

Requested By:  
Stewart Title Las Vegas Wa  
Douglas County - NV  
Karen Ellison - Recorder  
Page: 1 of 7 Fee: \$220.00  
BK-112 PG-2635 RPTT: 0.00



**WHEN RECORDED MAIL TO:**  
Stewart Default Services  
7676 Hazard Center Drive, Suite 820  
San Diego, California 92108

APN: 1220-15-801-001, 1220-15-701-001,  
1220-15-701-003, 1220-22-000-003,  
1220-22-000-005, 1220-22-401-003,  
1220-28-000-009 & 1220-22-000-006

**TS No.: 10-00703 Loan No.: 1402L**

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

**NOTICE OF BREACH AND DEFAULT AND OF ELECTION TO CAUSE  
SALE OF REAL PROPERTY UNDER DEED OF TRUST**

**NOTICE IS HEREBY GIVEN THAT:** Stewart Default Services is the duly appointed Trustee under a Deed of Trust dated 10/25/2004, executed by RANCHOS, LLC, a Nevada limited liability company, as trustor in favor of HOUSING CAPITAL COMPANY, a Minnesota partnership, recorded 11/2/2004, under instrument no. 0628225, in book 1104, page 01029, together with any subsequent modifications to such Deed of Trust all of Official Records in the office of the County recorder of Douglas, County, Nevada securing, among other obligations.

One Note for the Original sum of \$7,500,000.00, 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:

**The balance of principal and interest which became due on 9/13/2010, along with late charges, foreclosure fees and any costs for legal fees or advances that have become due. The beneficiary may elect, in its discretion, to exercise its rights and remedies in any manner permitted under Nevada Uniform Commercial Code (NRS Chapter 103), or any other applicable section, as to all or some of the personal property, fixtures and other general tangibles and intangibles more particularly described in the Deed of Trust.**

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.



T.S. No.: 10-00703

Loan No.: 1402L

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

Housing Capital Company  
C/O Stewart Default Services  
7676 Hazard Center Drive, Suite 820  
San Diego, California 92108  
Phone: (888) 210-6524

Dated: 12/27/2011

Stewart Default Services

By: Ed Fontes  
Ed Fontes, Trustee Sale Officer

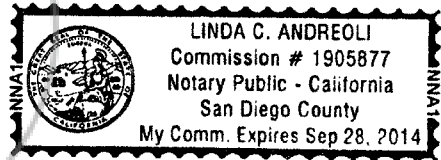
State of California }ss  
County of San Diego }

On 12/27/2011 before me, Linda C. Andreoli Notary Public, personally appeared Ed Fontes who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Linda C. Andreoli (Seal)





**Exhibit**  
**NRS 107.080 Compliance Affidavit**

**AFFIDAVIT OF AUTHORITY TO EXERCISE THE  
POWER OF SALE**

Property Owners:  
Ranchos, LLC

Trustee Address:  
Stewart Default Services  
7676 Hazard Center Drive, Suite 280  
San Diego, California 92108

Property Address: Approximately 547.02  
acres of vacant land along the Southeast  
corner of Dresslerville Road and Long Valley  
Road, in the Town of Gardnerville, Douglas  
County, Nevada

Deed of Trust Document Instrument  
Number:  
Recorded 11/2/2004, Instrument No.  
0628225, in Book 1104, Page 01029, in  
the Official Records of Douglas County,  
Nevada

APNs: 1220-15-701-001; 1220-15-701-003;  
1220-15-801-001; 1220-22-000-005; 1220-22-  
000-006; 1220-22-401-003; and 1220-28-000-  
009

STATE OF CALIFORNIA                    )  
  )ss:  
COUNTY OF San Mateo                    )

[TS # 10-00703; Loan #: 1402L]

The affiant, Norma J. Avery, being first duly sworn upon oath, based on personal knowledge, and under penalty of perjury attests that I am the SENIOR VICE PRES of U.S. Bancorp Construction Funding, Inc., a Minnesota corporation, which is the Managing Partner of Housing Capital Company, a Minnesota partnership, which is the current beneficiary under the deed of trust described in the notice of breach and default and of election to cause sale of real property under deed of trust to which this affidavit is attached ("Deed of Trust").

