

WHEREAS, James L. Scott whose address is 1407 Main Street, Gardnerville, Nevada 89410 (hereinafter referred to as "Assignor"), is the present record owner or will be the record owner before the filing for record of this Assignment of the real property described as follows:

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

A Parcel of Land situate in the Town of Gardnerville, County of Douglas, State of Nevada, being a portion of the Southwest 1/4 of Section 33, Township 13 North, Range 20 East, M.D.B. & M., more particularly described as follows:

Beginning at the most Westerly corner of the lands described in the Deed to MILTON EDWARD BACON, Recorded June 27, 1961, in Book 7 of Official Records at Page 286, Douglas County, Nevada;
thence along the Northeast boundary line of U.S. Highway 395 North 44° 43' West, 48 feet to the most Southerly corner of the lands described in the Deed to CARL W. KIDMAN, a single man, Recorded December 10, 1971, in Book 94 of Official Records at Page 316, Douglas County, Nevada;
thence along the Southeast boundary line of said last mentioned lands North 45° 06' East 191.90 feet to a point on the Southwesterly boundary line of Mission Street;
thence along said last mentioned boundary line South 40° 29' East, 48 feet to the most Northerly corner of said lands of Bacon;
thence along the Northwesterly boundary of said lands of Bacon Southwesterly 191 feet to the point of beginning.

Being the same lands conveyed in the Deed from ASA NEAMAN, a single man to ELLE SUE SOUSA, a widow, Recorded Septemer 25, 1975, in Book 975 of Official Records, at Page 1034, Douglas County, Nevada.

Reference is also hereby made to that Record of Survey for JAMES L. SCOTT filed for record in Douglas County Recorders Office, Douglas County, Nevada, on December 21, 1993, in Book 1293, of Official Records, at Page 4494, as Document No. 325575.

Real property is commonly known as 1407 Main Street, Gardnerville, Nevada 89410

APN# 25-332-10

(hereinafter referred to as the "Premises"); and

WHEREAS, Bank of America Nevada, a Nevada banking corporation, (hereinafter referred to as "Assignee"), is about to become the owner and holder of a Deed of Trust or Mortgage Deed (hereinafter Deed of Trust) executed by Assignor covering said Premises, which Deed of Trust recorded concurrently herewith in Douglas County, Nevada, and therein incorporated by this reference, secures a Promissory Note or Note in the original principal amount of One Hundred Ninety One Thousand Six Hundred and no/100ths Dollars (U.S. \$*191,600.00*); and dated March 8, 1994.

WHEREAS, Assignee, as a condition to granting the aforesaid secured loan (hereinafter referred to as "Secured Loan") has required the assignment of all rentals and leases of said Premises as additional security for said Secured Loan;

SECTION I

NOW THEREFORE, Assignor does hereby assign to Assignee all of its rights, title and interest on or under any Lease or Leases, all extensions, renewals, modifications or replacements thereof and any and all guarantees of the Lessee's obligations under said Lease or Leases; (hereinafter collectively referred to as "Lease" or "Leases") and any and all of the rents, issues, royalties, income and profits of the aforesaid property. All rentals under the Leases, as well as all other rents, issues, royalties, income and profits of the aforesaid property shall hereinafter collectively be referred to as "Income". Leases shall include any and all Leases on the real estate herein described, or any portion thereof, now or hereafter made, executed, or delivered whether written or oral, shall automatically be deemed included in this Assignment.

SECTION II

Assignor further agrees to provide Assignee upon request within fifteen (15) days a current, certified Rent Roll listing all leases, renewals, modifications, contracts, agreements and obligations in detail satisfactory to Valley, including all tenants' names, descriptions of units or spaces including square footage, actual monthly rentals, common area charges, lease expiration dates, the number and length of renewal options, the amount of security deposits and legible photostatic copies of all of said Leases, renewals, modifications, contracts, agreements, and obligations.

