

APN: 1220-24-302-009



WHEN RECORDED MAIL TO  
Nationwide Title Clearing, Inc.  
ATTN: Dusti Woodbury - CIT Unit  
2100 Alt 19 North  
Palm Harbor, FL 34683

MAIL TAX STATEMENTS TO

John Merino  
LeAnn Merino  
1735 Buckthorn Ct  
Minden, NV 89423  
ASSESSOR'S PARCEL NUMBER  
1220-24-302-009

#247154  
MIN: 10026319500577664

REQUESTED BY  
**MARQUIS TITLE & ESCROW**  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

2004 AUG -6 PM 3: 29

WERNER CHRISTEN  
RECORDER

23 PAID *Kg* DEPUTY

SPACE ABOVE THIS LINE FOR RECORDER'S USE

### DEED OF TRUST

TRUSTOR(S) Name(s) and Address(es)	JOHN MERINO LEANN MERINO	Lender Name and Address	The CIT Group Consumer Finance, Inc. (a Delaware Corporation) <b>2030 E. FLAMINGO ROAD SUITE 260 LAS VEGAS, NV 89119</b>
	1735 BUCKTHORN CT MINDEN, NV 89423	Beneficiary Name and Address	MERS P.O. BOX 2026 <del>FLINT MI 48501-2026</del>

TRUSTEE'S NAME AND ADDRESS

**MARQUIS TITLE, 1520 U.S. HIGHWAY 395 NORTH, GARDNERVILLE, NV 89410**

LOAN NUMBER	DATE	PRINCIPAL BALANCE	FINAL PAYMENT DATE
9500577664	08/04/04	\$336,000.00	09/01/34

Borrower owes Lender the principal sum shown in the Principal Balance box above. This debt is evidenced by Borrower's note dated the same date as this Deed of Trust ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on the Final Payment Date shown above. **The beneficiary of this Deed of Trust is MERS** (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS. This Deed of Trust secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 2 to protect the security of this Deed of Trust; and (c) the performance of Borrower's covenants and agreements under this Deed of Trust and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in DOUGLAS County, Nevada:

SEE ATTACHED LEGAL DESCRIPTION 'EXHIBIT A'

which has the address of 1819 LONG COURT, GARDNERVILLE,  
(Street) (City)  
Nevada 89410 ("Property Address");  
(Zip Code)

Together with all the improvements now or hereafter erected on the property, and all easements, rights,

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appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Deed of Trust. All of the foregoing is referred to in this Deed of Trust as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Deed of Trust, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Deed of Trust.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property. Borrower warrants that the lien created by this Deed of Trust is a valid and enforceable lien subordinate only to easements, liens and restrictions of record as of the date of this Deed of Trust, and that during the entire term of the indebtedness secured by this Deed of Trust Borrower will not permit this lien to become subordinate to anything else. Borrower warrants and will defend the title to the Property against all claims and demands except such easements, liens and restrictions of record as of the date of this Deed of Trust.

Borrower and Lender covenant and agree as follows:

**1. Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

**2 Taxes-Liens-Insurance-Maintenance.** Borrower will pay, when they are due and payable, all taxes, liens or security titles (legal claims), assessments, obligations, water rates and any other charges against the Property, whether superior or inferior to the lien or security title of this Deed of Trust, including paying Lender any costs, including outside attorney's fees incurred by Lender in defending any lawsuit by prior or later lienholders or security title holders on the Property, maintain hazard insurance on the Property in Lender's favor in a form and amount satisfactory to Lender and maintain and keep the Property in good repair at all times during the term of this Deed of Trust pursuant to paragraph 4 below. If Borrower fails to maintain the Property in good repair, Lender may enter the Property and make those repairs necessary to maintain the Property in good repair. Lender may pay any such tax, lien or security title, assessment, obligation, water rates, premium or other charge necessary to maintain the Property in good repair, or any amounts required to purchase such insurance in Lender's own name, if Borrower fails to do so. The amount Lender pays will be due and payable to Lender on demand, will bear an interest charge at the interest rate in effect from time to time provided in the Note secured by this Deed of Trust if permitted by law, or, if not, at the highest lawful interest rate, will be an additional lien or security title on the Property and may be enforced and collected in the same manner as the other obligations secured by this Deed of Trust. The insurance carrier providing the insurance referred to above will be chosen by Borrower subject to Lender's approval which will not be unreasonably withheld. All insurance policies and renewals must be acceptable to Lender and must include a standard mortgagee clause. Lender will have the right to hold the policies and renewals. If Lender requires, Borrower will promptly give to Lender all receipts of paid premiums and renewal notices. In the event of a loss, Borrower will give prompt notice to the insurance carrier and Lender. Lender may file a proof of loss if not made promptly by Borrower. Insurance proceeds will be applied to the restoration or repair of the Property damaged or, at Lender's option, the insurance proceeds will be applied to the sums secured by this Deed of Trust, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within ten (10) days, a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Deed of Trust, whether or not then due. The ten (10)-day period will begin when the notice is given.

**3. Application of Payments.** Unless applicable law provides otherwise, payments shall be first applied to any prepayment charges, then to any costs and expenses incurred under this Deed of Trust, then to interest then due and then to principal.

**4. Preservation and Maintenance of Property; Leaseholds.** Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

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**5. Mortgage Insurance.** If Lender required mortgage insurance as a condition of making the loan secured by this Deed of Trust, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

**6. Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

**7. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Deed of Trust shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the payments referred to in paragraph 1 or change the amount of such payments.

**8. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

**9. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Deed of Trust shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 15. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Deed of Trust but does not execute the Note: (a) is co-signing this Deed of Trust only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Deed of Trust; (b) is not personally obligated to pay the sums secured by this Deed of Trust; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Deed of Trust or the Note without that Borrower's consent.

**10. Loan Charges.** If the loan secured by this Deed of Trust is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount

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necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

**11. Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Deed of Trust unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Deed of Trust and may invoke any remedies permitted by paragraph 17.

**12. Notices.** Any notice to Borrower provided for in this Deed of Trust shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. Borrower requests that copies of any notices of default and sale be sent to Borrower's address which is the Property Address unless otherwise indicated on the front page of this Deed of Trust. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

**13. Governing Law; Severability.** This Deed of Trust is made pursuant to the Alternative Mortgage Transactions Parity Act of 1982 and applicable regulations. Otherwise, to the extent not preempted by such Act or regulations, this Deed of Trust is governed by Nevada law, and any other applicable federal law. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision. To this end the provisions of this Deed of Trust and the Note are declared to be severable.

**14. Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Deed of Trust.

**15. Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Deed of Trust.

**16. Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Deed of Trust discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Deed of Trust; or (b) entry of a judgment enforcing this Deed of Trust. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Deed of Trust and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Deed of Trust, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien or security title of this Deed of Trust, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust shall continue unchanged. Upon reinstatement by Borrower, this Deed of Trust and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 15.

**17. Default.** If Borrower defaults in paying any part of the indebtedness secured by this Deed of Trust or if Borrower defaults in any other way, the entire unpaid principal and any accrued and unpaid interest thereon and any other amounts Borrower then owes under the loan secured by this Deed of Trust will become due, if Lender desires.

Lender may execute and record, in the Office of the Recorder of each county in which the Property or some part is located, a written notice of the default and Lender's election to sell the Property secured by this Deed of Trust. Lender may rescind the notice before the Trustee's sale by executing and recording a notice of rescission, which will

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cancel any prior notice of default and of any acceleration of the maturity of the indebtedness affected by any prior notice of default. Lender's rescission of a notice of default will not waive any existing or subsequent default nor impair Lender's right to execute any notice of default and election to cause the Property to be sold nor otherwise affect any of Lender's rights under this Deed of Trust.

