## DEED OF TRUST AND ASSIGNMENT OF RENTS

Escrow No M75023CA

THIS DEED OF TRUST, made this 12th day of September 1997, between BRUCE R. SCOTT, an unmarried man

whose address is P.O. Box 1834, CARSON CITY, NV. 87702

WESTERN TITLE COMPANY, INC., a Nevada corporation herein called TRUSTEE, and WATER, INC., Profit Sharing Plan, B. J. Vasey, Trustee

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 BY THIS REFERENCE FOR LEGAL DESCRIPTION

ACCELERATION PROVISISION: In the event the Trustor sells, conveys or alienates the within described real property; or contracts to sell, convey or alienate; or is divested of title in any other manner without the approval of an assumption of this obligation by the Beneficiary being first obtained, Beneficiary shall have the right to declare the unpaid principal balance due and payable in full, upon written demand and notice, irrespective of the maturity date expressed on the Note secured hereby.

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 \$71,500.00 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. | воок     | PAGE    | COUNTY     | DOC. No. | воок        | 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 mtas   | 467     |            |          |             |         |

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(which provisions, identical in all counties, are attached hereto and a part hereof) hereby are adopted and incorporated herein and made a part hereof as fully as though set forth herein at length; that he will observe and perform said provisions; and that the references to property, obligations and parties in said provisions shall be construed to refer to the property, obligations, and parties set forth in this Deed of Trust.

Beneficiary or the collection agent appointed by Beneficiary may charge a fee not to exceed \$100.00 for each change in parties, or for each change in a party making or receiving a payment secured hereby.

The parties agree that with respect to provision 16, the amount of fire insurance required by covenant 2 shall be in an amount equal to the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust, and with respect to attorney's fees provided for by covenant 7 the percentage shall be a reasonable percentage!

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.

STATE OF NEVADA

)SS.

SIGNATURE OF TRUSTOR

County of Douglas

This instrument was acknowledged before me on September 22.1997

by Bruce R. Scott

NOTARY PUBLIC

ESCROW NO. M75023CA FOR RECORDER'S USE

JUDY A. COCLICH Notary Public - State of Nevada Appointment Recorded in Douglas County No: 95-00930-5 - EXPIRES OCT. 3, 1999

WHEN RECORDED MAIL TO:

Water Fnc,

PO BOX 1120

minden, NV 89423

fdt1

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## TRACT-C

A parcel of land located within a portion of Section 30, Township 13 North, Range 20 East, Mount Diablo Baseline and Meridian, Douglas County, Nevada, described as follows:

Commencing at the Northwest corner of Lot 6 of the Tarronga Subdivision as shown on the Record of Survey for Rodger T. and Edna L. Poe and recorded as File No. 26673, Douglas County, Nevada, Recorder's Office, which bears North 03°21'30" East, 1,717.77 feet from the South 1/4 corner of Section 30, Township 13 North, Range 20 East, M.D.B.&M., per said Map; thence North 00°53' 30" East along the East right-of-way line of Nevada State Highway 88, 160.20 feet; thence from a tangent which bears North 00° 11' 10" East, curving to the right along said right-of-way line along a curve having a delta angle of 102°11' 22", a radius of 210.00 feet and an arc length of 374.55 feet to an intersection with the Southerly right-of-way line of U.S. Highway 395; thence South 64° 00' 17" East along said Southerly right-of-way line, 284.17 feet to THE POINT OF BEGINNING;

thence continuing South 64° 00' 17" East along said Southerly right-of-way line, 189.92 feet;

thence South 25° 59' 43" West, 118.88 feet;

thence North 64° 00' 17" WEST, 36.68 feet;

thence South 25° 59' 43" West, 22.53 feet;

thence North 64° 00' 17" West, 153.24 feet;

thence North 25° 59' 43" East, 141.41 feet to THE POINT OF BEGINNING.

Subject to a 10-foot sewer easement to the MINDEN-GARDNERVILLE SANITATION DISTRICT adjacent to the Northerly line as described in Document No. 66913. Reference is made to Record of Survey recorded, May 17, 1991, in Book 591, Page 2566, as Document No. 250947, Official Records, Douglas County, Nevada

WESTERN TITLE COMPANY, INC.

IN OFFICIAL RECORDS OF
DOUGLAS CO... NEVADA

'97 SEP 23 P12:57

0422281 BK0997PG4470 LINDA SLATER
ORECORDER
PAID DEPUTY