

20' APN 1420-28-411-005

**DEED OF TRUST
GENERAL FORM**

Deed of trust made on, March 31, 2003 between, Michael P. Scott and Lisa M. Scott , community property with right of survivorship, of 1230 Melborn Way, Minden, Nevada, 89423 (Address), referred to as trustor, _____ Marquis Title and Escrow Company, of 1520 Hwy 395, Gardnerville, Nevada 89410 (address), referred to as trustee, and SRS, Ltd, of 1759 Ironwood Drive, Minden, Nevada 89423, referred to as beneficiary.

Trustor, in consideration of the indebtedness recited below, irrevocably grants, bargains, sells, assigns, and conveys to trustee in trust, with power of sale, the property in 1230 Melborn, Minden, Nevada 89423 described as __, Lot 45 as shown on the Official Map of Cochran Estates Unit No. 2, filed in the Office of the County Recorder of Douglas, Nevada on May 14, 1973, In Book 573, Page 577, Document No. 56230 . APN #1420-28-411-005.

together with all the tenements, hereditaments, and appurtenances now or hereafter belonging or in any wise appertaining. To have and to hold the same, with the appurtenances, unto trustee.

For the purpose of securing performance of each agreement of trustor and of securing payment of the sum of Thirty-three Thousand and No/100, (\$33,000), with interest thereon according to the terms of a Note, dated March 31, 2003, payable to beneficiary or order and made or executed by trustor, the final payment of principal and interest, if not paid sooner, to be due and payable on March 1, 2004, at the office of __SRS, Ltd, at _1759 Ironwood Drive, Minden, Nevada 89423 (Address), or at such other place as beneficiary may designate in writing delivered or mailed to trustor. The terms of the __Note are incorporated by reference.

Trustor covenants and agrees as follows:

1. PAYMENT OF INDEBTEDNESS

1.1 Trustor shall pay the indebtedness, as provided above. Trustor reserves the right and privilege to prepay at any time, without premium or fee, the entire indebtedness or any part of it not less than the amount of one installment, or Three-hundred Thirty and no/100, (\$330.00), whichever is less. Any prepayment made on other than an installment due date will not be credited until the next following installment due date.

2. OWNERSHIP OF PROPERTY

0572185

BK0403PG00780

2.1 Trustor is lawfully seized (in possession) of 1230 Melborn, Minden, Nevada 89423 and, except as otherwise stated, the premises are free from any encumbrances. Trustor hereby warrants the usual covenants to the same extent as a statutory Trust deed under the laws of Nevada, and all covenants herein made, and trustor will defend against any breach of any such covenant.

3. CONTINUED EFFECTIVENESS

3.1 The provisions of this instrument shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness or any part of it.

4. TAXES AND ASSESSMENTS

4.1 Trustor shall pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions; and, in default thereof, beneficiary may pay the same.

5. WASTE; REPAIR OR REMOVAL OF STRUCTURES

5.1 Trustor shall not commit waste or authorize the repair or the removal of any structures on the premises, and shall not do or permit any act that may lawfully result in the creation of a lien or claim on the land or the improvements of equal or prior rank to the claim of this trust deed without prior written consent of beneficiary; but shall maintain the property in as good condition as at present, reasonable wear and tear excepted. On any failure to so maintain, beneficiary, at its option, may cause reasonable maintenance work to be performed at trustor's cost.

6. INSURANCE

6.1 Trustor shall maintain continuously hazard insurance of such type or types and amounts as beneficiary may from time to time require on the improvements now or hereafter on the premises, and shall pay promptly when due any premiums for such insurance. All insurance shall be carried with companies approved by beneficiary, and the policies and renewals shall be held by beneficiary and provide that loss be payable solely and in form acceptable to beneficiary. In event of loss, trustor shall give immediate notice by mail to beneficiary, who may make proof of loss if not made promptly by trustor, and each insurance company concerned is hereby authorized and directed to make payment of the loss directly to beneficiary, rather than to trustor and beneficiary jointly. The insurance proceeds, or any part of them, may be applied by beneficiary, at its option, either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In the event of a conveyance to beneficiary, or other transfer of title to the premises in extinguishment of the indebtedness secured

0572185

BK0403PG00781

hereby, all right, title, and interest of trustor in and to any insurance policies then in force shall pass to the purchaser or grantee.

