PO BOX 12308 DEED OF TRUST AND ASSIGNMENT OF RENTS

ESCROW NO S62119EB
THIS DEED OF TRUST, made this 25th day of February

1998, between GREGORY K. ZOELLER, an unmarried man

herein called TRUSTOR,

whose address is

WESTERN TITLE COMPANY, INC., a Nevada corporation herein called TRUSTEE, and R. STEPHEN HARDY

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:

Lot 47, in Block G, as delineated on that certain map entitled "AMENDED MAP OF SUBDIVISION NO. 2, ZEPHYR COVE PROPERTIES, INC., filed for record on August 5, 1929, in the Office of the County Recorder of Douglas County, Nevada, (said map being an Amended Map of Subdivision No. 2 Zephyr Cove Properties, Inc., filed for record in the Office of the County Recorder of Douglas County, State of Nevada, on July 5, 1927, Document No. 92, Douglas County, Nevada, records.)

APN: 05 123 25

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 \$30,000.00 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.:

DOC. No.	воок	PAGE	COUNTY	DOC. No.	воок	PAGE
413987	514		Lyon	88486	31 mtgs.	449
104132	34 mtgs.	591	Mineral	76648	16 mtgs.	534-537
24495	22	415	Nye	47157	67	163
14831	43	343	Ormsby	72637	19	102
26291	3H deeds	138-141	Pershing	57488	28	58
39602	3	283	Storey	28573	R mtgs.	112
116986	3	83	Washoe	407205	734 Tr.deed	221
41172	3	758	White Pine	128126	261	341-344
41292	0 mtgs.	467		01.53	220	
	413987 104132 24495 14831 26291 39602 116986 41172	413987 514 104132 34 mtgs. 24495 22 14831 43 26291 3H deeds 39602 3 116986 3 41172 3	413987 514 104132 34 mtgs. 591 24495 22 415 14831 43 343 26291 3H deeds 138-141 39602 3 283 116986 3 83 41172 3 758	413987 514 Lyon 104132 34 mtgs. 591 Mineral 24495 22 415 Nye 14831 43 343 Ormsby 26291 3H deeds 138-141 Pershing 39602 3 283 Storey 116986 3 83 Washoe 41172 3 758 White Pine	413987 514 Lyon 88486 104132 34 mtgs. 591 Mineral 76648 24495 22 415 Nye 47157 14831 43 343 Ormsby 72637 26291 3H deeds 138-141 Pershing 57488 39602 3 283 Storey 28573 116986 3 83 Washoe 407205 41172 3 758 White Pine 128126	413987 514 Lyon 88486 31 mtgs.  104132 34 mtgs. 591 Mineral 76648 16 mtgs.  24495 22 415 Nye 47157 67  14831 43 343 Ormsby 72637 19  26291 3H deeds 138-141 Pershing 57488 28  39602 3 283 Storey 28573 R mtgs.  116986 3 83 Washoe 407205 734 Tr.deed 41172 3 758 White Pine 128126 261

(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

)

County of Douglas

SIGNATURE OF TRUSTOR

This instrument was acknowledged before me on

GREGORY K.

by

98-0024-5

AMY FRANKWICH NOTARY PUBLIC STATE OF NEVADA MY COMMISSION EXPIRES 01-09-2002

NOTARY PUBLIC

18-0024-5

AMY FRANKWICH **NOTARY PUBLIC** STATE OF NEVADA MY COMMISSION EXPIRES

rankluch

01-09-2002

'98 NOV -3 P1:25

ESCROW NO. S62119EB

FOR RECORDER'S USE

0453220

LINDA SLATER 8.00 PAID PLDEPUTY

WHEN RECORDED MAIL TO: PLACER TITLE COMPANY 1959 LAKE TAHOE BLVD. SOUTH LAKE TAHOE, CA 96150 fdt1