

When recorded mail to:

Skiles  
618 Renee Court  
Gardnerville, NV 89410

DEED OF TRUST WITH ASSIGNMENT OF RENTS

THIS DEED OF TRUST, made NOVEMBER 21, 2001, between DOAMCO, INC., a Nevada corporation, herein called "Trustor", whose address is: PMB 209, 2930 GERR RD, TURLOCK, CA, 95382, FIRST AMERICAN TITLE COMPANY OF NEVADA, a Nevada corporation, herein called "Trustee", and TILMAN PLAZA, INC., a Nevada corporation, herein called "Beneficiary", whose address is: 618 Renee Court Gardnerville, NV 89410

**W I T N E S S E T H:**

That Trustor irrevocably grants to Trustee in trust, with power of sale, all interest of Trustor in that certain property situate in the County of Douglas, State of Nevada, more particularly described as follows:

All of Lots 151 and 152 of the GARDNERVILLE RANCHOS UNIT NO. 6, as shown on the official subdivision plat thereof, filed for record on May 29, 1973, File No. 66512, of the Douglas County Recorder's Office, forming one lot which is more particularly described as follows:

Beginning at the Northwesterly corner of said Lot 151; thence North 89°51'21" East, 120.00 feet to the Northeasterly corner of said Lot 151; thence South 00°08'39" East, 120.00 feet to the Southeasterly corner of said Lot 152; thence South 89°51'21" West, 120.00 feet to the Southeasterly corner of said Lot 152; thence North 00°08'39" West, 120.00 feet to the point of beginning. \*\*\*

TOGETHER WITH, the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, subject, however, to the right of Beneficiary, during any period of default hereunder, and without waiver of such default, to collect said rents, issues and profits by any lawful means, and to apply the same, less costs and expenses of collection, to any indebtedness secured hereby.

FOR THE PURPOSE OF SECURING: (1) Payment of the principal sum of \$38,400.00, according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and all extensions or renewals thereof; (2) the performance of each agreement of Trustor incorporated herein by reference or contained herein; and (3) payment of such additional sums which may hereafter be loaned to Trustor by Beneficiary when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

AND THIS INDENTURE FURTHER WITNESSETH:

1. Trustor agrees to properly care for and keep said property in good condition and repair; not to alter, remove, damage or demolish any building or improvement thereon; to complete in a good and workmanlike manner any building or improvement which may be constructed thereon, and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws, ordinances and regulations relating to

\*\*\* NOTE: per NRS 111.312 this legal description was previously recorded as Document No. 186827 in Book 988, Page 3043 on September 21, 1988

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any alterations or improvements made thereon; not to commit or permit any waste thereof; not to commit, suffer or permit any act to be done in or upon said property in violation of any law, covenant, condition or restriction affecting said property; to cultivate, irrigate, fertilize, fumigate, prune and/or do any other act or acts, all in a timely and proper manner, which, from the character or use of said property, may be reasonably necessary, the specific enumerations herein not excluding the general.

2. Trustor agrees to pay and discharge all costs, fees and expenses of this trust incurred in connection with any default by Trustor.

3. During the continuance of this trust, Trustor covenants to keep all buildings that may now or at any time be on said property in good repair and insured against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada. Said insurance shall be in such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust, or the maximum full insurable value of such buildings, whichever is less. Said insurance shall be payable to Beneficiary to the amount of the unsatisfied obligation to Beneficiary hereby secured. The policy or policies of said insurance shall be delivered to Beneficiary or to the collection agent of Beneficiary, as further security, and in default thereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such sum or sums as Beneficiary shall deem necessary. The amount collected by Beneficiary under any fire or other insurance policy may be applied by Beneficiary upon the indebtedness secured hereby and in such order as Beneficiary may determine, or, at the option of Beneficiary, the entire amount so collected, or any part thereof, may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

4. Trustor promises and agrees that if, during the existence of this trust, there be commenced or pending any suit or action affecting said property, or any part thereof, or the title thereto, or if any adverse claim for or against said property, or any part thereof, be made or asserted, he will appear in and defend any such matter purporting to affect the security and will pay all costs and damages arising because of such action.

5. Any award of damages in connection with any condemnation for public use of, or injury to said property, or any part thereof, is hereby assigned and shall be paid to Beneficiary, who may apply or release such moneys received by him in the same manner and with the same effect as herein provided for disposition of proceeds of insurance.

6. Except as may be required by law, Trustee shall be under no obligation to notify any party hereto of any pending sale of said property, whether such sale is by foreclosure or otherwise, or of any action or proceeding in which Trustor or Beneficiary or Trustee shall be a party, unless brought by Trustee.

7. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment, when due, of all other sums so secured or to declare default, as herein provided, for failure to so pay.

8. At any time, and from time to time, without liability therefor, upon written request of Trustor and Beneficiary, and without affecting the personal liability of any person for payment of the indebtedness secured hereby or the effect of this Deed of Trust upon said property, Trustee may consent in writing to the making of any map or plat thereof or join in granting any easement thereon.

9. Upon receipt of written request from Beneficiary reciting that all sums secured hereby have been paid and upon surrender of this Deed of Trust and the note secured hereby to Trustee for cancellation and

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retention, or such other disposition as Trustee, in its sole discretion, may choose, and upon payment of its fees, the Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truth thereof. The Grantee in such reconveyance may be described in general terms as "the person or persons legally entitled thereto".

10. Should Trustor default in the payment of any indebtedness secured hereby, or in the performance of any of the covenants and agreements herein contained or incorporated herein by reference, Beneficiary may declare all sums secured hereby immediately due and payable.

