

A.P. No. 1319-18-211-002
Escrow No. 602611LR
Title No. 07-51657-CLG

Douglas County - NV
Werner Christen - Recorder
Page: 1 Of 4 Fee: 17.00
BK-0807 PG-9600 RPTT: 0.00

WHEN RECORDED MAIL TO:
Novasel & Schwarte Investments Inc.
Dbas Western Highland Mortgage Company
3170 Hwy 50 Ste 10
South Lake Tahoe CA 96150



**SHORT FORM DEED OF TRUST
WITH ASSIGNMENT OF RENTS**

This Deed of Trust, made this 30th day of August 2007, Between Steven J. Beattie
an unmarried man

herein called TRUSTOR,
whose address is PO Box 3751 Stateline NV 89449
(number and street) (city) (state) (zip)
and Fidelity National Title Company, a California Corporation, herein called TRUSTEE, and Western
Highland Mortgage Fund I LLC, a California Financial Lender License #6072161

herein called BENEFICIARY.

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Douglas County, Nevada, described as:

See Exhibit "A" and "B" attached hereto and made a part hereof

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 \$185,000.00 executed by Trustor in favor of Beneficiary or 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 the 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 Book and at the page, or Document No. of Official Records in the Office of the County Recorder of the county where said property is located, noted below opposite the name of such county, viz.:

DOCUMENT				DOCUMENT				DOCUMENT			
COUNTY	NO	BK	PG	COUNTY	NO	BK	PG	COUNTY	NO	BK	PG
Clark	413987	514		Humboldt	116986	3	83	Nye	47157	67	163
Churchill	104132	34 mrgs	591	Lander	41172	3	758	Ormsby	72637	19	102
Douglas	24495	22	415	Lincoln	41292	0 mtgs	467	Pershing	57488	28	58
Elko	14831	43	343	Washoe	407205	734	221	Storey	28573 Rmtgs.		112
Esmeralda	26291	3H deeds	138	Lyon	88486	31 mtgs.	449	White Pine	128126	261	341-3
Eureka	39602	3	283	Mineral	76648	16 mtgs.	534				

(which provisions, identical in all counties, are printed on the reverse hereof) hereby are adopted and incorporated herein and made a part hereof as fully as though set forth herein at length; that he 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 \$ 185,000.00 and with respect to attorneys' fees provided for by covenant 7 the percentage shall be ____ %.

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.


 Steven J. Beattie

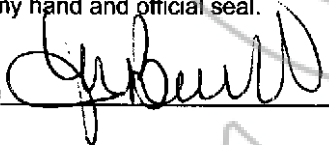
STATE OF NEVADA

COUNTY OF: Douglas

ON 8/31/07, before me J. Bekaert personally appeared Steven J. Beattie 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 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 

