

When Recorded Return To:
Security Pacific Bank Nevada
Attn.: Consumer Loan Center
Dept. # 215
P. O. Box 29174
Phoenix, AZ 85038

**EQUITY MAXIMIZER
DEED OF TRUST, ASSIGNMENT OF RENTS
AND
SECURITY AGREEMENT
(Financing Statement)**

THIS DEED OF TRUST, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT ("Deed of Trust") made this 3rd day of May, 1991, between HORACE CALVERT FROST AND JANICE PARKER FROST, HUSBAND AND WIFE AS JOINT TENANTS

as Trustor, whose mailing address is P.O. BOX 1444
MINDEN AZ 89423,
SECURITY PACIFIC BANK NEVADA, a National Association, as Beneficiary, whose address is P.O. Box 18415, Las Vegas, Nevada 89114, and STEWART TITLE OF DOUGLAS COUNTY, as Trustee, whose address is P.O. BOX 1029 MINDEN, NEVADA 89423

WITNESSETH:

For the consideration of the maximum amount of TWENTY THOUSAND AND NO/100'S***** Dollars (\$ 20,000.00), Trustor hereby Irrevocably conveys, transfers and assigns to Trustee, with power of sale, the following described real property situated in DOUGLAS County, Nevada, commonly known as 1065 WISTERIA DRIVE MINDEN (street address and city):

LOT 114 IN BLOCK B, AS SET FORTH ON THE MAP OF WINHAVEN, UNIT NO. 1, A PLANNED UNIT DEVELOPMENT FILED FOR RECORD IN THE OFFICE OF THE COUNTY RECORDER OF DOUGLAS COUNTY, STATE OF NEVADA, ON JANUARY 13, 1989 AS DOCUMENT NO. 194373.

SUBJECT TO: Current ad valorem taxes, a lien but not yet due and payable, reservations in patents, easements and restrictions and other exceptions set forth herein with the description of the real property.

Together with all tenements, hereditaments, easements, rights, licenses, benefits and privileges, crops, timber, grazing rights or permits, water, water rights, stock ponds, shares of stock evidencing water rights, pipes, ditches, fences and appurtenances belonging or in any way appurtenant thereto, and all the reversions, remainders, rents, issues and profits thereof; and

Together with all awards or payments, and the right to receive the same, which may be made with respect to the real property or any right or interest therein as a result of exercise of the right of eminent domain or condemnation; and

Together with all buildings and improvements now or hereafter erected on the real property and all goods, equipment, machinery, apparatus, appliances, fittings and fixtures now or hereafter attached to or used in connection with the real property; and

Together with all right, title and interest of Trustor now owned or hereafter acquired in and to all streets, roads, alleys and public places, and all easements and rights of way, public or private, now or hereafter used in connection with the real property; and

Together with all leases, rents and profits of the real property which are hereby assigned to Beneficiary, as more particularly provided hereinafter; and

Together with all rights of Trustor in and under any declaration of covenants, conditions and restrictions, any design review and architectural control committee and any homeowner's or condominium association with respect to the real property, together with any voting rights of Trustor with respect thereto, all of which are hereby assigned to Beneficiary as more particularly hereinafter provided; and

Together with all personal property (both tangible and intangible), insurance policies and proceeds, contract rights, general intangibles and other rights in which Trustor has granted a security interest and assigned to Beneficiary, as more particularly hereinafter provided.

All of the foregoing described real and personal property and all other rights and interests described herein and are hereinafter collectively referred to as "Property."

Property shall include the interests of Trustor presently owned and all interests hereafter acquired at any future time.

This Deed of Trust is given in consideration of and as security for the payment of a loan or loans under a line of credit by Beneficiary to Trustor evidenced by an Equity Maximizer Agreement and Disclosure and Equity Maximizer Fixed Rate Loan Option Rider of Trustor of even date ("Agreement"), payable to the order of Beneficiary for the principle sum set forth above, together with interest and all other charges thereon or included in this Deed of Trust, and any and all advances now or hereafter made by Beneficiary under the terms and conditions of Agreement or this Deed of Trust, all relendings and reborrowings under Agreement as it provides for a revolving line of credit, and any and all renewals, extensions, replacements and modifications permitting a Fixed Rate Loan Option thereof, evidenced by Agreement or

one or more agreements. In consideration or repayment of all the above described obligations, even if the outstanding obligation from time to time before maturity, may be paid in full. References herein to "Agreement" shall include all such agreements. This Deed of Trust shall secure the performance and observance of all of the terms, conditions, stipulations, covenants and provisions hereof, and of the Agreement, and of all other security documents given by Trustor to Beneficiary to secure or which relate to Agreement. This Deed of Trust shall secure all costs of collecting such indebtedness, including any and all costs and expenditures of a receiver in possession and reasonable attorneys' fees. All of the foregoing agreements, loans, advances, costs and all renewals and extensions thereof are herein collectively called the "Indebtedness." This Deed of Trust is a "construction mortgage" as defined in the Uniform Commercial Code if it secures obligations incurred for the construction of improvements on real property.

