

14
Hale, Lane, Peek, Dennison
& Howard
P.O. Box 3237
Reno, Nevada 89501

WHEN RECORDED, MAIL TO:

J. Stephen Peek
1235 Arlington Avenue
Reno, Nevada 89501

ASSIGNMENT OF NOTE AND DEED OF TRUST

THIS ASSIGNMENT OF NOTE AND DEED OF TRUST ("Assignment") is made and entered into this 3 day of September, 1991, by and between J. STEPHEN PEEK and LINDA J. PEEK, husband and wife.

R E C I T A L S :

A. J. Stephen Peek and Linda J. Peek are the payees under that certain instalment note dated December 14, 1988 in the original principal sum of \$190,000.00 wherein Igor M. Sill and Cynthia Emerson Sill, husband and wife, are makers (the "Note").

B. The unpaid principal amount of the Note currently bears interest at ten percent (10%) per annum and is payable in monthly instalments of principal and interest of \$1,667.40 or more.

C. The Note is secured by a deed of trust dated December 14, 1988 executed by Igor M. Sill and Cynthia Emerson Sill, husband and wife, as Trustor, to Stewart Title of Carson City, as Trustee, for the benefit of J. Stephen Peek and Linda J. Peek, husband and wife, as community property, as Beneficiary, and recorded on December 16, 1988, in the Office of the County Recorder of Douglas County, Nevada, as Document No. 192800, in Book 1288, Page 2357, of Official Records, encumbering real property situate in Douglas County, Nevada and as more particularly described in Exhibit "A" attached hereto and which by reference is incorporated herein (the "Deed of Trust").

D. J. Stephen Peek and Linda J. Peek desire to divide their interests in the Note and Deed of Trust as hereinafter set forth.

NOW, THEREFORE, based upon the foregoing recitals which are incorporated herein by reference, the parties hereto agree as follows:

1. J. Stephen Peek and Linda J. Peek, husband and wife, hereby assign and transfer to Linda J. Peek, a married woman as her sole and separate property the right to receive the instalment payments of principal and interest under the Note in the amount of \$1,667.40 per month for a period of 48 months beginning with the

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payment due June 30, 1991. In the event of a prepayment of the Note within such 48 month period, J. Stephen Peek shall be entitled to receive the full amount of the prepayment; provided, however, J. Stephen Peek shall continue to pay to Linda J. Peek the amount of \$1,667.40 or more per month for each month in such 48 month period for which the makers of the Note are not obligated to make a monthly instalment payment because of such prepayment. In no event shall Linda J. Peek be entitled to receive more than \$80,035.20 (48 x \$1,667.40 = \$80,035.20) either under the Note or as payments from J. Stephen Peek or any combination thereof.

2. J. Stephen Peek and Linda J. Peek hereby assign and transfer to J. Stephen Peek, a married man as his sole and separate property the right to receive all other monies due under the Note save and except the amount assigned to Linda J. Peek under paragraph 1 hereinabove.

3. The parties hereto agree that J. Stephen Peek shall have physical possession of the Note and Deed of Trust.

4. Linda J. Peek agrees that in the event the parties foreclose under the Deed of Trust prior to the expiration of the 48 month period and become the owners of the real property encumbered by the Deed of Trust that she shall promptly convey all of her rights, title and interest in the real property by quitclaim deed to J. Stephen Peek, as his sole and separate property, upon his payment to her of the sum of \$80,035.20 less any payments previously received by her under the Note from and after June 30, 1991 and less any payments made to her by J. Stephen Peek pursuant to paragraph 1 hereinabove.

5. Linda J. Peek agrees that upon the date she has received payments under the Note or payments from J. Stephen Peek or a combination thereof, totalling \$80,035.20 she shall immediately execute an assignment of all of her rights, title and interest in the Note and the Deed of Trust to J. Stephen Peek, as his sole and separate property.

DATED: This 3d day of September, 1991.

J. Stephen Peek
J. Stephen Peek

Linda J. Peek
Linda J. Peek

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Hale, Lane, Peek, Dennison and Howard
Attorneys and Counsellors at Law
Las Vegas, Nevada
(702) 362-5118

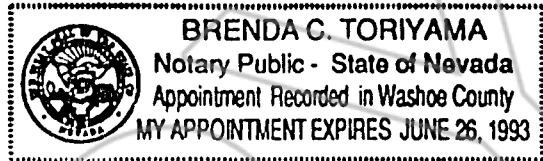
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STATE OF NEVADA)
)
County of Washoe) ss.

On this 3 day of September, 1991, personally appeared before me, a Notary Public, J. STEPHEN PEEK, personally known or proved to me to be the person whose name is subscribed to the above instrument who acknowledged that he executed the above instrument.

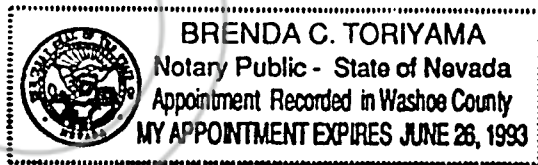
Brenda C Toriyama
Notary Public



STATE OF NEVADA)
)
County of Washoe) ss.

On this 3 day of September, 1991, personally appeared before me, a Notary Public, LINDA J. PEEK, personally known or proved to me to be the person whose name is subscribed to the above instrument who acknowledged that she executed the above instrument.