7. BENEFICIARY PAYMENT IN EVENT OF DEFAULT

7.1 If trustor defaults in any of the covenants or agreements contained in this trust deed, or in the _____ Note _____ (*Note or Bond*) secured by it, then beneficiary, at its option, may perform the same. All expenditures made by beneficiary in so doing shall draw interest at the rate provided for in the principal indebtedness, and shall be repayable by trustor to beneficiary, and, together with interest and costs accruing thereon, shall be secured by this trust deed.

8. SUPPLEMENTAL NOTES

8.1 On beneficiary's request, trustor shall execute and deliver a supplemental note or notes for the sum or sums advanced by beneficiary for the alteration, modernization, improvement, maintenance, or repair of such premises, for taxes or assessments against the same, and for any other purpose authorized under this trust deed. The note or notes shall be secured by this trust deed with equal priority and as fully as if the advance evidenced thereby were included in the _____ Note _____ (*Note or Bond*) first described above. The supplemental note or notes shall bear interest at the rate provided for in the principal indebtedness and shall be payable in approximately equal monthly payments for such period as may be agreed on by trustor and beneficiary.

On the failure to agree on the maturity, the whole of the sum or sums so advanced shall be due and payable ___10___ days after beneficiary's demand. In no event, shall the maturity extend beyond the ultimate maturity of the March 1, 2004, Note first described above.

9. RIGHT OF BENEFICIARY TO APPEAR

9.1 Beneficiary may appear in and defend any action or proceeding purporting to affect the security of this trust deed, and trustor shall pay all costs and expenses, including the costs of evidence of title and reasonable attorney fees, in any such action or proceeding in which beneficiary may appear.

10. WAIVER OF NOTICE

10.1 Trustor waives notice of the exercise of any option granted to beneficiary in this trust deed or in such _____ Note (*Note or Bond*).

11. CONDEMNATION

0572185

BK0403PG00782

11.1 Any award of compensation or damages in connection with any condemnation for public use of or injury to the premises or any part of them is hereby assigned and shall be paid to beneficiary, who may apply or release such moneys received in the same manner and with the same effect as provided above for the disposition of fire or other insurance proceeds.

12. NONWAIVER OF RIGHTS

12.1 Beneficiary's accepting payment of any sum secured by this trust deed after its due date shall not constitute a waiver of its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

13. RIGHTS OF TRUSTEE

13.1 At any time or from time to time, without liability therefor and without notice, on beneficiary's written request and presentation of this trust deed and such NOTE (*Note or Bond*) for Endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured by this trust deed, trustee may: reconvey all or any part of the premises; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating this trust deed to subsequent liens or charges.

14. RECONVEYANCE

14.1 On beneficiary's written request stating that all sums secured by this trust deed have been paid, and on surrender of this trust deed and such NOTE (*Note or Bond*) to trustee for cancellation and retention, and on payment of trustee's fees, trustee shall reconvey, without warranty, the property then held under this trust deed. The recitals in any reconveyance accepted under this trust deed of any matters or facts shall be conclusive proof of their truthfulness. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

15. RENTS, ISSUES, AND PROFITS

15.1 As additional security, trustor hereby gives to and confers on beneficiary the right, power, and authority during the continuance of the interests created by this trust deed to collect the rents, issues, and profits of the premises, reserving to trustor the right, prior to any default by trustor in payment of any indebtedness secured by this trust deed or in the performance of any agreement under this trust deed, to collect and retain such rents, issues, and profits as they become due and payable. On any such default,

0572185

BK0403PG00783

beneficiary may at any time without notice, either in person, by agent, or by a court-appointed receiver, and without regard to the adequacy of any security for the indebtedness secured by this trust deed, enter on and take possession of the premises or any part of them, in its own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney fees, on any indebtedness secured by this trust deed, and in such order as beneficiary may determine. The entering on and taking possession of the premises, the collection of the rents, issues, and profits, and the application thereof as stated above shall not cure or waive any default or notice of default under this trust deed or invalidate any act done pursuant to such notice.