TRUSTOR, TO PROTECT THE PROPERTY AND SECURITY GIVEN BY THIS DEED OF TRUST, HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. **Warranty.** Trustor warrants good and marketable unencumbered title to Property against all claims and persons whomsoever, and Trustor will forever defend the same unto Beneficiary, its successors and assigns, subject only to such exceptions as may be set forth with the above description of Property.

2. **Care and Maintenance.** Trustor shall keep Property in good condition and repair, and will at all times make or cause to be made such repairs, maintenance, renewals and replacements as shall be necessary to maintain Property in good condition and repair, all to the same extent as a prudent owner would take. Trustor shall not commit or permit to occur any waste upon Property. Trustor shall keep the landscaping of Property in good condition and free from weeds, and all plants, trees, and shrubs pruned and in good condition. If any portion of Property is a farm, manage and operate same in a good and farmerlike manner. Trustor shall keep Property free of rubbish and free of unsightly, unsafe and unhealthful conditions. Trustor shall comply with all laws affecting Property or requiring any alteration or improvements to be made thereon. In the event of any loss, damage or destruction to Property, whether or not covered by insurance, but subject to the provisions of Paragraph 3 hereof, Trustor shall promptly and in a good and workmanlike manner repair, rebuild and restore such loss, damage and destruction, pay when due all costs incurred and keep Property free from all claims, charges, claims of liens or encumbrances for work performed or materials furnished, whether prior or junior to this Deed of Trust, except as may otherwise be agreed to by Beneficiary. Beneficiary shall have the right to enter upon Property at any and all reasonable times to inspect the same to ascertain whether Trustor is in compliance with the terms and provisions of this Deed of Trust.

3. **Insurance.** Trustor shall keep all buildings and improvements now or hereafter existing or located upon Property insured to 100% of the full insurable value of Property against loss by fire and such other casualties and contingencies, and in such amounts and for such periods, as may be required from time to time by Beneficiary, and Trustor will pay promptly when due and prior to delinquency for such insurance. Flood insurance, if available, may be required by Beneficiary. All policies shall be written without any co-insurance clause unless otherwise agreed to by Beneficiary and have attached thereto a lender's loss payable or other mortgagee clause, without contribution, in favor of and in form reasonably acceptable to Beneficiary. Should co-insurance or an average clause be permitted, a stipulated value endorsement, for such amount as Beneficiary may require, shall be included. All policies shall be issued by companies approved by Beneficiary, and all policies and renewals thereof are hereby assigned to, and shall be delivered to and held by Beneficiary. All renewal policies shall be delivered by Trustor to Beneficiary, premiums prepaid, for a term of at least one year, at least fifteen (15) days before the expiration of the old policies. Acceptance of policies tendered by Trustor shall preclude Beneficiary from requiring other or additional insurance against the same or other casualties. In the event of any loss or claim, Trustor will give immediate written notice thereof to Beneficiary, and Beneficiary may make proof of loss if not made promptly by Trustor. Each insurance company is hereby authorized and directed to make payment for such loss directly to Beneficiary instead of to Trustor or to Trustor and Beneficiary jointly; and the insurance proceeds or any part thereof may be applied by Beneficiary at its option, either to the reduction or payment of Indebtedness or to the repair, rebuilding and restoration of Property lost, damaged or destroyed, but Beneficiary shall not be obligated to see to the proper application of any amount paid over to Trustor. Application of insurance proceeds by Beneficiary shall not cure or waive any default hereunder or invalidate any act done hereunder because of such default. In the event proceedings have been commenced for sale of Property by Trustee or for foreclosure of this Deed of Trust under the laws relating to mortgages, or in the event Beneficiary shall take possession of Property, all right, title and interest of Trustor in and to any insurance policies then in force, including any right to unearned premiums, shall inure to the benefit of and pass to Beneficiary, if in possession, the receiver, or the purchaser of Property upon sale, as the case may be, or at Beneficiary's election, evidence of such insurance satisfactory to it shall be delivered to it in lieu of such policy or policies.

