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UNION MORTGAGE COMPANY, INC.

LIEN CONTRACT AND DEED OF TRUST WITH FEDERAL DISCLOSURE
AND REQUEST FOR SPECIAL NOTICE
(Incorporating Federal Truth in Lending Disclosures)

3256103

NOTICE TO THE BUYER: (1) Do not sign this agreement before you read it or if it contains any blank space. (2) You are entitled to a completely filled-in copy of this agreement. (3) Under the law, you have the right to pay off in advance the full amount due and to obtain a partial refund of the finance charge, if any, provided for herein. (4) If you desire to pay off in advance the full amount due, the amount of the refund you are entitled to, if any, will be furnished to you upon request.

Seller, Water Systems of Western Nevada Inc. dba: Culligan Water Cond. 1155 Watson Way #6, Sparks, Nevada
License Number 22417 NAME Classification Water Treatment BUSINESS ADDRESS
hereby sells, and Buyer John W. & Mickie J. Ovrud H/W 1418 Lenard, Gardnerville, NAME(S) RESIDENCE OR PLACE OF BUSINESS AS SPECIFIED BY BUYER(S) Nevada,
(hereinafter called Buyer) hereby buys and accepts, subject to the terms and conditions herein provided, goods and services described as follows:

DESCRIPTION OF GOODS AND SERVICES (Describe in detail)	PRICE
Water Treatment	TOTAL \$ 2495.00

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	Total Sale Price
The cost of your credit as a yearly rate. 17.98 %	The dollar amount the credit will cost you. \$ 1303.60	The amount of credit provided to you or on your behalf. \$ 2495.00	The amount you will have paid after you have made all payments as scheduled. \$ 3798.60	The total cost of your purchase on credit, including your downpayment of \$ <u>-0-</u> \$ 3798.60

Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due: Approximately 30 to 45 days from date of completion.
60	\$ 63.31	Monthly, Beginning [Ⓢ]

Security. You are giving a security interest in the goods or property being purchased, and ~~XX~~ in the land located at 1418 Lenard, Gardnerville Nevada
Assumption: Someone buying your house cannot assume the remainder of the deed of trust on its original terms
Late Charge: If a payment is late, you will be charged 5% of the amount of the past due payment or \$5.00, whichever is less, but not less than \$2.00.
Prepayment: If you pay off early, you may be entitled to a refund of part of the finance charge
See below and on reverse side for additional information about non-payment, default, any required payment in full before the scheduled date, and prepayment refunds and penalties.

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G. OTHER TERMS AND CONDITIONS:

Buyer promises to pay Beneficiary (a) all actual and reasonable costs of collection occasioned by the failure of Buyer to notify Beneficiary of any change of residence or to communicate with Beneficiary within 45 days after any default in making payment due hereunder; (b) reasonable attorney's fees and costs in conformity with Section 97.195 of the Nevada Revised Statutes, and (c) to the extent permitted by law, any deficiency remaining after foreclosure of the deed of trust on said real property.

Buyer agrees, at Buyer's expense, to care for and keep said property in good condition and repair, promptly restore any building thereon that may be damaged or destroyed and defend any action of proceeding adversely affecting the security. Buyer agrees to pay all taxes, assessments, and charges affecting the security before delinquency, and to pay all encumbrances, charges and liens affecting the security when due. Beneficiary may, but without obligation to do so, do any of the foregoing, and Buyer will immediately reimburse Beneficiary therefor.

* **INCONSISTENT STATE DISCLOSURES.** The items of disclosure set forth above are made in compliance with the Federal Truth and Lending Act. The following items required by the Nevada Retail Installment Sales of Goods and Services Act differ only with respect to terminology and are disclosed at the item numbers indicated: CASH SALE PRICE at item (1); INITIAL BALANCE at item (6); TIME PRICE DIFFERENTIAL at item (7); and TIME BALANCE at item (9).

IT IS MUTUALLY AGREED THAT:

1. Any compensation, awards, damages, rights of action and proceeds relating to any condemnation of or damage to said property, and proceeds of any policy of insurance affecting said property, and hereby assigned to Beneficiary.