SECTION III

Assignee agrees that Assignor shall have a license both to receive, collect, and enjoy income accruing under said Leases and all other income from the mortgaged Premises as such income becomes due and to enforce the terms of any and all Leases and agreements on the aforesaid mortgaged Premises. This license shall exist so long as Assignor is not in default of the terms, conditions, or provisions of the Promissory Note, the Guaranty, the Deed of Trust securing it, the Construction Loan Agreement, if any, or this Assignment.

SECTION IV

Assignor hereby covenants and agrees with Assignee that, upon the expiration of such license occasioned by a default of the terms, conditions, or provisions of the Promissory Note, the Guaranty, the Deed of Trust securing it, the Construction Loan Agreement, if any, or this Assignment, Assignor, without the prior written consent of Assignee will not cancel or permit the cancellation of the Leases; accept any surrender of the Leases; reduce the income; modify the Leases in any way, either orally or in writing; grant any concession in connection with said Leases either orally or in writing; or consent either to an assignment of any Lessee's interest in said Leases or to any subletting.

SECTION V

At its option after the occurrence of a default as aforesaid, Assignee may enter upon the Premises and, in the name of Assignor or in its own name, collect all Income accrued, unpaid and in arrears on the date of such a default, as well as the Income thereafter accruing and becoming due and payable during the continuation of said default or any other default. The Assignor agrees that it will facilitate in all reasonable ways Assignee's collection of said Income and will, within ten (10) days, upon the request of Assignee execute and deliver a written notice to each tenant, lessee or obligor directing the tenant, lessee or obligor to pay Income to Assignee when and as due. Assignor further agrees that each and every tenant, lessee or obligor shall pay Income to Assignee without any obligation or right to inquire whether a default actually exists. Assignor shall have no right or claim against tenant, lessee or obligor for any income so paid by tenant, lessee or obligor to Assignee.

Assignee at its option, may take but shall not be obligated to take any of the following steps upon such entry; assume the management, operation and maintenance of the Premises; perform all acts necessary and proper; expend sums from the income of the Premises in the same manner and to the same extent as Assignor theretofore might; demand and sue for possession of the premises covered by the Leases; and effect new leases, cancel or surrender existing Leases, alter or amend the terms of existing Leases, renew existing Leases, or make concessions to tenants, lessees or obligor. Assignor hereby releases all claims against Assignee arising out of such management, operation and maintenance, excepting the liability of Assignee to account as hereinafter set forth. Should Assignee incur liability by reason of its entry onto the Premises or sustain any other loss or damage under any Lease, this Assignment, or in the defense of any claims or demands, Assignor, immediately upon demand, shall reimburse Assignee for the amount of such loss or damage. Assignee may retain any and all income collected and apply it in reimbursement of such loss or damage.

After both payment of all proper charges and expenses, including reasonable attorney's fees incident to the collection of income and reasonable compensation to such managing agent as Assignee shall select and employ, an accumulation of the necessary reserves to meet taxes, assessments, water, rents, fire and liability insurance premiums and life insurance premiums, if applicable, as such charges become due, Assignee shall credit the net income received from the Premises under this Assignment to any amounts due and owing from Assignor under the terms of the Deed of Trust, the Guaranty secured thereby, and the Promissory Note. The determination of the necessary reserves and the application of net income shall be in the sole discretion of Assignee. Assignee shall make reasonable efforts to collect income, reserving within its own discretion the right to determine the method of collection, including prosecution, and the right to employ attorneys to effect collection.

If Assignor completely reinstates the secured loan in good standing, complying with all of the terms, covenants and conditions of the Deed of Trust the Guaranty secured thereby, the Promissory Note, the Construction Loan Agreement, if applicable, and this Assignment, Assignee shall within One (1) month after written demand, re-deliver possession of the mortgaged Premises to Assignor and direct all tenants, lessees or obligor to pay future income to Assignor. Assignor shall remain in possession unless and until another default occurs, at which time Assignee may, at its option, re-take possession of the Premises under authority of this Assignment.