4. **Taxes and Assessments.** Trustor shall pay to the proper officers all taxes, assessments, general or special, including assessments, dues and charges for water and sewage, of every kind, nature, and description, which will be levied or assessed on Property at least fifteen (15) days before the date when such taxes or assessments would otherwise become delinquent exhibiting to Beneficiary upon its request receipts of proper officers evidencing such payments. If Property or any other parcel thereof is part of a larger tax parcel, Trustor agrees to use Trustor's best efforts to split or amend the tax parcel boundaries to correspond to the boundaries of Property and its parcels. If Property or any parcel thereof is subject to an improvement district or other special assessment which is payable in full or which may be paid in instalments, Trustor agrees to pay the same in full and prior to the time the assessment is converted to a bond payable in instalments, unless otherwise agreed to by Beneficiary. In addition, Trustor shall pay when due all charges for water, water delivery, gas, electric power and light, sewers, waste removal, any and all ground rents and amounts payable under any lease or permitted trust deed, mortgage, trust agreement or other encumbrance on or of Property, whether senior or junior to this Deed of Trust, bills for repairs, any grazing lease or permit fees or rentals, and all other claims, encumbrances, and expenses incident to the ownership of Property. Trustor may contest in good faith the validity or amount of any tax, assessment or governmental charge by appropriate proceedings provided by law, including payment of the tax, assessment, or charge under protest, if required, and Trustor convenants that upon a final determination with respect to any such contested tax, assessment or governmental charges, Trustor will promptly pay any sums found to be due thereon. Prior to any such contest, Trustor shall furnish Beneficiary a cash deposit or other security in amount and form satisfactory to Beneficiary to indemnify Beneficiary against the sale, forfeiture of, or creation of a lien against Property.

5. **Eminent Domain or Condemnation.** It is agreed that any award or payment of damages in connection with any private trespass or injury to Property, exercise of the right of eminent domain or any condemnation proceeding for public use of or injury to Property, any part thereof, or any right of interest therein, is hereby assigned and payable to Beneficiary who may apply or release such award or damages to be received by Trustor in the same manner and with the same effect as herein provided for disposition of proceeds of fire or other insurance. Beneficiary shall be entitled to join and participate in any eminent domain or condemnation proceedings, including without limitation the negotiation, adjudication and settlement of any damages, award or settlement and no stipulation or agreement shall be entered into by Trustor without the prior consent and approval of Beneficiary. If a cash bond or deposit is to be received by Trustor for the immediate possession of Property, all sums paid shall be applied by Trustor to the Indebtedness secured hereby, unless otherwise agreed to by Beneficiary. Notwithstanding any application of sums paid, only Trustor shall be the withdrawing party of sums paid for the purpose of determining any liability for return of any such cash bond or deposit, and Trustor shall promptly satisfy any claim with respect to any such liability and shall save and hold

Beneficiary harmless from any claim for return of such cash bond or deposit, including any claim asserted after the release and reconveyance of this Deed of Trust.

6. Leases and Rents. As further security for the payment of all indebtedness secured hereby, all rents and profits of Property and the entire right, title and interest of Trustor in and under all leases now or hereafter affecting Property are hereby assigned and transferred to Beneficiary. The term "leases" herein shall include all types of agreements for payment of monies for use or occupancy of Property, including licenses, concession agreements or rental agreements and guarantees of the lessees' obligations thereunder. Beneficiary is authorized to give notice of this assignment, and Trustor agrees to execute any and all further instruments which Beneficiary may require to perfect this assignment. Any provision hereof notwithstanding, so long as no default of Trustor or breach by Trustor of any term or provision hereof shall exist, Trustor may collect assigned rents and profits as the same shall fall due, but upon the occurrence of any such default or breach, or at such later time as Beneficiary in its sole discretion may elect, all right of Trustor to collect or receive such rents or profits shall wholly terminate, and Beneficiary shall be entitled to make demand for and receive the payment of such rents and profits. Trustor shall not assign any of the rents or profits of Property or collect any rent for more than two months in advance or change the general nature of the occupancy, or initiate or acquiesce in any zoning reclassification of Property, nor shall Trustor terminate, accept a surrender of, or modify any existing or future lease if thereby the security for Indebtedness secured hereby would be impaired, nor do or suffer any act or thing which would impair the security for Indebtedness secured hereby or Beneficiary's interest in Property or the rents and profits hereof. All rents collected by Beneficiary may be applied to Indebtedness of Trustor secured hereby in such manner as Beneficiary shall determine. Receipt by Beneficiary of the rents, issues and profits shall not constitute a waiver of any right that Beneficiary may have under this Deed of Trust or under the laws of the State of Nevada, nor shall the receipt and application thereof cure any default hereunder nor affect any foreclosure proceeding or any sale authorized by this Deed of Trust and the laws of the State of Nevada.

