

SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST, made this 22ND day of August 1996, between

ROBERT W. JOHNSON AND NANCY L. JOHNSON, husband and wife,
, herein called TRUSTOR,

whose address is: *10860 Price Court, Morgan Hill, CA. 95037*

and STEWART TITLE OF DOUGLAS COUNTY, a Nevada corporation,
herein called TRUSTEE, and

EDWARD S. HASKELL, a married man as his sole and separate
property, herein called BENEFICIARY,

WITNESSETH: That Trustor irrevocably grants, transfers and
assigns to Trustee in trust, with power of sale that property in City of
GARDNERVILLE, DOUGLAS County, Nevada, described as:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

IN THE EVENT TRUSTOR SHALL SELL, CONVEY OR ALIENATE SAID
PROPERTY, OR ANY PART HEREOF, OR ANY INTEREST THEREIN, OR SHALL
BE DIVESTED OF THEIR TITLE OR ANY INTEREST THEREIN IN ANY
MANNER OR WAY, WHETHER VOLUNTARY OR INVOLUNTARY, WITHOUT THE
WRITTEN CONSENT OF THE BENEFICIARY BEING FIRST HAD AND
OBTAINED, BENEFICIARY SHALL HAVE THE RIGHT, AT THEIR OPTION, TO
DECLARE ANY INDEBTEDNESS OR OBLIGATIONS SECURED HEREBY,
IRRESPECTIVE OF THE MATURITY DATE SPECIFIED IN ANY NOTE
EVIDENCING THE SAME, IMMEDIATELY DUE AND PAYABLE.

Together with the rents, issues and profits thereof, subject,
however, to 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 \$ 200,000.00
and the 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 per-
formance 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 each County Recorder in the State of Nevada, in the book and
at the page thereof, or under the document file number, noted below
opposite the name of such county, namely:

COUNTY	BOOK	PAGE	DOC.NO.	COUNTY	BOOK	PAGE	DOC.NO.
Carson City			000-52876	Lincoln	73	248	86043
Churchill			224333	Lyon			0104086
Clark	861226		00857	Mineral	112	352	078762
Douglas	1286	2432	147018	Nye	558	075	173588
Elko	545	316	223111	Pershing	187	179	151646
Esmeralda	110	244	109321	Storey	055	555	58904
Eureka	153	187	106692	Washoe	2464	0571	1126264
Humboldt	223	781	266200	White Pine	104	531	241215
Lander	279	034	137077				

shall inure to and bind the parties hereto with respect to the property
above described. Said agreement, terms and provisions contained in said
Subdivision A and B, (identical in all counties and printed on the reverse
side hereof) 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 regard-
ing the obligation secured hereby, provided the charge therefore does not
exceed a reasonable amount. The Beneficiary or the collection agent
appointed by him may charge a fee of not to exceed \$15.00 for each change

The following is a copy of provisions (1) to (16) inclusive, of the deed of trust, recorded in each county in Nevada, as stated in the foregoing Deed of Trust and incorporated by reference in said Deed of Trust as being a part thereof as if set forth at length therein.

To Protect the Security of This Deed of Trust, Trustor Agrees:

- 1. 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 requiring any alterations or improvements to be 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 law; 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. The Grantor agrees to pay and discharge all costs, fees and expenses of these Trusts, including cost of evidence of title and Trustee's fees in connection with sale, whether completed or not, which amounts shall become due upon delivery to Trustee of Declaration of Default and Demand for sale, as hereinafter provided.
- 3. The amount collected under any fire insurance policy shall be credited, first, to accrued interest, next to expenditures hereunder; and any remainder upon the principal, and interest shall thereupon cease upon the amount so credited upon principal, provided, however, that at the option of the Beneficiary, the entire amount collected under the policies or any part thereof may be released to the Grantor, without liability upon the Trustee for such release.
- 4. The Grantor promises and agrees that if, during the existence of the Trust, there be commenced or pending any suit or action affecting said conveyed premises, or any part thereof, or the title thereto, or if any adverse claim for or against said premises, 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 actin.
- 5. Any award of damages in connection with any condemnation for public use of or injury to any 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 hereunder or of action or proceeding of any kind in which Grantor, Beneficiary and/or Trustee shall be named as defendant, unless brought by Trustee.
- 7. Acceptance by Beneficiary of any sum in payment of any indebtedness secured hereby, after the date when the same is due, shall not constitute a waiver of the right either to require prompt payment, when due, of all other sums so secured or to declare default as herein provided for failure so to pay.
- 8. Trustee may, at any time, or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the notes secured hereby for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby or the effect of this Deed of Trust upon the remainder of said property: 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.
- 9. Upon receipt of written request from Beneficiary reciting that all sums secured hereby have been paid and upon surrender of this Deed and said note to Trustee for cancellation and retention 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," and Trustee is authorized to retain this Deed of Trust and note.
 - (a) Should default be made by Grantor in payment of any indebtedness secured hereby and/or in performance of any agreement herein, then Beneficiary may declare all sums secured hereby immediately due by delivery to Trustee of a written declaration of default and demand for sale, and of written notice of default and election to cause said property to be sold (which notice Trustee shall cause to be filed for record) and shall surrender to Trustee this Deed, the notes and all documentation evidencing any expenditure secured hereby.
- 10. After three months shall be elapsed following recordation of such notice of default, Trustee shall sell said property at such time and at such place in the State of Nevada as the Trustee, in its sole discretion, shall deem best to accomplish the objects of these Trusts, having first given notice of such sale as then required by law. Place of sale may be either in the county in which the property is to be sold, or any part thereof, is situated, or at an office of the Trustee located in the State of Nevada.
 - (a) The Grantor, Pledgor and Mortgagor of the personal property herein pledged and/or mortgaged waives any and all other demands or notices as conditions precedent to sale of such property.
 - (b) Trustee may postpone sale of all, or any portion, of said property by public announcement at the time fixed by said notice of sale, and may thereafter postpone said sale from time to time by public announcement at the time previously appointed.
 - (c) At the time of sale so fixed, Trustee may sell the property so advertised or any part thereof, either as a whole or in separate at its sole discretion, at public auction, to the highest bidder for cash in lawful money of the United States, payable at time of sale, and shall deliver to such purchaser, a deed conveying the property so sold, but without covenant or warranty, express or implied, Grantor hereby agrees to surrender, immediately and without demand, possession of said property to such purchaser.
- 11. Trustee shall apply the proceeds of any such sale to payment of, expenses of sale and all charges and expenses of Trustee and of these Trusts, including cost of evidence of title and Trustee's fee in connection with sale; all sums expended under the terms hereof, not then repaid, with accrued interest at the rate of ten per cent (10%) per annum; all other sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto.
- 12. The Beneficiary or assigns may, at any time, by instrument in writing, appoint a successor or successors to the Trustee named herein or acting hereunder, which instrument, executed and acknowledged by beneficiary, and recorded in the Office of the County Recorder of the County of Counties wherein said property is situated, shall be conclusive proof of the proper substitution of such successor or trustee, who shall have all the estate, powers, duties and trusts in the premises vested in or conferred on the original Trustee. If there be more than one Trustee, either may act alone and execute the Trusts upon the request of the Beneficiary and his acts shall be deemed to be the acts of all Trustees, and the recital of any conveyance executed by such sale trustee of such requests shall be conclusive evidence thereof, and the authority of such sole Trustee to act.
- 13. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legates, devisees, administrators, executors, successors and assigns.
- 14. Trustee accepts these trusts when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.
- 15. 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, and the term Beneficiary shall include any future holder, including pledges, or the note secured hereby.
- 16. Where not inconsistent with the above covenants, No. 1; 2 (\$ _____); 3; 4 (10%); 5; 6; 7 (_____ %); 8; of NRS 107.030 are hereby adopted and made a part of this Deed of Trust.

DO NOT RECORD
REQUEST FOR FULL RECONVEYANCE

To be used only when note has been paid.

To _____, Trustee: Dated _____

The undersigned is the legal owner and holder of all indebtedness secured by the within Deed of Trust. All sums secured by said Deed of Trust have been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel all evidences of indebtedness, secured by said Deed of Trust, delivered to you herewith together with said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, the estate now held by you under the same.

MAIL RECONVEYANCE TO: _____

By _____

By _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures, Both must be delivered to the Trustee for cancellation before reconveyance will be made.

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in parties, or for each change in a party making or receiving a payment secured hereby.

