



**DEED OF TRUST
(HOME EQUITY CREDIT LINE "HECL")**

When recorded return to
Bank of America Nevada
Consumer Lending Services
P.O. Box 98543
Las Vegas, Nevada 89193-8543

PARTIES:

TRUSTEE AND BENEFICIARY:

Bank of America Nevada ("Bank"), a corporation organized and existing under and by virtue of the laws of the State of Nevada

TRUSTOR:

(Customer)(s) CARMEN CASOLO AND BONNIE CASOLO, WHO ARE MARRIED TO EACH OTHER

1062 MYRON DRIVE, ZEPHYR COVE, NV 89448

Mailing Address

Zip

SECURITY - DEED OF TRUST

This Deed of Trust is made on 15TH day of JUNE, 1994, for the purpose of securing the payment of all HECL account balances of Customer(s) with a Maximum Credit Limit of \$ 20,000.00. Any non-title holder signs below as Trustor solely for the purpose of subjecting any community property interest in the property described below to this Deed of Trust. Customer hereby irrevocably grants, bargains, sells, assigns, conveys, confirms, and transfers to the Trustee/Beneficiary, in Trust with Power of Sale, the following real property ("Property") and/or ("Security") located in the County of DOUGLAS, State of Nevada, and described as follows: **ADDRESS OF PROPERTY: 1062 MYRON DRIVE, ZEPHYR COVE, NV 89448**

LOT 129, AS SHOWN ON THE MAP OF SKYLAND SUBDIVISION NO. 2, FILED FOR RECORD IN THE OFFICE OF THE COUNTY RECORDER OF DOUGLAS COUNTY, STATE OF NEVADA, ON JULY 22, 1959, IN BOOK 1 OF MAPS, AS DOCUMENT NO. 14668.

TOGETHER WITH ALL BEACH RIGHTS AS CONTAINED IN DEED TO SKYLAND WATER CO., RECORDED FEBRUARY 5, 1960 IN BOOK 1, PAGE 268, DOCUMENT NO. 15573, OFFICIAL RECORDS OF DOUGLAS COUNTY, STATE OF NEVADA. APN. 05-033-05

Property includes all buildings, improvements, fixtures, equipment, and any other apparatus there, and all easements, rights-of-way, water rights and all appurtenances thereto now upheld or hereafter required, and all legal interest and property rights involved, and all proceeds payable to Bank as loss payee under any property damage insurance or flood insurance relating to the Property. The Security means that if Customer doesn't pay or perform as agreed, or fails to perform a material obligation in this Deed of Trust (HECL), the Trustee/Beneficiary holds the title to the Property in Trust and has the irrevocable power of sell or foreclose the Property as provided as provided by law, if it desires. This Deed of Trust (HECL) secures HECL balances only and HECL balances Customer may owe Bank may be covered by any other security held by Bank as indicated:

To the extent consistent with the other terms hereof, Covenants Nos. 1,2,3,4,5,6,7,8, and 9 of NRS 107.030 are hereby adopted and made a part of this Deed of Trust. The amounts relating to Nos. 2,4, and 7 shall be as otherwise set forth herein. In the event of a default in the performance of any covenant or payment under this Deed of Trust (HECL) or the security for which this Deed of Trust (HECL) has been executed, any notice given under NRS section 107.080 shall be given by registered letter to Customer at Customer's address as shown on Bank records and such notice shall be binding upon the Customer, and any assignee or grantee of the Customer.

Customer hereby grants to Bank a lien upon, a security interest in, and a right of set-off against, any and all of Customer's monies, credits, securities, and other property of every kind and description now or hereafter in possession or control of or on deposit with Bank, or with any agent or bailee for Bank, whether held in a general or special account or deposit, or for safekeeping or otherwise; and every such lien, security interest and right of set off may be exercised without demand upon, or notice to, Customer. No lien, security interest or right of set off shall be deemed to have been waived by any act or conduct on the part of the Bank, or by any neglect to exercise such right of set off, or to enforce such lien or security interest, by any delay in so doing, and every right of set off and lien shall continue in full force and effect until such right of set off or lien is specifically waived or released by an instrument in writing executed by Bank. Customer acknowledges that any and all monies, negotiable instruments, documents of title, securities, deposit accounts, and other cash equivalents in which the Bank has hereby been given a lien upon, security interest in and right of set off against, shall constitute and be treated as "cash collateral" as defined in the Bankruptcy Reform Act of 1978, as such may be amended from time to time. Customer further acknowledges that the lien, security interest and right of set off granted hereunder is in addition to all liens and rights of set off otherwise available at either law or equity against Customer's monies, securities and other property.