7. Security Agreement. This Deed of Trust shall cover, and Property shall include, all personal property of Trustor now or hereafter affixed or attached to or incorporated upon Property, which, to the fullest extent permitted by law, shall be deemed fixtures and a part of Property, and the following property and rights, now or hereafter acquired and existing, which are related to the ownership, management and operation of Property, which Trustor hereby assigns, transfers and grants a security interest in to Beneficiary: (i) all building materials, fixtures, equipment and other personal property to be incorporated in improvements being constructed on Property; (ii) all goods, materials, supplies, fixtures, equipment, machinery, that are now or may hereafter be appropriated for use on, located on, or used in connection with Property; (iii) all rents, issues and profits; (iv) the entire beneficial interest of Trustor in any subdivision or holding trust, if title or any interest of Trustor in the real property is vested in or held by a trustee; (v) all books, records and files relating to any of Property; (vi) all of Trustor's interest in land use plans, studies, plans and specifications, building contracts, surety bonds, architects' and engineers' contracts, construction management agreements, service contracts, operating, managements and supervision agreements, soils and engineering reports, appraisals, feasibility and market studies, loan commitments and all other documents relating to the ownership, development, construction, maintenance, use, management and operation of Property and improvements thereon; and (vii) any and all claims, rights of action and judgements against third parties related to the ownership, management and operation of Property. To the extent any of Property consists of personal property or rights covered by the Uniform Commercial Code, this Deed of Trust shall also constitute a security agreement, and Trustor hereby grants to Beneficiary, as secured party, a security interest in such property and rights, including all proceeds thereof, both existing and future, for the purpose of securing Indebtedness secured hereby.

(a) The security interests granted herein shall be self-operative with respect to Property, but Trustor agrees to execute and deliver on demand, at any time or from time to time, such additional security agreements, financing statements and amendments and other instruments as may be requested in order to impose the lien and security interest hereof more specifically upon Property. Should the lien or security interest of this Deed of Trust on any property be subject to a prior security agreement covering Property, then, upon the occurrence of a default, all the right, title and interest of Trustor in and to any and all deposits made in connection with the transaction whereby such prior security agreement was made are hereby assigned to Beneficiary, together with the benefit of any payments now or hereafter made in connection with such transactions.

(b) Trustor shall immediately notify Beneficiary of any change in the address of Trustor as set forth in the beginning of this Deed of Trust, and any change in the location of any personal property encumbered hereby except that replaced as permitted by the terms hereof.

(c) All covenants of Trustor contained in this Deed of Trust with respect to Property shall apply to the personal property encumbered hereby whether or not expressly referred to in this Paragraph. The covenants and warranties of Trustor contained in this Paragraph are in addition to, and not in limitation of, those contained in the other provisions of this Deed of Trust.

(d) Notwithstanding payment in full of all obligations secured by this Deed of Trust, Beneficiary shall be under no obligation to release its lien on any personal property of Trustor unless and until Trustor has delivered a general release to Beneficiary, in a form acceptable to Beneficiary, of all claims against Beneficiary.

8. Uniform Commercial Code Filings. Trustor and Beneficiary agree that the filing of a financing statement in the records having to do with personal property shall never be construed as in any way derogating or impairing Beneficiary's rights on default to exercise its rights and remedies as a Beneficiary of this Deed of Trust. This Deed of Trust constitutes a financing statement and it is hereby recited (as and to the extent that such recitation is required pursuant to the provisions of Nevada Revised Statutes 104.9402 because any portion of Property may constitute fixtures) that this Deed of Trust is to be recorded in the office where a mortgage on Property would be recorded, which is the office of the Recorder of the County of Nevada in which Property is located. A photographic or other reproduced copy of this Deed of Trust or any financing statement relating hereto shall be sufficient for filing or recording as a financing statement.

9. Replacement; Additions. In the event any fixture or personal property on Property which is subject to a lien, charge or security interest in favor of Beneficiary is replaced or added to or any new fixture or other such personal property is installed or substituted by Trustor, and such fixture or personal property is or may be subject to a security interest held by a seller or any other party under the Uniform Commercial Code, Trustor shall, before the replacement, addition, installation, or substitution of any such fixture or personal property, obtain the written approval of Beneficiary thereto and give notice to Beneficiary that a security agreement with respect to such fixture or personal property has or will be consummated. Whether or not Trustor gives any notice as above provided, Trustor shall pay prior to delinquency and not permit any default to occur in the payment of any moneys due under such security agreement covering such fixture or personal property, and any such nonpayment or default shall be a material breach of Trustor's covenants under this Deed of Trust and shall constitute a default hereunder. References herein to a "security interest" shall also include a lease of personal property used in connection with the ownership, management and operation of Property.

10. Suits or Proceedings. Trustor agrees to appear in and prosecute or defend any suit or proceeding which may affect the priority of this Deed of Trust or the security, rights or powers of the Beneficiary hereunder, to pay all costs and expenses (including the cost of searching title) and attorneys' fees incurred in such action or proceeding. Beneficiary may appear in and defend any action or proceeding purporting to affect the priority or security or the rights

or powers of Beneficiary. Beneficiary may pay, purchase, contest, or compromise any adverse claim, encumbrance, charge, or lien, which in the judgement of Beneficiary appears to be prior to or superior to the lien or charge of this Deed of Trust. If Beneficiary pays any prior encumbrance, Beneficiary shall be subrogated to the lien thereof, notwithstanding any release of record thereof. All amounts paid, suffered, or incurred by Beneficiary in exercising the authority herein granted, including reasonable attorneys' fees, shall be subject to the conditions set forth in Agreement, added to Indebtedness secured hereby, shall be a lien on Property, shall be due and payable by Trustor to Beneficiary on demand, together with interest from the date of advance until paid at the rate set forth in Agreement.

