

WHEN RECORDED MAIL TO:
HOME MORTGAGE COMPANY
P.O. Box 462
Reno, Nevada 89504

FHA Case Number 331-0533386
Loan Number 008934-1

This form is used in connection
with deeds of trust insured under
the one- to four-family provisions
of the National Housing Act.

DEED OF TRUST

THIS DEED OF TRUST, made this 3rd day of June, 19 86, by and between
Jonathan C. Hayes and Debby A. Hayes, husband and wife

hereinafter called Grantor, and HOME ESCROW, A Nevada corporation hereinafter called
Trustee, and HOME MORTGAGE COMPANY
a Corporation organized and existing under the laws of Nevada, hereinafter with its
successors and assigns called Beneficiary; it being understood that the words used herein in any gender include all other genders,
the singular number included the plural, the plural the singular.

WITNESSETH: THAT

WHEREAS, the said Grantor is justly indebted to the said Beneficiary in the sum of
Forty Eight Thousand Seven Hundred Eighty Six and No/100 (\$ 48,786.00) Dollars
legal tender of the United States of America, evidenced by a certain promissory note dated
June 3, 1986, providing for monthly installments of principal and interest with the balance of
the indebtedness, if not sooner paid, due and payable on July 1, 2016

NOW, THEREFORE, THIS DEED OF TRUST WITNESSETH, that the Grantor in consideration of the foregoing, and for the
purpose of better securing all the other covenants and conditions of the above note and of this Deed of Trust, and in further
consideration of the sum of One Dollar (\$1.00) legal tender to Grantor in hand paid by the Trustee, the receipt whereof is hereby
acknowledged, has granted, bargained, sold, conveyed, and confirmed, and by these presents does hereby grant, bargain, sell,
convey and confirm, unto the said Trustee, its successors and assigns, all that certain lot or parcel of land situated in
Gardnerville County of Douglas, State of Nevada,
described as follows:

Lot 266, as said lot is shown on the official map of GARDNERVILLE
RANCHOS UNIT NO. 2, filed in the office of the County Recorder of
Douglas County, State of Nevada, on June 1, 1965, in Book 1 of Maps,
Filing No. 28309, and Amended Title Sheet on June 4, 1965, Filing No.
28377.

Commonly known as: 1326 Topaz Lane, Gardnerville, Nevada 89410

THE PREPAYMENT RIDER ATTACHED HERETO AND MADE A PART HEREOF.

THE MORTGAGE INSURANCE PREMIUM RIDER ATTACHED HERETO AND MADE A PART HEREOF.

Including all heating, plumbing, and lighting fixtures and equipment now or hereafter attached to, or used in connection with
the real estate herein described.

TO HAVE AND TO HOLD the said premises, with all the tenements, hereditaments, and appurtenances thereto belonging,
unto the Trustee, its successors and assigns forever.

IN AND UPON THE USES AND TRUSTS, HEREINAFTER DECLARED, that is to say:

First.- To permit said Grantor to possess and enjoy said described premises, and to receive the issues and profits thereof until default be made in the payment of any manner of indebtedness hereby secured or in the performance of any of the covenants herein provided; and upon the full payment of said note and of any extensions or renewals thereof, and the interest thereon, and all moneys advanced or expended, as herein provided, and all other proper costs, changes, commissions, half-commissions, and expenses, to release and reconvey in fee unto and at the cost of the said Grantor the said described land and premises.