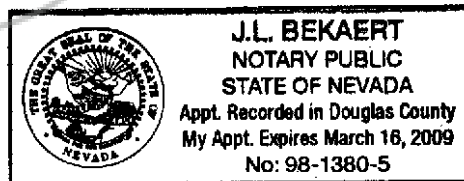
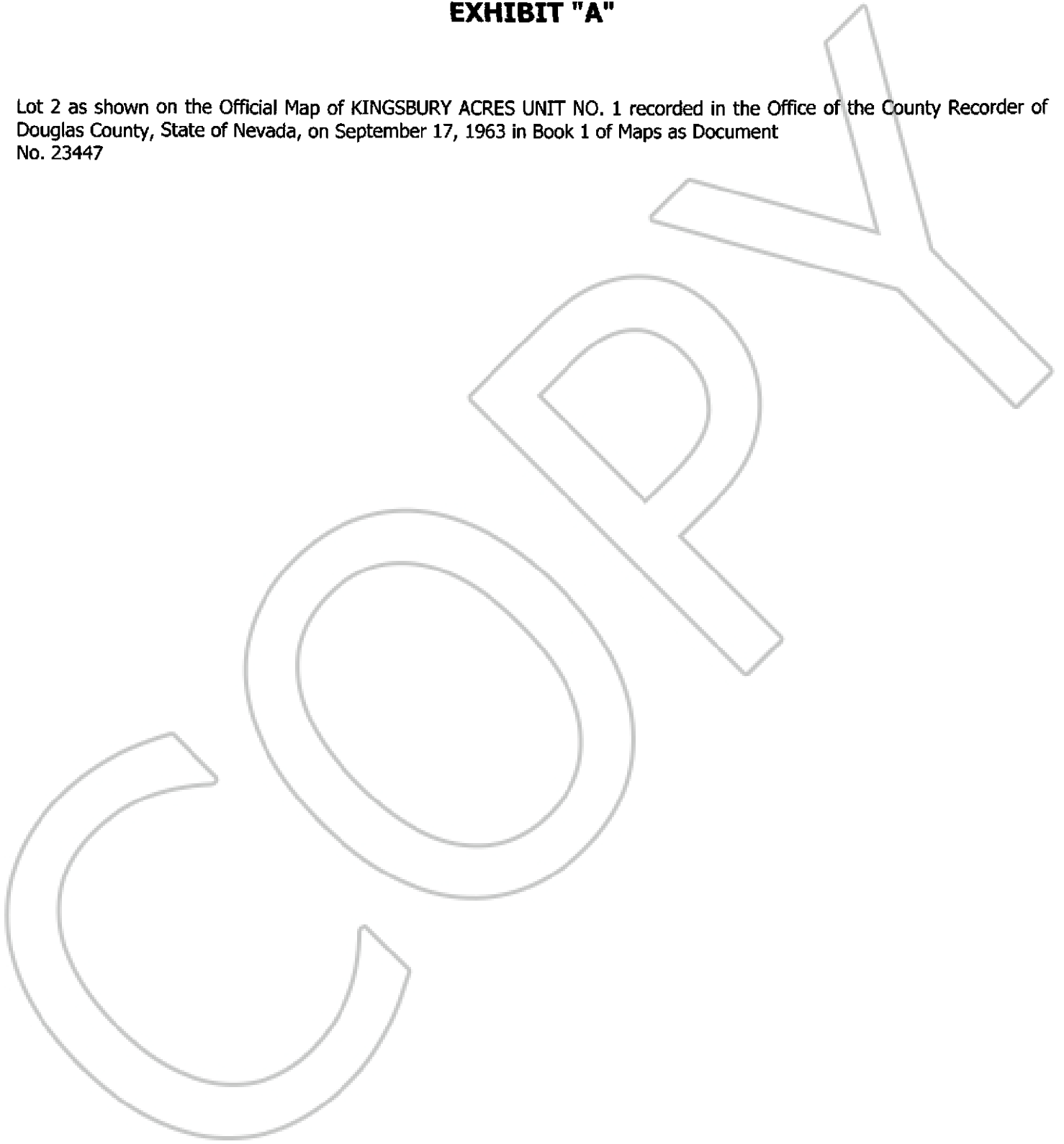


EXHIBIT "A"

Lot 2 as shown on the Official Map of KINGSBURY ACRES UNIT NO. 1 recorded in the Office of the County Recorder of Douglas County, State of Nevada, on September 17, 1963 in Book 1 of Maps as Document No. 23447



ADDENDUM TO DEED OF TRUST

As and for additional consideration for the loan secured by this Deed of Trust, Trustor hereby covenants and agrees that in the event Trustor causes a petition for relief to be filed under the United States Bankruptcy Code, including, but not limited to; a petition for relief pursuant to Chapters 7, 11 or 13, Trustor shall, upon written request from Beneficiary, stipulate to immediate relief from stay arising from the filing of Trustor's petition under the United States Bankruptcy Code. Trustor further acknowledges that this provision constitutes a material inducement to Beneficiary to lend Trustor the funds secured by the within Deed of Trust. Trustor further acknowledges Beneficiary would not loan said funds to Trustor without Trustor agreeing to immediate relief from stay as aforesaid. In the event Trustor fails to stipulate to immediate relief from stay upon written request from Beneficiary, Trustor hereby stipulates and agrees that the court wherein Trustor's petition is pending shall, upon application by Beneficiary, order relief from stay with respect to all of Beneficiary's rights under the within note and Deed of Trust. Trustor represents that Trustor understands the provisions of this Addendum to Deed of Trust and agrees to the provisions of this Addendum to Deed of Trust freely and voluntarily.

DUE ON SALE CLAUSE

If the Trustor shall convey or alienate said property or any part thereof or any interest therein or shall be divested of his title in any manner or way, whether voluntary or involuntary any indebtedness or obligation secured hereby, irrespective of the maturity date expressed in any note evidencing the same, at the option of the holder hereof and without demand or notice shall become due and payable immediately.

"SUBSEQUENT TRUST DEEDS ARE SUBJECT TO THIS TRUST DEED AND ANY RENEWAL OR EXTENSION THEREOF WHETHER ORAL OR WRITTEN."

Date: 8/31/07

Borrower's Signature:

[Signature] 8/31/07
Borrower Date Borrower Date

State of Nevada
County of Douglas

on 8/31/07 before me, J.L. Bekaert, personally appeared Steven T. Beattie 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]
Signature of Notary Public