11. Supplements; Further Assurances. Trustor agrees to execute and deliver to Beneficiary, upon demand, any additional loan instruments or security documents necessary to secure to Beneficiary any right or interest granted to Beneficiary under this Deed of Trust. In the event any rights, easements, or other hereditaments shall hereafter become appurtenant to Property, Trustor shall deliver to Beneficiary a supplemental deed of trust in form approved by Beneficiary covering such rights and interest.

12. No Sale or Further Encumbrances. If Property or any interest therein is conveyed, sold, transferred, subjected to a senior mortgage or deed of trust, encumbered by a tax lien, levy or attachment, Beneficiary shall have the right in its sole and absolute discretion to declare Indebtedness secured by this Deed of Trust to be immediately due and payable.

13. Environmental Responsibilities. To Trustor's knowledge, there has been no disposal, discharge, deposit, injection, dumping, leaking, spilling, placing or escape of any toxic or hazardous substance, waste, pollutant or contaminant (as those items are defined or described under Federal and state laws) on, in under or from any of Property and there is or will be no facility in, or on any such Property which is to be used for the treatment, storage or disposal of any toxic or hazardous substance, waste, pollutant or contaminant (as those terms are defined or described in Federal and state laws). Trustor shall indemnify and save and hold harmless Beneficiary and its successors and assigns from and against all claims, liabilities, proceedings, suits, losses, damages (including without limitation punitive damages), judgements and environmental response and clean-up costs, fines, penalties and expenses (including without limitation reasonable attorneys' fees, costs and expenses incurred in investigating and defending against the assertion of any such liabilities, regardless of their merit), which may be asserted against, sustained, suffered or incurred by Beneficiary or its successors and assigns because of the existence of any such toxic or hazardous substance, waste, pollutant or contaminate. This indemnity shall include, without limitation, claims asserted by any Federal or state governmental agency or any private party and shall continue in effect following any foreclosure, release and reconveyance of this Deed of Trust or other realization upon the security of Beneficiary or its successors and assigns.

14. Confirmations. Trustor, within six (6) days upon request in person, or within ten (10) days upon request by mail, will furnish to Beneficiary a written statement, duly acknowledged, of the amount secured by this Deed of Trust, and whether any setoffs or defenses exist against Indebtedness secured hereby.

15. Late Charges. For each delinquent payment more than ten (10) days in arrears, Beneficiary may assess and collect a "late charge" from Trustor in the amount specified in the Agreement.

16. Reimbursements, Indemnity. Should Trustor fail to make any payment herein provided or do any act provided herein, then Beneficiary, without obligation so to do, and without any notice 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 Beneficiary, in its sole discretion, may deem necessary to protect the security hereof, Beneficiary being authorized to enter upon Property for such purposes. If Beneficiary is named as defendant or made a party to any action, proceeding or investigation relating to Property, unless due to the sole act, omission or gross negligence of Beneficiary, Trustor shall indemnify and save and hold Beneficiary harmless therefor, including, without limitation, Beneficiary's reasonable attorney's fees and any other direct out-of-pocket expenses of Beneficiary, together with any liabilities, judgements, fines, penalties or assessments paid in settlement of such action, proceeding or investigation. All expenses or charges to which Beneficiary may be put with the care or preservation of Property or any part thereof at any time, or the payment of any taxes, insurance premiums, encumbrances, or assessments levied upon or attaching to Property or any interest therein, or any cost of redemption thereon, or any sums of money, charges, expenses, or fees which Beneficiary may pay pursuant to any provision hereof, shall be added to Indebtedness and secured, subject to the credit commitment set forth in the Agreement, by this Deed of Trust, shall be payable by Trustor on demand, and shall bear interest from date of advance until paid at the rate of interest specified in the Agreement.

17. Default; Right to Accelerate. Upon breach of any warranty of Trustor, or default by Trustor in the payment of any Indebtedness secured hereby (whether existing by virtue of the Agreement, this Deed of Trust, or any other agreement, instrument, or document, executed and delivered by Trustor in connection with Indebtedness secured hereby) according to the terms and conditions thereof, or if Trustor shall fail or refuse to pay, before delinquency, any taxes, assessments, fees, charges, expenses or encumbrances created, existing, levied, or assessed upon or relating to Property which create a lien senior to the lien of this Deed of Trust, or if Trustor shall fail to procure and maintain fire or other insurance coverage as herein provided, or upon the institution of any criminal or civil proceeding or seizure in which the complaining party has, if it should prevail, a statutory remedy of forfeiture against Property, or any part thereof, or if any of Property covered by this Deed of Trust be levied upon by virtue of any execution, attachment, tax levy, or other writ which is senior to the lien of this Deed of Trust, or upon the abandonment by Trustor of all or any part of Property, then the entire Indebtedness secured hereby, principal and interest, and all other sums secured hereby, may be declared by Beneficiary to be immediately due and payable, at the default rate as specified in Agreement, without notice or demand (except as may be provided for in Agreement or any separate loan or credit agreement between Trustor and Beneficiary which governs the loan or loans), and the same, with all costs and charges, shall thereupon be collectible by suit at law or in accordance with any of the alternative remedies hereinafter provided as if the whole of said principal sum and all other sums secured hereby had been made payable when any such default, failure, or event shall have occurred aforesaid.

