

15
APN 11-251-27
APN 11-251-28

DEED OF TRUST

Date: September 12, 2000

Grantor: Schuss Investments, L.L.C.

Grantor's Mailing Address (including county):

1300 West Lynn
Suite 100
Austin, Travis County, Texas 78703

Trustee: Jay Wataha

Trustee's Mailing address (including county):

1717 West Sixth Street
Suite 345
Austin, Travis County, Texas 78703

Beneficiary: Pamela H. Brooks

Beneficiary's Mailing Address (including county):

Pamela H. Brooks
1300 West Lynn
Suite 100
Austin, Travis County, Texas,

Note:

Date: Even Date Herewith

Amount: \$210,000

Maker: Schuss Investments, L.L.C.

Payee: Pamela Brooks

Terms of Payment (optional): As therein provided

Property (including any improvements):

The real property described on Exhibit A, together with all improvements thereon, situated in Douglas County, Nevada (the "Property").

Prior Liens(s) (including recording information):

NONE

Other Exceptions to Conveyance and Warranty:

This conveyance is expressly made and accepted subject to matters disclosed to Beneficiary on any title policy or commitment for title policy delivered to beneficiary in connection with the loan, to the extent that the same are valid and enforceable against the Property, as same are shown by instruments filed for record in the office of the County Clerk of the County in which the real property is located.

For value received and to secure payment of the note, Grantor conveys the property to Trustee in trust. Grantor warrants and agrees to defend the title to the property. If Borrower performs all the covenants and pays the note according to its terms, this deed of trust shall have no further effect, and Beneficiary shall release it at Grantor's expenses.

GRANTOR'S OBLIGATIONS

Grantor agrees to:

1. keep the property in good repair and condition;
2. pay all taxes and assessments on the property when due;
3. preserve the liens' priority as it is established in this deed of trust;
4. maintain, in a form acceptable to Beneficiary, an insurance policy that:
 - a) covers all improvements for their full insurable value as determined when the policy is issued and renewed, unless Beneficiary approves a smaller amount in writing;
 - b) contains an 80% coinsurance clause;
 - c) provides fire and extended coverage, including windstorm coverage;
 - d) protects Beneficiary with a standard mortgage clause;
 - e) provides flood insurance at any time the property is in a flood hazard area; and
 - f) contains such other coverage as Beneficiary may reasonably require;
5. comply at all times with the requirements of the 80% coinsurance clause;
6. deliver the insurance policy to Beneficiary and deliver renewals to Beneficiary at least ten days before expiration;
7. keep any buildings occupied as required by the insurance policy; and
8. if this is not a first lien, pay all prior lien notes that Grantor is personally liable to pay and abide by all prior lien instruments.
9. undertake all actions necessary to assure that the use, operation and maintenance of the property and all activities thereon do and shall at all times comply with (i) all agreements, covenants, restrictions, easements or conditions (including, without limitation of the foregoing, any condition or requirement imposed by any insurance or surety company), as any of the same now exists or may be changed or amended or come into effect in the future; and (ii) all federal, state and local

law, statute, ordinance, code, rule, regulation, license, permit, authorization, decision, order, injunction or decree, domestic or foreign. Grantor will keep the Mortgaged Property in first class order, repair, operating condition and appearance, causing all necessary repairs, renewals, replacements, additions and improvements to be promptly made, and will not allow any of the Mortgaged Property to be misused, abused or wasted or to deteriorate. Grantor will keep the Mortgaged Property occupied so as not to impair the insurance carried thereon. Grantor will not use or occupy or conduct any activity on, or allow the use or occupancy of or the conduct of any activity on, the Mortgaged Property in any manner which violates any Legal Requirement or which constitutes a public or private nuisance or which makes void, voidable or cancelable, or increases the premium of, any insurance then in force with respect thereto. Grantor will preserve, protect, renew, extend and retain all material rights and privileges granted for or applicable to the Mortgaged Property. Without the prior written consent of Holder, there shall be no drilling or exploration for or extraction, removal or production of any character (including without limitation all debts and liabilities for labor, material and equipment and all debts and charges for utilities servicing the Mortgaged Property) incurred with respect to the Mortgaged Property to be promptly paid.

