

SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS

APN 05-350-06

2000-34633 702

This Deed of Trust, made this 11th day of January, 2001, between LAKE SALMON, LLC, a Nevada Limited Liability Company, herein called TRUSTOR, whose address is c/o Lewis S. Feldman, FELDMAN, SHAW & DEVORE, 2311 Lake Tahoe Blvd., South Lake Tahoe, CA 96150, TITLE SERVICE AND ESCROW COMPANY, a Nevada corporation, herein called TRUSTEE, and NOVASEL & SCHWARTE INVESTMENTS, INC. dba WESTERN HIGHLAND MORTGAGE COMPANY, herein called BENEFICIARY, whose address is Box 11355, South Lake Tahoe, CA 96155

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS, AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Douglas County, Nevada, described as:

All that real property situate in the Southwest 1/4 of the Southeast 1/4 of Section 15, Township 13 North, Range 18 East, M.D.B.&M., in the County of Douglas, State of Nevada, described as follows:

COMMENCING at the intersection of the Westerly right of way line of the Nevada State Highway with the South line of said Section 15, whence the South quarter corner of said Section bears North 89°51' West 1003.75 feet; thence North 47°36' West 60.41 feet along said right of way line to the Point of Beginning; thence North 47°36' West 150 feet along said right of way line; thence South 85°30' West 150 feet; thence South 47°36' East 150 feet to the line of a fence; thence North 85°30' East 150 feet along said fence line to the Point of Beginning.

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TOGETHER WITH the rents, issues and profits thereof, reserving the right to collect and use the same except during continuance of some default hereunder and during continuance of such default authorizing Beneficiary to collect and enforce the same by any lawful means in the name of any party hereto.

FOR THE PURPOSE OF SECURING: 1. Performance of each agreement of Trustor incorporated by reference or contained herein. 2. Payment of the indebtedness evidenced by one promissory note of even date herewith, and any extension or renewal thereof, in the principal sum of \$60,000.00 executed by Trustor in favor of Beneficiary or order. 3. Payment of such additional sums as may hereafter be advanced for the account of Trustor or Assigns by Beneficiary with interest thereon.

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:

Lyon, OCT 30, 1997 as No. 211663
Mineral, NOV 4, 1997, in Book 173, Pages 267 - 269 as No. 117835

COUNTY	DOC. NO.	BOOK	PAGE	COUNTY	DOC. NO.	BOOK	PAGE
Clark	413987	514		Churchill	104132	34 mtgs	591
Washoe	407205	734	221	Douglas	24495	22	415

(which provisions, identical in all counties, are printed on the reverse 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 provision; 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.

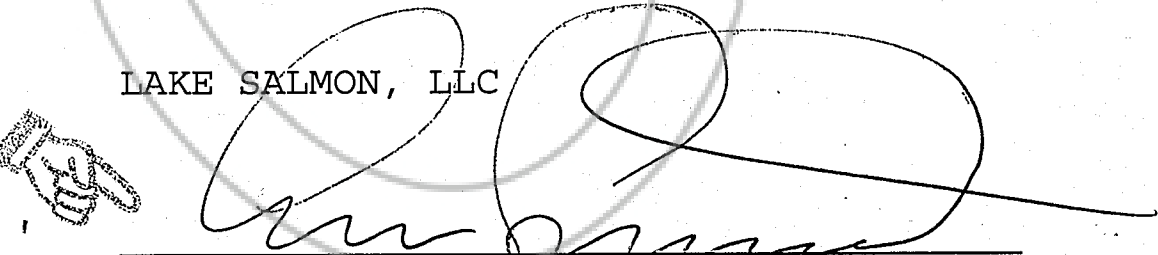
The parties agree that with respect to provision 16, the amount of fire insurance required by covenant 2 shall be reasonable and with respect to attorneys' fees provided for by covenant 7 the percentage shall be reasonable.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

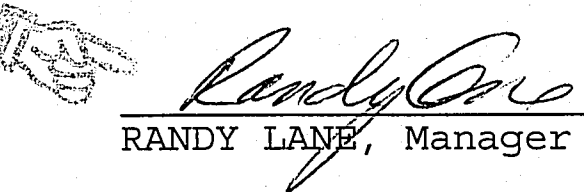
FOR ADDITIONAL PROVISIONS SEE ADDENDUM TO DEED OF TRUST ATTACHED HERETO AS PAGE 3.

