

Submitted for recordation by and return to:
BANK OF THE WEST

SAN JOSE BUSINESS BANKING (065) Office

P.O. BOX 1000 Street

SAN JOSE, CA 95108 City

ATTN: 2-508-2 LEGAL

Space above this line for Recorder's use

DEED OF TRUST

WITH ASSIGNMENT OF RENTS (DWELLING—SHORT FORM)

This DEED OF TRUST, made this Twenty-sixth day of January, 1988, between RAY H. COLLISHAW, TRUSTEE AND EARLYN B. COLLISHAW ALSO KNOWN AS EARLYN R. COLLISHAW, TRUSTEE OF THE RAY AND EARLYN COLLISHAW TRUST DATED APRIL 27, 1982.

herein called Trustor, and FIRST SANTA CLARA CORPORATION, herein called Trustee, and BANK OF THE WEST, herein called Beneficiary, a corporation duly organized, existing and doing business under the Bank Laws of the State of California, whose

address is 2 WEST SANTA CLARA ST., SAN JOSE, CA 95113

WITNESSETH:

WHEREAS, ~~Trustor is indebted to Beneficiary in the sum of~~ *****SEE ATTACHED ADDENDUM*****

~~with interest thereon according to the terms of a promissory note to be set forth hereinafter;~~ ***** Dollars (\$ *****

Now, THEREFORE, for the purpose of securing:

- (a) The repayment of said promissory note with interest thereon and any and all renewals thereof and any and all renewals of any other indebtedness or obligations secured hereby; and
- (b) The repayment of any and all sums and amounts that may be advanced or expenditures that may be made by Beneficiary subsequent to the execution of this Deed of Trust for the maintenance or preservation of the property or any part thereof covered by this Deed of Trust or that may be advanced or expended by Beneficiary pursuant to any of the provisions of this Deed of Trust subsequent to its execution, together with interest on all such advances or expenditures; and
- (c) The repayment of any and all sums that may be advanced to Trustor by Beneficiary or indebtedness or obligations that may be incurred by Trustor to Beneficiary subsequent to the execution of this Deed of Trust, together with interest thereon;

Trustor grants, transfers and assigns to Trustee in trust and upon the trusts and agreement hereinafter set out, with power of sale, and, if there be more than one Trustee, then in joint tenancy upon the same trusts and agreements and with like power of sale, all that property and the improvements thereon, located in the SAID County of DOUGLAS State of NEVADA, described as:

SEE ATTACHED EXHIBIT "A"

including the hereditaments and appurtenances thereunto belonging, all water rights and stock appurtenant thereto or connected therewith, and all the estate which Trustor now has or may hereafter acquire in said property, TOGETHER WITH the rents, issues and profits thereof, subject, however, to the provisions of paragraph 7 (d) hereof respecting the occasions on which Trustee may collect and retain said rents, issues and profits.

ALL PROVISIONS ON THE REVERSE SIDE ARE INCORPORATED HEREIN AS THOUGH SET FORTH FULLY AT THIS POINT TRUSTOR REQUESTS THAT A COPY OF ANY NOTICE OF DEFAULT AND A COPY OF ANY NOTICE OF SALE HEREUNDER SHALL BE MAILED TO TRUSTOR AT THE ADDRESS SET OPPOSITE HIS SIGNATURE HERETO.

RAY H. COLLISHAW, TRUSTEE AND EARLYN B. COLLISHAW, ALSO KNOWN AS EARLYN R. COLLISHAW, TRUSTEE OF THE RAY AND EARLYN COLLISHAW TRUST

Mailing Address for Notices

DATED APRIL 27, 1982

1515 WALSH AVENUE

RAY H. COLLISHAW, TRUSTEE
EARLYN B. COLLISHAW ALSO KNOWN AS EARLYN R. COLLISHAW, TRUSTEE

SANTA CLARA, CA 95050 172218

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TRUSTOR AGREES TO DO AND PERFORM EACH OF THE FOLLOWING:

(a) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws, conditions and restrictions affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

