

SECURITY AGREEMENT AND SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS

ORDER NO.: _____

THIS DEED OF TRUST, made this 20th day of February, 1987, between FRED L. BALLMAN and KATHERINE M. BALLMAN, husband and wife, herein called TRUSTOR,

whose address is P.O. Box 1357 (number and address) Portola (city) CA (state) 96122 (zip) and

STEWART TITLE OF DOUGLAS COUNTY, a corporation, a Nevada corporation, herein called TRUSTEE, and JASPER T. QUAM and AUGUSTA M. QUAM, husband and wife as Joint Tenants, herein called BENEFICIARY,

WITNESSETH: That Trustor irrevocably grants, transfers and assigns to Trustee in trust, with power of sale, that property in the following collateral: ~~XXXXXX~~ ~~XXXXXXXXXXXXXXXXXXXX~~ County, Nevada, described as:

- 1. Being all of Lot 21, in Block S, as shown on the map entitled TOPAZ RANCH ESTATES UNIT NO. 4, filed for record November 16, 1970, in the office of the County Recorder of Douglas County, Nevada, as Document No. 50212.

Assessment Parcel No. 37-402-14

- 2. That personal property located in Douglas County, Nevada described as one 1977 Fleetwood Mobile Home, 24' X 60', serial no. ID CAFL2AB735170956.

To further protect the security of this deed of trust with respect to the collateral described above, Trustor expressly agrees that the covenants and agreements set forth in EXHIBIT "A" attached hereto, and made a part hereof by reference, shall inure to and bind the parties hereto.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the purpose of securing (1) payment of the sum of \$ 10,000.00 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.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious Deed of Trust recorded in the office of each County Recorder in the State of Nevada on January 30, 1958, in the book and at the page thereof, or under the document or file number, noted below opposite the name of such county, namely:

COUNTY	BOOK	PAGE	DOC. NO.	COUNTY	BOOK	PAGE	DOC. NO.
Churchill	39 Mortgages	363	115384	Lincoln			45902
Clark	850 Off. Rec.		682747	Lyon	37 Off. Rec.	341	100661
Douglas	57 Off. Rec.	115	40050	Mineral	11 Off. Rec.	129	89073
Elko	92 Off. Rec.	652	35747	Nye	105 Off. Rec.	107	04823
Esmeralda	3-X Deeds	195	35922	Ormsby	72 Off. Rec.	537	32867
Eureka	22 Off. Rec.	138	45941	Pershing	11 Off. Rec.	249	66107
Humboldt	28 Off. Rec.	124	131075	Storey	"S" Mortgages	206	31506
Lander	24 Off. Rec.	168	50782	Washoe	300 Off. Rec.	517	107192
				White Pine	295 R.E. Records	258	

shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivision A and B, (identical in all counties, and printed on the reverse side hereof) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed a reasonable amount. The Beneficiary or the collection agent appointed by him may charge a fee of not to exceed \$15.00 for each change in parties, or for each change in a party making or receiving a payment secured hereby.

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.

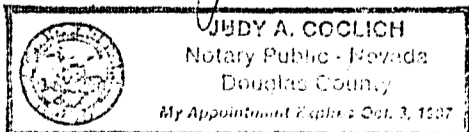
STATE OF NEVADA }
COUNTY OF Douglas } ss.
On February 20, 1987 personally
appeared before me, a Notary Public,

Fred L. Ballman
Fred L. Ballman
Katherine M. Ballman
Katherine M. Ballman

*Fred L. Ballman and
Katherine M. Ballman*

who acknowledged that they executed the above instrument.

Signature *Judy A. Coclich*
(Notary Public)
Judy A. Coclich



WHEN RECORDED MAIL TO:

Jasper T. & August M. Quam
4424 Appollo Drive
Carson City, NV 89701

FOR RECORDER'S USE

150341

BOOK 287 PAGE 1993

1. The rights and remedies of Beneficiary upon the occurrence of one or more default by Trustor (whether such rights and remedies are conferred by statute, by rule of law, by this Deed of Trust, or otherwise) may be exercised by Beneficiary, in the sole discretion of Beneficiary, either alternatively, concurrently, or consecutively in any order. The exercise by Beneficiary, or any one or more of such rights and remedies shall not be construed to be an election of remedies nor a waiver of any other rights and remedies Beneficiary might have unless, and limited to an extent that, Beneficiary shall so elect or so waive by an instrument in writing delivered to Trustee. Without limiting the generality of the foregoing, to the extent that this Deed of Trust covers both real and personal property, Beneficiary may, in the sole discretion of Beneficiary, either alternatively, concurrently, or consecutively in any order;

(a) Proceed as to both the real and personal property in accordance with Beneficiary's rights and remedies in respect to the real property; or

(b) Proceed as to the real property in accordance with Beneficiary's rights and remedies in respect to the real property and proceed as to the personal property in accordance with Beneficiary's rights and remedies in respect to the personal property.

2. Beneficiary may, in the sole discretion of Beneficiary, appoint Trustee as the agent of Beneficiary for the purpose of disposition of the personal property in accordance with the Nevada Uniform Commercial Code--Secured Transactions.

3. If Beneficiary should elect to proceed as to both the real and personal property collateral in accordance with Beneficiary's rights and remedies in respect to real property:

(a) All the real property and all the personal property may be sold, in manner and at the time and place provided in provision B-6 of this Deed of Trust and Security Agreement, in one lot, or in separate lots consisting of any combination or combination of real and personal property, as the Beneficiary may elect, in the sole discretion of Beneficiary.

(b) Trustor acknowledges and agrees that a disposition of the personal property collateral in accordance with Beneficiary's rights and remedies in respect to real property, as hereinabove provided, is a commercially reasonable disposition of the collateral.

4. If Beneficiary should elect to proceed as to the personal property collateral in accordance with Beneficiary's rights and remedies in respect to personal property, Beneficiary shall have all the rights and remedies conferred on a secured party by NRS 104.9501 to NRS 104,9507, both inclusive.

5. As to the mobile home collateral:

(a) Trustor acknowledges that collateral is classified as consumer goods

(b) Trustor will pay all real estate taxes and assessments due against the mobile home.

(c) The mobile home will be insured by Trustor against all risks commonly insured by owners of like collateral and those which Beneficiary may designate, with policies acceptable to Beneficiary and with both Trustor and Beneficiary as named insureds thereunder as their interest may appear. The limits of the all risk policy shall be in a reasonable amount. Trustor agrees to pay, when due, all premiums on said policies of insurance.

If Trustor should fail to procure and maintain said insurance policies, Beneficiary may, at this option, procure and maintain them. Trustor shall reimburse Beneficiary for any sums advanced by Beneficiary hereunder, on demand, together with interest thereon at fourteen (14) percent per annum from the date paid until the date of reimbursement.

(d) The mobile home will not be moved from its present location of 3620 Granite Way, Wellington, NV 89444 without the prior written consent of the Beneficiary.

TRUSTOR:

Fred L. Ballman
FRED L. BALLMAN

Katherine M. Ballman
KATHERINE M. BALLMAN

BENEFICIARY:

Jasper T. Quam
Jasper T. Quam

Augusta M. Quam
Augusta M. Quam

COOPY

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

'87 FEB 23 P12:25

SUZANNE BEAUDREAU
RECORDER
\$7.00 PAID Bk DEPUTY

150341

BOOK 287 PAGE 1995