

APN: 1220-17-101-003

RECORDED AT THE REQUEST OF:
JOHN R. DeCARLO

WHEN RECORDED MAIL TO:
✓ JOHN R. DeCARLO
P. O. BOX 158
GARDNERVILLE, NEVADA 89410

RESERVED FOR RECORDER'S USE

DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST, made this 1st day of December, 2002, between **MARY E. CIOFFI**, herein called TRUSTOR, and **TITLE SERVICE AND ESCROW OF Fernley, Nevada**, herein called TRUSTEE, and **JOHN R. DeCARLO OR LINDA K. DeCARLO, JOINT TENANTS WITH RIGHT OF SURIVORSHIP**, herein called BENEFICIARY.

WITNESSETH:

That Trustor **IRREVOCABLY GRANTS, TRANSFERS, AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE**, that certain piece or parcel of real property located in **Douglas County, State of Nevada** and more particularly described as:

LEGAL DESCRIPTION

A parcel of land located within a portion of the Northwest one-quarter of the Northwest one-quarter of Section 17, Township 12 North, Range 20 East, Mount Diablo Base and Meridian, more particularly described as follows:

Beginning at the Northwest corner of the parcel, a ½ inch iron pipe stamped RE 446, from which the Northwest corner of said Section 17 bears South 89 degrees 23'41" West, 267.30 feet; thence North 89 degrees 35'56" East, 168.88 feet to the Northwest corner of APN 27-050-04 per deed filed in the Douglas County Recorder's Office on April 12, 1957 in Book C-1, at Page 348; thence South 00 Degrees 24'04" East, 175.00 feet to the Southwest corner of said APN 27-050-04 per said Deed; thence North 89 degrees 35'56" East, 143 feet to the Southeast corner of said APN 27-050-04 parcel per said Deed; thence South 01 degrees 25'40" West 25.86 feet along the Westerly line of Edna Drive per Deed filed in the Douglas County Recorder's Office on January 30, 1968 in Book 57, at Page 135; thence South 89 degrees 35'56" West, 311.11 feet to a point on the Easterly line of APN 27-050-02 per Deed filed in the Douglas County Recorder's Office on December 22, 1967 in Book 58, at Page 232; thence North 00 degrees 23'11" West, 200.85 feet along said Easterly line to the POINT OF BEGINNING,

AS THE SAME LEGAL DESCRIPTION is set forth in that certain Deed recorded in the office of the County Recorder of Douglas County, State of Nevada on July 23, 2001 in Book 0701 at page 5798 as Document No. 519011.

TOGETHER WITH all water and water rights, ditch and ditch rights appurtenant thereto,

RESERVED FOR RECORDER

0560080

BK 1202 PG 03272

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof,

TOGETHER WITH all the improvements situate thereon,

TOGETHER WITH the right to use for ingress to and egress from the parcel hereinabove described,

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 \$90,000.00 due to the Beneficiary herein under the terms and conditions of a promissory note of even date herewith made by the Trustor payable to the order of the Beneficiary, and all extensions or renewals thereof; and
2. The performance of each agreement of Trustor incorporated herein by reference or contained herein;
3. The payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or to his successors or assigns, when evidenced 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, Trustor agrees:

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
2. Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust 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, and as may be approved by Beneficiary, for 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 and shall be payable to Beneficiary to the amount of the unsatisfied obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary, or to collection agent of Beneficiary, 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 proper.
3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
4. To pay at least ten (10) days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, water rights, and grazing privileges; when due, all encumbrances,

RESERVED FOR RECORDER

0560080

BK 1202 PG 03273

charges and liens, with interest, on said property or any part thereof, which appear to be prior to superior hereto, and all costs, fees, and expenses of this trust.

5. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.
6. To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at twelve (12.00%) percent per annum.
7. At Beneficiary's option, Trustor will pay a "late charge" not exceeding ten percent (10.00%) of any installment (including any balloon installment) when paid more than fifteen (15) days after the due date thereof to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

IT IS MUTUALLY AGREED:

1. That 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 above provided for disposition of proceeds of fire or other insurance.
2. That by accepting payment of any sum secured hereby after this due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured to declare default for failure so to pay.
3. That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement subordinating the lien or charge hereof.
4. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled hereto".
5. That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents, issues, and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby; or in performance of any agreement hereunder, to collect and retain such rents, issues, and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less

RESERVED FOR RECORDER

0560080

BK 1202 PG 03274

- costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits, and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
6. That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written Notice of Default and of election to cause to be sold said property, which notice Trustee shall cause to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, said note, and all documents evidencing expenditures secured hereby.
 7. After the lapse of such time as may then be required by law following the recordation of said Notice of Default, and Notice of Sale having been given as then required by law for the sale of real property under Writ of Execution, Trustee, without demand on Trustor, shall sell said property or any part thereof at the time and place fixed by it in said Notice of Sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. In the event that any indebtedness secured hereby shall not have been fully satisfied by said sale, Trustee may give notice of sale of any property not previously noticed for sale in the manner set forth above and sell the same in the manner set forth above.
 8. Trustee shall deliver to any purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.
 9. After deducing all costs, fees and expenses of trustee, including a reasonable fee for the attorney of Trustee, and of this trust, including costs evidenced of title in connection with sale, Trustee shall apply the proceeds of sale to payment of; all sums expended under the terms hereof, not then repaid, with accrued interest at twelve (12%) percent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.
 10. That Beneficiary, or his assignee, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed and acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers, and duties. Said instrument must contain the name of the original Trustor, Trustee, and Beneficiary hereunder, the book and page where, or document or file number under which, this Deed of Trust is recorded, and the name and address of the new Trustee. If Notice of Default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereto upon such instrument of substitution. The procedure herein provided for substitution of Trustee shall be exclusive of all other provisions for substitution, statutory or otherwise.
 11. The following covenants: Nos. 1, 3, 4 (interest 12%), 5, 6, 8, and 9 of Section 107.030 of the Nevada Revised Statutes, when not inconsistent with other covenants and provisions herein contained, are hereby adopted and made a part of this Deed of Trust.
 12. The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.

RESERVED FOR RECORDER

0560080

BK 1202 PG 03275

- 13. It is expressly agreed that the trust created hereby is irrevocable by Trustor.
- 14. That 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. The term Beneficiary shall mean the owner and holder, including pledgees, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- 15. That Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.
- 16. 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.
- 17. The undersigned Trustor requests that a copy of any Notice of Default and any Notice of Sale hereunder be mailed to him at his address hereinafter stated:

MARY E. CIOFFI
 1511 HIGHWAY 395
 GARDNERVILLE, NEVADA 89410.

SIGNATURE OF TRUSTOR(S):

Mary E. Cioffi

 MARY E. CIOFFI

NOTARIAL ACKNOWLEDGEMENT

STATE OF NEVADA, DOUGLAS COUNTY, SS:

On this 1st day of December, 2000,
 personally appeared before me, a Notary Public,
MARY E. CIOFFI
 whom do I personally know as such **OR**
 who has been proven to me as such by satisfactory evidence
 to be the person whose name is subscribed to this document,
 and who acknowledged that he executed the foregoing document.

SEAL
[Signature]

 Notary Public
 EXP 11-28-2004

RESERVED FOR RECORDER

REQUESTED BY
Mary Cioffi
 IN OFFICIAL RECORDS OF
 DOUGLAS CO., NEVADA

2002 DEC -6 PM 4: 26

LINDA SLATER
 RECORDER

\$18⁵⁰ PAID *K2* DEPUTY

RESERVED FOR RECORDER

0560080

BK 1202 PG 03276