After the time required by law following the recording of the notice of default has elapsed, the Trustee may give notice of sale as then required by law and, without demand on Borrower, sell the real estate at the time and place fixed in the notice of sale either as a whole or in separate parcels in whatever order the Trustee determines, at public auction to the highest bidder for cash. The Trustee may postpone the sale from time to time by making a public announcement at the original or previously postponed time and place of sale, and without further notice, the Trustee may make such sale at the time to which the sale may be so postponed.

The Trustee will deliver to the purchaser a Trustee's deed conveying the real estate sold, but without any covenant of warranty, express or implied. Any person, including Lender, Borrower or the Trustee, may bid at the sale and purchase the real estate. The proceeds of the sale will be applied by the Trustee first, to the payment of all fees and expenses of the Trustee and of this trust; second to all sums expended by Lender under the terms of this Deed of Trust which have not been repaid, with accrued interest at the amount allowed by law; third to all other sums secured by this Deed of Trust; and any remainder to the persons legally entitled to it.

**18. Lender in Possession.** Upon acceleration under paragraph 17 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Deed of Trust.

**19. Reconveyance.** Upon payment of all sums secured by this Deed of Trust, Lender shall request the Trustee to reconvey the Property and shall surrender this Deed of Trust and all notes evidencing debt secured by this Deed of Trust to the Trustee. Trustee shall reconvey the Property without warranty. The trustee or Lender may charge a fee for services rendered in connection with the preparation, execution or recordation of a reconveyance, or request for a reconveyance, to the extent allowed by law. Such person or persons shall pay any recordation costs.

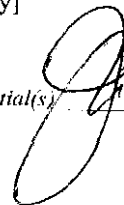
**20. Substitute Trustee.** Lender, at its option, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Lender and recorded in the office of the Recorder of the county in which the Property is located. The instrument shall contain the name of the original Lender, Trustee and Borrower, the book and page where this Deed of Trust is recorded and the name and address of the successor trustee. Without conveyance of the Property, the successor trustee shall succeed to all the title, powers and duties conferred upon the Trustee herein and by applicable law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

**21. Riders to this Deed of Trust.** If one or more riders are executed by Borrower and recorded together with this Deed of Trust, the covenants and agreements of each rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Deed of Trust as if the rider(s) were a part of this Deed of Trust [Check applicable box(s)]

- |  |   |  |
|--|---|--|
| <input checked="" type="checkbox"/> Adjustable Rate Rider      | <input type="checkbox"/> Condominium Rider              | <input checked="" type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> Graduated Payment Rider               | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Manufactured Housing Rider  |
| <input type="checkbox"/> Request for Copy of Notice of Default | <input type="checkbox"/> Other(s) [specify]             |  |

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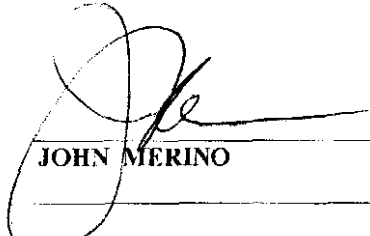
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22. **Transfer of Servicing.** If the servicing of this Deed of Trust and the indebtedness by which it secures is ever transferred from one servicing agent to another servicing agent, each such servicing agent shall inform the Borrower of the transfer prior to the creation of any obligation on the part of the Borrower to pay the new servicing agent.

By signing below, Borrower accepts and agrees to the terms and covenants contained in this Deed of Trust and in any rider(s) executed by Borrower and recorded with it.

  
\_\_\_\_\_  
**JOHN MERINO** -Borrower  
\_\_\_\_\_  
-Non-Borrower Spouse

  
\_\_\_\_\_  
**LEANN MERINO** -Borrower  
\_\_\_\_\_  
-Non-Borrower Spouse

STATE OF NEVADA

COUNTY OF Douglas

On August 4, 2004 before me, Susan Lapin  
(Notary Name and Title)

a Notary Public in and for the State of Nevada, personally appeared \_\_\_\_\_

**JOHN MERINO AND LEANN MERINO**

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.

