE RIDGE TAHOE PROPERTY OWNERS ASSOCIATION along with copies of paid receipts.

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 11 IF THE TRUSTOR SHALL SELL, TRANSFERS, 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 such events, the Beneficiary at its option may declare all promisory 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 18%) 5,6,7 reasonable attorneys' fees, 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.

7. 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.

8. As additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority during the continuance of these trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits 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 upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, 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. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

9. The trusts created hereby are irrevocable by the Trustor.

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

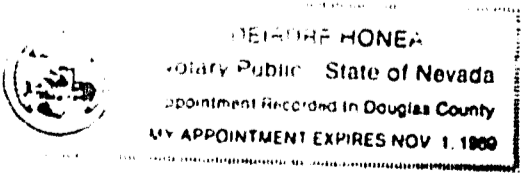
11. This deed of trust may not be assumed without the prior written consent of Beneficiary. Should Beneficiary not declare all sums due in accordance with Paragraph 3 above then this deed of trust may only be assumed when the following conditions have been met: the payment to Beneficiary or assigns of an assumption fee of \$150.00 per interval week; credit approval of new purchaser, and completion of an acceptance form and statements of acknowledgements by the 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
On January 3, 1986 personally
appeared before me, a Notary Public,
Peter Y. Kretzmer
Millicent Kretzmer
known to me, who acknowledged that they executed the above
instrument
Signature (Notary Public)

TRUSTOR:
Peter Y. Kretzmer
Millicent Kretzmer
MILLICENT KRETZMER

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



Notarial Seal

Title Order No.
Escrow or Loan No. 31-097-47-01
SPACE BELOW THIS LINE FOR RECORDER'S USE

WHEN RECORDED MAIL TO
Name DOUGLAS TITLE CO.
Street Address P.O. BOX 1400
City & State ZEPHYR COVE, NV 89448

EXHIBIT "A"

A Timeshare Estate comprised of:

Parcel One:

An undivided 1/51st interest in and to that certain condominium described as follows:

- (a) An undivided 1/20th interest, as tenants-in-common, in and to Lot 31 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 81 to 100 Amended Map and as corrected by said Certificate of Amendment.
- (b) Unit No. 097-47 as shown and defined on said last mentioned map as corrected by said Certificate of Amendment.

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 modification 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. 01112, recorded June 17, 1976) in Section 30, Township 13 North, Range 19 East, M.D.M., - and -
- (b) An easement for ingress, egress and public utility purposes, 32' wide, the centerline of which is shown and described on the Fifth-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 winter "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.

SPACE BELOW FOR RECORDER'S USE

REQUESTED BY
DOUGLAS COUNTY TITLE
IN OFFICIAL RECORDS OF
BOULDER COUNTY, NEVADA

76 JAN 13 P12:51

SUZANNE BEHREND
RECORDER
\$600 PAID BY DEPUTY

129359