

REQUESTED BY
Stewart Title of Douglas County

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2003 JUL 28 PM 3:16

WERNER CHRISTEN
RECORDER

\$ 17⁰⁰ PAID R DEPUTY

APN: 1420-07-212-006

WHEN RECORDED MAIL TO:
Stewart Title of Northern Nevada
David and Michelle Colarchik
P.O. Box 7643
Incline Village, NV 89452

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032410099

DEED OF TRUST

(Securing Indebtedness and Advances, Interest Accruals, Extensions and Modifications Thereof)

THIS DEED OF TRUST is made this 21ST day of JULY 2003, by and between DAVID M. KINDER and PATRICIA A. KINDER, husband and wife as joint tenants, collectively and individually "Trustor"; Stewart Title of Northern Nevada, "Trustee"; and DAVID COLARCHIK and MICHELLE COLARCHIK, husband and wife, of Post office Box 7643, Incline Village, Nevada, 89452, "Beneficiaries";

WITNESSETH:

That Trustor does hereby grant, bargain, sell convey and confirm unto Trustee, in trust with the power of sale, all that certain Property situated in the County of Douglas, State of Nevada, more particularly described as follows, to wit:

Lot H-19, in Block H, as shown on the Final Map #97-1007-5 of VALLEY VISTA ESTATES, PHASE 4 recorded in the office of the Douglas County Recorder, State of Nevada, on July 28, 2000, in Book 0700, at Page 4819, as Document No. 496654, Official Records.

APN: 1420-07-212-006

COMMONLY REFERRED TO AS: **3536 Grand View Court, Carson City, NV 89742**

And, also, all the estate, interest, homestead or other claim, as well in law as in equity, which said Trustor now has or may hereafter acquire in and to the said Property, together with all the improvements, replacements and additions now or hereafter erected on the Property, all easements, rights, appurtenances and fixtures now or hereafter a part of the Property, and all rights of way held or used in connection with the Property or as a means of access thereto, and, 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.

To have and to hold the same for the purpose of securing payments of a principal indebtedness in the sum of ONE HUNDREDTHOUSAND DOLLARS AND NO CENTS (\$100,000.00), as evidenced by a promissory note of even date herewith (the "Note"), plus accrued and unpaid interest thereon according to the terms of said Note, plus all renewals, extensions and modifications of the Note, plus all other sums, with interest, which are otherwise due under the terms of the Note or this Deed of Trust, plus the performance of Trustor's covenants and agreements under this Deed of Trust and the Note. The Note is hereby made a part hereof, executed by Trustor and delivered to Beneficiaries.

AND THIS INDENTURE FURTHER WITNESSETH:

1. Trustor promises and agrees to pay when due all claims for labor and materials furnished for any construction, alteration or repair upon the above described premises, to comply with all laws affecting said Property or relating to any alterations or improvements that may be made thereon; not to commit or permit waste thereon; not to commit, suffer or permit any acts upon said Property in violation of any law, covenant, condition or restriction affecting said Property, and to permit Beneficiary to enter at all reasonable times for the purpose of inspection.

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 endorsements, in a company or companies authorized to issue such insurance in the State of Nevada, and as may be approved by Beneficiaries hereby secured, and to deliver the policy to Beneficiaries or to the collection agent of Beneficiaries, and in default thereof, Beneficiaries may procure such insurance and/or make such repairs, and expend for either of such purposes such sum or sums as Beneficiaries shall deem proper.

3. Trustor shall occupy, establish, and use the Property as Trustor's principal residence after the execution of this Deed of Trust, and Trustor (or at least one Trustor, if initially more than one person is a Trustor), shall continue to occupy the Property as Trustor's principal residence for the term of the Note and this Deed of Trust. "Principal residence" shall have the same meaning as defined in the Note.

4. Beneficiaries or Trustee, on behalf of Beneficiaries, may require immediate payment in full of all sums secured by this Deed of Trust in the event of the occurrence of any of the conditions for payment set forth at Paragraph 3 of the Note (subject to the restrictions at Paragraph 5 of the Note).

