

DOC # 0685521  
09/29/2006 04:51 PM Deputy: GB

**OFFICIAL RECORD**

Requested By:

STEWART TITLE OF DOUGLAS  
COUNTY

Douglas County - NV  
Werner Christen - Recorder

Page: 1 Of 9 Fee: 22.00  
BK-0906 PG-10910 RPTT: 0.00



The undersigned hereby affirms that there is no Social Security number contained in this document

APN: 1420-28-310-004

**RECORDING REQUESTED BY:**  
STEWART TITLE OF DOUGLAS COUNTY  
1663 US Hwy 395 North, Suite 101  
Minden, Nevada 89423

**AFTER RECORDATION, RETURN BY MAIL TO:**  
STEWART TITLE OF DOUGLAS COUNTY  
1663 US Hwy 395 North, Suite 101  
Minden, Nevada 89423

660101493

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**ALL-INCLUSIVE PURCHASE MONEY DEED OF TRUST AND  
ASSIGNMENT OF RENTS**

This All-Inclusive Purchase Money Deed of Trust and Assignment of Rents, made this 29<sup>th</sup> day of September, 2006, between JAMES T. DENISON, whose address is 1278 San Pablo Court, Minden, Nevada 89423, herein called "TRUSTOR", and, STEWART TITLE OF DOUGLAS COUNTY, 1663 US Hwy 395 North, Suite 101, Minden, Nevada 89423, herein called "TRUSTEE", and HOMEKO 5, LLC, a Nevada Limited Liability Company, whose address is 2528 Business Parkway, Unit B, Minden, Nevada, 89423, herein called "BENEFICIARY".

**WITNESSETH:** That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Carson City, Nevada commonly known as 1278 San Pablo Court, Minden, Nevada 89423, with the following legal description:

**See attached legal description**

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

**A. For the Purpose of Securing:**

1. Performance of each agreement of Trustor herein contained.
2. Payment of the indebtedness evidenced by one all-inclusive purchase money promissory note of even date, with a maturity year of five (5) years from the execution of this instrument

herewith, and any extension or renewal thereof, in the principal sum of \$186,900.00 executed by Trustor in favor of Beneficiary or order.

**B. Underlying Obligations:**

This is an all-inclusive purchase money deed of trust, securing an all-inclusive purchase money promissory note in the original principal amount of \$149,600.00, (the "Note"), which includes within such amount the unpaid balance of the following:

A First Deed of Trust in the original principal sum of \$149,600.00 in favor of PHH Mortgage Services fka Cendant Mortgage Corporation, as Payee, secured by a Deed of Trust recorded July 26, 2001, as Document No. 519273, in Book 0701, pages 6821-6843, Official Records of Douglas County, Nevada.

(The Promissory Notes secured by such deeds of trust are hereinafter called the "Underlying Notes").

**C. To Protect the Security of This Deed of Trust, Trustor Agrees:**

1. To 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. To Provide, maintain and deliver to Beneficiary, fire, vandalism and malicious mischief insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor.

Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. The provisions hereof are subject to the mutual agreements of the parties as below set forth.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may

appear, and in any suit brought by Beneficiary to foreclose this Deed.

4. To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; subject to the mutual agreements of the parties as below set forth, to pay when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

5. To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.
6. That any award of damages in connection with any condemnation for public use of or injury to said property of any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance. The provisions hereof are subject to the mutual agreements of the parties as below set forth.
7. That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
8. That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part

of said property; 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 the lien or charge hereof.

9. That upon written request of Beneficiary stating 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, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto." Five years after issuance of such full reconveyance, Trustee may destroy said note and this Deed (unless directed in such request to retain them).
10. That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in this 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's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
11. That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this deed, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at

the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may be determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

12. Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.
13. That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
14. That Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.



15. IN THE EVENT THE TRUSTOR SHALL SELL, CONVEY OR ALIENATE SAID PROPERTY, OR ANY PART THEREOF, OR ANY INTEREST THEREIN, OR SHALL BE DIVESTED OF THEIR TITLE OR ANY INTEREST THEREIN, IN ANY MANNER OR WAY, WHETHER VOLUNTARY OR INVOLUNTARY, WITHOUT THE WRITTEN CONSENT OF THE BENEFICIARY BEING FIRST HAD AND OBTAINED, BENEFICIARY SHALL HAVE THE RIGHT, AT THEIR OPTION, TO DECLARE ANY INDEBTEDNESS OR OBLIGATIONS SECURED HEREBY, IRRESPECTIVE OF THE MATURITY DATE SPECIFIED IN ANY NOTE EVIDENCING THE SAME, IMMEDIATELY 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.

**D. Trustor and Beneficiary Mutually Agree:**

(A) By Beneficiary's acceptance of this All-Inclusive Purchase Money Deed of Trust, Beneficiary covenants and agrees that provided Trustor is not delinquent or in default under the terms of the Note secured hereby, Beneficiary shall pay all installments of principal and interest which shall hereafter become due pursuant to the provisions of the Underlying Note(s) as and when the same become due and payable. In the event Trustor shall be delinquent or in default under the terms of the Note secured hereby, Beneficiary shall not be obligated to make any payments required by the terms of the Underlying Note(s) until such delinquency or default is cured. In the event Beneficiary fails to timely pay any installment of principal or interest on the Underlying Note(s) at the time when Trustor is not delinquent or in default under the terms of the Note secured hereby, Trustor may, at Trustor's option make such payments directly to the holder of such Underlying Note(s), in which event Trustor shall be entitled to a credit against the next installment(s) of principal and interest due under the terms of the Note secured hereby equal to the amount so paid and including, without limitation, any penalty, charges and expenses paid by Trustor to the holder of the Underlying Note(s) on account of Beneficiary's failing to make such payment. The obligations of Beneficiary hereunder shall terminate upon the earliest of:

- (i) foreclosure of the lien of this All-Inclusive Purchase Money Deed of Trust, or
- (ii) cancellation of the Note secured hereby and reconveyance of this All-Inclusive Purchase Money Deed of Trust.