Second.- Upon any default being made in the payment of the said note or of any monthly installment of principal and interest as therein provided, or in the payment of any of the monthly sums for ground rents, taxes, special assessments, mortgage insurance, fire and other hazard insurance, all as hereinafter provided, or upon any default in payment on demand of any money advanced by the Beneficiary on account of any proper cost, charge, commission, or expense in and about the same or on account of any tax or assessment or insurance or expense of litigation, with interest thereon at the rate provided for in the principal indebtedness per annum from date of such advance (*it being hereby agreed that on default in the payment of any tax or assessment or insurance premium or any payment on account thereof or in the payment of any of said cost, expense of litigation, as aforesaid, the Beneficiary may pay the same and all sums so advanced, with interest as aforesaid, shall immediately attach as a lien hereunder, and be payable on demand*), or upon failure or neglect faithfully and fully to keep and perform any of the other conditions or covenants herein provided; then upon any and every such default being so made as aforesaid, the said Trustee, or the trustee acting in the execution of this trust, shall have power, in strict accordance with the applicable laws of this State, and it shall be its duty thereafter to sell, and in case of any default of any purchaser to resell, at public auction, for cash, in one parcel at such time and place, and after such previous public advertisement as the Trustee, or the trustee acting in the execution of this trust, shall deem advantageous and proper; and to convey the same in fee simple, upon compliance with the terms of sale, to and at the cost of the purchaser or purchasers thereof, who shall not be required to see to the application of the purchase money; and shall apply the proceeds of said sale or sales: Firstly, to pay all proper costs, charge, and expenses, including all attorneys' and other fees, and costs herein provided for, and all moneys advanced for costs or expenses, or expense of litigation as aforesaid, or taxes or assessments, or insurance with interest thereon as aforesaid, and all taxes, general and special, and assessments, due upon said land and premises at time of sale; Secondly, to retain as compensation a commission of one per centum (1%) on the gross amount of the said sale or sales; Thirdly, to pay whatever may then remain unpaid of the principal of the said note whether the same shall be due or not, and the interest thereon to date of payment, it being agreed that said note shall, upon such sale being made before the maturity of said note, be and become immediately due and payable, at the election of the Beneficiary; and, Lastly, to pay the remainder of said proceeds, if any, to said Grantor, or assigns, upon the delivery of and surrender to the purchaser, his, her, or their heirs or assigns, of possession of the premises as aforesaid sold and conveyed, less the expense, if any, of obtaining possession.

And it is further agreed that if the said property shall be advertised for sale as herein provided, and not sold, the Trustee shall be entitled to a reasonable commission, not exceeding one-half ($\frac{1}{2}$) of the commission above provided, to be computed on the amount of principal then unpaid.

And the said Grantor, for himself, his heirs, executors, administrators, and assigns, in order more fully to protect the security of this deed of trust, does hereby covenant and agree as follows:

1. That he will pay the indebtedness, as hereinbefore provided. Privilege is reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity; *Provided, however*, that written notice of an intention to exercise such privilege is given at least thirty (30) days prior to prepayment.

2. That, together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, Grantor will pay to the Beneficiary, on the first day of each month until the said note is fully paid, the following sums:

- (a) An amount sufficient to provide the holder hereof with funds to pay the next mortgage insurance premium if this instrument and the note secured hereby are insured, or a monthly charge (*in lieu of a mortgage insurance premium*) if they are held by the Secretary of Housing and Urban Development, as follows:
 - (I) If and so long as said note of even date and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the holder one month prior to its due date the annual mortgage insurance premium, in order to provide such holder with funds to pay such premium to the Secretary of Housing and Urban Development pursuant to the National Housing Act, as amended, and applicable Regulations thereunder; or
 - (II) If and so long as said note of even date and this instrument are held by the Secretary of Housing and Urban Development, a monthly charge (*in lieu of a mortgage insurance premium*) which shall be in an amount equal to one-twelfth of one-half per centum of the average outstanding balance due on the note computed without taking into account delinquencies or prepayments;
- (b) A sum equal to the ground rents, if any, and taxes and special assessments next due on the premises covered by this Deed of Trust, plus the premiums that will next become due and payable on policies of fire and other hazard insurance on the premises covered hereby (*all as estimated by the Beneficiary*) less all sums already paid therefor divided by the number of months to elapse before 1 month prior to the date when such ground rents, premiums, taxes, and assessments will become delinquent, such sums to be held by the Beneficiary in trust to pay said ground rents, premiums, taxes and special assessments before the same become delinquent; and
- (c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid by the Grantor each month in a single payment to be applied by Beneficiary to the following items in the order set forth:
 - (I) premium charges under the contract of insurance with the Secretary of Housing and Urban Development, or monthly charge (*in lieu of mortgage insurance premium*), as the case may be;
 - (II) ground rents, taxes, special assessments, fire and other hazard insurance premiums;
 - (III) interest on the note secured hereby; and
 - (IV) amortization of the principal of said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the grantor prior to the due date of the next such payment, constitute an event of default under this Deed of Trust. The Beneficiary may collect a "late charge" not to exceed four cents (4¢) for each dollar (\$1.00) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments.