LAKE SALMON, LLC

ORDER NO. TSL-21384



LEWIS S. FELDMAN, Manager



RANDY LANE, Manager

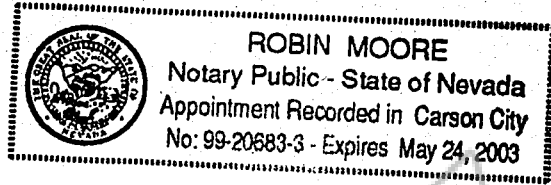
0506818

BK0101PG2555

STATE OF NEVADA)
COUNTY OF Douglas) ss.

On January 11, 2001 personally appeared before me, a Notary Public (or Judge or other authorized person, as the case may be), LEWIS S. FELDMAN, Manager of LAKE SALMON, LLC who acknowledged to me that he executed the within instrument.

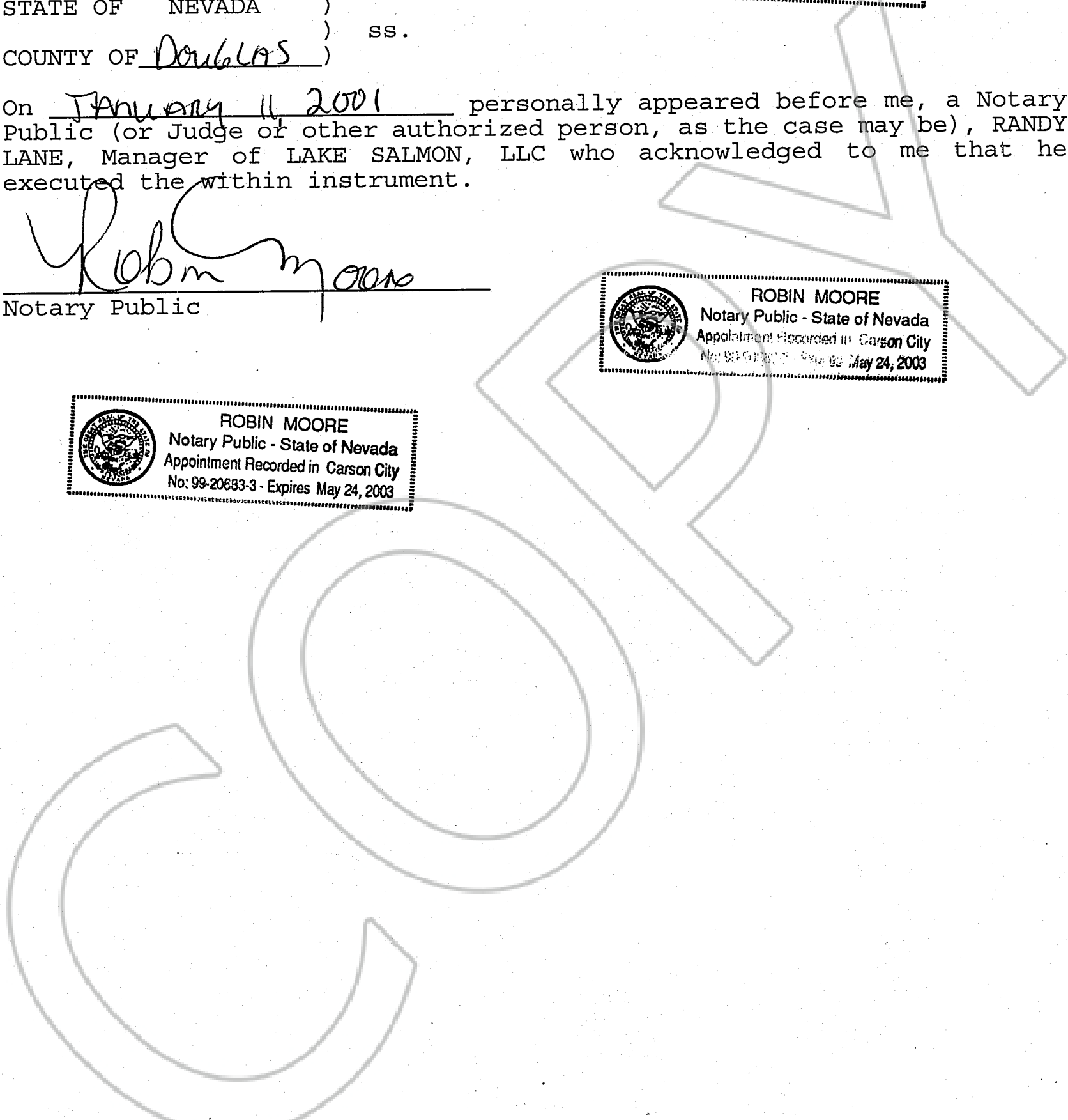
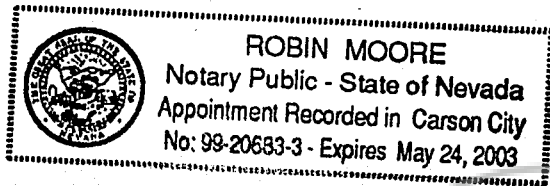
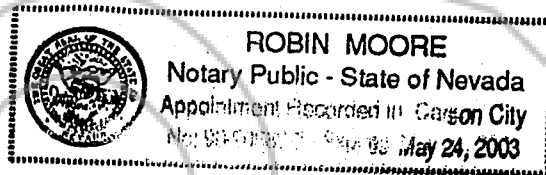
Robin Moore
Notary Public