BENEFICIARY'S RIGHTS

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee.
2. If the proceeds of the note are used to pay any debt secured by prior liens, Beneficiary is subrogated to all of the rights and liens of the holders of any debt so paid.
3. Beneficiary may apply any proceeds received under the insurance policy either to reduce the note or to repair or replace damaged or destroyed improvements covered by the policy.
4. If Grantor fails to perform any of Grantor's obligations, Beneficiary may perform those obligations and be reimbursed by Grantor on demand at the place where the note is payable for any sums so paid, including attorney's fees, plus interest on those sums from the dates of payment at the rate stated in the note for matured, unpaid amounts. The sum to be reimbursed shall be secured by this deed of trust.
5. If Grantor or Borrower defaults on the note or fails to perform any of Grantor's or Borrower's obligations or if default occurs on a prior lien note or other instrument, and the default continues after Beneficiary gives Grantor notice of the default and the time within which it must be cured, as may be required by law or by written agreement, then Beneficiary may:
 - a) declare the unpaid principal balance and earned interest on the note immediately due;
 - b) request Trustee to foreclose this lien, in which case Beneficiary or Beneficiary's agent shall give notice of the foreclosure sale as provided by the Texas Property Code as then amended; and
 - c) purchase the property at any foreclosure sale by offering the highest bid and then have the bid credited on the note.

TRUSTEE'S DUTIES

If requested by Beneficiary to foreclose this lien, Trustee shall:

1. either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then amended;

2. sell and convey all or part of the property to the highest bidder for cash with a general warranty binding Grantor, subject to prior liens and to other exceptions to conveyance and warranty; and

3. from the proceeds of the sale, pay, in this order:
- a) expenses of foreclosure, including a commission to Trustee of 5% of the bid;
 - b) to Beneficiary, the full amount of principal, interest, attorneys' fees, and other charges due and unpaid;
 - c) any amounts required by law to be paid before payment to Grantor; and
 - d) to Grantor, any balance.

GENERAL PROVISIONS

1. If any of the property is sold under this deed of trust, Grantor shall immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor shall become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.

2. Recitals in any Trustee's deed conveying the property will be presumed to be true.

3. Proceeding under this deed of trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.

4. This lien shall remain superior to liens later created even if the time of payment of all or part of the note is extended or part of the property is released.

5. If any portion of the note cannot be lawfully secured by this deed of trust, payments shall be applied first to discharge that portion.

6. Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the property. After deducting any expenses incurred, including attorneys' fees, Beneficiary may release any remaining sums to Grantor or apply such sums to reduce the note. Beneficiary shall not be liable for failure to collect or to exercise diligence in collecting any such sums.

7. Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the property. Leases are not assigned. Grantor warrants the validity and enforceability of the assignment. Grantor may, as Beneficiary's licensee, collect rent and other income and receipts as long as Grantor is not in default under the note or this deed of trust. Grantor will apply all rent and other income and receipts to payment of the note and performance of this deed of trust, but if the rent and other income and receipts exceed the amount due under the note and deed of trust, Grantor may retain the excess. If Grantor defaults in payment of the note or performance of this deed of trust, Beneficiary may terminate Grantor's license to collect and then as Grantor's agent may rent the property if it is vacant and collect all rent and other income and receipts. Beneficiary neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the property. Beneficiary may exercise Beneficiary's rights and remedies under this paragraph without taking possession of the property. Beneficiary shall apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Beneficiary's rights and remedies and then to Grantor's obligations under the note and this deed of trust in the order determined by Beneficiary. Beneficiary is not required to act under this paragraph, and acting under this paragraph does not waive any of Beneficiary's other rights or remedies. If Grantor becomes a voluntary or involuntary bankrupt, Beneficiary's filing a proof of claim in bankruptcy will be tantamount to the appointment of a receiver under Texas law.

