

OFFICIAL RECORD  
Requested By:  
TSI TITLE & ESCROW

APN: 1418-27-810-034

**When Recorded, Mail To:**

Novasel & Schwarte Inv., Inc.  
3170 Hwy. 50, Suite 10  
So. Lake Tahoe, CA 96150

Douglas County - NV  
Karen Ellison - Recorder  
Page: 1 Of 4 Fee: 17.00  
BK-0610 PG- 6163 RPTT: # 0



**SHORT- FORM DEED OF TRUST WITH ASSIGNMENTS OF RENT**  
**[Due on Sale Clause]**

THIS DEED OF TRUST is made this 24<sup>th</sup> day of June 2010, between LLOYD SINCLAIR, SURVIVING TRUSTEE OF THE LLS 2004 TRUST (herein called "TRUSTOR"), TSI TITLE & ESCROW, INC. (herein called "TRUSTEE"), and ROBERT I. NOVASEL and RICHARD W. SCHWARTE as CO-TRUSTEES OF THE NOVASEL & SCHWARTE INVESTMENTS, INC. PROFIT SHARING PLAN (herein called "BENEFICIARY").

**WITNESSETH:**

TRUSTOR IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to TRUSTEE IN TRUST, WITH POWER OF SALE, that certain real property and improvements located in Douglas County, Nevada, described as:

Lot 207, as shown on the Official Map of CAVE ROCK ESTATES UNIT NO. 1, filed in the Office of the County Recorder on January 3, 1962, Document No. 19323, Official Records of Douglas County, State of Nevada.

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 such default without cure at which time the BENEFICIARY is authorized to collect and enforce the same by any lawful means in the name of any party hereunto.

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 \$160,000.00, executed by TRUSTOR in favor of BENEFICIARY or order; and, (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 (15) inclusive of the Deed of Trust recorded in the Official Records in the Office of the County Recorder of Douglas County, Nevada, at Book 57, at Page 115 as Document No. 40050 which provisions hereby are adopted and incorporated herein and made a part herein as full as though set forth herein at length; that Trustor will observe and perform said provisions. The parties agree that with respect to Provision 15, the amount of fire insurance required by Covenant 2 shall be replacement costs; interest under Covenant 4 shall be 10% and, with respect to attorneys' fees provided for by Covenant 7, the amount shall be reasonable attorneys' fees.

**IF THE BORROWER SHALL SELL, ENTER INTO A CONTRACT OF SALE, LEASE FOR A TERM OF MORE THAN 6-YEARS (INCLUDING OPTIONS TO RENEW), LEASE WITH AN OPTION TO PURCHASE FOR ANY TERM, OR TRANSFER ALL OR ANY PART OF THE PROPERTY OR AN INTEREST THEREIN, EXCLUDING (A) THE CREATION OF A LIEN OR ENCUMBRANCE SUBORDINATE TO THIS DEED OF TRUST, (B) OR A TRANSFER BY DEVISE, DESCENT, OR BY OPERATION OF LAW UPON THE DEATH OF A JOINT TENANT, THE LENDER MAY, AT ITS OPTION DECLARE THE NOTE AND ANY OTHER OBLIGATIONS SECURED BY THIS DEED OF TRUST, TOGETHER WITH ACCRUED INTEREST THEREON, IMMEDIATELY DUE AND PAYABLE, IN FULL. NO WAIVER OF THE LENDER'S RIGHT TO ACCELERATE SHALL BE EFFECTIVE UNLESS IT IS IN WRITING.**

The undersigned TRUSTOR requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to it at their address hereinbelow set forth.

TRUSTOR:  
LLS 2004 TRUST


By: Lloyd Sinclair  
Lloyd Sinclair, Surviving Trustee

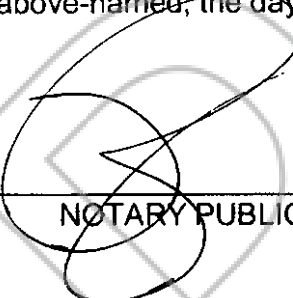
**Address of Trustor:**  
Lloyd Sinclair  
PO Box 512  
Glenbrook, NV 89413

STATE OF *Nevada*,  
COUNTY OF *Douglas* ) SS.

On the *25th* day of *June*, 2010, personally appeared before me, a Notary Public, in and for said County and State, LLOYD SINCLAIR, 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.

 **R. L. McEWING**  
Notary Public - State of Nevada  
Appointment Recorded in Douglas County  
No: 93-5224-5 - Expires April 26, 2013

  
\_\_\_\_\_  
NOTARY PUBLIC



**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: 6/25/10

Borrower's Signature:

Lloyd Sinclair 6/25/10  
Borrower Lloyd Sinclair, Surviving Trustee Date Borrower \_\_\_\_\_ Date \_\_\_\_\_

State of Nevada

County of Douglas

On 6/25/10 before me, R. L. McEwing, personally appeared Lloyd Sinclair 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 of Notary Public