18. Sale by Trustee Pursuant to Power of Sale; Judicial Foreclosure. Upon the occurrence of a Default subject to the provisions of Paragraph 17 hereof, and upon the giving of notice of the time and place of sale in the manner provided by law, Property may be sold by Trustee under the power of sale conferred hereby in the manner provided by law. The mailing address of Trustor for the purpose of mailing copy of the notice of sale shall be the address specified above with Trustor's name, unless a subsequent request for notice of sale specifying a different address is recorded in the manner provided by law. In lieu of sale pursuant to the power of sale conferred hereby, this Deed of Trust, at Beneficiary's election, may be foreclosed in the same manner provided by law for the foreclosure of mortgages on real property. Each and every provision of law relating to deeds of trust, mortgages and personal property collateral is and shall remain applicable to the respective rights and obligations of Trustor, Beneficiary and Trustee, and no term or provision hereof shall limit or restrict such rights or obligations, it being agreed that the omission or any express provision restating the same herein shall not constitute or render the same inapplicable or waive the same. All provisions of law relating to deeds of trust and mortgages are hereby incorporated by reference herein. Beneficiary may concurrently commence and pursue Trustee's sale proceedings and sue for foreclosure as a mortgage on real property and the exercise of its rights and remedies as a secured party of personal property under the Uniform Commercial Code.

19. **Right to Possession.** Should Trustor fail to make any payment herein provided, or do any act provided herein, then Beneficiary, or its assigns shall, at its option, be entitled to the immediate possession of Property, with the right to manage the same as a mortgagee in possession, to operate any business thereon or farm any crops thereon at the expense of and for the account of Trustor, and to collect and apply the net rents or profits toward the payment of Indebtedness secured by this Deed of Trust, and Trustor and all persons claiming under Trustor, upon demand, in such event shall forthwith deliver the possession of Property to Beneficiary or its assigns. In dealing with Property as a mortgagee in possession, Beneficiary shall be without any liability, charge, or obligation to Trustor therefore.

20. **Right to Receivership.** After default or breach, if suit is brought, then it is expressly understood and agreed that, without notice, a receiver may be appointed, and said receiver shall forthwith be entitled to possession of all of Property. Beneficiary's right to a receiver shall be absolute and unconditional once a breach or default by Trustor exists. Said receiver may be appointed without notice to Trustor and without regard to the adequacy of any security for Indebtedness secured hereby and Trustor expressly agrees to forthwith surrender possession of Property to such receiver upon his appointment. Such receiver shall have the right to take possession of Property and to collect the rents and profits therefrom, to complete the construction of any structures or improvements in progress thereon, to operate any business thereon, to farm any crops thereon, and to exercise such other rights as may be granted by the court pending such proceedings, and up to the time of redemption or issuance of a Trustee's or Sheriff's Deed. Rents and profits shall be applied to the costs and expenses, including compensation of the receiver and expenses of receivership to the costs of any such desired construction, and the balance to Indebtedness. Such receiver shall have the power to borrow money from any person, including Beneficiary, for expenses of operating, farming, preserving, maintaining, completing and caring for Property, completing the construction in progress of any improvements or structures in or upon Property, and all such borrowed sums together with interest thereon, whether expended or not, shall be added to Indebtedness and secured, subject to the credit limit set forth in the Agreement, by this Deed of Trust. Such borrowed money may be expended by the receiver for the aforesaid purposes during any redemption period and upon any redemption any unexpended amounts of such borrowed money shall be credited on the redemption price of Property.

21. **Remedies; No Waiver.** In addition to any remedies provided herein for breach or default hereof, Beneficiary shall have all other remedies allowed under the laws of the State of Nevada and the United States of America. Any remedies available to Beneficiary may be sought and exercised concurrently or consecutively, and inconsistent proceedings whether legal or equitable. No failure on the part of Beneficiary to exercise any of its rights hereunder arising upon any default or breach shall be construed to prejudice its rights in the event of any other or subsequent default or breach. No delay on the part of Beneficiary in exercising any of such rights shall be construed to preclude it from the exercise thereof at any time during the continuance of such default or breach. Beneficiary may enforce any one or more remedies or rights hereunder successively or concurrently at its option. Except as set forth in Agreement, by accepting any performance or payment of any sum secured hereby after its due date, Beneficiary shall not thereby waive the agreement herein contained that time is of the essence hereof, nor shall Beneficiary waive either its rights to require prompt performance hereunder, or prompt payment when due of all other sums so secured or to consider failure so to pay or perform a default hereunder.