WARRANTY BY CUSTOMER

Customer promises he has good, merchantable, full and clear title to the Property, except for any known easements, water-use interests, reported restrictions, patent reservations, or other liens of record as of this date which encumbrances have been disclosed and agreed to by the Bank, and that it will continuously occupy the Property granted as collateral security as its primary residence.

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TAXES

Customer promises to pay all taxes, assessments, and other charges on the Property when due.

INSURANCE

Customer promises to keep the Property insured in an amount no less than the HECL plus all other prior mortgage or other lien balances against fire, flood hazard (if any), and other casualties at all times by an insurance company acceptable to Bank. Customer promises to furnish Bank with a loss payable clause to benefit Bank and to furnish proof of such coverage and payment of premiums. This fire, flood (when applicable), and extended coverage insurance is required by the Bank when HECL is secured by a Deed of Trust. Customer agrees to notify Bank immediately of any loss and to make immediate and proper proof of any such loss to the insurance company. The insurance policy must also state that Bank will be notified before the Policy's cancellation. If Bank gets payment from the insurance company for a loss, it can use the money to either repay amounts that Customer owes the bank or to repair the Property.

REIMBURSEMENT

Customer grants to Bank the right, but not the obligation to charge Customer's HECL and/or automatically debit Customer's Bank accounts for the payment of taxes, assessments, liens against the Property, insurance premiums and/or any other payments deemed necessary by Bank to protect its security hereunder should Customer fail to make such payments within ten (10) days before delinquency. Further, Customer grants a set off which may be exercised by Bank, without notice or deemed upon Customer for the payment of taxes, assessments, liens against Property, insurance premiums and/or any other payments deemed necessary by Bank to protect its security hereunder should Customer fail to make such payments within ten (10) days before delinquency. No lien, security interest or right of set off shall be deemed to have been released or waived by any act or omission of the Bank, or by any failure to exercise such right of set off or to enforce such lien or security interest or my any delay in so doing, any every lien, security interest and right of set off shall continue in full force and effect until waived or released by an instrument in writing executed and delivered by Bank.

PAYMENTS ON CUSTOMER'S BEHALF

If Customer fails to make any required payments, such as for taxes, assessments, liens against the Property, insurance and/or any other payments deemed necessary by Bank to protect its security hereunder, Bank at its option can make those payments on Customer's behalf. Customer must repay Bank immediately for those payments and any reasonable attorney's fees extended to enforce any of the terms of this Deed of Trust (HECL) with interest at a rate of 5% per year in excess of the current stated annual percentage rate applicable to HECL balances from disbursement until paid. This Deed of Trust (HECL) secures payments of those amounts.

CONDITION OF PROPERTY

Customer promises to keep the Property in good repair and will not let any harm come to it. If any government or agency condemns or takes the Property, Customer agrees that any money received for that taking will go first to repay the total amount that Customer owes Bank under this HECL account.

SALE OF PROPERTY

If Bank exercises its right relative to the Security in any way, or if Bank forecloses on this Deed of Trust/HECL Agreement or exercises its power of sale, title to the Property and the associated policies will automatically pass to the new purchaser. Before foreclosure or sale of Property, Bank will give Customer notice of such intended disposition as required by law.

OTHER RIGHTS

Bank may, but is not required to, appear in or defend any action that might affect the Property or Bank's security in the Property.

CUSTOMER DEFAULT AND BANK REMEDIES

Customer will be in default under this Deed of Trust (HECL) if Customer commits fraud as determined by Nevada law or legislature or material misrepresentation at any time in connection with this HECL transaction; if Customer fails to make any required payment when due and/or if Customer's action or inaction adversely affects the Security including, but not limited to: Customer files or has filed against him, proceedings in action which seeks reorganization, adjustment, liquidation, dissolution, bankruptcy, insolvency, relief of debtors, appointment of receiver, transfer of custodian for all or part of the Security or other insolvency proceeding; if the Property or any part thereof is taken through condemnation; if Customer fails to make any other agreed payments, such as assessments, taxes, liens against the Property, insurance premium and/or any other payments deemed necessary by Bank to protect its Security hereunder; if Customer fails to continuously occupy the Property as the primary residence; if Customer sells, transfers or conveys the Property or any part thereof without immediately substituting equivalent security acceptable to Bank or fails to obtain and maintain property damage and flood insurance continuously in amounts which cover all prior liens on the Property and the HECL balances secured herein. (The above circumstances are collectively considered "material obligations" hereunder). Upon such default, Bank may terminate all further HECL privileges, and demand, sue and collect all outstanding HECL balances immediately and without regard to the usual repayment schedule and take any other action Bank deems necessary as allowed by law and/or as set forth in this Deed of Trust/HECL Agreement. In the event legal action relating to the HECL account of the Property, reasonable attorney's fees and costs will be payable by Customer.

