

DOC # 797360
02/15/2012 02:15PM Deputy: SG
OFFICIAL RECORD
Requested By:
Western Title Company
Douglas County - NV
Karen Ellison - Recorder
Page: 1 of 12 Fee: \$25.00
BK-212 PG-2867 RPTT: 0.00



A.P.N. 1420-06-401-024

WHEN RECORDED MAIL TO:

Heritage Bank of Nevada
1401 S Virginia St.
Reno, Nevada 89052
Attn: Wish Program

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**SUBORDINATE DEED OF TRUST,
ASSIGNMENT OF RENTS AND REQUEST FOR NOTICE**

THIS SUBORDINATE DEED OF TRUST, (second in priority behind First Mortgage Corporation, A California Corporation (first note holder) ASSIGNMENT OF RENTS AND REQUEST FOR NOTICE (this "Deed of Trust") is made this 10th day of February, 2012, between Stephen Hicks and Georgia Love, husband and wife as community property with right of survivorship, ("Trustor"), whose address for the purpose of this Deed of Trust is 3631 Summer Hill Drive, Carson City, NV 89705 and, Hacienda Service Corporation, A California Corporation as trustee ("Trustee"); and Heritage Bank of Nevada ("Beneficiary") whose address is 1401 S Virginia St., Reno, Nevada, 89502, Attn: Wish Program.

WHEREAS, Trustor owes Beneficiary in lawful money of the United States the sum of Fifteen Thousand and No/100 Dollars (\$15,000) as evidenced by the certain Promissory Note (AHP Homeownership Set-Aside Programs: IDEA and WISH) dated the same date as this Deed of Trust (the "Note").

NOW, THEREFORE, for the purpose of securing: (1) the Note and any extensions or renewals thereof; (2) any money or other consideration with interest thereon that may be advanced by or otherwise become due to the Trustee or Beneficiary under the provisions hereof, and (3) the obligations of Trustor under the Rider to Deed of Trust - Affordable Housing Program, Retention Agreement and Restrictive Covenants (AHP Homeownership Set-Aside Program: IDEA and WISH) attached hereto and made a part hereof, Trustor irrevocably grants to Trustee in trust with power of sale that certain property located in Washoe County and being more particularly described as follows (the "Property"):

THE LAND REFERRED TO HERIN BELOW IS DESCRIBED AS
FOLLOWS:
SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART
THEREOF.



Together with all appurtenances in which Trustor has any interest, including water rights benefiting said realty whether represented by shares of a company or otherwise; and further Trustor hereby gives to, confers and absolutely assigns to Beneficiary all rents, issues and profits, reserving the right, power and authority during the continuance of these trusts to collect the rents, issues and profits of said Property or of any personal property located thereon without further action by Beneficiary and with or without taking possession of the Property affected hereby.

Trustor further agrees as follows:

1. To properly care for and keep said Property in good condition and repair, not to remove or demolish any building thereon, to complete in a good and workmanlike manner any building which may be constructed thereon, and to pay when due all claims for labor performed and materials furnished therefore, to comply with all laws, ordinances and regulations requiring any alterations or improvements to be made thereon; not to commit or permit any waste thereof; not to commit suffer or permit any act to be done in or around said Property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and/or do any other act or acts, all in a timely and proper manner, which, from the character or use of said Property, may be reasonably necessary, the specific enumerations herein not excluding the general.
2. To pay and discharge all costs, fees and expenses of the above-mentioned Trustee, including cost of evidence of title and Trustee's fees in connection with sale, whether completed or not, which amounts shall become due upon delivery by Trustee of a notice of breach and election to sell, as provided herein and by Nevada law.
3. The amount collected under any fire insurance policy shall be credited: first, to accrued interest, next to expenditures hereunder; and any remainder upon the principal, and interest shall thereupon cease upon the amount so credited upon principal; *provided, however*, that at the option of Beneficiary, the entire amount collected under the policies or any part thereof may be released to Trustor, without liability upon Trustee for such release.
4. If, during the existence of the Trust there be commenced or pending any suit or action affecting said Property, or any part thereof, or the title thereto, or if any adverse claim for or against said Property or any part thereof, be made or asserted, he will appear in and defend any such matter purporting to affect the security and will pay all costs and damages arising because of such action.
5. Any award of damages in connection with any condemnation for public use of or injury to any property or 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 herein provided for disposition of proceeds of insurance.