Signature 



(Notarial Seal)

**REQUEST FOR RECONVEYANCE**

TO TRUSTEE:

The undersigned is the holder of the note or notes secured by this Deed of Trust. Said note or notes, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel said note or notes and this Deed of Trust, which are delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

Dated: \_\_\_\_\_

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## **EXHIBIT "A"**

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

Situate in the Northwest 1/4 of the Southwest 1/4 of Section 24, Township 12 North, Range 20 East, M.D.B. & M., and more particularly described as follows:

Parcel 1A, as set forth on Parcel Map for DENNIS LONG, et ux, recorded in the office of the County Recorder of Douglas County, Nevada, on January 3, 1990, in Book 190, Page 362, as Document No. 217577.

Being a re-subdivision of Parcel 1 of Parcel Map recorded June 12, 1976, in Book 676, Page 527, Document No. 00940, of Official Records.

TOGETHER WITH a 50 foot road and utility easement, as set forth on Parcel Map for DENNIS LONG and KIMBERLY LONG, recorded January 3, 1990, in Book 190, Page 362, as Document No. 217577.

Assessor's Parcel No.: 1220-24-302-009

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**1-4 FAMILY RIDER  
Assignment of Rents**

THIS 1-4 FAMILY RIDER is made this 4th day of AUGUST 2004  
and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Deed to  
Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure  
Borrower's Note to THE CIT GROUP/CONSUMER FINANCE, INC. (the "Lender") of the same  
date and covering the Property described in the Security Instrument and located at:

**1819 LONG COURT GARDNERVILLE NV 894107868**

[Property Address]

**1-4 FAMILY COVENANTS.** In addition to the covenants and agreements made in the Security Instrument,  
Borrower and Lender further covenant and agree as follows:

**A. ADDITIONAL PROPERTY SUBJECT TO THE SECURITY INSTRUMENT.** In addition to the  
Property described in the Security Instrument, the following items are added to the Property description, and shall also  
constitute the Property covered by the Security Instrument: building materials, appliances and goods of every nature  
whatsoever now or hereafter located in, on, or used, or intended to be used in connection with the Property, including  
but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and  
light, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water  
heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm  
windows, storm doors, screens, blinds, shades, curtains and curtain rods, attached mirrors, cabinets, paneling and  
attached floor coverings now or hereafter attached to the Property, all of which, including replacements and additions  
thereto, shall be deemed to be and remain a part of the Property covered by the Security Instrument. All of the  
foregoing together with the Property described in the Security Instrument (or the leasehold estate if the Security  
Instrument is on a leasehold) are referred to in this 1-4 Family Rider and the Security Instrument as the "Property."

**B. USE OF PROPERTY; COMPLIANCE WITH LAW.** Borrower shall not seek, agree to or make a  
change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change.  
Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body  
applicable to the Property.

**C. SUBORDINATE LIENS.** Except as permitted by federal law, Borrower shall not allow any lien inferior  
to the Security Instrument to be perfected against the Property without Lender's prior written permission.

**D. RENT LOSS INSURANCE.** Borrower shall maintain insurance against rent loss in addition to the other  
hazards for which insurance is required under the Security Instrument.

**E. ASSIGNMENT OF LEASES.** Upon Lender's request, Borrower shall assign to Lender all leases of the  
Property and all security deposits made in connection with leases of the Property. Upon the assignment, Lender  
shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole  
discretion. As used in this paragraph E, the word "lease" shall mean "sublease" if the Security Instrument is on a  
leasehold.