(b) To insure said property and to keep all property insured against fire and any other hazards designated by Beneficiary in amounts satisfactory to Beneficiary, but such insurance protection shall at all times be in amounts at least equal to the amount of Trustor's unpaid indebtedness secured hereby. All policies of such insurance shall: (1) be in insurance carriers approved by Beneficiary, (2) at request of Beneficiary be delivered to it, and (3) provide that any loss thereunder be payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness or obligation secured hereby or to the restoration of the damaged premises in such manner as Beneficiary may determine; or at the option of Beneficiary the entire amount so collected, or any part thereof, may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(c) To pay, at least ten days before delinquency, all taxes and assessments affecting said property, including assessments on appurtenant water stock, and to pay, when due, all encumbrances, charges and liens, with interest, on said property, or any part thereof, which appear to be prior or superior hereto, and all costs, fees and expenses of this Trust.

(d) If requested in writing by Beneficiary, to make payments to Beneficiary in the amounts and at the times designated by Beneficiary on account of a reserve for taxes and assessments as such may become due and payable and for such insurance premiums which will become due and payable to renew the insurance on the premises.

(e) To appear in and defend any action or proceeding purporting to affect the security hereof or title to said property or the rights or powers of Beneficiary or Trustee; to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

(f) If the loan secured hereby is to finance the construction, improvement, alteration or repair of said property, to perform or cause to be performed all acts necessary to complete all said work in accordance with any agreement between Trustor and Beneficiary.

Trustor further agrees that a failure on the part of Trustor to do and perform any of the foregoing shall constitute a default under this Deed of Trust.

THE PARTIES HERETO MUTUALLY AGREE:

1. Should Trustor fail to make any payment or to do any acts as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to do or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon and take possession of said property for such purposes, to appear in and defend any action or proceeding purporting to affect the security hereof, or title to said property or the rights or powers of Beneficiary or Trustee; to pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto, and, in exercising any such powers, to pay necessary expenses, employ counsel and pay their reasonable fees. Trustor agrees to repay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from the date of the expenditure at eight per cent (8%) per annum.

2. By accepting payment of any sum secured hereby after its due date Beneficiary does not waive or in any manner affect its right to require prompt payment when due of all other sums so secured and to declare a default for failure of Trustor so to pay. The waiver by Trustee or Beneficiary of any default of Trustor under this Deed of Trust shall not be deemed to be a waiver of any other or similar default subsequently occurring.

3. Despite any contrary provision herein or in the promissory note of Trustor, Beneficiary shall have the absolute right to direct the manner in which the payments or proceeds shall be applied upon or allocated among the various items composing the Trustor's indebtedness.

4. Upon the written request of the Beneficiary stating that all sums secured hereby have been paid, and upon surrender to Trustee for cancellation of this Deed of Trust and all promissory notes secured hereby, and upon payment of fees to Trustee, if any, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in any reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in any reconveyance may be described as "the person or persons legally entitled thereto."

5. At any time and from time to time, without liability and notice, upon the written request of Beneficiary and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may do any of the following:

- (a) Join in any extension agreement or any agreement subordinating the lien charge thereon;
- (b) Reconvey any part of said property;
- (c) Consent to the making of any map or plat thereof;
- (d) Join in granting any easement thereon.

6. If any change or changes occur in the title to all or any part of said property, Beneficiary may, without any notice or demand at its discretion and from time to time and without in any way impairing or releasing the obligations of Trustor hereunder, do any of the following:

- (a) Take, exchange or release security for any of the obligations now or hereafter secured hereby;
 - (b) Extend the time for payment of said obligations;
 - (c) Otherwise change the terms of said obligations.
- In the event the herein described property or any part thereof, or any interest therein, is sold, agreed to be sold, conveyed or alienated by the Trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder thereof, and without demand or notice shall immediately become due and payable.

7. Whenever Trustor shall be in default in the payment of any indebtedness secured hereby or in the performance of any other agreement, obligation or condition of this Deed of Trust, Trustee or Beneficiary shall be entitled to do any or all of the following:

- (a) Take possession of said property or any part thereof;
- (b) Operate said property or any part thereof;
- (c) Do such acts as may be necessary to conserve the value of said property or any part thereof;
- (d) Collect and retain the rents, issues and profits from said property or any part thereof, either with or without taking possession.

