

No. 40543-MCA  
Mail to: Ray Sellek  
P.O. Box 848  
Minden, Nevada 89423

DEED OF TRUST WITH ASSIGNMENT OF RENTS

THIS DEED OF TRUST, made this 11th day of July, 1986, between

STEPHEN Z. PHILLIPS and IDA CHRISTINE PHILLIPS, husband and wife, herein called TRUSTOR, whose address is

(Number and Street)

(City)

(State)

LAWYERS TITLE OF NORTHERN NEVADA, INC., a Nevada corporation, herein called TRUSTEE, and

RAYMOND J. SELLEK and PATRICIA S. SELLEK, husband and wife, as

JOINT TENANTS WITH RIGHT OF SURVIVORSHIP of R.A.

herein called BENEFICIARY,

WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, that property in the County of Douglas, State of Nevada, described as follows:

SEE EXHIBIT "A" ATTACHED HERETO.

In the event the trustor sells, conveys or alienates the within described real property; or contracts to sell, convey or alienate; or is divested of title in any other manner without the approval of an assumption of this obligation by the beneficiary being first obtained, beneficiary shall have the right to declare the unpaid balance due and payable in full, irrespective of the maturity date expressed on the note secured hereby

Together with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, subject, however, to the right of Beneficiary, during any period of default hereunder, and without waiver of such default, to collect said rents, issues and profits by any lawful means, and to apply the same, less costs and expenses of collection, to any indebtedness secured hereby.

For the purpose of securing (1) payment of the sum of \$ 100,000.00 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and all extensions or renewals thereof; and (2) the performance of each agreement of Trustor incorporated herein by reference or contained herein; (3) payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or to his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust. NOTE SECURED HEREBY CONTAINS A RE-NEGOTIABLE INTEREST RATE.

To protect the security of this Deed of Trust, Trustor agrees: By the execution and delivery of this Deed of Trust and the note secured hereby, that provisions (1) to (16) inclusive of the Deed of Trust recorded in the Book and at the page, or document No. of Official Records in the Office of the county recorder of the county where said property is located, noted below opposite the name of such county, viz.:

| COUNTY    | DOCUMENT No. | BOOK     | PAGE    | COUNTY   | DOCUMENT No. | BOOK     | PAGE    | COUNTY     | DOCUMENT No. | BOOK         | PAGE    |
|-----------|--------------|----------|---------|----------|--------------|----------|---------|------------|--------------|--------------|---------|
| Clark     | 413987       | 514      |         | Humboldt | 116986       | 3        | 83      | Ormsby     | 72637        | 19           | 102     |
| Churchill | 104132       | 34 mtgs. | 591     | Lander   | 41172        | 3        | 758     | Pershing   | 57488        | 28           | 58      |
| Douglas   | 24495        | 22       | 415     | Lincoln  | 41292        | 0 mtgs.  | 467     | Storey     | 28573        | R mtgs.      | 112     |
| Eiko      | 14831        | 43       | 343     | Lyon     | 88486        | 31 mtgs. | 449     | Washoe     | 407205       | 734 Tr. Deed | 221     |
| Esmeralda | 26291        | 3H deeds | 138-141 | Mineral  | 76648        | 16 mtgs. | 534-537 | White Pine | 128126       | 261          | 341-344 |
| Eureka    | 39602        | 3        | 283     | Nye      | 47157        | 67       | 163     |            |              |              |         |

(which provisions, identical in all counties, are printed on the reverse hereof) hereby are adopted and incorporated herein and made a part hereof as fully as though set forth herein at length; that he will observe and perform said provisions; and that the references to property, obligations, and parties in said provisions shall be construed to refer to the property, obligations, and parties set forth in this Deed of Trust.

Beneficiary or the collection agent appointed by Beneficiary may charge a fee of not to exceed \$25.00 for each change in parties, or for each change in a party making or receiving a payment secured hereby.

The parties agree that with respect to provision 16, the amount of fire insurance required by covenant 2 shall be in an amount equal to the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust, and with respect to attorney's fees provided for by covenant 7 the percentage shall be a reasonable percentage.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.

