

**Short Form Deed of Trust and Assignment of Rents**

APN - 05-212-820

This Deed of Trust, made this 8th day of October, 2001, between MICHAEL R. IVERSON AND CAROL K. IVERSON, TRUSTEES OF THE IVERSON TRUST DATED OCTOBER 11, 1994, herein called TRUSTOR, whose address is P.O. BOX 592, GLENBROOK, NV. 89413

(NUMBER AND STREET) (CITY) (STATE) (ZIP)

and TSI TITLE AND ESCROW, INC., a Nevada Corporation, herein called TRUSTEE, and NOVASEL & SCHWARTE INVESTMENTS, INC., dba WESTERN HIGHLAND MORTGAGE COMPANY herein called BENEFICIARY.

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

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF

SEE ADDENDUM TO DEED OF TRUST ATTACHED HERETO AND MADE A PART HEREOF

"This deed of trust is third in lien and junior to an existing first and second deed of trust of record".

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

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 \$ 150,000.00 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 of even date herewith 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.:



DOCUMENT				DOCUMENT				DOCUMENT			
COUNTY	NUMBER	BOOK	PAGE	COUNTY	NUMBER	BOOK	PAGE	COUNTY	NUMBER	BOOK	PAGE
Clark	413987	514		Humboldt	116986	3	83	Nye	47157	67	163
Churchill	104132	34 mrgs.	591	Lander	41172	3	758	Ormsby	72637	19	102
Douglas	24495	22	415	Lincoln	41292	0 mtgs.	467	Pershing	57488	28	58
Elko	14831	43	343	Washoe	407205	734	221	Storey	28573	R mtgs.	112
Esmeralda	26291	3H deeds	138-141	Lyon	88486	31 mtgs.	449	White Pine	128126	261	341-3
Eureka	39602	3	283	Mineral	76648	16 mtgs.	534-537				

(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 provisions; 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 \$ \_\_\_\_\_ and with respect to attorneys' fees provided for by covenant 7 the percentage shall be \_\_\_\_\_%.

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.

THE IVERSON TRUST DATED OCTOBER 11, 1994

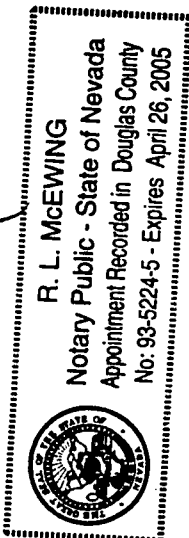
  
 MICHAEL R. IVERSON, TRUSTEE  
  
 CAROL K. IVERSON, TRUSTEE

STATE OF NEVADA )  
 COUNTY OF DOUGLAS ) ss.

On 10-8-2001  
 personally appeared before me, a Notary Public,  
Michael R. Iverson  
and Carol K. Iverson, Trustees

who acknowledged that they executed the above instrument.

Signature:   
 Notary Public



RETURN TO: TSI TITLE & ESCROW, INC.  
 ESCROW NO.: 10037-RM

WHEN RECORDED MAIL TO:  
 NOVASEL & SCHWARTE INVESTMENTS  
 INC., DBA WESTERN HIGHLAND MTG.  
 BOX 11355  
 SOUTH LAKE TAHOE, CA. 96155

**0524972**

**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.”

Michael R. Iverson and Carol K. Iverson, Trustees of the Iverson Trust dated October 11, 1994

(x) Michael R. Iverson 10/8/01  
Michael R. Iverson, Co-Trustee Date

(x) Carol K. Iverson Co-Trustee 10/8/01  
Carol K. Iverson, Co-Trustee Date

State of Nevada  
County of Douglas

On 10/8/01 before me, R. L. McEWING, personally appeared Michael R. Iverson & Carol K. Iverson ~~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.  
R. L. McEwing  
Signature of Notary Public

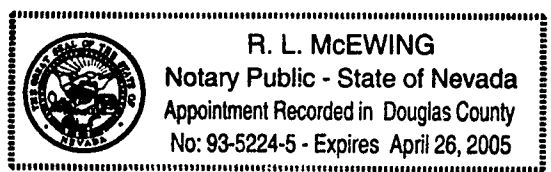


EXHIBIT "A"

All that real property situate in the County of Douglas, State of Nevada more particularly described as follows:

PARCEL NO. 1

Lot 134, as shown on the Official Plat of PINEWILD UNIT NO. 2, A CONDOMINIUM, filed for record in the Office of the County Recorder, Douglas County, Nevada on October 23, 1973, as Document No. 69660.

PARCEL NO. 2

The exclusive right to the use and possession of those certain patio areas adjacent to said unit designated as "Restricted Common Area" on the Subdivision Map referred to in Parcel No. 1, above.

PARCEL NO. 3

An undivided interest as tenants in common as such interest is set forth in Book 377, Page 417 - 421, of the real property described on the Subdivision Map referred to in Parcel No. 1 above, defined in the Amended Declaration of Covenants, Conditions and Restrictions of PINEWILD, A CONDOMINIUM project, recorded March 11, 1974, in Book 374 of Official Records at Page 193, and Supplemental to Amended Declaration of Covenants, Conditions and Restrictions PINEWILD, A CONDOMINIUM project, recorded March 9, 1977 in Book 377 of Official Records at Page 411, as Limited Common Area and thereby allocated to the unit described in Parcel No. 1 above, and excepting non-exclusive easements for ingress and egress, utility services, support encroachments, maintenance and repair over the Common Areas as defined and set forth in said Declaration of Covenants, Conditions and Restrictions.

PARCEL NO. 4

Non-exclusive easements appurtenant to Parcel No. 1, above, for ingress and egress, utility services, support encroachments, maintenance and repair over the Common Areas defined and set forth in the Declaration of Covenants, Conditions and Restrictions of Pinewild, more particularly described in the description of Parcel No. 3, above.

REQUESTED BY  
**TSI TITLE & ESCROW**  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

2001 OCT 12 PM 3: 13

LINDA SLATER  
RECORDER

\$16<sup>00</sup> PAID *KØ* DEPUTY

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BK 100 | PG 38 | 5