ESCROW NO. 40090-JHS

DEED OF TRUST WITH ASSIGNMENT OF RENTS

A.P.N. 29-040-14

THIS DEED OF TRUST made DECEMBER 12th , 1990, between JOHN WAYNE WILSON and LEONA JOSEPHINE WILSON, husband and wife, as joint tenants, with right of survivorship, and not as tenants in common, herein called "Trustor", COMSTOCK TITLE COMPANY, a Nevada corporation, herein called "Trustee", and WILLIAM T. STEFUN, an unmarried man, as to an undivided one-half (1/2) interest, whose address is: 2700 EDGEWOOD DRIVE, RENO, NEVADA 89503

RICHARD ROSSOW, a single man, as to an undivided one-quarter (1/4) interest, whose address is: POST OFFICE BOX 11261, RENO, NV 89510

and LEO ROSSOW and JACQUELYN ROSSOW, husband and wife, as joint tenants, with the right of survivorship, and not as tenants in common, as to each other, as to an undivided one-quarter (1/4) interest, whose address is: POST OFFICE BOX

11261, RENO, NEVADA 89510

all as tenants in common, herein called "Beneficiary".

WITNESSETH:

Trustor hereby grants, conveys and assigns to Trustee in trust, with power of sale all interest of Trustor in that certain property situate in the County of Douglas, State of Nevada, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

TOGETHER WITH, the tenements, hereditaments and appurtenances thereunto belonging or appertaining, easements and water rights, if any thereto, belonging or appertaining, and the reversion and reversions, remainder and remainders, all the estate, right, title and interest, homestead or other claim or demand, as well in law as in equity, which the Trustor now has or may hereafter acquire of, in or to the said premises or any part thereon, with the rents, issues and profits thereof subject, however, to the right of Beneficiary during any period of default hereunder, and without waiver of such default, to collect said rents, issues and profits of collection, to any indebtedness secured hereby. The entering of any such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

FOR THE PURPOSE OF SECURING: (1) Payment of the principal sum of FORTY THOUSAND DOLLARS (\$40,000.00), according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to the 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.

AND THIS INDENTURE FURTHER WITNESSETH, Trustor agrees as follows:

1. By accepting performance of any condition or covenant herein, including a late payment of any sum secured hereby after the due date, Beneficiary does not waive his right either to require prompt payment, or prompt or full performance of any other obligation or payment so secured or to declare default, as herein provided, for failure to so perform or pay. The property secured hereby is subject to the right of Beneficiary during any period of default hereunder, and without waiver of such default, to collect said rents, issues and profits by any lawful means, and to apply the

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same, less costs and expenses of collection, to any indebtedness secured hereby. The entering upon and or taking possession of said property or the collection of any such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

- 2. To keep said property, buildings and other improvements, that may now or at any time be on said property during the continuance of this trust, in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and 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 therefore; to comply with all laws, conditions, covenants 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.
- 3. To keep all buildings that may now or at any time be on said property during the continuance of this trust adequately insured against loss by fire, with extended coverage endorsement, naming the beneficiary as an additional insured, for such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust and which shall be payable to Beneficiary to the amount of the unsatisfied obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary. The amount collected by Beneficiary under any fire or other insurance policy may be applied by Beneficiary upon the indebtedness secured hereby and in such order as Beneficiary may determine, or, at the option of the 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.
- 4. To appear in and defend any action or proceeding purporting to affect the security hereof 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 any such action or proceeding in which Beneficiary or Trustee may appear or be named and in any suit brought by Beneficiary to foreclose this Deed of Trust; to otherwise pay all costs, fees and expenses of this Trust including those incurred in connection with any default by Trustor and to pay any deficiency arising from any cause after application of the proceeds of a sale held in accordance herewith.
- 5. To pay, at least ten days before delinquency, all taxes and assessments affecting said property, including assessments on appurtenant water stock, water rights and grazing privileges; and, when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto.
- 6. Should trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to 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 is reasonably necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such

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purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior to or superior hereto, and in exercising any such powers, pay necessary expenses, employ counsel and pay his fees.

- 7. To pay Trustee immediately and without demand all sums authorized herein and expended by Beneficiary or Trustee with interest from date of expenditure at twelve percent (12%) per annum.
- 8. That any award of damages in connection with any condemnation for public use of or injury to said 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 effect as above provided for disposition of proceeds of fire or other insurance.
- 9. The rights and remedies hereby granted shall not exclude any other rights or remedies granted herein or by law, and all rights or remedies granted hereunder or permitted by law shall be concurrent and cumulative.
- 10. Should Trustor default in the payment of any indebtedness secured hereby, or in the performance of any of the other covenants and agreements herein contained or incorporated herein by reference, Beneficiary may, in such manner and time as permitted by law, declare all sums secured hereby immediately due and payable.
- 11. Trustee reserves the right to resign from the duties and obligations imposed herein whenever Trustee, in its sole discretion, deems such resignation to be in the best interest of the Trustee. Written notice of such resignation shall be given to Trustor and Beneficiary.
- 12. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.
- 13. Trustee shall be under no obligation to notify any party hereto of any pending sale, assignment, conveyance, or any other alienation hereunder or of action or proceeding of any kind in which Trustor, Beneficiary and/or Trustee shall be named as a defendant, unless brought by Trustee.
- 14. Trustee may, at any time, or from time to time, without liability therefore and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the Note secured hereby for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby or the effect of the 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 or agreement or subordination agreement in connection herewith.
 - 15. Upon receipt of written request from Beneficiary reciting that sums secured hereby have been paid and upon surrender of this Deed of Trust and the Note secured hereby 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

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Fran Peter Archuleta ATTORNEY AT LAW 248 SOUTH SIERRA STREET RENO, NEVADA 89501 reconveyance may be described in general terms as "the person or persons legally entitled thereto".