2. Time is of the essence of this agreement and its provisions relating to delinquency charges are in no way intended to constitute a waiver of this provision. By accepting payment of any sum secured hereby after its due date, or after filing of notice of default and election to sell, Beneficiary will not waive its right to require prompt payment when due of all other sums so secured, or to declare a default for failure so to pay, or to proceed with the sale under any such notice of default and election to sell, for any unpaid balance of said indebtedness. Beneficiary may release any person liable for payment of the indebtedness without affecting the liability of any other person, and without affecting liability of any person may (a) after the terms for payment of indebtedness, and (b) accept additional security and after, substitute or release any security for the indebtedness.

3. Upon payment in full of all sums secured hereby, the Trustee shall reconvey, without warranty, the estate vested in it and may describe the grantee as "the person or persons legally entitled thereto" and recitals of any matters of fact in such reconveyance shall be conclusive proof of the truthfulness thereof.

4. Failure of Buyer to pay any installment of the indebtedness secured hereby, or to perform any agreement hereunder, or to retain title to said real property shall constitute a default, and upon such default all sums secured hereby shall immediately become due and payable at the option of Beneficiary. In the event of default, Beneficiary may execute and record, in the office of the Recorder of each County wherein the said real property or some part thereof is situated, a written notice of such default and of Beneficiary's election to cause the property therein described to be sold. Beneficiary may rescind such notice before trustee's sale by executing and recording a notice of rescission which shall constitute a cancellation of any prior notice of default and of any acceleration of the maturity of indebtedness affected by any prior notice of default. Beneficiary's rescission of a notice of default shall not waive any existing or subsequently occurring default nor impair Beneficiary's right to execute any notice of default and election to cause the property to be sold, nor otherwise affect any of the rights, obligations or remedies of the Beneficiary hereunder. Beneficiary may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties.

5. Not less than three (3) months after recordation of the notice of default, the Trustee may give notice of sale as then required by law, and, without demand on Buyer, shall sell the property at the time and place of sale fixed in the notice of sale as a whole, or in separate parcels in such order as the Trustee may determine, at public auction to the highest bidder for cash, in lawful money of the United States of America, payable at the time of sale. Trustee may postpone the sale from time to time by public announcement at the time originally or thereafter fixed by the previous postponement, and without further notice it may make such sale at the time to which the same shall be so postponed. Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant of warranty, express or implied. The recital in any such deed of any matters or facts, stated either specifically or in general terms, or as conclusions of law or fact, shall be conclusive proof of the truthfulness thereof. Any person, including Buyer, Trustee or Beneficiary, may purchase at the sale.

6. The Buyer requests that a copy of any notice of default and of any notice of sale hereunder be mailed to him at the address hereinabove set forth.

7. For any statement regarding the obligations secured hereby, Beneficiary may charge the maximum amount permitted by law at the time of the request therefor.

8. This contract which includes those additional terms and conditions set forth on the reverse side hereof, contains the entire agreement of the parties (each acknowledging that no promise has been made to compensate Buyer for referring Seller or customers to the other), binds jointly and severally all signing as Buyer, their heirs, representatives, successors and assigns.

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NOTICE: Any holder of this consumer credit contract is subject to all claims and defenses which the debtor could assert against the seller of goods or services obtained pursuant hereto or with the proceeds hereof. Recovery hereunder by the debtor shall not exceed amounts paid by the debtor hereunder.

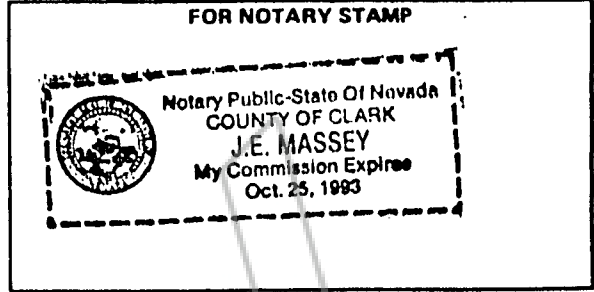
Some contractors are required by law to be licensed and regulated by the Contractor's State License Board. Any questions concerning a contractor may be referred to the Registrar of the Board whose address is 1800 Industrial Road, Las Vegas, Nevada 89102.

