

When Recorded Mail to:  
Stewart Title of Northern Nevada  
401 Ryland Street  
Reno, NV 89502

010560217

**NOTICE OF DEFAULT AND ELECTION  
TO SELL UNDER DEED OF TRUST**

NOTICE IS HEREBY GIVEN:

THAT Stewart Title of Northern Nevada, a Nevada corporation, is duly appointed Trustee, under a Deed of Trust, Dated March 1, 2000 and Executed by James Scott as Trustor, to secure certain obligations in favor of Towngate Agencies, Inc. as Beneficiary, recorded March 3, 2000, in Book 0300, at Page 778, as Document No. 487412, of Official Records of Douglas County, State of Nevada, including one note in the amount of \$225,000.00.

That the beneficial interest under such Deed of Trust and the obligation secured thereby are presently held by the undersigned; that a breach of, and default in, the obligations for which such Deed of Trust is security has occurred in that payment has not been made of:

Non-payment of a portion of the December 1, 2000 installment in the amount of \$512.47. Non-payment of the January 1, 2001 installment in the amount of \$2,812.47. ALSO TOGETHER with any attorney fees, advances and ensuing charges and subsequent installments which may become due during the term of this default.

That by reason thereof, the present beneficiary under such Deed of Trust, has executed and delivered to said duly appointed Trustee, a written Declaration of Default and Demand for Sale, and has deposited with said Trustee, such Deed of Trust and all documents evidencing obligations secured thereby, and has declared and does hereby declare all sums secured thereby immediately due and payable and has elected and does hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

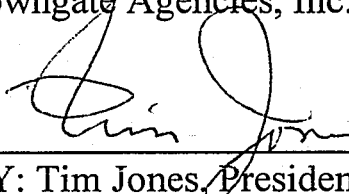
**NOTICE**

**YOU MAY HAVE THE RIGHT TO CURE THE DEFAULT HEREIN AND REINSTATE THE OBLIGATION SECURED BY SUCH DEED OF TRUST ABOVE DESCRIBED. SECTION 107.080 NEVADA REVISED STATUTES PERMITS CERTAIN DEFAULTS TO BE CURED UPON THE PAYMENT OF THE AMOUNTS REQUIRED BY THAT SECTION WITHOUT REQUIRING PAYMENT OF THAT PORTION OF PRINCIPAL AND INTEREST WHICH WOULD NOT BE DUE HAD NO DEFAULT OCCURRED. WHERE REINSTATEMENT IS POSSIBLE, IF THE DEFAULT IS NOT CURED WITHIN 35 DAYS FOLLOWING THE RECORDING AND MAILING TO TRUSTOR OR TRUSTOR'S SUCCESSOR IN INTEREST OF THIS NOTICE, THE RIGHT OF REINSTATEMENT WILL TERMINATE AND THE PROPERTY MAY THEREAFTER BE SOLD.**

To determine if reinstatement is possible, and for the amount necessary to cure the default, contact Phillip E. Frink at (775) 789-4100.

DATED: January 12, 2001

Towngate Agencies, Inc.

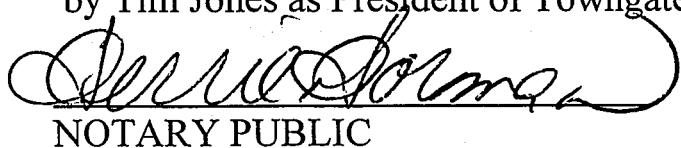
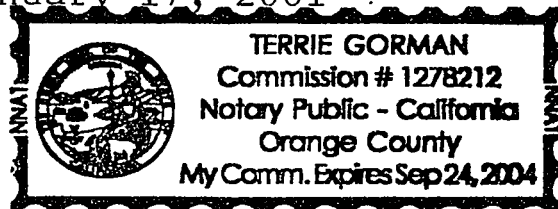


BY: Tim Jones, President

STATE OF CALIFORNIA )  
 ) SS  
COUNTY OF *Orange* )

January 17, 2001

This instrument was acknowledged before me on  
by Tim Jones as President of Towngate Agencies, Inc.

  
NOTARY PUBLIC

Phil Frink                      011500288  
Trustee Sale Officer       Foreclosure No.

0507167

BK0101PG3700

COPY

REQUESTED BY  
**STEWART TITLE of DOUGLAS COUNTY**  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

2001 JAN 22 AM 10: 36

LINDA SLATER  
RECORDER

\$800 PAID *K* DEPUTY

0507167

BK 0101 PG 3701