3. If the total of the payments made by the Grantor under (b) of paragraph 2 preceding shall exceed the amount of payments actually made by the Beneficiary for ground rents, taxes or assessments of insurance premiums, as the case may be, such excess, if the loan is current, at the option of the Grantor, shall be credited on subsequent payments to be made by the Grantor, or refunded to the Grantor. If, however, the monthly payments made by the Grantor under (b) of paragraph 2 preceding shall not be sufficient to pay ground rents, taxes and assessments and insurance premiums, when the same shall become due and payable, then the Grantor shall pay to the Beneficiary any amount necessary to make up the deficiency on or before the date when payment of such ground

135827

MORTGAGE INSURANCE PREMIUM RIDER

This Mortgage Insurance Premium is made this 3rd day of June, 19 86 and is incorporated into and shall be deemed to amend the Deed of.. Trust (the "Security Instrument") of the same date given by the undersigned (the "Trustor") to secure Trustor's Note to

HOME MORTGAGE COMPANY, a Nevada corporation

(the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at:

1326 Topaz Lane, Gardnerville, Nevada 89410

1. Section 2(a) (I) (II) Delete this subsection in its entirety.
2. Section 2(c) (I) Delete this subsection in its entirety.
- 3a. Section 3 Delete in lines 10 and 11 the phrase "all payments made under the provisions of (a) of paragraph 2 hereof which the Beneficiary has not become obligated to pay to the Secretary of Housing and Urban Development and "
- b. Section 3 Delete in lines 16 and 17 the phrase "and shall properly adjust any payments which shall have been made under (a) of paragraph 2".
4. Paragraph 8 is incorporated herein except that it also shall include the following additional provision: This option may not be exercised by the mortgagee when the ineligibility for insurance under the National Housing Act is due to the mortgagee's failure to remit the mortgage insurance premium to the Department of Housing and Urban Development.
5. The identity of all sections and subsections affected by the changes in this rider should be re-identified as necessary in order to account for the deletions and changes.

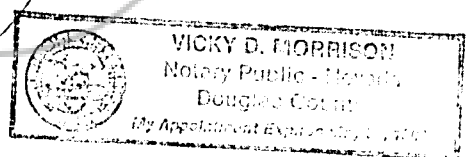
IN WITNESS WHEREOF Trustor has executed this Mortgage Insurance Premium Rider.

<u>Jonathan C. Hayes</u> Jonathan C. Hayes	Trustor	<u>June 3, 1986</u> Date
<u>Debby A. Hayes</u> Debby A. Hayes	Trustor	<u>June 3, 1986</u> Date

STATE OF NEVADA)
 DOUGLAS) SS.
COUNTY OF ~~WASCOE~~)

On June 3, 1986 personally appeared before me, a Notary Public, Jonathan C. Hayes & Debby A. Hayes who acknowledged the they executed the above instrument.

Signature [Signature]



This Rider, dated this 3rd day of June, 1986, amends the Deed of Trust of even date by and between:

Jonathan C. Hayes & Debby A. Hayes (borrowers), and HOME ESCROW, a Nevada Corporation, the Trustee, and HOME MORTGAGE COMPANY, a Nevada corporation, the beneficiary, as follows:

- 1. In Paragraph 1, the sentence which reads as follows is deleted: That written notice of an intention to exercise such privilege is given at least 30 days prior to prepayment.
2. Paragraph 1, is amended by the addition of the following: 'Privilege is reserved to pay the debt, in whole or in part, on any installment due date.'

IN WITNESS WHEREOF, the said Grantor has executed these presents the day and year first aforesaid.

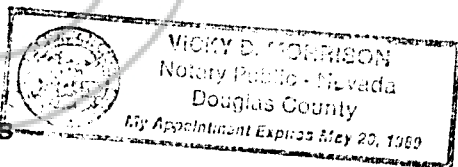
Handwritten signatures of Jonathan C. Hayes and Debby A. Hayes over horizontal lines.

Notary Acknowledgement

STATE OF NEVADA)
)ss:
COUNTY OF DOUGLAS)

On this 3rd day of June, 1986, personally appeared before me, the undersigned, a notary public in and for the county and state aforesaid, Jonathan C. Hayes & Debby A. Hayes known to me to be the persons described in and who executed the within and foregoing instrument, and who acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said county of Douglas, the day and year in this Certificate first above written.

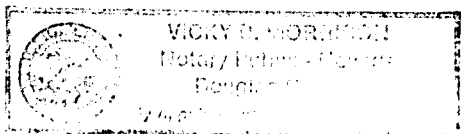


My Commission expires

Handwritten signature of Vicky D. Morrison over the words NOTARY PUBLIC.

County of Douglas, State of Nevada

135827



COPY

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

'86 JUN -5 P2:54

SUZANNE BEAUDREAU
RECORDER

\$ 1000 PAID. 94 DEPUTY

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BOOK **686** PAGE **443**