6. Acceptance by Beneficiary of any sum in payment of any indebtedness, secured hereby, after the date when the same is due, shall not constitute a waiver of the right either to require prompt payment, when due, of all other sums so secured or to declare default as herein provided for failure so to pay.

7. Trustee may, at any time, or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the Note secured hereby for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby or the effect of this Deed of Trust upon, the remainder of said Property; reconvey any part of said Property; consent in writing to the making of any map or plat thereof; join in granting any easement thereon, or join in any extension agreement or subordination agreement in connection herewith.

8. Upon receipt of a written request from Beneficiary reciting that all sums secured hereby have been paid and upon surrender of this Deed of Trust 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 of fact shall be conclusive proof of the trust thereof. The grantee in such reconveyance may be described in general terms as "the person or persons legally entitled thereto," and Trustee is authorized to retain this Deed of Trust and Note.

9. Should default be made by Trustor in payment of any indebtedness secured hereby and/or in performance of any agreement herein, or in the Note, Beneficiary may declare all sums secured hereby immediately due by delivery to Trustee of a written declaration of default and demand for sale, and of written notice of default and election to cause said Property to be sold (which notice Trustee shall cause to be filed for record) and shall surrender to Trustee this Deed of Trust, the Note and all documents evidencing any expenditure secured hereby.

(a) After three months shall have elapsed following recordation of any such notice of default, Trustee shall sell said Property at such time and at such place in the State of Nevada as required by law, having first given notice of such sale as then required by law. Place of sale may be either in the county in which the Property to be sold, or any part thereof, is situated.

(b) Trustee may postpone the sale of all, or any portion, of said Property by public announcement at the time fixed by said notice of sale, and may thereafter postpone said sale from time to time by public announcement at the time previously appointed.

(c) At the time of sale so fixed, Trustee may sell the Property so advertised or any part thereof, either as a whole or in separate parcels at its sole discretion, at public auction, to the highest bidder for cash in lawful money of the United States, payable at time of sale, and shall deliver to such purchaser a deed conveying the Property so sold, but without covenant or



warranty, express or implied. Trustor hereby agrees to surrender, immediately and without demand, possession of said Property to such purchaser. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

(d) Beneficiary or its assigns may, at any time, by instrument in writing, appoint a successor or successors to Trustee named herein, which instrument, executed and acknowledged by Beneficiary, and recorded in the Office of the County Recorder of the county (or counties) wherein said Property is situated, shall be conclusive proof of the proper substitution of such successor or trustee, who shall have all of the estate, powers, duties and trusts in the premises vested in or conferred on the original Trustee. If there be more than one trustee, either may act alone and execute the trusts upon the request of Beneficiary and his acts shall be deemed to be the acts of .all trustees, and the recital in any conveyance executed by such sole trustee of such requests shall be conclusive evidence thereof, and of the authority of such sole trustee to act.

(e) Trustee shall apply the proceeds of any such sale to payment of: expenses of sale and all charges and expenses of Trustee and of these trusts, including cost of evidence of title and Trustee's fee in connection with sale; all sums expended under the terms hereof, not then repaid, with accrued interest at the rate of twelve percent (12%) per annum, all other sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto.

(f) This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisee, administrators, executors, successors and assigns.

(g) Trustee accepts these trusts when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

(h) In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural, and the term Beneficiary shall mean the holder and owner, including pledgees, of the Note secured hereby, whether or not named as a beneficiary herein, or, if the Note has been pledged, the pledges thereof.

(i) Be 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 to be secured or to declare default for failure so to pay.

10. Covenants Numbers 1, 2, 3, 4, 5, 6, 7, 8 and 9 of Section 107.030 of the Nevada Revised Statutes are hereby adopted and made a part of this Deed of Trust. The amounts agreed *upon* by the parties to this instrument with respect to Covenant No.2, regarding the amount of fire insurance shall be an amount necessary for replacement of the structure and improvements. With regard to Covenant No.4, regarding interest due for any sums advanced by the Trustee or Beneficiary, the interest rate on these sums shall be 0



percent (0%) per annum. With regard to Covenant No. 7, regarding expenses of sale, the percentage shall be a reasonable percentage. Such provisions so incorporated shall have the same force and effect as those specifically set forth herein.

11. If all or any part of the Property described above or an interest therein is sold or transferred by Trustor without Beneficiary's consent, Beneficiary may declare all sums secured by this Deed of Trust immediately due and payable.

