

82354-LCP
APN 21-472-03

NEVADA FEDERAL CREDIT UNION
DEED OF TRUST
SECOND TRUST DEED LOAN

Loan Number: 44867-90

Date: November 18, 1999

Borrower (1): WILLIAM F. CULVERHOUSE

Borrower (3): _____

Borrower (2): MARGARET F. CULVERHOUSE

Borrower (4): _____

THIS DEED OF TRUST is made this [18 day of November, 1999] among the Grantor,
[WILLIAM F. CULVERHOUSE AND MARGARET F. CULVERHOUSE, HUSBAND AND WIFE AS
JOINT TENANTS]

(jointly and severally called (Borrower), the Trustee, NEVADA FEDERAL CREDIT UNION (Trustee), and the Beneficiary, NEVADA FEDERAL CREDIT UNION (Lender), a Federally chartered Credit Union, whose address is 2645 South Mojave Road, Las Vegas, NV 89121.

BORROWER, in consideration of the amounts transferred to Borrower through the indebtedness herein recited, and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County of [DOUGLAS], State of [NV]:

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF;
Which has the address of [2962 DEL RIO LANE , MINDEN, NV 89423];

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF FOR LEGAL DESCRIPTION:

TOGETHER with all improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents (subject, however, to the rights and authorities given herein to Lender to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with said property are herein after referred to as the Property.

THIS DEED OF TRUST SHALL SECURE FUTURE ADVANCES PURSUANT TO THE PROVISIONS OF NRS 106.300-400. THIS DEED OF TRUST IS MADE TO SECURE TO LENDER:

- A. The repayment of the indebtedness evidenced by the Promissory Note dated the same date as this Deed of Trust, and all extensions, modifications and renewals thereof and all related documents (collectively called "Loan Agreement" herein); and
- B. The repayment of all sums advanced in accordance with the Loan Agreement and to protect the security of this Deed of Trust, with finance charges thereon at the rate(s) described in the Loan Agreement; and
- C. Borrower's faithful performance of all agreements and covenants in connection with the Loan Agreement, this Deed of Trust, and all related documents.

BORROWER AND LENDER COVENANT AND AGREE AS FOLLOWS:

1. Maturity Date. The entire indebtedness under the Loan Agreement, if not paid sooner, is due and payable on 11/18/2014.
2. Non-Revolving Loan.
 (APPLICABLE ONLY IF CHECKED:) The outstanding principal balance under the Loan Agreement is \$ \$23,000.00.
3. Revolving Home Equity Line of Credit.
_____ (APPLICABLE ONLY IF CHECKED:) Borrower and Lender contemplate a series of advances, of a revolving nature, to be made, repaid, and remade from time to time under the terms of the Loan Agreement, and all such advances to be secured by this Deed of Trust. The total outstanding principal balance owing at any time under the Loan Agreement shall not exceed the Credit Limit stated in the Loan Agreement. The outstanding principal balance does not include finance charges, late charges, insurance charges or collection costs which may be owing under the Loan Agreement from time to time.
4. Variable Annual Percentage Rate.
_____ (APPLICABLE ONLY IF CHECKED:) The Loan Agreement secured by this Deed of Trust contains a variable interest rate provision. The Annual Percentage Rate charged on the loan may increase or decrease during the term of the loan according to changes in the index described in the Loan Agreement. Reference is hereby made to the Loan Agreement for provisions relating to such increases or decreases.
5. Covenant of Ownership. Borrower covenants that Borrower is the lawful owner of the Property hereby conveyed and has the right to grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record; and that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.
6. Joint and Several Liability; Co-Signers. All covenants and agreements of Borrower shall be joint and several. Any person who co-signs this Deed of Trust, but does not execute the Loan Agreement, (a) is co-signing this Deed of Trust only to grant and convey the co-signer's interest in the Property to Trustee under the terms of this Deed of Trust, (b) is not personally liable under the Loan Agreement, (c) acknowledges that the co-signer's interest in and/or management of the Property may be affected by certain provisions of this Deed of Trust, (d) will be considered a "Borrower" for purposes of Lender's exercising Lender's rights under this Deed of Trust, and (e) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Deed of Trust or the Loan Agreement, without the co-signer's consent and without releasing the co-signer or modifying this Deed of Trust as to the co-signer's interest in the Property.
7. Payment of Principal, Interest / Finance Charges, and Other Charges. Borrower shall promptly pay when due all amounts borrowed under the Loan Agreement, all interest or finance charges, and all applicable other charges and collection costs and attorney's fees as provided in the Loan Agreement.
8. Funds for Taxes and Insurance. Subject to applicable law, Lender may require Borrower to pay to Lender on the day monthly payments of principal and interest are payable under the Loan Agreement, until the amounts owing thereunder are paid in full, a sum equal to one-twelfth of: (a) the yearly taxes and assessments (including any condominium and planned unit development assessments) which may attain priority over this Deed of Trust, plus (b) the yearly premium installments for hazard insurance, plus (c) the yearly premium installments for mortgage insurance, if any; all as reasonably estimated initially and from time to time by Lender. Borrower shall not be obligated to make such payments to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust, if such holder is an institutional lender.

