

SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST, made this 18th day of June, 2002, between, GORDON R. LANE AND CAROL L. LANE, husband and wife as joint tenants with rights of survivorship, herein called TRUSTOR, whose address is P.O. Box 456, Zephyr Cove, NV 89448, and MARQUIS TITLE & ESCROW, INC., a Nevada Corporation, herein called TRUSTEE, and NOVASEL & SCHWARTE INVESTMENTS, INC. dba WESTERN HIGHLAND MORTGAGE COMPANY, herein called BENEFICIARY.

WITNESSETH: That Trustor irrevocable grants, transfers and assigns to Trustee in trust, with power of sale, that property in Douglas County, State of Nevada, being Assessment Parcel No. 03-141-20, more specifically described as follows:

All that certain lot, piece or parcel of land, situate in the County of Douglas, State of Nevada, described as follows:

SEE EXHIBIT "A" ATTACHED FOR LEGAL DESCRIPTION

TOGETHER WITH THE 480 SQ. FT. OF COMMERCIAL FLOOR AREA CURRENTLY BANKED ON PROPERTY WITH THE TAHOE REGIONAL PLANNING AGENCY

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the purpose of securing (1) payment of the sum of \$ 50,000.00 with interest thereon 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; and (2) the performance of each agreement of Trustor incorporated herein by reference or contained herein; (3) payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or to his successors or assigns, when evidence by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious Deed of Trust recorded in the office of each County Recorder in the State of Nevada, in the book and at the page thereof, or under the document file number, noted below opposite the name of such county, namely:

COUNTY	BOOK	PAGE	DOC NO.	COUNTY	BOOK	PAGE	DOC NO.
Carson City	Off. Rec.		000-52876	Lincoln	73 Off. Rec.	248	86043
Churchill	Off. Rec.		224333	Lyon	Off. Rec.		0104086
Clark	861226 Off. Rec.		00857	Mineral	112 Off. Rec.	352	078762
Douglas	1286 Off. Rec.	2432	147018	Nye	558 Off. Rec.	075	173588
Elko	545 Off. Rec.	316	223111	Pershing	187 Off. Rec.	179	151646
Esmeralda	110 Off. Rec.	244	109321	Storey	055 Off. Rec.	555	58904
Eureka	153 Off. Rec.	187	106692	Washoe	2464 Off. Rec.	0571	1126264
Humboldt	223 Off. Rec.	781	266200	White Pine	104 Off. Rec.	531	241215
Lander	279 Off. Rec.	034	137077				

shall inure to and bind the parties hereto with respect to the property above described. Said agreement, terms and provisions contained in said subdivision A and B, (identical in all counties, and printed on the reverse side hereof) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed a reasonable amount. The Beneficiary or the collection agent appointed by him may charge a fee of not to exceed \$15.00 for each change in parties, or for each change in a party making or receiving a payment secured hereby.

The undersigned Trustor requests that a copy of any notice of default and any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.

GORDON R. LANE

CAROL L. LANE

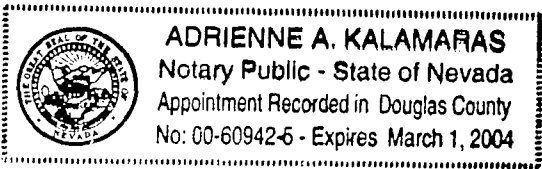
STATE OF NEVADA
COUNTY OF DOUGLAS

WHEN RECORDED MAIL TO

NOVASEL & SCHWARTE INVESTMENTS, INC.
dba WESTERN HIGHLAND MORTGAGE
COMPANY
3170 Highway 50, Suite 10
South Lane Tahoe, CA 96150

On June 21, 2002
personally appeared before me, a Notary Public
GORDON R. LANE AND CAROL L. LANE
who acknowledged that they executed the above
instrument.

ADRIENNE A. KALAMARAS
Notary Public



0545318

BK0602PG07147

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."

Date: 6/21/02

Gordon R. Lane
Gordon R. Lane

Carol L. Lane
Carol L. Lane

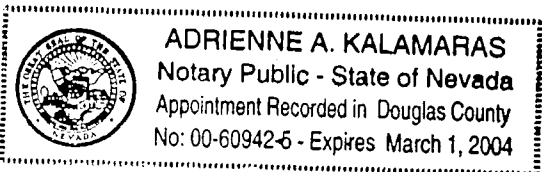
State of Nevada

County of Douglas

On 6-21-02 before me, Adrienne Kalamaras, personally appeared Gordon R. Lane and Carol L. 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.

Adrienne A. Kalamaras
Signature of Notary Public



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EXHIBIT "A"
LEGAL DESCRIPTION

The land referred to in this report is situate in Douglas County, State of Nevada, and is described as follows:

All that portion of Section 34, Township 14 North, Range 18 East, M.D.B. & M., more particularly described as follows:

BEGINNING at Nevada Department of Transportation right-of-way monument #5, a point on the Easterly right-of-way of U.S. Highway 50;
thence North 27°22'45" East, 16.86 feet along said right-of-way;
thence South 89°46'36" East, 61.38 feet to the POINT OF BEGINNING;
thence North 00°13'24" East, 19.87 feet;
thence South 89°42'11" East, 15.00 feet;
thence South 00°13'24" West, 19.85 feet;
thence North 89°46'36" West, 15.00 feet to the POINT OF BEGINNING.

Reference is hereby made to Record of Survey for Douglas County, recorded December 11, 1990, in Book 1290, at Page 1228, as Document No. 240750.

"Per NRS 111.312, this legal description was previously recorded on September 15, 1999, in Book 999, Page 2869, Document No. 476631, of Official Records."

Assessor's Parcel No. 03-141-200

REQUESTED BY
BARBOUS TITLE & ESCROW
IN OFFICIAL RECORDS OF
DOUGLAS CO. NEVADA

2002 JUN 21 PM 2: 26

LINDA SLATER
RECORDER

s/ LG PAID KJ DEPUTY

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