12. Beneficiary and Trustor acknowledge and agree that this Deed of Trust is subject and subordinate in all respects to the liens, terms, covenants and conditions of certain senior deeds of trust executed by Trustor, as trustor, in favor of Heritage Bank of Nevada, as beneficiary (individually, a "Senior Deed of Trust" and collectively the "Senior Deeds of Trust") and to all advances heretofore made or which may hereafter be made pursuant to the Senior Deeds of Trust including all sums advance for the purpose of (a) protecting or further securing the respective liens of the Senior Deeds of Trust, curing defaults by the Trustor under any Senior Deed of Trust or for any other purpose expressly permitted by such Senior Deed of Trust or (b) constructing, renovating, repairing, furnishing, fixturing or equipping the Property. The respective terms and provisions of the Senior Deeds of Trust are paramount and controlling, and they supersede any other terms and provisions hereof in conflict therewith. In the event of a foreclosure or deed in lieu of foreclosure of any Senior Deed of Trust, any provisions herein or any provisions in any other collateral agreement restricting the use of the Property to low- and moderate-income households or otherwise restricting the Trustor's ability to sell the Property shall have no effect on subsequent owners or purchasers of the Property. Any person, including his successors or assigns (other than Trustor) receiving title to the Property through a foreclosure or deed in lieu of foreclosure of any Senior Deed of Trust shall receive title to the Property free and clear from such restrictions. Further, if any beneficiary under any Senior Deed of Trust acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Deed of Trust shall automatically terminate *upon* such beneficiary's acquisition of title, provided that (i) the Beneficiary has been given written notice of a default under such Senior Deed of Trust and (ii) the Beneficiary shall not have cured the default under such Senior Deed of Trust, or diligently pursued curing the default as determined by the Beneficiary, within the 60-day period provided in such notice sent to the Beneficiary.

13. The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at the address set forth above.

14. The provisions of this Deed of Trust and the attached Rider shall be governed by the laws of the jurisdiction in which the real property which is subject to the Deed of Trust securing the Note is located, without regard to conflicts of laws principles, except to the extent such law restricts activities otherwise permitted



to federally chartered savings banks in which event the laws, rules and regulations of the United States shall govern.

IN WITNESS WHEREOF, Beneficiary and Trustor have executed this Deed of Trust as of the date first set forth above.

Trustor:

Stephen Hicks

Georgia Love

Stephen Hicks

Georgia Love

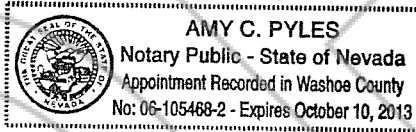
Beneficiary:

Heritage Bank of Nevada

By: *Kathy Peterson*

Name: Kathy Peterson

Title: Consumer Loan Officer



STATE OF NEVADA

COUNTY OF WASHOE

}
} ss.

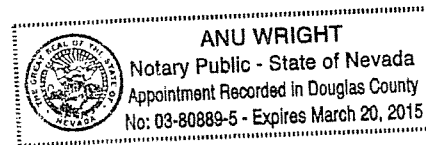
This instrument was acknowledged before me on February 13, 2012,
by *Amy C. Pyles*
Notary Public in and for Said County and State

STATE OF NEVADA)

COUNTY OF Carson City) ss.

On 2/13/12 before me, Anu Wright, a Notary Public, personally appeared Stephen Hicks and Georgia Love, 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 *Anu Wright*

(Seal)



RIDER TO DEED OF TRUST

**AFFORDABLE HOUSING PROGRAM
RETENTION AGREEMENT
AND RESTRICTIVE COVENANTS**

(AHP Homeownership Set-Aside Program: IDEA and WISH)

This Rider to Deed of Trust - Affordable Housing Program, Retention Agreement and Restrictive Covenants is attached to and made part of the foregoing deed of trust or similar security instrument ("Deed of Trust"). In this Rider, the beneficiary of the Deed of Trust is referred to as the "Lender" and the trustor under the Deed of Trust is referred to as the "Owner" or "Borrower." This Rider is sometimes referred to herein as the "Retention Agreement."

RECITALS:

A. Whereas, pursuant to Section 721 of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA"), the Federal Housing Finance Agency ("Finance Agency") is required to cause each Federal Home Loan Bank to establish an affordable housing program ("AHP") to assist members of each Federal Home Loan Bank to finance affordable housing for very low-, low-, or moderate-income households.