16. DEFAULT; BANKRUPTCY

16.1 On default by trustor in payment of any indebtedness secured by this trust deed, or in performance of any agreement herein contained, or if trustor is adjudicated bankrupt or made defendant in a bankruptcy or receivership proceeding, all sums secured by this trust deed shall, at beneficiary's option, immediately become due and payable. In the event of default, beneficiary shall execute or cause trustee to execute a written notice of such default and of beneficiary's election to cause the above-described property to be sold to satisfy the obligation hereof, and shall cause such notice to be recorded as then required by law.

16.2 On notice of sale as then required by law and elapse of the then-required time period after recordation of notice of default, trustee, without demand on trustor, shall sell the property at the time and place of sale fixed by it in the 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 and best bidder for cash, payable at the time of sale. Trustee may postpone the sale of all or any part of the property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including trustor, trustee, or beneficiary, as defined under this trust deed, may purchase at such sale.

16.3 After deducting all costs, fees, and expenses of trustee and of this trust, including the cost of evidence of title and reasonable counsel fees in connection with the sale, trustee shall apply the proceeds of the sale to the payment of all sums expended under the trust terms, not then repaid with accrued interest at the rate provided on the principal debt, all other sums then secured by this trust deed, and the remainder, if any, to the person or persons legally entitled to receive them.

17. APPLICATION OF TRUST DEED

0572185

BK0403PG00784

17.1 This trust deed applies to, inures to the benefit of, and binds all parties to this agreement, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term "beneficiary" shall mean the holder and owner, including pledgee, of the NOTE (*Note or Bond*) secured by this trust deed, whether or not named as a beneficiary herein. Whenever the context of this trust deed so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

18. ACCEPTANCE OF TRUST

18.1 Trustee accepts this trust when this trust deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party to this trust deed of any pending sale under any other trust deed or of any action or proceeding in which trustor, beneficiary, or trustee shall be a party, unless brought by trustee.

19. SUCCESSOR TRUSTEE

19.1 Beneficiary may, from time to time, as provided by statute, appoint another trustee in place of trustee herein named, and on such appointment, trustee herein named shall be discharged and the trustee so appointed shall be substituted as trustee with the same effect as if originally named trustee.

20. MULTIPLE TRUSTEES

20.1 If two or more persons are designated as trustee, all powers granted to trustee may be exercised by any of such persons, if the other person or persons are unable, for any reason, to act; and any recital of such inability in any instrument executed by any of such persons shall be conclusive against trustor, or trustor's heirs and assigns.

20.2 The undersigned trustor requests that a copy of any notice of default and of any notice of sale under this trust deed be mailed to trustor's address set forth above.

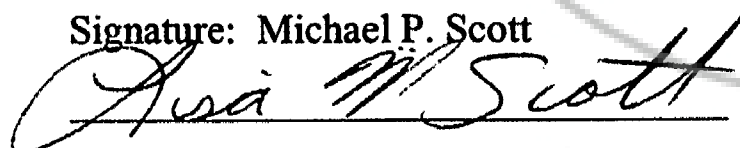
In witness whereof, trustor has executed this trust deed the day and year first written above.



Signature: Michael P. Scott

3/31/03

Date



Signature: Lisa M. Scott

3/31/03

Date

✓
WHEN RECORDED
MAIL TO:
SRS, LTD.
1759 IRONWOOD DR
MINDEN, NV 89423


0572185

BK0403PG00785

STATE OF NEVADA
COUNTY OF DOUGLAS

On this 31st day of March, 2003, personally appeared before me, a notary public, MICHAEL P. SCOTT and LISA M. SCOTT who acknowledged to me that they executed the foregoing document.

Deborah L. Ortiz
NOTARY PUBLIC

 DEBORAH L. ORTIZ
Notary Public - State of Nevada
Appointment Recorded in Douglas County
No: 02-74684-5 - Expires March 21, 2006

SCOTT

REQUESTED BY
S.R.S. Ltd
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA
2003 APR -2 AM 9: 59
WERNER CHRISTEN
RECORDER
\$11.00 PAID W DEPUTY

0572185
BK0403PG00786