0500422

BK0900PG5283

8. Interest on the debt secured by this deed of trust shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

9. When the context requires, singular nouns and pronouns include the plural.

10. The term "note" includes all sums secured by this deed of trust.

11. This deed of trust shall bind, inure to the benefit of, and be exercised by successors in interest of all parties.

12. If Grantor and Maker are not the same person, the term "Grantor" shall include Maker.

13. This conveyance is also made in trust to secure and enforce the payment of all other indebtedness and obligations of Grantor and Maker and each guarantor of the note hereby secured, or any one or more of them, to Beneficiary, whether presently existing, or in any manner or means hereafter incurred by any one or more of them, and evidenced in any manner whatsoever, either by notes, advances, overdrafts, bookkeeping entries, guaranty agreements, liens or security interest instruments, or any other method or means, including any renewal and extension of the Secured Note, or any part of any present or future indebtedness, and performance of all other obligations of any one or more of them and including any further loans and advancements made by Beneficiary to any one or more of them. The fact of repayment of all indebtedness, and performance of all other obligations of each of them to Beneficiary, shall not terminate the lien arising hereunder unless the same be released by Beneficiary at the request of Makers, but otherwise it shall remain in full force and effect to secure all future advances, indebtedness and other obligations, regardless of any additional security that may be taken as to any past or future indebtedness or other obligations. The aforesaid notwithstanding, in no event shall this conveyance secure payment of any installment loan or any open-end line of credit established under Chapter 3, Chapter 4, or Chapter 15 of the Texas Credit Code (Vernon's Texas Civil Statutes Art. 5069-3.01 et seq.).

14. In the event Grantor herein shall in any manner sell, convey or otherwise dispose of the Property hereinbefore described, including the execution of a lease for a period longer than twelve (12) months, the holder or holders of such Note may forthwith at such holder's or holders' option, mature all unpaid installments of the Note hereinbefore described and the same shall thereupon be immediately due and payable in its entirety.

15. Subject to applicable law or to a written waiver by Beneficiary, Maker shall pay to Beneficiary on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of yearly taxes and assessments which may attain priority over this Deed of Trust and insurance premiums for the required insurance on the Property. These items are called "escrow items." Beneficiary may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items. The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Beneficiary if Beneficiary is such an institution). Beneficiary shall apply the Funds to pay the escrow items. Beneficiary may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Beneficiary pays Maker interest on the Funds and applicable law permits Beneficiary to make such a charge. Maker and Beneficiary may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Beneficiary shall not be required to pay Maker any interest or earnings on the Funds. Beneficiary shall give to Maker, without charge, an annual accounting of the Funds showing credits and debits to the funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this

Deed of Trust. If the amount of the Funds held by Beneficiary, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Maker's option, either promptly repaid to Maker or credited to Maker on monthly payments of Funds. If the amount of the Funds held by Beneficiary is not sufficient to pay the escrow items when due, Maker shall pay to Beneficiary any amount necessary to make up the deficiency in one or more payments as required by Beneficiary. Upon payment in full of all sums secured by this Deed of Trust, Beneficiary shall promptly refund to Maker any Funds held by Beneficiary. If the Property is sold or acquired by Beneficiary, Beneficiary shall apply, no later than immediately prior to the sale of the Property or its acquisition by Beneficiary, any Funds held by Beneficiary at the time of application as a credit against the sums secured by this Deed of Trust.

16. Grantor shall keep the property free and clear of all other encumbrances including items inferior to the lien herein granted unless Beneficiary consents to same in writing.