SUSPENSION OF CREDIT AND REDUCTION

Bank can refuse, at its option, to make additional extensions of credit or reduce Customer's credit limit if: The value of the Security declines significantly below its appraisal value for purposes of the HECL; Bank reasonably believes Customer will not be able to meet the repayment requirements due to a material change in the Customer's financial circumstances; Customer is in default of a material obligation hereunder; government action prevents Bank from imposing the annual percentage rate provided or impairs the Security such that the value of the Security is less than one hundred twenty percent (120%) of the HECL; A regulatory agency has notified Bank that continued advances would constitute an unsafe and unsound practice and/or the maximum annual percentage rate is reached.

SUBSTITUTION OF COLLATERAL UPON BANK APPROVAL

Customer must notify Bank of any new encumbrances which may jeopardize the bank's Security and/or any changes in ownership of the Property and must, before the change is complete or before any encumbrance attached in or to the Property, substitute equivalent security which is acceptable to Bank to replace the Property being transferred. Customer will be in default under this Agreement if Customer fails to make such notification and collateral substitution, and may terminate all HECL privileges, deny Customer the use of any remaining unused amount of the HECL credit limit, and require all HECL outstanding balances to be paid over the regular and agreed time period determined by the HECL Minimum Monthly Payment requirements. (Customer may, of course, pay such additional amounts as it wishes, without penalty.) This Deed of Trust/HECL Agreement shall apply to and bind all parties hereto, their heirs, successors and assignees. The Customer's right and obligations hereunder shall not be transferred or assigned without prior written consent of the bank. Customer does hereby authorize Bank to transfer this Deed of Trust/HECL Agreement to any new account that Customer designates in writing in the future as Customer's HECL account.

MISCELLANEOUS

The captions used in this document have been inserted for convenience of reference only and shall not be deemed to be part of this Deed of Trust/HECL Agreement. If any provision or portion hereof of this Agreement is held invalid, illegal, void or unenforceable by reason of any rule or law, administrative order, or judicial decision, all other provisions of this document shall remain in full force and effect.

Where the context so requires, the use of the neuter gender shall include the masculine and feminine gender the masculine gender shall include the feminine and neuter genders, and the singular shall include the plural and vice versa.

ADDRESS CHANGE, BILLING ERRORS, NEW INFORMATION

Customer agrees to promptly notify Bank in writing of any change of address, billing errors on any monthly HECL statement, and upon Bank's request, any new or changed information on the HECL application.

SIGNATURES

Prior to signing this Deed of Trust (HECL) I/We, Customer(s), received and read the Home Equity Credit Line Agreement and Federal Truth in Lending Disclosure Statement regarding my/our Home Equity Credit Line account. All the terms of the Agreement and Truth in Lending Disclosure Statement are part of this Deed of Trust (HECL). I/We, Customer(s), have also received a completed copy of the Deed of Trust (HECL) and agree to its terms. I/We grant and convey Bank my/our Property as indicated, as security for any advance under my Home Equity Credit Line Agreement.

Dated this 15TH day of JUNE, 19 94

CUSTOMER (Signature) *Carmen Casolo*
CARMEN CASOLO

CUSTOMER (Signature) *Bonnie Casolo*
BONNIE CASOLO

CUSTOMER:(Signature) _____

CUSTOMER (Signature) _____

STATE OF NEVADA
COUNTY OF DOUGLAS

On this 15 day of JUNE, 1994, personally appeared before me, a Notary Public (or judge or other authorized person, as the case may be) in, and for said County and State CARMEN CASOLO AND BONNIE CASOLO

_____ known (or proved) to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he/she (they) executed the same freely and voluntarily and for the uses and purposes therein mentioned.

Julia A. Stockton
Notary Public

REQUESTED BY
WESTERN TITLE COMPANY, INC.

IN OFFICIAL RECORDS OF
DOUGLAS COUNTY, NEVADA

Page 3 of 3

BANK OF AMERICA NEVADA
JULIA A. STOCKTON
Notary Public - State of Nevada
Appointment Recorded in Douglas County
MY APPOINTMENT EXPIRES JULY 16, 1996

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YVONNE LAUREAU
RECORDED
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S. L. PAULK DEPUTY

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