BORROWER'S INITIALS: wfc mfc

9. Application of Payments. Unless otherwise required by law, all payments received by Lender under the Loan Agreement and this Deed of Trust shall be applied by Lender first in payment of late charges and other charges and collection costs (including attorney's fees, if any), then to interest or finance charges, then to the principal balance under the Loan Agreement.

10. Prior Mortgages or Deeds of Trust. Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement which has priority over this Deed of Trust, including Borrower's covenants to make payments when due. From and after the date hereof, Borrower shall not enter into any agreement encumbering the Property and having priority over this Deed of Trust, nor any agreement modifying, amending, extending or renewing any existing mortgage, deed of trust or other security agreement having priority over this Deed of Trust, without Lender's prior written consent; nor shall Borrower request nor accept any future advances under a prior mortgage, deed of trust or other security agreement without Lender's prior written consent.

11. Rehabilitation Loan Agreement. Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

12. Charges; Liens. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any. Upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing such payments.

13. Hazard Insurance. Borrower shall keep the Property and all its improvements (including any hereafter erected) insured against loss by fire, "extended coverage" hazards, and such other hazards as Lender may require, in such amounts and for such periods as Lender may require. Unless Lender states otherwise in writing, the insurance shall be a "replacement cost" policy, in an amount at least sufficient to comply with any co-insurance percentage stated in the hazard insurance policy; provided, that such coverage need not exceed the amount of the sums secured by this Deed of Trust. The insurance carrier shall be chosen by Borrower subject to Lender's approval (which shall not be unreasonably withheld). All insurance premiums shall either be paid by Borrower directly to the insurance carrier, or shall be paid into an escrow established by Lender for that purpose, at Lender's option. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and acceptable to Lender. Lender shall have the right to hold the policies and renewals, subject to the terms of any mortgage, deed of trust or other security agreement having priority over this Deed of Trust. Borrower shall furnish to Lender promptly upon request, all renewal notices and receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. If Borrower fails to respond to Lender within 30 days from the date Lender mails notice to Borrower that the insurance carrier offers to settle a claim for insurance benefits, or if Borrower abandons the Property, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust. Any such application of proceeds to principal shall not extend or postpone the due date of any periodic payment referred to in the Loan Agreement or change the amount of any payment, unless Lender and Borrower agree otherwise in a separate writing signed by Nevada Federal Credit Union lending management. If Lender acquires the Property pursuant to any provision of this Deed of Trust, all Borrower's right, title and interest in and to any insurance policies and their proceeds resulting from damage to the Property prior to Lender's acquisition shall pass to Lender to the extent of all sums secured by this Deed of Trust immediately prior to such acquisition.

14. Preservation of Property. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property. If the Property is or contains a condominium or planned development unit, Borrower shall perform all of Borrower's obligations under the condominium or development's governing declaration or covenants, and its bylaws, regulations, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Deed of Trust, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Deed of Trust as of the rider were a part hereof.

15. Protection of Lender's Security. If Borrower fails to perform any covenant or agreement contained in this Deed of Trust, or if any action or proceeding is commenced which in Lender's sole determination materially affects Lender's interest in the Property, Lender may, at Lender's option, with notice to Borrower, make such appearances, disburse such sums, including reasonable attorney's fees, and take such action as Lender may deem necessary in Lender's sole discretion to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Deed of Trust, Borrower shall pay applicable premiums and maintain such insurance in effect until it is no longer required under the terms of the loan or applicable law. Borrower shall pay all mortgage insurance premiums when due in the manner required by Lender. Any amounts disbursed by Lender pursuant to this section, with finance charges thereon at the rate provided in the Loan Agreement, shall become additional indebtedness of Borrower secured by this Deed of Trust. Such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing in this section shall be construed to require Lender to incur any expense or take any action described herein. Any action taken by Lender shall not be construed to cure any breach Borrower may have committed under this Deed of Trust. Borrower agrees that Lender is subrogated to all of the rights and remedies of any prior lienor, to the extent of any payment by Lender to such lienor.

16. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

17. Condemnation. The proceeds of any award or claim for damages, whether direct, consequential or incidental, in connection with any condemnation or other taking of the Property or any portion thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. In a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, with any excess paid to Borrower. In a partial taking, unless Borrower and Lender otherwise agree in writing, a proportion of the proceeds shall be applied to the sums secured by this Deed of Trust, equal to the total sums secured by this Deed of Trust, divided by the fair market value of the property immediately prior to the date of the taking, both measured as of immediately prior to the date of taking, with the balance paid to Borrower. If Borrower abandons the Property, or if Borrower fails to respond to Lender within 30 days after Lender mails notice to Borrower that the condemnor offers to make and award or settle a claim for damages, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust. Any such application of proceeds to principal shall not extend or postpone the due date of any periodic payments referred to in the Loan Agreement or change the amount of such payments, unless Lender and Borrower agree otherwise in a separate writing signed by Nevada Federal Credit Union lending management.

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18. Transfer of Property; Acceleration. If all or any part of the Property or any interest in it is sold or transferred (or if Borrower is not a natural person, if a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may, at its sole option, require immediate payment in full of all sums secured by this Deed of Trust, except as may be limited by federal law as of the date of this Deed of Trust. If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a payment due date at least 30 days from the date the notice is delivered or mailed, for payment of all sums secured by this Deed of Trust. If Borrower fails to pay these sums on or before the payment due date, Lender may invoke any remedies permitted by this Deed of Trust without further notice or demand on borrower. No waiver of this right shall be effective unless in writing and signed by Nevada Federal Credit Union lending management. Consent by Lender to one such transaction shall not constitute a waiver of the right to require Lender's consent to any other transactions. If Lender consents to any such transfer, all amounts advanced under the Loan Agreement, including any finance charges or late charges or other charges in connection therewith, are secured by this Deed of Trust, whether advanced before or after the transfer. Borrower will continue to be obligated under the Loan Agreement and this Deed of Trust after transfer unless Lender specifically releases Borrower in writing signed by Nevada Federal Credit Union lending management. The debt under the Loan Agreement and secured by this Deed of Trust is not assumable by another person.

19. Acceleration; Remedies. Except as provided in the above "Transfer of Property; Acceleration" section, upon Borrower's breach of any covenant or agreement in this Deed of Trust, including the covenants to pay when due any sums secured by this Deed of Trust, before acceleration Lender shall give notice to Borrower as provided in the "Notice" section hereof specifying: (1) the breach; (2) the action(s) required to cure such breach; (3) a date, at least 10 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the specified date may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform the Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default or any other defense to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's sole option, may declare all sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing its remedies, including but not limited to attorney's fees. If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of any event of default and of Lender's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which the Property or some part of it is located. Lender shall send copies of such notice in the manner prescribed by applicable law to Borrower and to the other persons prescribed by applicable law. After the lapse of such time as may be required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale, in one or more parcels and in such order as Trustee may determine in Trustee's sole discretion. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Trustee shall deliver to the purchaser Trustee's deed conveying the Property so sold without any covenant or warranty, express or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including without limitation reasonable Trustee's and attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of Trust; and (c) the excess, if any, to the person or persons otherwise legally entitled thereto.

20. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Deed of Trust due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Deed of Trust discontinued at any time prior to the earlier of: (1) the fifth day before the sale of the Property pursuant to the power of sale contained in his Deed of Trust or (2) entry of a judgment enforcing this Deed of Trust, if: (a) Borrower pays Lender all sums which would be then due under this Deed of Trust and the Loan Agreement had no acceleration occurred; and (b) Borrower cures all breaches of any other covenants or agreements of this Deed of Trust; and (c) Borrower pays all reasonable expenses incurred by Lender and Trustee in enforcing the covenants and agreements of Borrower contained in this Deed of Trust, and in enforcing Lender's and Trustee's remedies as provided in the "Acceleration; Remedies" section hereof, including but not limited to reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Deed of Trust, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired. Upon payment and cure by Borrower, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

21. Assignment of Rents; Appointment of Receiver; Lender in Possession. As additional security under this Deed of Trust, Borrower hereby assigns to Lender all rents of the Property, provided that Borrower shall have the right to collect and retain such rents as they become due and payable, at all times prior to acceleration under this Deed of Trust or Borrower's abandonment of the Property. Upon acceleration under this Deed of Trust or abandonment of the Property, Lender, in person or by agent or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and collect the rents of the Property including any past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds, and reasonable attorney's fees, then to the sums secured by this Deed of Trust. Lender and the receiver shall be liable to account only for rents actually received.

