

LONG FORM DEED OF TRUST AND ASSIGNMENT OF RENTS

This Deed of Trust, dated November 13, 1989, between

Phil Carter, an unmarried man

, herein called TRUSTOR,

whose address is P.O. Box 1344, Minden, Nevada 89423

NORTHERN NEVADA TITLE COMPANY, a Nevada corporation, herein called TRUSTEE, and

Stanley Allen Smith and Ellen Marie Smith, 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 Douglas County, Nevada, described as:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR LEGAL DESCRIPTION

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 HEREOF AND WITHOUT DEMAND OR NOTICE SHALL IMMEDIATELY BECOME DUE AND PAYABLE.

TOGETHER WITH the rents, issues and profits thereof, reserving the right to collect and use the same except during continuance of some default hereunder and during continuance of such default authorizing Beneficiary to collect and enforce the same by any lawful means in the name of any party hereto.

For the Purpose of Securing: 1. Performance of each agreement of Trustor incorporated by reference or contained herein. 2. Payment of the indebtedness evidenced by one promissory note of even date herewith, and any extension or renewal thereof, in the principal sum of *TEN THOUSAND AND 00/100 DOLLARS**

(\$ 10,000.00), executed by Trustor in favor of Beneficiary or order. 3. Payment of such additional sums as may hereafter be advanced for the account of Trustor or Assigns by Beneficiary with interest thereon.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, Trustor agrees:

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

2. The Grantor agrees to pay and discharge all costs, fees and expenses of these Trusts, including cost of evidence of title and Trustee's fees in connection with sale, whether completed or not, which amounts shall become due upon delivery to Trustee of Declaration of Default and Demand for Sale, as hereinafter provided.

3. To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon indebtedness secured hereby and in such order as Beneficiary may determine, or at 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.

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4. The Grantor promises and agrees that if during the existence of the Trust there be commenced or pending any suit of action affecting said conveyed premises, or any part thereof, or the title thereto, or if any adverse claim for or against said premises, or any part thereof, be made or asserted, he will appear in and defend any such matter purporting to affect the security and will pay all costs and damages arising because of such action.

5. Any award of damages in connection with any condemnation for public use of or injury to any property or any part thereof is hereby assigned and shall be paid to Beneficiary, who may apply or release such monies received by him in the same manner and with the same affect as herein provided for disposition of proceeds of insurance.

6. Trustee shall be under no obligation to notify any party hereto of any pending sale hereunder or of action or proceeding of any kind in which Grantor, Beneficiary and/or Trustee shall be named as defendant, unless brought by Trustee.

7. Acceptance by Beneficiary of any sum in payment of any indebtedness secured hereby, after the date when the same is due, shall not constitute a waiver of the right either to require prompt payment, when due, of all other sums so secured or to declare default as herein provided for failure so to pay.

8. Trustee may, at any time, or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the notes secured hereby for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby or the effect of this Deed of Trust upon the remainder of said property; reconvey any part of said property; consent in writing to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or subordination agreement in connection herewith.

9. Upon receipt of written request from Beneficiary reciting that all sums secured hereby have been paid and upon surrender of this Deed of Trust and said note to Trustee for cancellation and retention and upon payment of its fees, the Trustee shall reconvey without warranty the property then held hereunder. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truth thereof. The Grantee in such reconveyance may be described in general terms as "the person or persons legally entitled thereto". Five years after issuance of such full reconveyance, Trustee may destroy said note and this Deed of Trust (unless directed in such request to retain them).

(a) Should default be made by Grantor in payment of any indebtedness secured hereby and/or in performance of any agreement herein, then Beneficiary may declare all sums secured hereby immediately due by delivery to Trustee of a written declaration of default and demand for sale, and of written notice of default and election to cause said property to be sold (which notice Trustee shall cause to be filed for record) and shall surrender to Trustee this Deed, the notes and all documents evidencing any expenditure secured hereby.

10. After three months shall have elapsed following recordation of any such notice of default, Trustee shall sell said property at such time and at such place in the State of Nevada as the Trustee, in its sole discretion, shall deem best to accomplish the objects of these Trusts, having first given notice of such sale as then required by law. Place of sale may be either in the county in which the property to be sold, or any part thereof, is situated, or at an office of the Trustee located in the State of Nevada.

(a) Trustee may postpone sale of all, or any portion of said property by public announcement at the time fixed by said notice of sale, and may thereafter postpone said sale from time to time by public announcement at the time previously appointed.

(b) At the time of sale so fixed, Trustee may sell the property so advertised or any part thereof, either as a whole or in separate parcels at its sole discretion at public auction, to the highest bidder for cash in lawful money of the United States, payable at time of sale, and shall deliver to such purchaser a deed conveying the property so sold, but without covenant or warranty, expressed or implied. Grantor hereby agrees to surrender immediately and without demand, possession of said property to such purchaser.