22. **Uniform Commercial Code Remedies.** Beneficiary may exercise any or all of the remedies of a secured party under the Uniform Commercial Code with respect to any personal property covered hereby. If Beneficiary should proceed to dispose of any personal property in accordance with the provisions of the Uniform Commercial Code, ten (10) days notice by Beneficiary to Trustor shall be deemed to be commercially reasonable notice under any provision of the Uniform Commercial Code requiring notice. Trustor, however, agrees that all property of every nature and description, whether real or personal, covered by this Deed of Trust, together with all personal property used on, or in connection with Property or any business conducted thereon by Trustor and covered by separate security agreements, are encumbered as one unit, that this Deed of Trust and such security interests, at Beneficiary's option, may be foreclosed or sold in the same proceeding and that all property encumbered (both realty and personalty), at Beneficiary's option, may be sold in one unit as a going business, subject to the provisions of applicable law.

23. **Fees and Expenses Following Default.** After default or breach, if any sale, proceeding or suit is commenced, or any attorney retained to collect any Indebtedness secured hereby or to enforce any rights granted Beneficiary hereunder, Trustor promises to pay Beneficiary's reasonable attorneys' fees, Trustee's fees and its costs and expenses in connection with such proceedings and if suit is brought, all costs of suit. In addition, Trustor shall pay a reasonable fee for title searches made in preparation for and in the conduct of any such proceedings or suit. All of the foregoing fees and expenses shall be secured by this Deed of Trust. In the event of foreclosure or sale, if Trustor shall fail to vacate Property, the Trustor shall be a tenant at sufferance and subject to an action for forcible entry and detainer wherein Beneficiary shall be entitled to collect from Trustor, in addition to all other amounts due hereunder, a reasonable rental for Property during the period of such holding over at sufferance.

24. **Sale Procedures.** In the event of sale, Property may be sold, at the option of Beneficiary or Trustee, in whole or in separate parcels, and Beneficiary or Trustee may bid or become the purchaser at any such sale. Trustee shall deliver to such purchaser its deed conveying Property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. The proceeds of the sale shall be applied as provided by law. The purchaser at the Trustee's sale shall be entitled to immediate possession of Property. Title to all fire and other insurance policies and the proceeds thereof shall vest in and become the property of the purchaser at any such sale. The right and interest of Trustor in any pending eminent domain or condemnation proceedings or suit shall vest in and become the property of the purchaser at any such sale.

25. **Junior Leases.** Upon any sale hereunder, any lease of Property or a portion thereof shall remain in effect, the purchaser thereby being subrogated to Trustor's interest therein, unless the purchaser elects to treat such lease as terminated by virtue of the sale under Beneficiary's prior lien or charge of this Deed of Trust.

26. **Release and Reconveyance.** Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and Agreement to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey Property without warranty to Trustor. The recitals in such reconveyance of any matters of facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto." In lieu of execution of a reconveyance by Trustee, Beneficiary may execute a release and reconveyance on behalf of Trustee, whereupon title shall be vested in the Trustor and/or other person or persons legally entitled thereto, and this Deed of Trust shall be void and of no further force or effect.

27. **Trustee's Obligations.** Trustee accepts this trust when this Deed of Trust, executed and acknowledged, is recorded as provided by law. Trustee may resign at any time by mailing notice thereof to Beneficiary. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party, unless brought by Trustee.

28. **Substitution of Trustee.** Beneficiary may, from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, in the manner provided by law. Such writing upon recordation shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the predecessor Trustee, succeed to all its title.

29. **Extensions; Modifications.** Without affecting Indebtedness of Trustor to pay and perform as herein required, without affecting the personal liability of any person for payment of indebtedness secured hereby, and without affecting the lien or charge or security interest or priority of the lien or charge or security interest hereof on Property, Beneficiary may, at its option, extend the time for payment of Indebtedness secured hereby or any portion thereof, reduce the payments thereon, release any person liable on any of Indebtedness, accept a renewal Agreement therefor, modify the terms of stipulations, covenants and provisions hereof, and of the Agreement, and of all other Indebtedness, release from this Deed of Trust any part of Property, take or release other or additional security, reconvey any part of Property, consent to any map or plat thereof, grant any easement or join in an extension or subordination agreement. Any such action by Beneficiary may be taken without the consent of Trustor or any junior lienholder, and shall not affect Property or this Deed of Trust and the security interest of Beneficiary over any junior lien or security interest.

30. **Severability.** Should any term, provision, covenant or condition of this Deed of Trust be held to be void or invalid, the same shall not affect any other term, provision, covenant or condition of this Deed of Trust, but the remainder hereof shall be effective as though such term, provision, covenant or condition had not been contained herein. Also, should this instrument be or become ineffective as a deed of trust, then these presents shall be construed and enforced as a realty mortgage with Trustor being the mortgagor and Beneficiary being the mortgagee.