5. The following covenants, Nos. 1, 3, 4 (interest 15%), 5, 6, 7, 8 and 9 of Nevada Revised Statutes ("NRS")107.030 and all the provisions of NRS Chapter 107, including but not limited to NRS 107.080, including the right to accelerate the sums due hereunder upon a breach of the note payment terms, are hereby adopted and made a part of this deed of trust. Trustor explicitly agrees that this Deed and the promissory note of even date shall be subject to and interpreted in accordance with the laws of the state of Nevada, and that any and all disputes arising hereunder shall be adjudicated in Washoe County, Nevada pursuant to Nevada law, without regard for choice of law elections or provisions.

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

7. Modification. Borrower agrees to extend this Deed of Trust in accordance with this Paragraph 7 and in accordance with the terms of the Note regarding modification. If Lender determines that the original status of this Deed of Trust is jeopardized under any applicable law (including but not limited to situations where the amount secured by the Deed of Trust equals or exceeds the maximum principal amount stated or the maximum period under which loan advances or accrual of interest retain the same lien priority initially granted to such advances or accruals has expired) and

applicable law permits the original status of this Deed of Trust to be maintained for future loan advances or accruals through the execution and recordation of one or more documents, then Lenders shall obtain title evidence at Borrowers' expense. If the title evidence indicates that the Property is not encumbered by any liens except this Deed of Trust and the advances or accruals of interest relevant thereto, Lender shall request and Borrower shall agree to execute any documents necessary to protect the lien status of this Deed of Trust and any future advances or accruals of interest. If applicable law does not permit the original lien status to be extended in order to protect the future advances or accruals of interest, Borrowers will be deemed to have failed to performed an obligation under this Deed of Trust.

8. Borrowers shall not participate in any tax deferral program if any liens created by the tax deferral are not subordinate to this Deed of Trust.

9. The rights and remedies hereby granted shall not exclude any other rights and 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.

10. All the provisions, benefits and obligations of this instrument shall apply to, inure to and bind the heirs, representatives, executors, successors and assigns of the parties hereto and the holders hereof. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include the other genders.

11. Trustor assigns hereby to Beneficiaries any and all rents of the above-described premises accruing after default, and hereby authorize Beneficiaries, or a trustee or receiver to be appointed on application of Beneficiaries or Beneficiaries' behalf, without waiving or affecting the right of foreclosure or any other right hereunder, to take possession of the premises at any time after there is a default in the payment of said debt or in the performance of any of the obligations herein contained, and to rent the premises for the account of Trustor. At any trustee's sale hereunder held, such trustee of Beneficiaries shall sell the Property herein described as a single unit unless herein otherwise specifically directed, and at such sale is hereby authorized to bid for Beneficiaries or other absent persons.

12. It is hereby agreed that the trust created hereby is irrevocable by Trustor.

13. This deed of trust is executed by Trustor and accepted by Beneficiaries with the express understanding that the relationship of landlord and tenant shall exist as between the purchaser of the Property covered hereby upon foreclosure proceedings and Beneficiaries and their successors in interest, and Trustor may be removed therefrom by any proceeding authorized by law, including an unlawful detainer action or summary eviction action in the event the possession of said Property should not voluntarily be surrendered to such purchaser.

IN WITNESS WHEREOF, the Trustor herein has hereunto executed this instrument before these persons presents the day and year first above written.

David M. Kinder
DAVID M. KINDER

Patricia A. Kinder
PATRICIA A. KINDER

STATE OF NEVADA)
COUNTY OF Washoe)ss
)

On this 21st day of July, 2003, personally appeared before me, a Notary Public, DAVID M. KINDER and PATRICIA A. KINDER, personally known to me (or proven to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the above instrument, who acknowledged to me that they executed the above instrument in their respective authorized and/or individual capacity as evidenced by their signatures hereon.

Jeanne F. Dunnett
NOTARY PUBLIC
MY COMMISSION EXPIRES: 9-24-05