B. Whereas, the Federal Home Loan Bank of San Francisco ("FHLB") has also established an Affordable Housing Program Implementation Plan, which includes Homeownership Set-Aside programs (the "HSA Program"), and policies, procedures, guidelines, and instructions covering, among other things, the use of the FHLB's AHP funds under the HSA Program.

C. Whereas, Lender, a member of FHLB, has obtained a commitment for funds from the FHLB pursuant to an application to the FHLB (the "AHP Application") to obtain AHP subsidy (defined below) to provide for low- and moderate-income households in connection with the purchase of housing units pursuant to the requirements of the FHLB HSA Program.

D. Whereas, pursuant to regulations (including, without limitation, those contained in 12 C.F.R. Part 1291) promulgated by the Finance Agency pursuant to FIRREA (the "AHP Regulation"), members of each Federal Home Loan Bank are required to provide for the repayment of any direct subsidy should said direct subsidy be unused or improperly used.

E. Whereas, in connection with the Project (as defined in the AHP Application), Lender entered into an Affordable Housing Program Direct Subsidy Agreement Homeownership Set Aside Program ("AHP Agreement") with the FHLB, pursuant to which



Lender agreed to be bound by the AHP Regulation, and the policies, procedures, guidelines and instructions covering, among other things, the use of the FHLB's AHP funds under the HSA Program (collectively along with the AHP Implementation Plan, the "FHLB's AHP Policies and Procedures"), and perform certain monitoring functions with respect to the Project and related Subsidies.

F. Whereas, Lender has disbursed or agreed to disburse the Subsidy (defined below) to Owner in connection with Owner's purchase of real property described in the Deed of Trust (the "AHP-Assisted Unit"), and in connection with the Subsidy, Owner has executed the Deed of Trust, which includes this Rider.

G. Whereas, the parties desire to set forth those circumstances under which Lender shall be entitled to the repayment by Owner of the Subsidy.

By signing the Deed of Trust and this Rider, Owner hereby agrees as follows:

1. Subsidy. The secured obligation described in and secured by the Deed of Trust represents the "Subsidy" used or to be used in connection with the purchase of the AHP-Assisted Unit.

2. Retention Period. "Retention Period" means five years from the date of Owner's closing on the AHP-Assisted Unit. Owner agrees to comply with the terms and conditions of this Retention Agreement during the Retention Period.

3. Principal Residence Requirement; Notice of Sale or Refinancing.

(a) Residence. Owner shall own and occupy the AHP-Assisted Unit as Owner's principal residence during the Retention Period. In case of a sale described in Section 4(b)(i) below, the transferee shall own and occupy the AHP-Assisted Unit as transferee's principal residence during the balance of the Retention Period.

(b) Notice. Owner shall give notice to Lender and Lender shall give notice to the FHLB, of any proposed sale, transfer or refinancing of the AHP-Assisted Unit occurring prior to the end of the Retention Period, including a transfer by foreclosure or deed in lieu of foreclosure. Owner shall give such notice or cause such notice to be given at least 10 business days in advance of the anticipated completion of the sale or refinancing. The notice shall include all information necessary for determining whether any repayment will be due and payable under Section 4 of this Retention Agreement or similar provisions of the Promissory Note secured by the Deed of Trust ("Note") on account of the proposed transaction and, if any such payment will be due and payable, the amount of such payment and the basis for the determination of the amount.



4. Repayment.

(a) General. Subject to Section 5 below and unless earlier prepayment is required under subsections (b) or (c) below, payment of the principal balance of this Note will be due and payable in full at the end of the Retention Period, provided that Owner's liability on this Note shall be reduced on a pro rata basis as described in Section 4(b) below of this Retention Agreement. Provided Owner has owned and occupied the AHP-Assisted Unit as Owner's principal residence during the entire Retention Period and no default or breach has occurred and is continuing under the Note, the Deed of Trust, the Retention Agreement and the other Loan Documents and no misuse (as defined in subsection 4(c)) of this Retention Agreement has occurred, Owner shall be released from any obligation under this Note and Lender shall reconvey the Deed of Trust at the end of the Retention Period.

(b) Sale or Refinancing. In the case of a sale or refinancing prior to the end of the Retention Period of the AHP-Assisted Unit, an amount equal to the pro rata share of the Subsidy, reduced on a pro rata basis for every year Owner owned and occupied the AHP-Assisted Unit during the Retention Period, shall be repaid to Lender from any net gain realized upon the sale or refinancing ("net gain" shall include the amount by which the principal amount of the new financing exceeds the amount refinanced), unless:

(i) in case of a sale, the AHP-Assisted Unit is sold to a very low-, low- or moderate-income household as defined in the AHP Regulation and the FHLB's AHP Policies and Procedures; or

(ii) in case of a refinancing, following the refinancing the AHP-Assisted Unit continues to be subject to a deed restriction or other legally enforceable retention agreement or instrument incorporating the income eligibility and affordability restrictions, notice requirements and the other obligations and restrictions described in this Retention Agreement and the AHP Regulation for the remainder of the Retention Period.