STATE OF NEVADA

County of DOUGLAS ss.

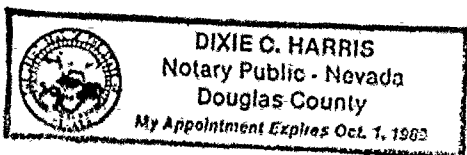
On July 10, 1980 personally appeared before me, a Notary Public, STEPHEN Z. PHILLIPS and IDA CHRISTINE PHILLIPS,

who acknowledged that they executed the above instrument.

SIGNATURE OF TRUSTOR

Stephen Z. Phillips  
Ida Christine Phillips

Dixie C. Harris  
NOTARY PUBLIC



LAW OFFICES OF  
HENDERSON & NELSON  
164 HUBBARD WAY  
SUITE B  
RENO, NEVADA 89502

137427

BOOK 786 PAGE 945

EXHIBIT "A"

All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada, described as follows:

A portion of the Southwest 1/4 of the Southwest 1/4 of Section 17, Township 12 North, Range 20 East, M.D.B. & M., more particularly described as follows:

COMMENCING at the Northwest corner of Lot 2, TIERRA LINDA ESTATES SUBDIVISION, as recorded; thence South 0°23'30" East along the West side of the said TIERRA LINDA ESTATES SUBDIVISION, a distance of 815.68 feet; thence South 89°52'30" West, a distance of 330 feet to the True Point of Beginning; thence from the True Point of Beginning South 89°52'30" West, a distance of 425.39 feet to a point; thence North 0°22'28" West, a distance of 379.90 feet to a point which is the Southwest corner of the parcel of land conveyed to JERRY WHITESIDE, et ux, in Deed recorded October 7, 1971, in Book 92, Page 184, Document No. 54835, Official Records of Douglas County, Nevada; thence South 88°11'45" East, a distance of 428.65 feet to a point, which is the Southeast corner of the Whiteside Parcel; thence South 3°29'20" West, a distance of 50 feet to the Northwest corner of the parcel of land conveyed to BRUCE D. KINGSLAND, et ux, in Deed recorded October 6, 1971, in Book 92, Page 121, Document No. 54792, Official Records of Douglas County, Nevada; thence South 0°23'30" East, a distance of 330 feet to the POINT OF BEGINNING.

A.P.N. 27-080-08

TOGETHER WITH an appurtenant non-exclusive right of way for road and utility purposes 50 feet in width lying Easterly of, parallel and contiguous to the hereinafter described line lying wholly within the Southwest 1/4, Southwest 1/4 of Section 17, Township 12 North, Range 20 East, M.D.B. & M., said line more particularly described as follows, to wit:

BEGINNING at a point which is the Northwest corner of the parcel of land conveyed to BRUCE D. KINGSLAND, et ux, in Deed recorded October 6, 1971, in Book 92, Page 121, Document No. 54792, Official Records of Douglas County, Nevada; thence North 3°29'20" West along the Westerly boundary line of the parcel of land conveyed to JOHN C. GUNN, et ux, in Deed recorded May 6, 1971, in Book 86, Page 500, Document No. 52618, Official Records of Douglas County, Nevada, a distance of 220.36 feet more or less to the Southwest corner of the parcel of land conveyed to RALPH R. MARTINI, et ux, in Deed recorded October 12, 1970, in Book 80, Page 176, Document No. 49790, Official Records of Douglas County, Nevada; thence North 0°22'28" East, along the Westerly line of the Martini parcel, as distance of 276.37 feet to the POINT OF ENDING; ~~subject to~~ ~~being on~~ ~~the Southerly~~ ~~right of way~~ ~~line~~ ~~of Verde Way, as it now exists~~ **LAWYERS TITLE**

IN OFFICIAL RECORDS OF DOUGLAS CO. NEVADA

-0-

'86 JUL 11 P3:44

SUZANNE BLAUGREAU  
RECORDER

\$ 16.00 PAID BA DEPUTY

137427

BOOK 786 PAGE 946