

APN: 1418-15-510-004

When Recorded, Mail To:

Melvin La Russa
14540 Clearview Dr.
Los Gatos, CA, 95032
2126746-CD

REQUESTED BY
FIRST AMERICAN TITLE CO.

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2004 MAY -6 PM 1:00

WERNER CHRISTEN
RECORDER

\$21⁰⁰ PAID KJ DEPUTY

SHORT-FORM DEED OF TRUST WITH ASSIGNMENT OF RENTS

[Due On Sale Clause]

THIS DEED OF TRUST, made this 30th day of April, 2004, between BOB PRINCIPE, herein called TRUSTOR, at Reno, Nevada, and FIRST AMERICAN TITLE COMPANY OF NEVADA, herein called TRUSTEE, and MELVIN J. LARUSSA and CAROLYN A. LARUSSA, husband and wife, as joint tenants, herein called BENEFICIARY.

WITNESSETH:

That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to TRUSTEE IN TRUST, WITH POWER OF SALE, those certain real properties in Douglas County, Nevada, described as:

See Attachment "A."

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

TOGETHER WITH the rents, issues and profits thereof, reserving the right to collect and use the same except during continuance of some default hereunder and during continuance of such default authorizing Beneficiary to collect and enforce the same by any lawful means in the name of any party hereto.

For the Purpose of Securing: 1. Performance of each agreement of Trustor incorporated by reference or contained herein. 2. Payment of the indebtedness evidenced by one promissory note of even date herewith, and any extension or renewal thereof, in the principal sum of \$795,000.00, executed by Trustor in favor of Beneficiary or

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order. 3. Payment of such additional sums as may hereafter be advanced for the account of Trustor or Assigns by Beneficiary with interest thereon.

To Protect the Security of this Deed of Trust, Trustor Agrees: By execution and delivery of this Deed of Trust and the note of even date herewith secured hereby, that provisions (1) to (16) inclusive of the Deed of Trust recorded in the Official Records in the Office of the County Recorder of Douglas County, Nevada in Book 57, at page 115 as Document No. 40050 which provisions hereby are adopted and incorporated herein and made a part hereof as full as though set forth herein at length; that Trustor will observe and perform said provisions; and that the references to property, obligations, and parties in said provisions shall be construed to refer to the property, obligations, and parties set forth in this Deed of Trust.

The parties agree that with respect to provision 16, the amount of fire insurance required by covenant 2 shall be (replacement cost) and with respect to attorneys' fees provided for by covenant 7 the amount shall be reasonable attorney's fees.

IN THE EVENT THE HEREIN DESCRIBED PROPERTY, ANY PART THEREOF, OR ANY INTEREST THEREIN IS SOLD, AGREED TO BE SOLD, CONVEYED, OR ALIENATED BY TRUSTOR, OR BY THE OPERATION OF LAW OR OTHERWISE, ALL OBLIGATIONS SECURED BY THIS INSTRUMENT, IRRESPECTIVE OF THE MATURITY DATES EXPRESSED THEREIN, AT THE OPTION OF THIS HOLDER THEREOF AND WITHOUT DEMAND OR NOTICE SHALL IMMEDIATELY BECOME DUE AND PAYABLE.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.


BOB PRINCIPE

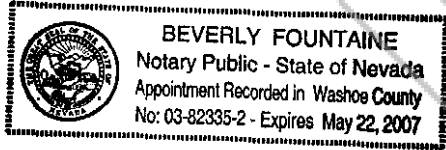
ACKNOWLEDGMENT

STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

On the 30th day of April, 2004, personally appeared before me, a Notary Public, in and for said County and State, ~~DON PRINCIPLE~~ *Bob Principe* known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same, freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State above-named, the day and year in this certificate first above written.

[Handwritten Signature]
NOTARY PUBLIC



DO NOT RECORD

The following is a copy of the provisions (1) to (16) inclusive, of the Deed of Trust, recorded in Douglas County, Nevada, as stated in the foregoing Deed of Trust and incorporated by reference in said Deed of Trust as being a part thereof as if set forth at length therein.

To protect the security of this Deed of Trust, Trustor agrees:

1. To properly care for and 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. The Trustor agrees to pay and discharge all costs, fees and expenses of these Trusts, including cost of evidence of title and Trustee's fees in connection with sale, whether completed or not, which amounts shall become due upon delivery to trustee of Declaration of Default and Demand for sale, as hereinafter provided.

3. The amount collected under any fire or other insurance policy shall be credited: first, to accrued interest; next to expenditures hereunder; and any remainder upon the principal, and interest shall thereupon cease upon the amount so credited upon principal; provided; however, that at the option of the Beneficiary, the entire amount collected under the policies or any part thereof may be released to the Trustor, without liability upon the Trustee for such release.