- 16. The following covenants, No. 1, 3, 4 (12%), 5, 6, 7 (10% of unpaid indebtedness plus such reasonable additional amounts as may be incurred), 8 and 9 of NRS 107.030 are hereby adopted and made a part of this Deed of Trust.
- 17. 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.
- 18. It is expressly agreed that the trust created hereby is irrevocable by Trustor.
- 19. In this Deed of Trust, whenever the text so requires, the masculine gender includes the feminine or neuter; the singular number includes the plural; the term "Beneficiary" shall include any future holder, including pledgees, of the Note secured hereby; and, the term "Trustor" includes the term "Grantor".

In the event that Trustors, or any successor in interest to Trustors in such real property, shall sell, transfer or convey, or contract to sell, transfer or convey, the above-described parcel of real property, or any portion thereof, or any interest therein, at the option of Beneficiary, the obligation secured by this Deed of Trust shall forthwith become due and payable although the time of maturity as expressed therein shall not have arrived, except that Beneficiary agrees to consent in writing to such sale, transfer, conveyance or approval and consent will not be unreasonably withheld. Consent to one such transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions.

JOHN WAYNE WILSON

LEONA JOSEPHINE WILSON,

JOHN WAYNE WILSON, her attorney in fact

JANICE AALBU
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES SEPT. 23, 1994

STATE OF NEVADA

ss.

COUNTY OF WASHOE

On DECEMBER 12th , 1990, personally appeared before me, a Notary Public, JOHN WAYNE WILSON WHEN THE WAYNE WHOSE names are subscribed to the above instrument who acknowledged to me that knew executed the foregoing instrument.

NOTARY PUBLIC

STATE OF NEVADA

)ss.

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COUNTY OF WASHOE)

On DECEMBER 12th, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared JOHN WAYNE WILSON, known to me to be the person whose name is subscribed to the within instrument as the Attorney-In-Fact of LEONA JOSEPHINE WILSON, and acknowledged to me that he subscribed the name of LEONA JOSEPHINE WILSON thereto as principal and his own name as Attorney-In-Fact.

NOTARY PUBLIC

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JANICE AALBU

Notary Public - State of Nevada

Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES SEPT. 23, 1994

Fran Peter Archuleta

248 SOUTH SIERRA STREET RENO, NEVADA 89501

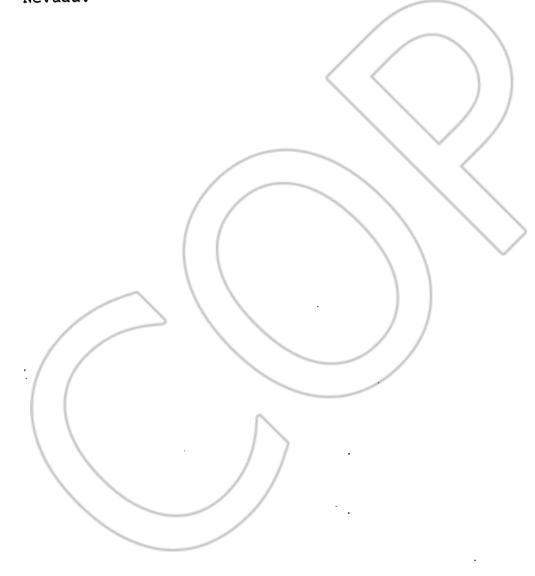
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All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada, described as follows:

All that certain real property situate, lying and being a portion of the Northease 1/4 of the Southeast 1/4 of Section 23, Township 23, and the Northwest 1/4 of the Southwest 1/4 of Section 24, Township 12 North, Range 20 East, M. D. B. & M., more particularly described as follows:

Parcel 1-C as shown on that certain Record of Survey for SMS ENTERPRISES recorded February 23, 1982, in Book 282, of Official Records at Page 1257, Douglas County, Nevada, as Document No. 65166, being a division of Parcel 1-C, as shown on that Parcel Map for SMS ENTERPRISES, recorded January 10, 1978, in Book 178, of Official Records at Page 560, Douglas County, Nevada, said map being a redivision of Parcel 1 as shown on that Record of Survey for SMS ENTERPRISES, recorded April 19, 1973, in Book 473, of Official Records at Page 157, Douglas County, Nevada.



REQUESTED BY

PACIFIC TITLE, INC.
IN OFFICIAL RECORDS OF
DOUBLAS CO., NEVADA

'90 DEC 13 P3:18

SUZANNE BEAUDREAU
RECORDER

PAIU 10 DEPUTY

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BOOK 1290 PAGE 1747