11. The following covenants Nos. 1, 3, 4 (interest 12%), 5, 6, 7 (counsel fees - a reasonable percentage), 8 and 9 of Nevada Revised Statutes 107.030, are hereby adopted and made a part of this Deed of Trust, and, notwithstanding any provision of said covenant No. 7 to the contrary, proceeds of any foreclosure sale shall be distributed pursuant to the provisions of Nevada Revised Statutes 40.462.

12. Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants hereinabove adopted by reference.

13. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. It is expressly agreed that the Trust created hereby is irrevocable by Trustor.

14. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law, reserving, however, unto the Trustee, the right to resign from the duties and obligations imposed herein whenever Trustee, in its sole discretion, deems such resignation to be in the best interest of the Trustee. Written notice of such resignation shall be given to Trustor and Beneficiary.

15. In this Deed of Trust, unless the context requires otherwise, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. The term "Beneficiary" includes any future holder of the note secured hereby. The term "Trustor" includes the term "Grantor".

16. If, without the prior written consent of Beneficiary, all or any portion of the property which is the subject of this Deed of Trust is conveyed from Trustor by Deed, Contract, execution, instrument or any other mode or means, voluntarily or involuntarily, not caused by the demise of Trustor, which will effect, in law or equity, a divestiture of Trustor's interest or title in said property, the note secured hereby shall accelerate and the entire balance of principal and interest, including <sup>then unpaid,</sup> shall forthwith become due and payable without notice or demand. Beneficiary shall not unreasonably withhold consent to assumption of this Deed of Trust, upon the same terms as are set forth herein, by a reasonably qualified buyer.

17. Provided that Trustor is not presently in default of the terms of this Deed of Trust or the note secured hereby, upon the prior written request of Trustor, Beneficiary agrees, upon the terms and conditions hereinafter set forth, to execute a document subordinating the encumbrance of this Deed of Trust to a Deed of Trust securing a loan (the "Loan") obtained by Trustor. The conditions are as follows:

(a) The money obtained from the Loan shall be utilized for the purpose of constructing an improvement upon the property encumbered hereby, and for paying loan origination and loan closing expenses, and interest on the loan.

(b) The Loan shall not exceed \$165,000.00, and the interest rate thereon shall not be greater than 12% per annum.

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(c) All fees and costs incurred in connection with the subordination shall be paid by Trustor.

(d) Funds from such loan shall be disbursed by the lender, or by a builders control of a commercial institution qualified to do business in the State of Nevada, or the completion of the construction shall be bonded by a surety qualified to do business in the State of Nevada.

(e) Trustor shall provide Beneficiary with a performance bond for the construction and the improvements in an amount equal to the Loan.

18. Provided that Trustor is not presently in default of the terms of this Deed of Trust or the note secured hereby, upon the prior written request of Trustor, Beneficiary agrees, upon the terms and conditions hereinafter set forth, to execute a document further subordinating the encumbrance of this Deed of Trust to a Deed of Trust securing a loan obtained by Trustor. The conditions are as follows:

(a) The money obtained from the loan shall be utilized for the purpose of refinancing the construction loan described above.

(b) The loan amount shall not exceed 80% of the value of the property, as improved, as established by an appraisal provided by the Trustor.

(c) All fees and costs incurred in connection with the subordination shall be paid by Trustor.

DOANCO, INC.

By: Richard N. Scott, President  
RICHARD N. SCOTT

STATE OF )  
COUNTY OF ) ss

This instrument was acknowledged before me on \_\_\_\_\_, 2001, by \_\_\_\_\_, as \_\_\_\_\_ of DOANCO.

See Attached

\_\_\_\_\_  
Notary Public

~~The Beneficiary hereby joins in the execution of this Deed of Trust for the purpose of agreeing and consenting to the provisions contained in Paragraphs 17 and 18 herein.~~

DATE: ~~//////////////////////~~ /2001/

~~TELMAN PLAZA, INC.~~

By: \_\_\_\_\_

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

No. 5907

State of California

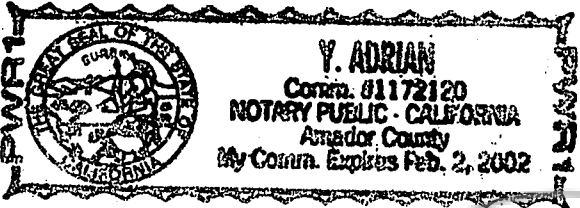
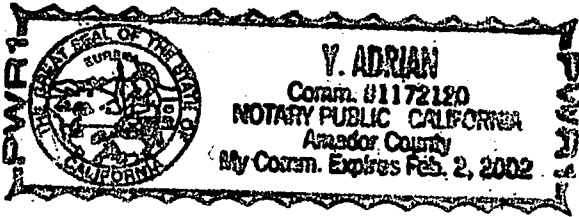
County of Amador

On 11/27/01 before me, Y. Adrian/Notary Public

personally appeared \*Richard N. Scott\* personally appeared

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.

Signature of Notary Y. Adrian

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- Individual, Corporate Officer (checked), President, Partner(s), Attorney-in-fact, Trustee(s), Guardian/conservator, Other.

DESCRIPTION OF ATTACHED DOCUMENT

Deed of Trust with Assignment of Rents, Title or type of document, 5 pages, Date of document 11/27/01, Signer(s) other than named above: yes

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COPY

REQUESTED BY  
**FIRST AMERICAN TITLE CO.**

IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

**2002 JAN -3 AM 11: 25**

LINDA SLATER  
RECORDER

\$19<sup>00</sup> PAID *KJ* DEPUTY

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