22. Remedies Cumulative. All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust or afforded by law or equity, and can be exercised concurrently, independently or exclusively.

23. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be construed as a waiver of or to preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be construed as a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Deed of Trust.

24. Borrower Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower or any other of Borrower's successors in interest. Lender shall not be required to commence proceedings against any of Borrower's successors in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower or any of Borrower's successors in interest.

25. Successors and Assigns Bound. The covenants and agreements contained in this Deed of Trust shall bind, and the rights shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of this Deed of Trust respecting transfer of property and acceleration.

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26. Notice. Except for any notice required under applicable law to be given in another manner, any notice provided for in this Deed of Trust shall be deemed given, and shall be sufficient, if mailed by certified mail to the addressee party's address as shown on this Deed of Trust or to such other address as a party may designate to the other by written notice as herein provided.
27. Governing Law; Severability. This Deed of Trust shall be governed by the laws of the jurisdiction(s) in which the property is located, including but not limited to NRS §§ 106.300-.400 and applicable federal law. The provisions of this Deed of Trust are severable. If any portion of this Deed of Trust or the Loan Agreement conflicts with applicable law, such portion shall be interpreted as far as possible in consonance with the law, and if the conflict is unresolvable, such portion shall be severed and the balance of this Deed of Trust and the Loan Agreement shall remain fully enforceable as if the unenforceable portion had been deleted by mutual consent of the parties.
28. Borrower's Copy. Borrower shall be furnished a conformed copy of the Loan Agreement and this Deed of Trust at the time of execution or after recordation hereof.
29. No Homestead Exemption. Borrower acknowledges that under Nevada law (NRS 115.010), no homestead exemption applies or is effective against enforcement of this Deed of Trust.
30. Waiver of Statutes of Limitation. Borrower hereby waives, to the full extent permitted by law, all statutes of limitation as a defense to any demand or obligation secured by this Deed of Trust.
31. Reconveyance. Upon payment of all sums secured by this Deed of Trust, Lender shall request Trustee to reconvey the property and shall surrender this Deed of Trust and all notes evidencing indebtedness secured by this Deed of Trust to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled thereto. Such person or persons shall pay any and all costs of reconveyance and recordation.
32. Substitute Trustee. Lender, at Lender's sole option, may from time to time remove any Trustee appointed hereunder and appoint a successor trustee. The successor trustee shall succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law, without conveyance of the Property.

IN WITNESS WHEREOF, BORROWER has executed this Deed of Trust on the date noted beside BORROWER'S signature.

William F. Culverhouse 11/18/99 Margaret F. Culverhouse 11/18/99
 WILLIAM F. CULVERHOUSE Date MARGARET F. CULVERHOUSE Date

_____ Date _____ Date

STATE OF NEVADA)

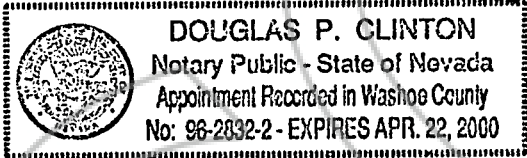
) ss:

COUNTY OF WASHOE)

On this 18th day of November, 19 99 before me, the undersigned Notary Public in and for said County, personally appeared WILLIAM F. CULVERHOUSE and MARGARET F. CULVERHOUSE known or proved to me to be the person(s) whose name(s) are subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same voluntarily and for the intents and purposes described therein.

WITNESS my hand and official seal. Signature _____
 (official seal:) Name (type or print) _____

DOUGLAS P. CLINTON



My commission expires: 4/22/00

**REQUEST FOR FULL RECONVEYANCE
 TO BE USED ONLY WHEN LOAN HAS BEEN FULLY PAID
 TO TRUSTEE:**

The undersigned is the holder of the Loan Agreement secured by this Deed of Trust. Said Loan Agreement, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel said Loan Agreement and this Deed of Trust, which are delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

