

WHEN RECORDED MAIL TO:
STEWART TITLE OF DOUGLAS COUNTY
1650 N. LUCERNE
MINDEN, NV. 89410

010700986

MEMORANDUM OF LEASE OPTION AGREEMENT

On June 11, 2001, JUDY LU SHALLENBERGER, Trustee of THE JUDY L. SHALLENBERGER LIVING TRUST, as Optionor, entered into a Lease Option Agreement with JOHN R. PHILLIPS and HEIDI A. PHILLIPS, husband and wife, as Joint Tenants, as Optionee, for that certain real property situate, lying and being in the County of Douglas, State of Nevada, being Assessor's Parcel No's. 19-132-080 and 19-132-070, commonly known as 1149 and 1151 Lucia Lane, Gardnerville, Nevada, and more particularly described in Exhibit "A" attached hereto and made a part hereof as if set out in full herein.

Said option period shall be in effect to and including December 1, 2002. In the event Optionee does not exercise their option to purchase on or before December 1, 2002, Optionee's right to purchase said property together with any interest they may have as a result of the signing of said Lease Option Agreement or the recording of this Memorandum of Lease Option Agreement shall expire and be null and void.

DATED: This 11th day of June, 2001.

THE JUDY L. SHALLENBERGER LIVING TRUST

By Judy Lu Shallenberger
Judy Lu Shallenberger, Trustee
Optionor

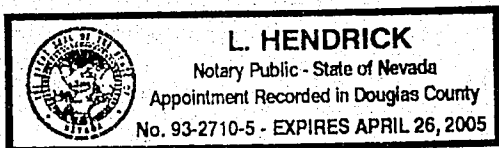
John R. Phillips
JOHN R. PHILLIPS

Heidi A. Phillips
HEIDI A. PHILLIPS
Optionee

THIS INSTRUMENT IS BEING RECORDED AS AN ACCOMMODATION ONLY. NO LIABILITY, EXPRESS OR IMPLIED, IS ASSUMED AS TO ITS REGULARITY OR SUBSTANTIVE NON AS TO ITS EFFECT, IF ANY, THEREIN.
STEWART TITLE OF DOUGLAS COUNTY

STATE OF NEVADA)
COUNTY OF Douglas : ss.
~~WASHOE~~

This instrument was acknowledged before me on June 14, 2001, by JUDY LU SHALLENBERGER, Trustee of THE JUDY L. SHALLENBERGER LIVING TRUST.



[Signature]
Notary Public

STATE OF NEVADA)
COUNTY OF Douglas : ss.
~~WASHOE~~

This instrument was acknowledged before me on June 11, 2001, by JOHN R. PHILLIPS and HEIDI A. PHILLIPS, husband and wife.



[Signature]
Notary Public

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REQUESTED BY
STEWART TITLE OF DOUGLAS COUNTY

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2001 JUN 15 PM 4:27

LINDA SLATER
RECORDER

\$ 8.00 PAID KJ DEPUTY

MCDONALD CARANO WILSON MCCUNE
BERGIN FRANKOVICH & HICKS LLP
ATTORNEYS AT LAW
RENO, NEVADA 89505-2670

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