In addition and without prejudice to such rights, Beneficiary shall have the right to have a receiver appointed to do any or all of the aforesaid things during any such default. Beneficiary's legal expense in procuring the appointment of a receiver shall be chargeable to Trustor. If a net profit be realized from the exercise of the powers herein conferred, it shall be applied upon the indebtedness secured hereby in such manner as Beneficiary may determine, if a net loss be realized, Trustor hereby agrees to pay the amount thereof to Trustee and/or Beneficiary, as their interests appear.

8. Whenever Trustor shall be in default in the payment of any indebtedness secured hereby or in the performance of any other agreement, obligation or condition in this Deed of Trust, Beneficiary may, at its option, declare all indebtedness, obligations and sums secured hereby to be immediately due and payable by delivery to Trustee of a written declaration of default. If Beneficiary desires said property to be sold, it shall deposit with Trustee this Deed of Trust and all promissory notes and documents evidencing expenditures secured hereby, and shall deliver to Trustee a written notice of default and of election to cause the property to be sold, in form required by law, a copy of which shall be mailed to Trustor at the address set opposite his signature hereto, and the original thereof shall be duly filed for record by Trustee.

When the time required by law shall have elapsed after recordation of such notice of default and election, Trustee shall mail a notice of sale to Trustor at the address shown opposite his signature hereto and give such other notice of sale as may then be required by law and, without demand upon Trustor, shall sell said property at the time and place of sale fixed in said notice of sale. Beneficiary may, without liability on its part, designate whether said property shall be sold as a whole or in separate parcels and, if in separate parcels, the order in which said parcels shall be sold. The property shall be sold at public auction to the highest bidder for cash. The purchase price shall be payable at the time of the acceptance of the bid. The sale shall take place at some place in the county wherein the said property is situated and, if situated in different counties, then in any county in which any part of the property is situated. Trustee may act through an attorney, auctioneer or other agent in all proceedings connected with the sale. Any person, including Trustor, Trustee and Beneficiary, may purchase at the sale. Trustee may postpone the sale of all or any portion of said property from time to time by public announcement at the time and place of sale as fixed in said notice or as fixed by public announcement of postponement. Upon payment of the full purchase price, Trustee shall deliver to the purchaser a deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters, proceedings and facts shall be conclusive proof of the truthfulness and regularity thereof. The receipt for the purchase money contained in any such deed shall discharge the purchaser from all obligations with reference to the proper application of the purchase money by Trustee.

9. After deducting all costs and expenses of sale, and all costs and expenses of Trustee and of this trust, including fees of the Trustee and of counsel employed by Trustee and/or Beneficiary for the purpose of exercising the power of sale hereunder, or for any other purpose in connection with this instrument, and the cost of evidence of title in connection with the sale, Trustee shall apply the proceeds of sale, first, to the payment of all sums expended under the terms of this instrument, not then repaid, with accrued interest at eight per cent (8%) per annum; and second, to the payment of all other sums then secured hereby, in such order and manner as may be designated by Beneficiary; the remainder, if any, to be paid to the person or persons legally entitled thereto.

10. (a) In addition to any of the powers or remedies conferred upon the Trustee and the Beneficiary or either of them under this instrument, either the Trustee or Beneficiary or both may bring an action in the proper court for the foreclosure of this instrument as a mortgage and obtain all the remedies in such action that are given by any statute or law of the State of California.

(b) No power or remedy herein conferred is exclusive of or shall prejudice any other power or remedy of Trustee or Beneficiary.

(c) Each such power and remedy may be exercised from time to time as often as is deemed necessary.

11. In case of suit being commenced for the foreclosure of this Deed of Trust, the Trustor agrees to pay Beneficiary or Trustee (whichever may be the plaintiff in said foreclosure suit) whether said suit be brought to a decree or not:

- (a) For counsel fees therein the sum of One Hundred Dollars (\$100.00); and
- (b) An amount equal to five per cent (5%) of the amount then unpaid upon the indebtedness secured hereby; and also
- (c) Such further sums, if any, as Beneficiary or Trustee shall have paid for procuring an abstract of, or for search of the title to, said property subsequent to the execution of this Deed of Trust; and
- (d) A reasonable fee for Trustee.