STATE OF NEVADA)
COUNTY OF Douglas) ss.

On January 11, 2001 personally appeared before me, a Notary Public (or Judge or other authorized person, as the case may be), RANDY LANE, Manager of LAKE SALMON, LLC who acknowledged to me that he executed the within instrument.

Robin Moore
Notary Public



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ADDENDUM TO DEED OF TRUST

As and for additional consideration for the loan secured by this Deed of Trust, Trustor hereby covenants and agrees that in the event Trustor causes a petition for relief to be filed under the United States Bankruptcy Code, including, but not limited to; a petition for relief pursuant to Chapters 7, 11 or 13, Trustor shall, upon written request from Beneficiary, stipulate to immediate relief from stay arising from the filing of Trustor's petition under the United States Bankruptcy Code. Trustor further acknowledges that this provision constitutes a material inducement to Beneficiary to lend Trustor the funds secured by the within Deed of Trust. Trustor further acknowledges Beneficiary would not loan said funds to Trustor without Trustor agreeing to immediate relief from stay as aforesaid. In the event Trustor fails to stipulate to immediate relief from stay upon written request from Beneficiary, Trustor hereby stipulates and agrees that the court wherein Trustor's petition is pending shall, upon application by Beneficiary, order relief from stay with respect to all of Beneficiary's rights under the within note and Deed of Trust. Trustor represents that Trustor understands the provisions of this Addendum to Deed of Trust and agrees to the provisions of this Addendum to Deed of Trust freely and voluntarily.

DUE ON SALE CLAUSE

If the 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.

"SUBSEQUENT TRUST DEEDS ARE SUBJECT TO THIS TRUST DEED AND ANY RENEWAL OR EXTENSION THEREOF WHETHER ORAL OR WRITTEN."

1/11/01
Date:

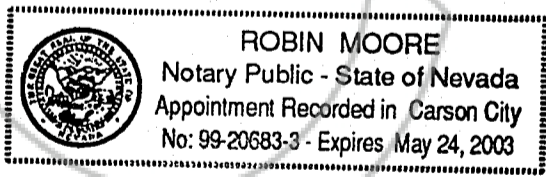
[Handwritten signatures and initials]

State of NEVADA
County of DOUGLAS

On 1/11/01 before me, Robin Moore, personally appeared Lewis S. Feldman + Randy Lane personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

[Handwritten signature of Robin Moore]



RECORDERS USE

REQUESTED BY
FIRST AMERICAN TITLE CO.

IN OFFICIAL RECORDS OF
DOUGLAS CO. NEVADA

2001 JAN 12 PM 4:40

LINDA SLATER
RECORDER

[Signature] PAID *[Signature]* DEPUTY

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