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

Robert W. Johnson
ROBERT W. JOHNSON

Nancy L. Johnson
NANCY L. JOHNSON

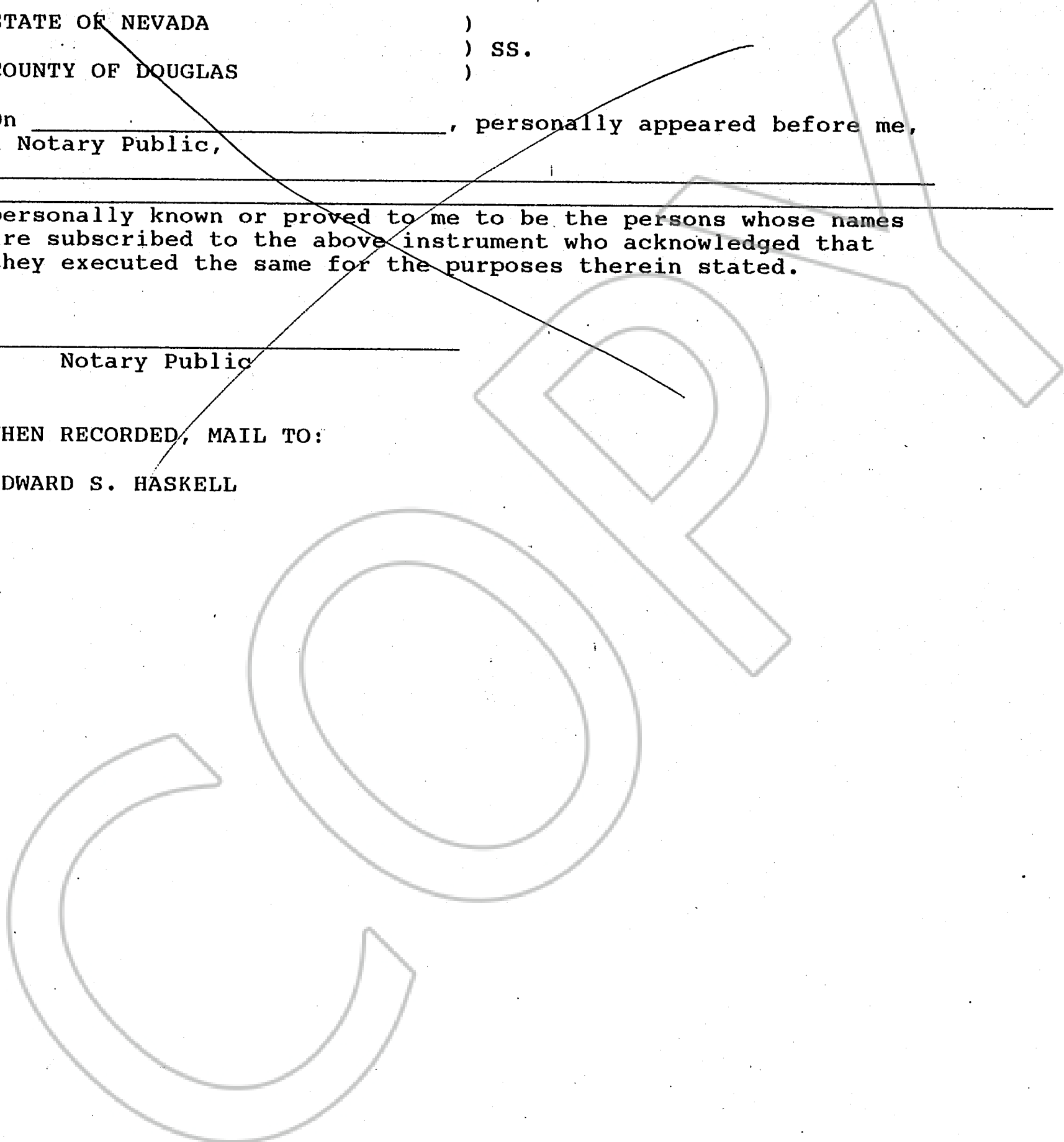
STATE OF NEVADA)
COUNTY OF DOUGLAS) SS.
)

On _____, personally appeared before me,
a Notary Public,

_____ personally known or proved to me to be the persons whose names are subscribed to the above instrument who acknowledged that they executed the same for the purposes therein stated.

Notary Public

WHEN RECORDED, MAIL TO:
EDWARD S. HASKELL



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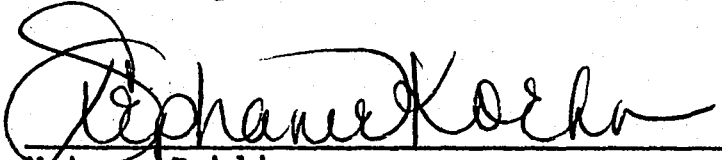
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STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA CLARA)

On SEPTEMBER 4, 1996 before me, STEPHANIE KOEHN,
a Notary Public in and for said County and State, personally appeared _____
ROBERT W. JOHNSON AND NANCY W. JOHNSON

_____ personally
known to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged
to me that he/she/they executed the same in his/her/their authorized capacity(ies),
and that by his / her / their signature(s) on the instrument the person(s), or the
entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Notary Public



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EXHIBIT "A"

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of Douglas,, described as follows:

A parcel of land situated within Section 35, township 11 North, Range 21 East, M.D.B.&M., Douglas County, Nevada and more particularly described as follows:

Commencing at the East one quarter corner of Section 35, Township 11 North, Range 21 East, M.D.B.&M.; thence North $45^{\circ}27'04''$ West, a distance of 1,888.50 feet to a 5/8 REBAR and the TRUE POINT OF BEGINNING; thence South $00^{\circ}32'18''$ East, a distance of 191.42 feet to a point; thence South $89^{\circ}46'21''$ West, a distance of 845.01 feet to a point; thence South $01^{\circ}12'53''$ West, a distance of 471.18 feet to a point; thence South $89^{\circ}53'08''$ West, a distance of 471.94 feet to a point; thence North $00^{\circ}14'09''$ West, a distance of 661.52 feet to a point; thence North $89^{\circ}46'21''$ East, a distance of 1,327.87 feet to the POINT OF BEGINNING.

The basis of bearings of this description is the East line of Parcel A of the Parcel Map for Thomas E. Farrell recorded June 13, 1979 in Book 679, at Page 938, as Document No. 33463 of the official records of Douglas County. Said line bears $80^{\circ}32'18''$ East as per said map.

Assessors Parcel No. 35-310-52

REQUESTED BY
Stewart Title of Douglas County
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'96 SEP -5 P3:56

LINDA SLATER
RECORDER
\$ 11.00 PAID *BH* DEPUTY

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