In such suit of foreclosure, the plaintiff therein shall be entitled without notice to the appointment of a receiver to take possession of and operate said property and to collect and receive the rents, issues and profits of said property, and to exercise such other powers as the court shall confer. All moneys herein agreed to be paid shall be secured hereby.

12. Trustee and Beneficiary shall be entitled to enforce any indebtedness or obligation secured hereby and to exercise all rights and powers under this Deed of Trust or under any other agreement or any law now or hereafter in force, although some or all of the indebtedness and obligations secured hereby are now or shall hereafter be otherwise secured, whether by mortgage, deed of trust, security agreement, pledge, lien assignment or otherwise. Neither the acceptance of this Deed of Trust nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein conferred, shall prejudice or in any manner affect Trustee's or Beneficiary's right to realize upon or enforce any other security now or hereafter held by Trustee or Beneficiary, it being agreed that Trustee and Beneficiary shall be entitled to enforce this Deed of Trust and any other security now or hereafter held by Beneficiary or Trustee in such order and manner as they or either of them may in their uncontrolled discretion determine.

13. Trustor hereby declares that this conveyance is irrevocable, and that if two or more persons be named as Trustees herein this Deed of Trust shall be construed as a conveyance to them as joint tenants with full right of survivorship. Beneficiary may from time to time substitute a successor or successors to any Trustee named herein or acting hereunder to execute this Trust. Upon such appointment and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any Trustee herein named or acting hereunder. Each such appointment and substitution shall be made by written instrument executed by Beneficiary, which, when recorded in the office of the County Recorder of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee. The foregoing power of substitution and the procedure therefor shall not be exclusive of the power and procedure provided for by law for the substitution of a trustee or trustees in the place of the trustee or trustees named herein.

14. Any award of damages in connection with any condemnation for public use or injury to said property, or any part thereof, is hereby assigned and shall be paid to Beneficiary, who may apply or release the money received by it in the same manner and with the same effect as above provided for the disposition of the proceeds of fire or other insurance.

15. Any Trustor who is a married person and who has joined in the execution of any promissory notes secured by this Deed of Trust hereby expressly agrees and assents to the liability of his or her separate property for all such indebtedness. Such agreement and assent, however, shall not be deemed to create a present lien or encumbrance upon any of his or her separate property not herein described.

16. The pleading of any statute of limitations as a defense to any and all obligations secured by this Deed of Trust is hereby waived, to the full extent permissible by law.

17. The provisions of this Deed of Trust are hereby made applicable to and shall inure to the benefit of and bind all parties hereto and their heirs, legatees devisees, administrators, executors, successors and assigns (including a pledge of any indebtedness secured hereby). The masculine gender includes the feminine and/or neuter, and the singular number includes the plural. Should more than one person execute this Deed of Trust, as Trustor, the undertakings of the Trustor herein contained shall be deemed to be their joint and several undertakings.

STATE OF CALIFORNIA

State of

Calif

County of

Santa Clara

ss.

On this

26

day of

January

in the year

1988

before me,

Betty Cote

a Notary Public in and for the

Santa Clara

County of

Santa Clara

State of California,

personally appeared

Ray H. Colleschan & Evelyn B. Colleschan

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed in this instrument, and acknowledged that he (she or they) executed it.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal, in the

Said

County of the State of California the day and

year in this certificate first above written

(General)

Notary Public in and for the of the State of California.

County

Betty Cote

Notary Public's Signature

172218

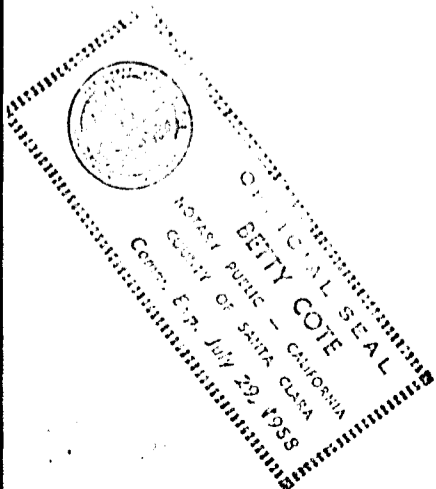


EXHIBIT "A"

