

NOTICE OF BREACH AND DEFAULT AND OF
ELECTION TO CAUSE SALE OF REAL PROPERTY UNDER DEED OF TRUST

NOTICE IS HEREBY GIVEN:

That Western Title Company, Inc. is duly appointed substituted trustee ("Trustee") under a Deed of Trust ("Deed of Trust") dated March 13, 1985, executed by Carson Valley Land Company, a Nevada corporation, aka H.F. Dangberg Land Co. ("Borrower"), in favor of State Federal Savings and Loan Association, a United States corporation (the undersigned as receiver for State Federal Savings and Loan Association is hereinafter referred to as "Beneficiary"), recorded March 22, 1985, as Document Number 115140 in Book 385 at Page 2031, and re-recorded May 3, 1985 in Book 585 at Page 307, as Document Number 116868, of the Official Records in the Office of the County Recorder of Douglas County, Nevada, securing, among other obligations, the indebtedness by the Borrower to the Beneficiary for the principal sum of \$7,000,000.00 ("Note").

That the beneficial interest in the Deed of Trust and all obligations secured thereby are presently held by the Beneficiary.

That a breach of, and default in, the obligations for which the Deed of Trust is security has occurred, and is occurring, in that payment has not made of: (i) installments of principal and interest due under the Note in accordance with the terms of the Note; (ii) late charges due under the Note or Deed of Trust, or both; (iii) attorneys' fees; (iv) such other sums, if any, which may have been advanced by the Beneficiary under the Deed of Trust or Note, or both, to or for the account of the Borrower; and (v) all fees and costs of the Trustee.

That by reason thereof, the Beneficiary has executed and delivered to the Trustee, a written Declaration of Default and Demand for Sale, dated concurrently herewith, and will deposit with the Trustee the Deed of Trust and all documents evidencing obligations secured thereby, and has declared and does hereby declare all sums secured by the Deed of Trust to be due and payable and has elected and does hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

NOTICE OF CERTAIN RIGHTS:

Some parties may have the right to cure the default herein described and reinstate some obligations secured by the Deed of Trust. Section 107.080 of the Nevada Revised Statutes permits certain defaults to be cured upon the payment of the amounts specified in that section without payment of that portion of principal and interest which would not be due had no default occurred. Where reinstatement is possible, if the default is not cured within 35 days following the recording and mailing to Borrower or Borrower's successor in interest of this notice, the

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right of reinstatement will terminate and the property secured by the Deed of Trust may thereafter be sold.

To determine if reinstatement is possible and the amount, if any, necessary to cure the default, contact the beneficiary's agent at:

Western Title Company, Inc.
225 South Arlington Avenue
Reno, Nevada 89501
Attention: Nancy Shute
Phone: (702) 329-1101

DATED: This 1st day of December, 1987.

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION, as receiver for STATE FEDERAL SAVINGS AND LOAN ASSOCIATION, Corvallis, Oregon

By Milt Donelson
Milt Donelson
Title: Special Representative

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

On this 1st day of December, 1987, before me, a Notary Public, personally appeared Milt Donelson, known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the uses and purposes therein described.

NOTARY PUBLIC
Notary Public
STATE OF NEVADA
COMMISSION EXPIRES
1988

REQUESTED BY
WESTERN TITLE COMPANY, INC.
IN OFFICIAL RECORDS OF
COUNTY OF WASHOE

'87 DEC 17 A10:18

SUZANNE BLANCHARD
RECORDER

2.

66-10 DEPUTY

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