

DEED OF TRUST WITH ASSIGNMENT OF RENTS

THIS DEED OF TRUST, made August 23, 1991, between FRANK PETRASICH and LESLIE ANN PETRASICH, husband and wife,----- herein called "Trustor", whose address is: 1357 Raeline Lane, Minden, NV 89423, FIRST CENTENNIAL TITLE COMPANY OF NEVADA, INC., a Nevada corporation, herein called "Trustee", and ALEXANDER INVESTMENTS, INC., a Nevada corporation----- herein called "Beneficiary", whose address is: P. O. Box 1193, Minden, NV 89423,

W I T N E S S E T H:

That Trustor irrevocably grants 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, more particularly described as follows:

Parcels 25B and 25C of Parcel Map for Frank Petrasich recorded June 24, 1991, as Document No. 253524, in Book 691, at Page 3494, in the Office of the Douglas County Recorder.

EXCEPT all minerals, oil, gas and other hydrocarbons as conveyed in Deed recorded March 13, 1980, in Book 380, Page 1315, as Document No. 42577. *ll*

TOGETHER WITH, the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, 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 by any lawful means, and to apply the same, less costs and expenses of collection, to any indebtedness secured hereby.

FOR THE PURPOSE OF SECURING: Each and every term, covenant and condition herein contained and contained in that certain document entitled "Agreement" (herein "Agreement") executed by Trustor and Beneficiary, a copy of which is attached hereto as Exhibit "A".

AND THIS INDENTURE FURTHER WITNESSETH:

1. Trustor agrees 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 relating to any alterations or improvements 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 any law, covenant, condition or restriction affecting said property; 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. Trustor agrees to pay and discharge all costs, fees and expenses of this trust incurred in connection with any default by Trustor.

3. During the continuance of this trust, Trustor covenants to keep all buildings that may now or at any time be on said property in good repair and insured against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada. Said insurance shall be at least in the sum of all obligations having priority over this Deed of Trust, or the maximum full insurable value of such buildings, whichever is less. Said insurance shall be payable to Beneficiary to the amount of any monetary loss suffered by Beneficiary as a result of the breach by Trustor of a provision of this Deed of Trust or of the Agreement hereby secured. The policy or policies of said insurance shall be delivered to Beneficiary or to the collection agent of Beneficiary, as further security, and in default thereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such sum or sums as Beneficiary shall deem

necessary. The amount collected by Beneficiary under any fire or other insurance policy shall be applied by Beneficiary upon any monetary loss suffered by Beneficiary as a result of the breach by Trustor of a provision of this Deed of Trust or of the Agreement secured hereby, and any balance shall 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. Trustor promises and agrees that if, during the existence of this trust, there be commenced or pending any suit or action affecting said property, or any part thereof, or the title thereto, or if any adverse claim for or against said property, 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 said property, or any part thereof, is hereby assigned and shall be paid to Beneficiary, who may apply or release such moneys 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 of said property, whether such sale is by foreclosure or otherwise, or of any action or proceeding in which Trustor or Beneficiary or Trustee shall be a party, unless brought by Trustee.

7. At any time, and from time to time, without liability therefor and without notice to Trustor, upon written request of Beneficiary and presentation of this Deed of Trust for endorsement, and without affecting the personal liability of any person for performance of the Agreement secured hereby or the effect of this Deed of Trust upon the remainder of said property, Trustee may: 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.

8. Upon receipt of written request from Beneficiary that the Agreement secured hereby has been performed and upon the surrender of this Deed of Trust and the Agreement secured hereby to Trustee for cancellation and retention, or such other disposition as Trustee, in its sole discretion, may choose, 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".

9. Should Trustor default in any term, covenant or condition of the Agreement secured hereby, or in the performance of any of the covenants and agreements herein contained or incorporated herein by reference, Beneficiary may proceed to exercise the remedies herein provided.

10. The following covenants Nos. 1, 3, 4 (interest 18%), 5, 6, 7 (counsel fees-a reasonable percentage), 8 and 9 of Nevada Revised Statutes 107.030, are hereby adopted and made a part of this Deed of Trust.

11. Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants hereinabove adopted by reference.

12. 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. It is expressly agreed that the Trust created hereby is irrevocable by Trustor.

13. Trustee accepts this trust 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





A G R E E M E N T

THIS AGREEMENT, made and entered into on August 23, 1991, by and between ALEXANDER INVESTMENTS, INC., a Nevada corporation, hereinafter referred to as "Buyer", party of the first part, and FRANK PETRASICH and LESLIE ANN PETRASICH, husband and wife, as community property with right of survivorship, hereinafter referred to as "Seller", parties of the second part,

W I T N E S S E T H :

WHEREAS, Seller has agreed to convey to Buyer certain real property situate in the County of Douglas, State of Nevada, described as follows:

Parcels 25A of Parcel Map for Frank Petrasich recorded June 24, 1991, as Document No. 253524, in Book 691, at Page 3494, in the Office of the Douglas County Recorder.

EXCEPT all minerals, oil, gas and other hydrocarbons as conveyed in Deed recorded March 13, 1980, in Book 380, Page 1315, as Document No. 42577,

and

WHEREAS, the foregoing property is encumbered by a Deed of Trust securing a Promissory Note in favor of JOSEPH F. ARROYO, which Deed of Trust is dated August 23, 1991, recorded August 26, 1991, 1991, as Document No. 259794, Official Records, Douglas County, Nevada; and

WHEREAS, Seller has agreed to pay in full the foregoing Promissory Note pursuant to the payment provisions contained within said note, and give security to Buyer for the payment of said note; and

NOW, THEREFORE, in consideration of the premises, it is agreed as follows:

1. Seller agrees to make all payments upon the foregoing Promissory Note pursuant to the provisions thereof.
2. The performance of the Agreement by Seller to make said payments upon the foregoing Promissory Note shall be secured by a Deed of Trust upon that certain property situate in the County of Douglas, State of Nevada, described as follows:

Parcels 25B and 25C of Parcel Map for Frank Petrasich recorded June 24, 1991, as Document No. 253524, in Book 691, at Page 3494, in the Office of the Douglas County Recorder.

EXCEPT all minerals, oil, gas and other hydrocarbons as conveyed in Deed recorded March 13, 1980, in Book 380, Page 1315, as Document No. 42577. *all*

3. In the event Seller fails to make the payments upon the foregoing Promissory Note and Buyer elects to proceed with foreclosure upon said Parcels 25B and 25C, the proceeds of the foreclosure sale, less those expenses set forth in Nevada Revised Statutes 107.030, Covenant No. 7, shall be applied to the note in favor of Arroyo, secured by said Parcel 25A, to the extent of the unpaid balance thereof, and any excess funds shall be paid to the order of Seller. All advances made by Buyer shall accrue interest at the rate of 18% per annum.

4. In the event of the sale of all or any portion of Parcel 25B or Parcel 25C, the note secured by the Deed of Trust encumbering Parcel 25A must be paid in full by Seller.