Brenda C Toriyama
Notary Public



WHEN RECORDED, MAIL TO:

Mr. and Mrs. Peek
P.O. Box 3237
Reno, Nevada 89505

DEED OF TRUST WITH ASSIGNMENT OF RENTS

THIS DEED OF TRUST made this 14th day of December, 1988, between IGOR M. SILL and CYNTHIA EMERSON SILL, husband and wife, TRUSTOR, whose address is: #2 Bartel Court, Tiburon, California 94920, STEWART TITLE OF CARSON CITY, TRUSTEE, and J. STEPHEN PEEK and LINDA J. PEEK, husband and wife, BENEFICIARY.

WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, that property in the County of Douglas, State of NEVADA described as:

Lot 16, as shown on the map of GLENBROOK UNIT NO. 1, filed in the office of the County Recorder of Douglas County, Nevada, on June 1, 1977, as Document No. 09693.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the purpose of securing (1) payment of the sum of \$190,000.00 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to 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; (3) payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or to his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious Deed of Trust recorded in the office of the County Recorder of Washoe County, State of Nevada, on January 30, 1968, in Book 300, Page 517, as Document No. 107192 (a copy of which is attached hereto as Exhibit "A") shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said

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Hale, Lane, Peek, Dennison and Howard
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Reno, Nevada
(702) 786-7900

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BOOK 1288 PAGE 2351

EXHIBIT A

subdivision A and B, are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed a reasonable amount.

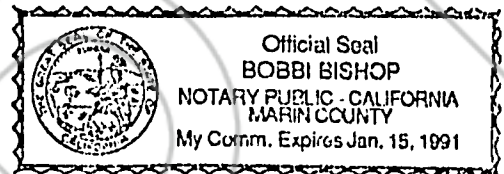
The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to Trustor at the address set forth above.

Signature of Trustor:

Igor M. Sill
Igor M. Sill

Cynthia Emerson Sill
Cynthia Emerson Sill

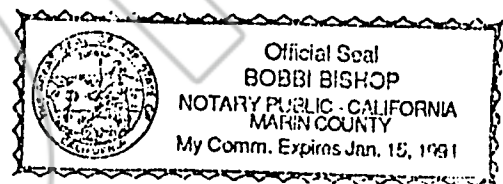
CALIFORNIA
STATE OF ~~NEVADA~~)
County of MARIN) ss.



On 12/14/88, personally appeared before me, a Notary Public, Igor M. Sill, who acknowledged that he executed the foregoing instrument.

Bobbi Bishop
Notary Public

CALIFORNIA
STATE OF ~~NEVADA~~)
County of MARIN) ss.



On 12/14/88, personally appeared before me, a Notary Public, Cynthia Emerson Sill, who acknowledged that she executed the foregoing instrument.

Bobbi Bishop
Notary Public

EXHIBIT "A"

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

(1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or store 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 therefor; to comply with all laws 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.

(2) Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust 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, and as may be approved by Beneficiary, 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 shall be payable to Beneficiary to the amount of the unsatisfied obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary, or to collection agent of Beneficiary, 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 proper.

(3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

(4) 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; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto, and all costs, fees and expenses of this trust.

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 either may deem necessary to protect the security hereof; Beneficiary or Trustee being authorized to enter upon said property for such 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 or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

(5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at ten percent per annum.

(6) At Beneficiary's option, Trustor will pay a "late charge" not exceeding four percent (4%) of any instalment when paid more than fifteen (15) days after the due date thereof to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

B. IT IS MUTUALLY AGREED:

(1) 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 moneys received by Beneficiary in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

(2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive Beneficiary's right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

(3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

(4) That upon written request of Beneficiary stating

that all sums secured hereby have been paid, and upon surrender of this deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or 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".

(5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of 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.

(6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law for the sale of real property under writ of execution, Trustee, without demand on Trustor, shall sell said property or any part thereof at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale.

Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement, in the event that any indebtedness secured hereby shall not have been fully satisfied by said sale, Trustee may give notice of sale of any property not previously noticed for sale in the manner set forth above and sell the same in the manner set forth above.

Trustee shall deliver to any purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals of such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, including a reasonable fee for the attorney of Trustee, and of this trust, including cost evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at ten per cent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

(7) That Beneficiary, or its assignee, 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 and 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. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where, or document or file number under which, this Deed of Trust is recorded, and the name and address of the new Trustee. If notice of default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereof upon such instrument of substitution. The procedure herein provided for substitution of Trustee shall be exclusive of all other provisions for substitution, statutory or otherwise.

(8) The following covenants: Nos. 1, 3, 4 (interest 10%), 5, 6, 8 and 9 of Nevada Revised Statutes 107.030, when not inconsistent with other covenants and provisions herein contained, are hereby adopted and made a part of this Deed of Trust.

(9) The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.

(10) It is expressly agreed that the trust created hereby is irrevocable by Trustor.

(11) That 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. The term Beneficiary shall mean the owner and holder, including pledgees, of the note secured hereby, whether or not named as Beneficiary herein. 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.

(12) That Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. 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.

(13) 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.

REQUESTED BY
Hale, Lane, Peek et al
IN OFFICIAL RECORDS OF
DOUGLAS COUNTY, NEVADA

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

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