4. The Trustor promises and agrees that if, during the existence of the Trust there be commenced or pending any suit or action affecting said conveyed premises, or any part thereof, or the title thereto, or if any adverse claim for or against said premises, 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 any property or any part thereof is hereby assigned and shall be paid to Beneficiary, who may apply or release such monies received by him in the same manner and with the same effect as herein provided for disposition of proceeds of insurance.

6. Trustee shall be under no obligation to notify any party hereto of any

pending sale hereunder or of action or proceeding of any kind in which Trustor, Beneficiary and/or Trustee shall be named as defendant, unless brought by Trustee.

7. Acceptance by Beneficiary of any sum in payment of any indebtedness secured hereby, after the date when the same is due, shall not constitute a waiver of the right either to require prompt payment, when due, of all other sums so secured or to declare default as herein provided for failure so to pay.

8. Trustee may, at any time, or from time to time, without liability therefor, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the notes secured hereby for endorsement, 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 the remainder of said property; reconvey any part of said property; consent in writing to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or subordination agreement in connection herewith.

9. Upon receipt of written request from Beneficiary reciting that all sums secured hereby have been paid and upon surrender of this Deed and said note to Trustee for cancellation and retention 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," and Trustee is authorized to retain this Deed of Trust and note.

(a) Should default be made by Trustor in payment of any indebtedness secured hereby and/or in performance of any agreement herein, then Beneficiary may declare all sums secured hereby immediately due by delivery to Trustee of a written declaration of default and demand for sale, and of written notice of default and election to cause said property to be sold (which notice Trustee shall cause to be filed for record) and shall surrender to Trustee this Deed, the notes and all documents evidencing any expenditure secured hereby.

10. After three months have elapsed following recordation of any such notice of default, Trustee shall sell said property of such time and at such place in the State of Nevada as the Trustee, in its sole discretion, shall deem best to accomplish the objects of these Trusts, having first given notice of such sale as then required by law. Place of sale may be either in the county in which the property to be sold, or any part thereof, is situated, or at an office of the Trustee located in the State of Nevada.

(a) The Trustor, Pledgor and Mortgagor of the personal property herein pledged and/or mortgaged waives any and all other demands or notices as conditions precedent to sale of such personalty.

(b) Trustee may postpone sale of all, or any portion, of said property by public

announcement at the time fixed by said notice of sale, and may thereafter postpone said sale from time to time by public announcement at the time previously appointed.

(c) At the time of sale so fixed, Trustee may sell the property so advertised or any part thereof, either as a whole or in separate parcels at its sole discretion, at public auction, to the highest bidder for cash in lawful money of the United States, payable at time of sale, and shall deliver to such purchaser a deed conveying the property so sold, but without covenant or warranty, express or implied, Trustor hereby agrees to surrender, immediately and without demand, possession of said property to such purchaser.

11. Trustee shall apply the proceeds of any such sale to payment of: expenses of sale and all charges and expenses of Trustee and of these Trusts, including cost of evidence of title and Trustee's fee in connection with sale, all sums expended under the terms hereof, not then repaid, with accrued interest at the rate of (as set forth in the Promissory Note) per annum, all other sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto.

12. The Beneficiary or assigns may, at any time, by instrument in writing, appoint a successor or successors to the Trustee named herein or acting hereunder, which instrument, executed and acknowledged by Beneficiary, and recorded in the Office of the County Recorder of the County or Counties wherein said property is situated, shall be conclusive proof of the proper substitution of such successor or trustee, who shall have all the estate, powers, duties and trusts in the premises vested in or conferred on the original Trustee. If there be more than one Trustee, either may act alone and execute the Trusts upon the request of the Beneficiary and his acts shall be deemed to be the acts of all Trustees, and the recital in any conveyance executed by such sole Trustee of such requests shall be conclusive evidence thereof, and of the authority of such sole Trustee to act.

13. The Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns.

14. Trustee accepts these trusts when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

15. 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, and the term Beneficiary shall include any future holder, including pledgees, of the note secured hereby.

16. Where not inconsistent with the above the following covenants, No. 1; 2 (replacement cost) 3; 4 (as set forth in the Promissory Note); 5; 6; 7 (reasonable attorney's fees); 8; of NRS 107.030 are hereby adopted and made a part of this Deed of Trust.

**DO NOT RECORD
REQUEST FOR FULL CONVEYANCE**

TO FIRST AMERICAN TITLE COMPANY OF NEVADA:

The undersigned is the legal owner and holder of the Note and of all indebtedness secured by the foregoing Deed of Trust. All sums secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said Note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust, delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designed by the terms of said Deed of Trust, the estate now held by you under the same.

DATED: _____

DATED: _____

Please mail Deed of Trust,
Note and Reconveyance to:

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ATTACHMENT "A"

(Legal Description)

*All that real property situated in the County of Douglas, State of Nevada,
bounded and described as follows:*

*Lot 8, as shown on the Map of Glenbrook Unit No. 1, filed in the Office of the
Recorder of Douglas County, Nevada, on June 1, 1977, as Instrument No.
09693.*

202 South Meadow Road, Glenbrook, NV

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