Date: LENDER'S signature: _____ Title: _____

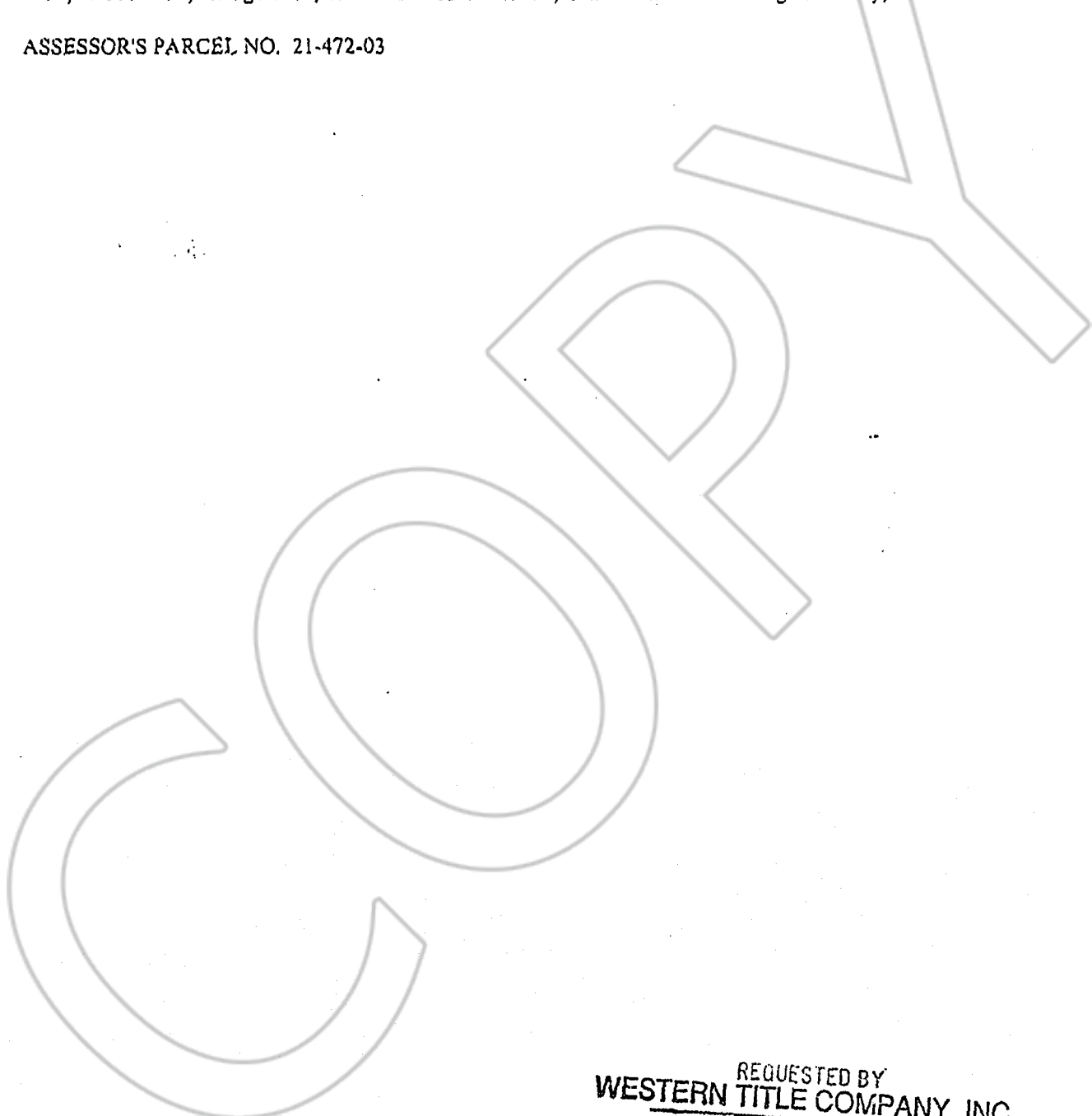
Mail Reconveyance To: _____

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SEE EXHIBIT "A"

Lot 53, as set forth on FINAL MAP OF SARATOGA SPRINGS ESTATES, UNIT 2, a Planned Unit Development, filed for record in the office of the County Recorder of Douglas County, State of Nevada, on May 23, 1994, in Book 594, Page 3894, as Document No. 338088, and as amended by Certificate of Amendment recorded July 8, 1994, in Book 794, at Page 1165, as Document No. 341498, Official Records of Douglas County, Nevada.

ASSESSOR'S PARCEL NO. 21-472-03



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

1999 NOV 23 PM 12: 36

LINDA SLATER
RECORDER

\$11.00 PAID *K2* DEPUTY

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BK 1199PG4246