The following facts are, except where otherwise indicated, true of my own personal knowledge. Where the following facts are not based on my personal knowledge, they are based on: (i) my personal review of documents which are of public record in the State of Nevada; and/or (ii) my personal review of business records of the Current Beneficiary which have been represented to me to be true by persons employed by Current Beneficiary who have a business duty to Current Beneficiary to accurately make, take and maintain those records in the regular and ordinary course of their business duties:

1. The full name and business address of the trustee or the trustee's representative or assignee is:

Stewart Default Services

7676 Hazard Center Drive, Ste. 820, San  
Diego, CA 92108

Full Name

Street, City, County, State, Zip



The full name and business address of the current holder of the note secured by the Deed of Trust is:

Housing Capital Company, a Minnesota partnership	1825 S. Grant Street, Ste. 630, San Mateo, CA 94402
Full Name	Street, City, County, State, Zip

The full name and business address of the current beneficiary of record of the Deed of Trust is:

Housing Capital Company, a Minnesota partnership	1825 S. Grant Street, Ste. 630, San Mateo, CA 94402
Full Name	Street, City, County, State, Zip

The full name and business address of the servicers of the obligation or debt secured by the Deed of Trust is:

Housing Capital Company, a Minnesota partnership	1825 S. Grant Street, Ste. 630, San Mateo, CA 94402
Full Name	Street, City, County, State, Zip

2. The full name and last known business address of the current and every prior known beneficiary of the deed of trust, is:

Housing Capital Company, a Minnesota partnership	1825 S. Grant Street, Ste. 630, San Mateo, CA 94402
Full Name	Street, City, County, State, Zip

Housing Capital Company, a Minnesota partnership, was the original beneficiary and is the current beneficiary under the Deed of Trust. There were no unrecorded or recorded assignments or other conveyances of such beneficial interest.

3. The beneficiary, successor in interest of the beneficiary, or trustee of the Deed of Trust, has actual or constructive possession of the note secured by the Deed of Trust.
4. The trustee has the authority to exercise the power of sale under Chapter 107 of NRS with respect to the property encumbered by the Deed of Trust, pursuant to the instruction of the beneficiary of record and the current holder of the note secured by the Deed of Trust.
5. The following is information regarding the amount in default, the principal amount secured by the Deed of Trust, a good faith estimate of fees imposed and to be imposed because of the default and the costs and fees charged to the debtor in connection with the exercise of the power of sale:
  - a. The amount in default, as of the date of this Affidavit, is \$17,416,078.74.
  - b. The amount of fees and costs already charged to the debtor in connection with the exercise of power of sale is \$27,187.90 (this amount is already included in the Paragraph 5.a. default amount, above).



- c. The unpaid principal amount secured by the Deed of Trust is \$ 15,785,000.00 (which is included in the Paragraph 5.a. default amount, above, because the maturity date was September 13, 2010).
  - d. A good faith estimate of all fees imposed and to be imposed because of the default, exclusive of the foreclosure fees and costs set forth in Paragraph 5.b., above, and Paragraph 5.e., below, is \$12,675.00.
  - e. A good faith estimate of the foreclosure costs and fees to be charged to the debtor in connection with the exercise of the power of sale, which are not already included in Paragraph 5.b., above, is \$8,175.05
6. The following is information regarding the instrument(s) that conveyed the interest of each beneficiary:

Recorded 11/2/2004	Instrument #0628225, Book 1104, Page 01029	Deed of Trust with Assignment of Leases and Rents, Security Agreement and Fixture Filing
Date	Document Instrument Number	Name of Document Conveying Interest of Beneficiary

As stated above, Housing Capital Company, a Minnesota partnership, was the original beneficiary and is the current beneficiary under such Deed of Trust. There were no unrecorded or recorded assignments or other conveyances of such beneficial interest.



7. Following is the true and correct signature of the affiant:

Dated as of this 20th day of December, 2011.

Affiant:

Signature: 

Print Name: Norma J. Avery

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 2011, personally appeared before me, a Notary Public, in and for said County and State, \_\_\_\_\_, known to me to be the persons described in and who executed the foregoing instrument in the capacity set forth therein, who acknowledged to me that he/she executed the same freely and voluntarily and for the uses and purposes therein mentioned.

\_\_\_\_\_  
NOTARY PUBLIC IN AND FOR  
SAID COUNTY AND STATE



STATE OF CALIFORNIA )  
 )  
COUNTY OF SAN MATEO )

On December 21, 2011, before me, Mary K. Swanson, a Notary Public, personally appeared Norma J. Avery, who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Mary K Swanson  
Signature of Notary Public

