

RECORDING REQUESTED BY:
Standard Trust Deed Service Company

WHEN RECORDED MAIL TO:
Standard Trust Deed Service Co.
2600 Stanwell Drive, Suite 200
P.O. Box 5070
Concord, California 94520

Douglas County - NV
Werner Christen - Recorder

Page: 1 Of 3 Fee: 16.00
BK-0805 PG- 2889 RPTT: 0.00



SPACE ABOVE THIS LINE FOR RECORDER'S USE

T.S. No. NLHF-062374

Loan No. 8628/James

**NOTICE OF DEFAULT AND OF ELECTION TO SELL
IMPORTANT NOTICE**

NOTICE IS HEREBY GIVEN THAT: Standard Trust Deed Service Company is either the original trustee, the duly appointed substituted Trustee, or acting as agent for the trustee or beneficiary under a Deed of Trust dated 10/22/2003, executed by Ronald L. James, a married man as his sole and separate property, as Trustor in favor of Magnate Fund #2, LLC, recorded 11/20/2003, under instrument no. 0597337, in book 1103, page 09366, of Official Records in the office of the County recorder of Douglas, County, Nevada securing, among other obligations.

ONE (1) for the Original sum of \$600,000.00, that the beneficial interest under such Deed of Trust and the obligations secured hereby are presently held by the undersigned; that a breach of and default in the obligations for which such Deed of Trust is security has occurred or that payment has not been made of:

1. The unpaid principal balance of \$600,000.00 which became due and payable on 12/26/2003 with interest due thereon from 3/26/2004 pursuant to that demand dated 5/2/2005.
2. All Late Charges due.
3. Provide proof that real property taxes are paid current.
4. Failed, or shall hereafter fail, to pay all other and subsequent interest and/or principal and all other obligations and indebtedness as may become due pursuant to or under the note and deed of trust and not performed and/or paid including, without limitation, reimbursement to the undersigned or any of the following, fees, costs expenses heretofore or hereafter incurred, suffered or paid by the undersigned in connection with the note, the deed of trust, the trustor (or its successor in interest with respect to the property) or the property;
 - (i) Attorney's fees and costs including, without limitation, those incurred in connection with foreclosure of the deed of trust, appointment of a receiver with respect to the property, litigation over the amount, validity, enforcement of priority of the note, the deed of trust or commencement of an action or proceeding for relief from any bankruptcy court or other judicial or administrative stay, order or injunction, and all other such matters;

(ii) Real or personal property taxes, groundlease rents or other leasehold payments, or payments under or with respect to prior or junior liens or encumbrances, insurance premiums and all other such matters;

(iii) Protection, preservation, repairs, restoration or completion of construction of the property, and all other such matters;

(iv) Compliance with any applicable laws, regulations or orders and other such matters;
or

(v) Trustee's fees, Trustee's Sale Guarantee premiums, and other foreclosure costs, and all other such matters.

That it is the intention of the undersigned to include herein all sums or obligations now or hereafter secured by and under the deed of trust, whether presently known or unknown, and whether or not specifically set forth herein.

That by reason thereof the present Beneficiary under such deed of Trust has executed and delivered to said duly appointed Trustee a written Declaration of Default and Demand for Sale and has deposited with said duly appointed Trustee such Deed of Trust and all documents evidencing obligations secured thereby and has declared and does hereby declare all sums secured thereby immediately due and payable and has elected and does hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

NOTICE

You may have the right to cure the default hereon and reinstate the one obligation secured by such Deed of Trust above described. Section NRS 107.080 permits certain defaults to be cured upon the Payment of the amounts required by that statutory section without requiring payment of that portion of principal and interest which would not be due had no default occurred. Where reinstatement is possible, if the default is not cured within 35 days following recording and mailing of this Notice to Trustor or Trustor's successor in interest, the right of reinstatement will terminate and the property may thereafter be sold. The Trustor may have the right to bring a court action to assert the nonexistence of a default or any other defense of Trustor to acceleration and Sale.

To determine if reinstatement is possible and the amount, if any, to cure the default, contact:

Magnate Fund #2 LLC
c/o LHJS Investments, LLC
c/o Standard Trust Deed Service Co.
2600 Stanwell Drive, Suite 200
P.O. Box 5070
Concord, California 94520

Phone: 925-603-1000



Dated :August 04, 2005

Standard Trust Deed Service Company, as Trustee

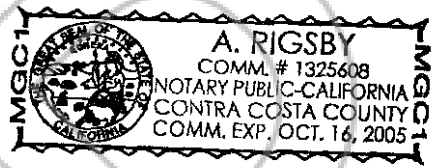
By: Peggy Payne
Peggy Payne, Assistant Secretary

State of California }ss
County of Contra Costa }

On August 04, 2005 before me, A. Rigsby Notary Public, personally appeared Peggy Payne 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 A. Rigsby
A. Rigsby



COPIES