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND SITUATE IN THE COUNTY OF DOUGLAS, STATE OF NEVADA, DESCRIBED AS FOLLOWS:

All that portion of Parcel "A" as shown on the Map of SKYLAND SUBDIVISION NO. 1, filed in the office of the County Recorder of Douglas County, Nevada, on February 27, 1958, as Document No. 12967, described as follows:

COMMENCING at the Northwest corner of Lot 31 in said subdivision; thence along the northerly and westerly line of said Parcel A the following courses and distance: North $53^{\circ}35'30''$ West 57.63 feet; North $6^{\circ}54'40''$ West 33.24 feet; North $47^{\circ}49'$ West 43.18 feet; South $34^{\circ}52'30''$ West 40.22 feet; South $54^{\circ}02'$ West 139.62 feet; and South $15^{\circ}33'$ West a distance of 34.00 feet to the True Point of Beginning; thence along the westerly and southerly line of said Parcel A the following courses and distances: South $15^{\circ}33'$ West 85.57 feet; South $41^{\circ}44'40''$ East 87.12 feet; North $47^{\circ}37'40''$ East 77.15 feet; thence South $45^{\circ}21'00''$ East 60.10 feet; thence North $03^{\circ}03'50''$ West 101.73 feet; thence North $74^{\circ}27'00''$ West 134.30 feet to the Point of Beginning.

Assessor's Parcel No. 05-051-12

SUBJECT TO AND TOGETHER WITH a permanent easement for parking, ingress, egress and utility purposes over and including all that property described as Parcel 2 in the Deed from Ferdie Sievers, et ux, to Rudolph S. Gersick, et ux, recorded February 6, 1964 in Book 22, Page 135, Document No. 24368, Official Records of Douglas County, State of Nevada, and as adjudged in Judgment in the Second Judicial District Court of the State of Nevada in and for the County of Washoe, Case No. 309246 and recorded April 15, 1977 in Book 477, Page 784, Document No. 08491, Official Records of Douglas County, State of Nevada. Said easement is to be used jointly with the other owners of Parcel A of Skyland Subdivision No. 1, their heirs, successors, assigns, guests, and invitees.

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ADDENDUM TO DEED OF TRUST

By and between RAY H. COLLISHAW, TRUSTEE and EARLYN B. COLLISHAW, also known as EARLYN R. COLLISHAW, TRUSTEE of the RAY and EARLYN COLLISHAW Trust dated April 27, 1982 as Trustor, FIRST SANTA CLARA CORPORATION as Trustee, and BANK OF THE WEST as Beneficiary, dated 1/26/88.

The Deed of Trust is for the purpose of securing the payment of an indebtedness in the principal amount of Two Million Four Hundred Fifty Thousand and 00/100 Dollars (\$2,450,000.00), to be paid in accordance with the terms and with interest as set forth in that certain note with variable interest rate, of even date herewith, made by RAY H. COLLISHAW and EARLYN B. COLLISHAW also known as EARLYN R. COLLISHAW to the order of Beneficiary, and all modifications, extensions and/or renewals thereof, and all other obligations stated herein as so secured.

All other terms, conditions and provisions of the Deed of Trust to remain in full force and effect.

In witness whereof, Trustor has executed this Deed of Trust on the date hereinabove written.

TRUSTOR:

RAY H. COLLISHAW, TRUSTEE and EARLYN B. COLLISHAW, also known as EARLYN R. COLLISHAW, TRUSTEE of the Ray and Earlyn Collishaw Trust dated April 27, 1982

[Signature of Ray H. Collishaw]
RAY H. COLLISHAW, Trustee

[Signature of Earlyn B. Collishaw]
EARLYN B. COLLISHAW, also known as EARLYN R. COLLISHAW, TRUSTEE

PREPARED BY
FIRST NEVADA TITLE COMPANY
IN OFFICIAL RECORDS OF
COUNTY OF CLATSOP, OREGON

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W51AA88.09/AS

SUZANNE BEAUDREAU
RECORDER

\$ 8.00 PAID *[Signature]* DEPUTY

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