**F. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION.** Borrower  
absolutely and unconditionally assigns and transfers to Lender all the rents and revenues ("Rents") of the Property,  
regardless of to whom the Rents of the Property are payable. Borrower authorizes Lender or Lender's agents to collect  
the Rents, and agrees that each tenant of the Property shall pay the Rents to Lender or Lender's agents. However,  
Borrower shall receive the Rents until (i) Lender has given Borrower notice of default pursuant to the Security  
Instrument and (ii) Lender has given notice to the tenant(s) that the Rents are to be paid to Lender or Lender's agents.  
This assignment of Rents constitutes an absolute assignment and not an assignment for additional security only. If  
Lender gives notice of breach to Borrower: (i) all Rents received by Borrower shall be held by Borrower as trustee for  
the benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to  
collect and receive all of the Rents of the Property; (iii) Borrower agrees that each tenant of the Property shall pay all  
Rents due and unpaid to Lender or Lender's agents upon Lender's written demand to the tenant; (iv) unless applicable  
SS

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2-3460A (4/04) 1-4 Family Rider

SEE PAGE 2 FOR ADDITIONAL IMPORTANT TERMS

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law provides otherwise, all Rents collected by Lender or Lender's agents shall be applied first to the costs of taking control of and managing the Property and collecting the Rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, repair and maintenance costs, insurance premiums, taxes, assessments and other charges on the Property, and then to the sums secured by the Security Instrument; (v) Lender, Lender's agents or any judicially appointed receiver shall be liable to account for only those Rents actually received; and (vi) Lender shall be entitled to have a receiver appointed to take possession of and manage the Property and collect the Rents and profits derived from the Property without any showing as to the inadequacy of the Property as security.

If the Rents of the Property are not sufficient to cover the costs of taking control of and managing the Property and of collecting the Rents any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by the Security Instrument.

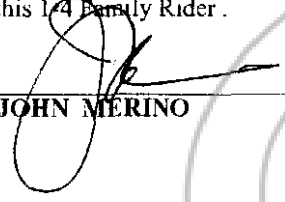
Borrower represents and warrants that Borrower has not executed any prior assignment of the Rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph.


Lender, or Lender's agents or a judicially appointed receiver, shall not be required to enter upon, take control of or maintain the Property before or after giving notice of default to Borrower. However, Lender, or Lender's agents or a judicially appointed receiver, may do so at any time when a default occurs. Any application of Rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of Rents of the Property shall terminate when all the sums secured by the Security Instrument are paid in full.

**G. CROSS-DEFAULT PROVISION.** Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

**SEE PAGE 1 FOR ADDITIONAL IMPORTANT TERMS**

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in pages 1 and 2 of this 1-4 Family Rider.

  
\_\_\_\_\_  
JOHN MERINO (Seal)  
-Borrower

  
\_\_\_\_\_  
LEANN MERINO (Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

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## ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 4TH day of AUGUST, 2004, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or similar instrument (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Promissory Note (the "Note") to THE CIT GROUP/CONSUMER FINANCE, INC., (the "Lender") of the same date and covering the Property described in the Security Instrument and located at: 1819 LONG COURT GARDNERVILLE, NV 894107868

*Property Address*

**THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.**

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

The Note provides for an initial interest rate of 6.500%. The Note provides for changes in the interest rate and the monthly payments, as follows. The interest rate I will pay may change on 09/01/06 and on that day every 6 month(s) thereafter. Each date on which my interest rate could change is called a "Change Date."

Beginning with the first Change Date, my interest will be based on an Index. The "Index" is the average of the interbank offered rates for six month U.S. Dollar deposits in the London market based on quotations of 5 major banks (LIBOR), as published in the Wall Street Journal. If the Index is no longer available, the Note Holder will choose a new Index which is based upon comparable information. The Note Holder will give me notice of this choice. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index." Before each Change Date, the Note Holder will calculate my new interest rate by adding 5.000% to the Current Index. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment. The interest rate I am required to pay at the first Change Date will not be greater than 9.500% or less than 3.500%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than 1.000% from the rate of interest I have been paying for the preceeding 6 months. My interest rate will never be greater than 12.500%. My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again. The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and possibly certain other information as well.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

  
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JOHN MERINO

(Seal)

-Borrower

  
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LEANN MERINO

(Seal)

-Borrower

(Seal)

-Borrower

(Seal)

-Borrower

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