17. Grantor shall reimburse Beneficiary upon demand for all costs and expenses incurred by Beneficiary as would be reasonably necessary to comply with applicable State laws and/or Federal laws and regulations, taxing authorities and regulations as they change or be required before default in (i) making and administering the loan evidenced by the Note, (ii) protecting and maintaining unimpaired Beneficiary's liens and security interests in the Mortgaged Property, (iii) determining or verifying the condition and value of the Mortgaged Property from time to time, and (iv) collecting payment of the Indebtedness, including without limitation all filing fees, transfer fees and expenses, documentation fees, appraisal fees, inspection costs, storage costs, inventories, audits, attorneys' fees, accounting fees, engineering fees, and such other expenses incurred by the Beneficiary as the Beneficiary deems necessary or appropriate, in its discretion, to administer the loan and protect, maintain and verify its interest in the Mortgaged Property. All such costs and expenses incurred by the Beneficiary shall be deemed advances made to the Grantor, and shall be included in the indebtedness the payment of which is secured by this Deed of Trust.

18. Grantor further covenants and agrees to provide Beneficiary with (i) copies of proof of payment of all ad valorem taxes assessed against the Mortgaged Property on or before March 1 of each year, (ii) when requested, but not less than annually, as of the end of each calendar year on or before February 1 of the following year, current personal and business financial statements including cash flow statements that accurately reflect the financial condition of Grantor, Grantor's business(es) and each guarantor or other obligor on the Indebtedness, (iii) copies of the income tax returns of Grantor, Grantor's business(es), and each guarantor or other obligor on the Indebtedness as of the end of each calendar year on or before May 1 of the following year, and (iv) if the Property is to be leased, a current rent-roll at least semi-annually.

19. Grantor represents and warrants that the Mortgaged Property (or any part thereof) is not situated within a flood plain, flood prone area, special flood hazardous area, or the like, as so designated by the applicable Flood Hazard Insurance Administration and/or any other federal agency appointed to regulate such matters under the Federal Flood Disaster Protection Act, as amended, and that Grantor herein indemnifies and holds Beneficiary safe and harmless from any claims and/or costs arising against or incurred by Beneficiary if the Mortgaged Property (or any part thereof) is, in fact, determined to be in such an area.

20. Grantor covenants and agrees to obtain and maintain (or to cause to be obtained and maintained) property and casualty insurance in an amount sufficient to protect Beneficiary's interest in the Property; and to obtain and maintain (or cause to be obtained and maintained) public liability insurance in such amount as Beneficiary may require. All such insurance policies shall include a "loss payable" or "mortgagee" clause in favor of Beneficiary; additionally, said insurance policies shall be furnished through a company or companies of Grantor's choice, with at least an "A-" rating issued by Best's Insurance Report.

21. Grantor further hereby gives and grants to Beneficiary as a secured party a security interest in and lien on all of the following whether now owned or hereafter acquired by Grantor:

(a) all improvements now or hereafter attached to or placed, erected, constructed or developed on the Property or any part thereof (the "Improvements"); (b) all equipment, fixtures, furnishings, inventory, and articles of personal property (the "Personal Property") now or hereafter attached to or used in or about the Improvements or that are necessary or useful for the complete and comfortable use and occupancy of the Improvements for the purposes for which they were or are to be attached, placed, erected, constructed or developed, or which Personal Property is or may be used in or related to the planning, development, financing or operation of the Improvements, and all renewals of or replacements or substitutions for any of the foregoing, whether or not the same are or shall be attached to the Property or Improvements; (c) all water and water rights, timber, crops, and mineral interests pertaining to the Property; (d) all building materials and equipment now or hereafter delivered to and intended to be installed in or on the Property or the Improvements; (e) all plans and specifications for the Improvements; (f) all Debtor's rights (but not its obligations) under any contracts relating to the Property, the Improvements or the Personal Property; (g) all deposits (including tenants' security deposits), bank accounts, funds, instruments, notes or chattel paper arising from or by virtue of any transactions related to the Property, the Improvements or the Personal Property; (h) all Debtor's rights (but not its obligations) under any documents, contract rights, accounts, commitments, construction contracts, architectural agreements, and general intangibles (including, without limitation, trademarks, trade names and symbols) arising from or by virtue of any transactions related to the Property, the Improvements or Personal Property; (i) all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Property, the Improvements and the Personal Property; (j) all proceeds arising from or by virtue of the sale, lease or other disposition of the Property, the Improvements or the Personal Property; (k) all proceeds (including premium refunds) of each policy of insurance relating to the Property, the Improvements or the Personal Property; (l) all proceeds from the taking of any of the Property, the Improvements, the Personal Property or any rights appurtenant thereto by right of eminent domain or by private or other purchase in lieu thereof, including change of grade of streets, curb cuts or other rights of access, for any public or quasi-public use under any law; (m) all right, title and interest of Debtor in and to all streets, roads, public places, easements and rights-of-way, existing or proposed, public or private, adjacent to or used in connection with, belonging or pertaining to the Property; (n) all of the leases, rents, royalties, bonuses, issues, profits, revenues or other benefits of the Property, the Improvements or the Personal Property, including, without limitation, cash or securities deposited pursuant to leases to secure performance by the lessees of their obligations thereunder; (o) all consumer goods located in, on or about the Property or the Improvements or used in connection with the use or operation thereof; (p) all rights, hereditaments and appurtenances pertaining to the foregoing, and (q) other interests of every kind and character that Debtor now has or at any time hereafter acquires in and to the Property, Improvements, and Personal Property described herein and all property that is used or useful in connection therewith, including rights of ingress and egress and all reversionary rights or interests of Debtor with respect to such property. If the estate of Debtor in any of the above-described property is a leasehold estate (the "Leasehold Estate"), this financing statement shall cover all additional title, estate, interest, and other rights that may hereafter be acquired by Debtor in the property demised under the lease creating the Leasehold Estate.

