

DEED OF TRUST AND ASSIGNMENT OF RENTS

Escrow No S61705D0

THIS DEED OF TRUST, made this 17th day of March 1997, between ENCLAVES, INC.

herein called TRUSTOR, whose address is P O Box 12219, Zephyr Cove NV 89448

WESTERN TITLE COMPANY, INC., a Nevada corporation herein called TRUSTEE, and Stephen H. Bourne and Nelgene H. Bourne, Trustees of the S.H. Bourne - 1994 Trust U/I/D November 16, 1994.

herein called BENEFICIARY, WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, that property in the County of Douglas, State of Nevada, to wit:

SEE EXHIBIT 'A' ATTACHED HERETO AND MADE A PART HEREOF.

IF TRUSTOR SHALL CONVEY OR ALIENATE SAID PROPERTY OR ANY PART THEREOF OR ANY INTEREST THEREIN OR SHALL BE DIVESTED OF HIS TITLE IN ANY MANNER OR WAY, WHETHER VOLUNTARY OR INVOLUNTARY ANY INDEBTEDNESS OR OBLIGATION SECURED HEREBY IRRESPECTIVE OF THE MATURITY DATE EXPRESSED IN ANY NOTE EVIDENCING THE SAME, AT THE OPTION OF THE HOLDER HEREOF AND WITHOUT DEMAND OR NOTICE SHALL BECOME DUE AND PAYABLE IMMEDIATELY.

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 (1) payment of the sum of \$1,000,000.00 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 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, Trustor agrees: By the execution and delivery of this Deed of Trust and the note secured hereby, that provisions (1) to (16) inclusive of the Deed of Trust recorded in the Book and at the Page, or Document No. of Official Records in the Office of the County Recorder of the County where said property is located, noted below opposite the name of such County, viz.:

COUNTY	DOC. No.	BOOK	PAGE	COUNTY	DOC. No.	BOOK	PAGE
Clark	413987	514		Lyon	88486	31 mtgs.	449
Churchill	104132	34 mtgs.	591	Mineral	76648	16 mtgs.	534-537
Douglas	24495	22	415	Nye	47157	67	163
Elko	14831	43	343	Ormsby	72637	19	102
Esmeralda	26291	3H deeds	138-141	Pershing	57488	28	58
Eureka	39602	3	283	Storey	28573	R mtgs.	112
Humbolt	116986	3	83	Washoe	407205	734 Tr.deed	221
Lander	41172	3	758	White Pine	128126	261	341-344
Lincoln	41292	0 mtgs.	467				

0408875

BK0397PG3324

DESCRIPTION

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

Beginning at the Southwesterly corner of the parcel herein described, from which corner the section corner common to Sections 22, 23, 26 and 27, Township 13 North, Range 18 East, M.D.B. & M., bears North 22°06'32" East 109.70 feet (Deed of Record shows North 21°35' East 109.70 feet); thence from said point of beginning North 28°49'04" East (Deed of Record shows North 28°02' East); along the Easterly right-of-way line of Highway 50, a distance of 4.20 feet (Deed of Record shows 4.40 feet); thence on a curve to the left, having a chord which bears North 25°07'47" East (Deed of Record shows North 24°20'54" East); and having a radius of 2540.0 feet, through a central angle of 07°22'34" (Deed of Record shows a central angle of 07°22'12") for an arc distance of 326.77 feet (Deed of Record shows 326.72 feet); thence leaving said curve South 88°53'34" East 372.64 feet (Deed of Record shows South 89°42' East 373.26 feet); thence South 00°48'26" West 180.07 feet to a point on the Northerly right-of-way line of Kingsbury Grade, from which point the center of a curve bears South 10°13'52" East (Deed of Record shows South 11°02'18" East) 1040.00 feet; thence along a curve to the left having a chord which bears South 77°28'01" West (Deed of Record shows South 76°39'35" West) and having a radius of 1040 feet, through a central angle of 04°36'14" for an arc distance of 83.57 feet; thence leaving said curve North 88°53'34" West (Deed of Record shows North 89°42' West) and continuing along said right-of-way line 61.00 feet; thence South 18°20'26" West (Deed of Record shows South 17°32' West) 23.48 feet along said line; thence South 63°57'26" West 300.66 feet (Deed of Record shows South 65°09' West 301.00 feet) along said line; thence leaving said right-of-way line North 60°10'56" West 99.49 feet (Deed of Record shows North 60°58' West 100.00 feet) to the point of beginning.

A.P.N. 07-120-08

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

'97 MAR 21 P12:05

PRE3/car

0408875
 BK0397PG3326

LINDA SLATER
 RECORDER
 \$ 9.00 PAID KZ DEPUTY