SECTION VI

Assignor hereby covenants and warrants to Assignee that at the time this Assignment is filed for record, it is the absolute Assignor of the Leases with full right and title to assign the income due or to become due thereunder; that the Leases are valid and in full force and effect; that neither it nor any previous owner has executed a prior assignment or pledge either of the rentals or income of the Premises or of the landlord's interest in any Lease of the whole or any part of the Premises; that there are no existing defaults under the provisions of the Leases on the part of any party; and that no income payable under the Leases has been anticipated, prepaid, discounted, released, waived, compromised or discharged except as expressly permitted by said Leases. Assignor also hereby covenants and agrees not to collect the income for the said mortgaged Premises in advance, other than as required by the terms of any Lease, contract, obligation, rental agreement or royalty agreement, and further agrees not to do any other act which would destroy or impair the benefits to Assignee of this Assignment.

The parties hereto do not intend that an entry by Assignee upon the Premises under the terms of this Assignment shall constitute Assignee a "mortgagee in possession" ("beneficiary under a Deed of Trust in Possession") in contemplation of law, except at the option of Assignee.

Prior to actual entry and taking possession of the premises by Assignee this Assignment shall not operate to place responsibility either for the control, care, management, or repair of the Premises upon Assignee for the performance of any of the terms and provisions of any Lease, contract, agreement or obligation.

SECTION VII

Assignee shall have the right to assign its right, title and interest under this Assignment both to any subsequent holder of the subject mortgage and to any person acquiring title to the Premises through foreclosure or otherwise.

SECTION VIII

Assignor hereby irrevocably appoints Assignee, its successors and assigns, as its agent and attorney-in-fact to execute and deliver during the term of this Assignment any other instruments as Assignee may deem necessary to make this Assignment and any further assignment effective.

This Assignment shall remain in full force and effect as long as the mortgage debt to Assignee remains unpaid in whole or in part. It is understood and agreed that upon a full and complete release of the aforesaid mortgage deed, this Assignment shall be void and of no further effect. This Assignment shall continue in full force and effect, notwithstanding any variation, modification or extension of the terms of the Deed of Trust the Guaranty, secured thereby, or the Promissory Note, except for the releases stated above.

SECTION IX

All the provisions of this Assignment shall inure to and bind the heirs, devisees, legal representatives, successors and assigns of each party hereto, respectively.

Failure of Assignee to avail itself of any of the terms, covenants and conditions of this Assignment shall not constitute a waiver thereof. The rights and remedies of Assignee under this Assignment are cumulative and are not in lieu of, but are in addition to any other rights and remedies which Assignee shall have under the Deed of Trust, the Guaranty, the Promissory Note, and any Construction Loan Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment at Reno, Nevada, this 8th day of March, 1994.

Assignee: Bank of America Nevada

Assignor:

By: 

 Gino Del Carlo, Vice President



 James L. Scott

State of Nevada)
) ss.
 County of WASHOE)

On 8th day of March, 1994, personally appeared before me, a notary public (or Judge or other authorized person, as the case may be), Gino Del Carlo 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.



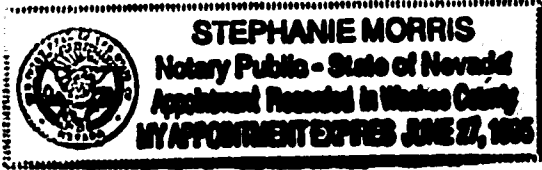


 Notary Public

State of Nevada)
) ss.
County of WASHOE)

On 8th day of March, 1994, personally appeared before me, a notary public (or Judge or other authorized person, as the case may be), James L. Scott personally known (or proved) to me to be the person whose name are/is subscribed to the above instrument who acknowledged that he executed the instrument.

Stephanie Morris
Notary Public



WHEN RECORDED MAIL TO:
BANK OF AMERICA NEVADA
SBA LENDING GROUP, UNIT 2019
P.O. BOX 98624
LAS VEGAS, NEVADA 89193-8624
ATTN: N. BULLEN

REQUESTED BY
WESTERN TITLE COMPANY, INC.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

94 MAR 15 AM 1:50

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BK 0394 PG 2604

SUZANNE BEAUDREAU
RECORDER

SBAR&L.MST

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