11. Trustee shall apply the proceeds of any such sale to payment of: expenses of sale and all charges and expenses of Trustee and of these Trusts, including cost of evidence of title and trustee's fee in connection with sale; counsel fees; all sums expended under the terms hereof, not then repaid, with accrued interest at the current legal rate of interest per annum; all other sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto.

12. Beneficiary or assigns may, at any time, by instrument in writing, appoint a successor or successors to the Trustee named herein or acting hereunder, which instrument, executed and acknowledged by Beneficiary, and recorded in the Office of the County Recorder of the County or Counties wherein said property is situated, shall be conclusive proof of the proper substitution of such successor or Trustee, who shall have all the estate, powers, duties and trusts in the premises vested in or conferred on the original Trustee. If there be more than one Trustee, either may act alone and execute the Trusts upon the request of the Beneficiary and his acts shall be deemed to be the acts of all Trustees, and the recital in any conveyance executed by such sole Trustee of such requests shall be conclusive evidence thereof, and of the authority of such sole Trustee to act.

13. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns.


14. Trustee accepts these Trusts when this Deed of Trust, duly executed and acknowledged is made a public record as provided by law, reserving, however, unto the Trustee the right to resign from the duties and obligations imposed herein whenever he deems, at his sole discretion, it to be in the best interest of the Trustee by giving written notice to the Trustor and Beneficiary herein, their successors or assigns.

15. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural, and the term Beneficiary shall include any future holder, including pledges, of the note secured hereby.

16. Where not inconsistent with the above the following covenants, No. 1; 3; 4 (current legal rate of interest); 5; 6; 8; of NRS 107.030 are hereby adopted and made a part of this Deed of Trust.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

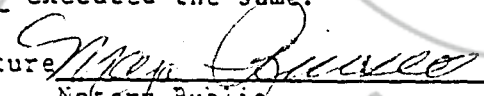
STATE OF NEVADA,)
)
) ss.
COUNTY OF CARSON CITY)

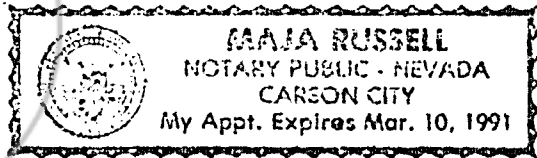


Phil Carter

On November 20th 1999 before me,
the undersigned, a Notary Public in
and for said State, personally
appeared PHIL CARTER

known to me to be the person whose
name is subscribed to the within
instrument and acknowledged that
he executed the same.

Signature 
Notary Public



IF EXECUTED BY A CORPORATION, THE
CORPORATION FORM OF ACKNOWLEDGEMENT
MUST BE USED.

THIS FORM FURNISHED BY
NORTHERN NEVADA TITLE COMPANY

SPACE BELOW THIS LINE FOR RECORDERS USE

When recorded mail to

Name MR. & MRS. STANLEY A. SMITH
Address 815 B. Pony Express Trail
City & State Dayton NV 89403

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EXHIBIT "A"

All that certain real property situate in the County of Douglas, State of Nevada, described as follows:

All that portion of the Southwest Quarter of the Northwest Quarter of Section 35, Township 14 North, Range 20 East, M.D.B. & M., that is described as follows:

COMMENCING at the Northeast corner of the Southwest Quarter of the Northwest Quarter of said Section 35; thence South 0° 00' 42" East, a distance of 508.90 feet to the True Point of Beginning; continuing South 0° 00' 42" East, a distance of 680.17 feet; thence South 89° 58' 36" West, a distance of 509.99 feet; thence North 0° 01' 21" West, a distance of 169.07 feet; thence North 89° 58' 36" East, a distance of 82.19 feet; thence North 0° 00' 42" West, a distance of 511.10 feet; thence North 89° 58' 36" East, a distance of 427.93 feet to the Point of Beginning.

EXCEPTING THEREFROM that portion of the Southwest one-quarter of the Northwest one-quarter of Section 35, Township 14 North, Range 20 East, M.D.B. & M., Douglas County, Nevada described as follows:

COMMENCING at the Northeast corner of the Southwest one-quarter of the Northwest one-quarter of said Section 35; thence South 0° 00' 42" East, 508.90 feet to the True Point of Beginning, said point being identical with that described in the Deed from Walter A. Downs, Sr., and Bessie M. Downs to Jerrold O. Lowry and Ida Lowry, dated July 1, 1965; thence continuing South 0° 00' 42" East, 30.00 feet; thence North 89° 58' 36" West, 125.46 feet; thence South 0° 00' 42" East, 173.60 feet; thence North 89° 58' 36" West, 302.43 feet; thence North 0° 01' 21" West, 203.60 feet; thence South 89° 58' 36" East, 427.93 feet to the True Point of Beginning.

pt/at

REQUESTED BY

Northern Nevada Title Company

IN OFFICE OF THE CLERK OF DISTRICT COURT
CLERK OF DISTRICT COURT
STATE OF NEVADA

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CLERK OF DISTRICT COURT

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DEPUTY

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