31. **No Right to Offset.** No setoff or claim that Trustor now or may in the future have against Beneficiary shall relieve Trustor from paying instalments or performing any other obligation herein or secured hereby.

32. **Good Faith.** Whenever the consent, approval or waiver of Beneficiary is required under this Deed of Trust for any reason, Beneficiary may grant or withhold such consent, approval or waiver as it may determine acting in good faith. "Good faith" shall have the meaning which is defined in the Uniform Commercial Code.

33. **Other Security.** The taking or acceptance of this Deed of Trust by Beneficiary shall in no event be considered as a waiver of, or in any way affecting or impairing any other security which Beneficiary may have or acquire simultaneously herewith, or hereafter acquire for the payment of Indebtedness hereby secured, nor shall the taking at any time by Beneficiary of any such additional security be construed as a waiver of, or in any way affecting or impairing the security of this Deed of Trust; Beneficiary may resort, for the payment of Indebtedness secured hereby, to its several securities therefor in such order and manner as it may deem fit.

34. **Conflict in Provisions.** If the provisions of any separate loan or credit agreement between Trustor and Beneficiary which governs the loan or loans is inconsistent or conflicts with this Deed of Trust, the provisions of such loan or credit agreement shall govern and amend, to the extent of such inconsistency or conflict, the provisions of this Deed of Trust.

35. **Declarations and Associations.** The assignment herein by Trustor to Beneficiary of the rights of Trustor with respect to any declaration of covenants, conditions and restrictions, any design and review and architectural control committee and any homeowner's or condominium association, together with any voting rights, shall be for the purpose of security only and shall not impose any duty or obligation on Beneficiary with respect to any such matters unless expressly assumed by Beneficiary in a writing which is recorded. Beneficiary shall not be entitled to exercise any of such rights unless Trustor is in default and such default has not been cured.

36. **Use of Terms.** The term "Beneficiary" shall mean the owner and holder at any time, including pledgees of Agreement, whether or not named as Beneficiary herein. The use of the term "Trustor" herein shall not be construed to limit or to otherwise preclude the application of the term "Trustor" to the person or persons named herein or any person claiming by, through or under Trustor. The obligations of all persons named as Trustor herein shall be joint and several. The provisions hereof shall apply to the parties according to the context thereof, and without regard to the number or gender of words or expressions used. The titles of the paragraphs of this Deed of Trust are for convenience only and do not expand or limit their provisions.

37. **Time of Essence; Successors.** Time is of the essence hereof. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, personal representatives, legatees, devisees, successors and assigns.

38. **Nevada Law Applicable.** This document shall be construed according to the laws of the State of Nevada in force from time to time.

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the date of acknowledgement herein.

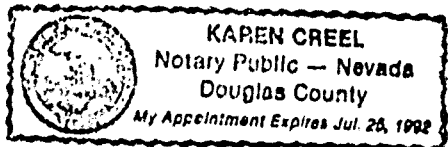
Horace Calvert Frost
HORACE CALVERT FROST

Janice Parker Frost
JANICE PARKER FROST

STATE OF NEVADA)
County of Douglas) ss.

On this 3 day of May, 1991, personally appeared before me a notary public (or judge or other authorized person as the case may be) Horace and Janice Frost

personally known (or proved) to me to be the person whose name is subscribed to the above instrument, who acknowledged that he executed the instrument.



Karen Creel
Notary Public

PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 3rd day of May, 19 91, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to

SECURITY PACIFIC BANK ARIZONA - CARSON VALLEY (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

1065 WISTERIA DRIVE MINDEN NV 89423
(Property Address)

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in Covenants, Conditions and Restrictions (the "Declaration"). The Property is a part of a planned unit development known as:

WINHAVEN UNIT NO. 1
(Name of Planned Unit Development)

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or

PUD COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents": are the (i), Declaration; articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the terms "extended coverage," then:

Borrower's obligation under Uniform Covenant 3 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage provided by the master or blanket policy.

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, with any excess paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in forms, amount, and extent of coverage to Lender.

D. Condemnation. The Proceeds of any awards or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 6.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and within Lender's prior written consent, either partition or subdivided the Property or consent to:

(i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender;

(iii) termination of professional management and assumption of self-management of the Owner Association; or

(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay PUD dues and assessment when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this PUD Rider.

Horace Calvert Frost (Seal)
HORACE CALVERT FROST -Borrower

Janice Parker Frost (Seal)
JANICE PARKER FROST -Borrower

COOPER

REQUESTED BY
STEWART TITLE & DOUGLAS COUNTY
IN OFFICIAL RECORDS OF
DOUGLAS COUNTY, NEVADA

91 MAY -8 P2:03

SUZANNE SEA BUREAU
RECORDER
250275
\$12.00 PAID *KJ* DEPUTY
BOOK 591 PAGE 1208