STATE OF NEVADA, COUNTY OF CLARK ss.

On 7/26/90 before me, the undersigned, a notary public in and for said state, personally appeared Paul R. Zimmerman known to me to be the person whose name is subscribed to the within instrument, as a WITNESS thereto, who being by me duly sworn, deposes and says: That he resides in Carson City, Nevada and that he was present and saw John W. Ovrid and Mickie J. Ovrid his wife, personally known to him to be the same person(s) described in and whose name(s) are subscribed to the within instrument as buyer/trustor(s), execute and deliver the same, and said buyer/trustor(s), acknowledged to said affiant that (he) (she) (they) executed the same and that said affiant subscribed his name thereto as a Witness.

WITNESS my hand and official seal.

Signature J.E. Massey
Name (Typed or Printed) J.E. Massey



ASSIGNMENT OF LIEN CONTRACT AND DEED OF TRUST

FOR VALUE RECEIVED, the undersigned does hereby sell, grant, assign and transfer to Union Mortgage Company or its assigns (hereinafter "Assignee"), all of its right, title and interest in and to the Lien Contract and Deed of Trust of real property set forth above and on the reverse side hereof, in accordance with that certain Contractor's Agreement entered into between the undersigned and Assignee and which is referred to and incorporated herein by this reference as though fully set forth; and all money due or to become due thereon, with interest, and all rights accrued or to accrue under said Lien Contract and Deed of Trust, and Contractor's Agreement.

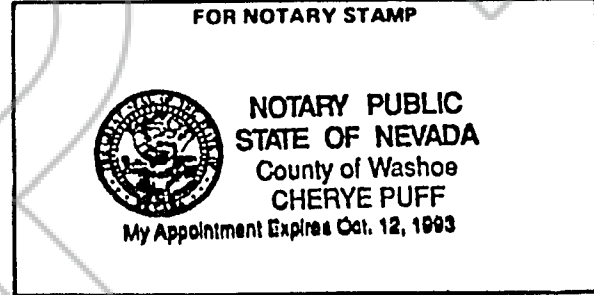
Date August 21, 1990 Water Systems Of Western Nevada Inc
dba: Culligan Water Cond
 By Melissa Grull Name of Seller Water Systems of W. Nev
 Title: Sec. Treas.

STATE OF NEVADA, COUNTY OF Washoe ss.

On this 21 day of Aug, 1990, before me, the undersigned, a Notary public in and for said County and State, residing therein, duly commissioned and sworn, personally appeared Melissa Grull known to me to be the Secretary/Treasurer of Water Systems of Western Nevada dba: Culligan Water Cond the Corporation/Company that executed the within instrument, and also known to me to be the person who executed in on behalf of the Corporation/Company therein named, and acknowledged to me that such Corporation/Company executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal, the day and year in this certificate first above written.

Signature Cherye Puff
Type or Print Name Cherye Puff
NOTARY



RETURN TO:
 UNION MORTGAGE CO., INC.
 P. O. BOX 515929
 DALLAS, TEXAS 75251-5929
 214/680-3134

INDEX AS DEED OF TRUST AND REQUEST FOR SPECIAL NOTICE

Submitted For Recordation
 By and Return to

Office Address City State Zip
 Union Mortgage Company, Inc.
 13151 Emily Street
 Dallas, Texas 75240

SPACE BELOW THIS LINE FOR RECORDER'S USE
 NOTE TO RECORDER: See reverse of this document for request for special notice.

REQUESTED BY
Union Mortgage Co
 IN OFFICIAL RECORDS OF
 DOUGLAS CO., NEVADA

90 OCT -3 AM 1:15

SUZANNE BEAUGREAU
 RECORDER

235893

\$ 8.00 PAID K12 DEPUTY

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