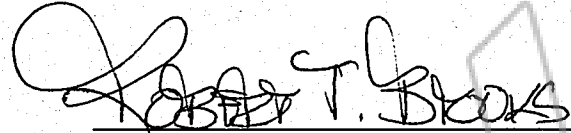
Beneficiary may use a copy of this agreement as a financing statement.

0500422

BK0900PG5286

22. Any default under either note hereby secured shall be a default hereunder and under each of the other notes.

Schuss Investments, L.L.C., a
Texas Limited Liability Company



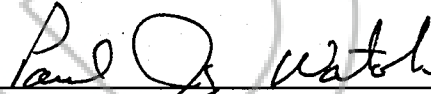
By: Robert T. Brooks, Manager

STATE OF TEXAS

§
§
§

COUNTY OF TRAVIS

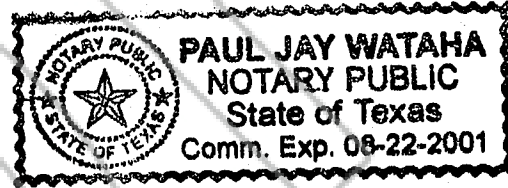
This instrument was acknowledged before me on this 12 day of September, 2000, by Robert T. Brooks, Manager of Schuss Investments, L.L.C., a Texas Limited Liability Company.



Notary Public, State of Texas

**AFTER RECORDING,
PLEASE RETURN TO:**

✓ Jay Wataha
1717 West Sixth Street
Suite 345
Austin, Texas 78703



0500422

BK0900PG5287

EXHIBIT A

PARCEL I

Lot 418 B as shown on the AMENDED SUBDIVISION MAP OF SUMMIT VILLAGE recorded in the Office of the County Recorder of Douglas County, State of Nevada on January 13, 1969 as Document No. 43419 and on Second Amended Map recorded December 24, 1969 as Document No. 46671 of Official Records, Douglas County, State of Nevada.

PARCEL II

Lot 418 A as shown on the AMENDED SUBDIVISION MAP OF SUMMIT VILLAGE recorded in the Office of the County Recorder of Douglas County, State of Nevada on January 13, 1969 as Document No. 43419 and on Second Amended Map recorded on December 24, 1969 as Document No. 46671 of Official Records, Douglas County, State of Nevada.

COPY

REQUESTED BY

Jay Wataba
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2000 SEP 29 AM 11:01

LINDA SLATER
RECORDER

\$15⁰⁰ PAID *KJ* DEPUTY

0500422

BK0900PG5288