Should Trustor be delinquent or in default under the terms of the Note secured hereby, Beneficiary consequently incurs any penalties, charges, or other expenses on account of the Underlying Note(s) during the period of such delinquency or default, the amount of such penalties, charges and expenses shall be immediately added to the principal amount of the Note secured hereby and shall be immediately payable by Trustor to Beneficiary.

If at any time the unpaid balance of the Note secured hereby, accrued interest thereon, and all other sums due pursuant to the terms thereof and all sums advanced by beneficiary pursuant to the terms of this Deed of Trust, is equal to or less than the unpaid principal balance of the Underlying Note(s) and accrued interest thereon, the Note secured hereby, at the option of Beneficiary, shall be canceled and said property shall be reconveyed from the lien of this Deed of Trust.

(B) Trustor and Beneficiary agree that in the event the proceeds of any condemnation award or settlement in lieu thereof, or the proceeds of any casualty insurance covering destructible improvements located upon said property, are applied by the holder of the Underlying Note(s) in reduction of the unpaid principal amount thereof, the unpaid principal balance of the Note secured hereby shall be reduced by an equivalent amount and be deemed applied to the last sums due under the note.

(C) At such times as the Note secured hereby becomes all due and payable, the amount of principal and interest then payable to Beneficiary thereunder shall be reduced by the then unpaid balance of principal and interest due on the Underlying Note(s).

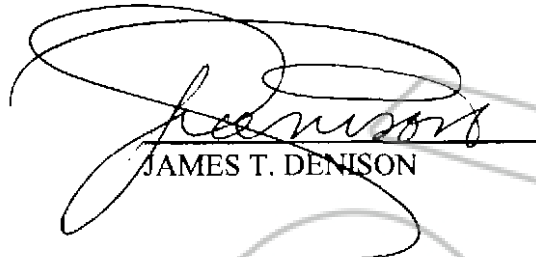
(D) Any demand hereunder delivered by Beneficiary to Trustee for the foreclosure of the lien of this Deed of Trust may be not more than the sum of the following amounts:

- (i) The difference between the then unpaid balance of principal and interest on the Note secured hereby and the then unpaid balance of principal and interest on the Underlying Note(s); plus
- (ii) The aggregate of all amounts theretofore paid by Beneficiary pursuant to the terms of this Deed of Trust prior to the date of such foreclosure sale, for taxes and assessments, insurance premiums, delinquency charges, foreclosure costs, and any other sums advanced by Beneficiary pursuant to the terms of this Deed of Trust, to the extent the same were not previously repaid by Trustor to Beneficiary; plus
- (iii) The costs of foreclosure hereunder; plus attorneys fees and costs incurred by Beneficiary in enforcing this Deed of Trust or the Note secured hereby as permitted by law.

(E) Notwithstanding any provision to the contrary herein contained, in the event of a Trustee's sale in furtherance of the foreclosure of this Deed of Trust, the balance then due on the Note secured hereby, for the purpose of Beneficiary's demand, shall be reduced, as aforesaid, by the unpaid balance, if any, of principal and interest then due on the Underlying Note(s), satisfactory evidence of which unpaid balances must be submitted to Trustee prior to

such sale. The Trustee may rely on any statements received from Beneficiary in this regard and such statements shall be deemed binding and conclusive as between Beneficiary and Trustor, on the one hand, and the Trustee, on the other hand, to the extent of such reliance.

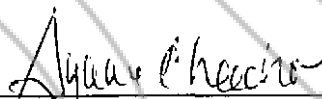
TRUSTOR:

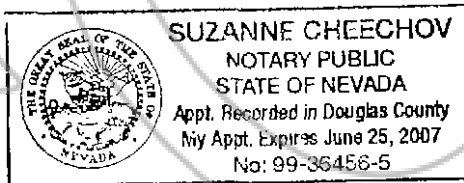
  
JAMES T. DENISON

STATE OF NEVADA        )  
                                      : ss.  
MINDEN                    )

On this 29<sup>th</sup> day of Sept, 2006, before me, the undersigned, a Notary Public in and for said state, personally appeared JAMES T. DENISON, personally known or proved to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

WITNESS my hand and official seal.

  
NOTARY PUBLIC





# EXHIBIT "A"

## LEGAL DESCRIPTION

ESCROW NO.: 060101493

The land referred to herein is situated in the State of Nevada, County of Douglas described as follows:

Lot 42, Block B, as shown on the Final Map #PD99-02-04 for SARATOGA SPRINGS ESTATES UNIT NO. 4, A PLANNED UNIT DEVELOPMENT, recorded in the Office of the County Recorder of Douglas County, Nevada, on May 19, 2000, in Book 0500, Page 4445, as Document No. 492337, and as shown on Certificate of Amendment recorded November 30, 2000, in Book 1100, Page 6042, as Document No. 504169.

ASSESSOR'S PARCEL NO. 1420-28-310-004