(c) Noncompliance or Misuse. Owner shall be required promptly to repay the Subsidy in full, plus interest in an amount determined by the FHLB, that as a result of the Owner's actions or omissions is not used in compliance with the terms of the AHP Application, the AHP Agreement, FHLB's AHP Policies and Procedures or the requirements of the AHP Regulation, unless Owner cures such noncompliance within a reasonable time pursuant to the AHP Regulation. Noncompliance by Owner includes a misrepresentation by Owner at any time of Owner's eligibility to receive the Subsidy or the benefit of the Subsidy or of any facts on which such eligibility is based and any other noncompliance with the AHP Regulation resulting from an act or omission by Owner.

(d) Subsidy Repayment to FHLB. Lender's obligation to repay Subsidy to FHLB is governed by FHLB's AHP Policies and Procedures.



5. Effect of Foreclosure. The obligation to repay the Subsidy to Lender and to the FHLB shall terminate after any foreclosure against the AHP-Assisted Unit.

6. Restrictions Burden the Real Property. Subject to Section 5, regarding the effect of foreclosure or deed-in lieu of foreclosure, or assignment of the first mortgage on the AHP-Assisted Unit to the Secretary of HUD, this Retention Agreement requires that the AHP-Assisted Unit be owned and occupied during the Retention Period by a low- or moderate-income household, as defined in Section 1291.1 or other applicable section of the AHP Regulation or FHLB's AHP Policies and Procedures. All of the covenants and restrictions herein shall run with and encumber the AHP-Assisted Unit and the improvements thereon, and shall bind Owner and Lender during the Retention Period.

7. Monitoring. Owner agrees to comply with all requests by Lender for information or documentation arising from Lender's obligations to obtain information from the Owner under the AHP Regulation, AHP Application, AHP Agreement or the FHLB's AHP Policies and Procedures. The Owner's failure to respond to a request by Lender shall constitute noncompliance, as described in Section 4(c) of this Rider.

8. Secured Obligations. In addition to any secured obligations described in the main body of the Deed of Trust, the Deed of Trust secures (a) Owner's obligation to repay the Subsidy under the terms and conditions of this Retention Agreement and the Note executed by Owner and (b) performance of Owner's other obligations under this Retention Agreement.

9. Address for Notices. Notices under this Retention Agreement shall be sent to the addresses shown in the main body of the Deed of Trust.

10. Recording of the Agreement. This Retention Agreement shall be attached to and made a part of the Deed of Trust and the Deed of Trust shall be recorded in the official records of the county where the AHP-Assisted Unit is located.

11. Joint and Several Obligations. If more than one person is Owner of the AHP-Assisted Unit, their obligations under this Retention Agreement shall be joint and several, and references in this Agreement to "Owner" shall be deemed to refer to each of such persons.

IN WITNESS WHEREOF, Owner has signed this Rider as of the date of the foregoing Deed of Trust.

Owner:

Stephen Hicks

Georgia Love



STATE OF Nevada)
) ss.
COUNTY OF Carson City

On 2/13/12 before me, Anu Wright, a Notary Public, personally appeared Stephen Hicks and Georgia Love, 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 Anu Wright

(Seal)

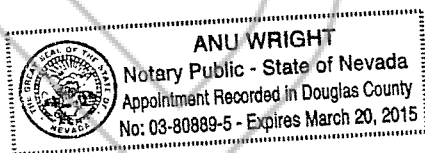




Exhibit "A"
Legal Description

All that certain real property situate in the County of Douglas, State of Nevada, described as follows:

All that real property being a portion of the Southwest 1/4, Section 6, Township 14 North, Range 20 East, M.D.B.&M., Douglas County, Nevada, more particularly described as follows:

Commencing at the South 1/4 corner of Section 6, Township 14 North, Range 20 East, M.D.B.&M.; Thence North 0°11'10" East along the North-South center of Section line a distance of 711.56 feet to the true point of beginning; Thence continuing North 0°11'10" East along said North-South center of Section line a distance of 140.27 feet to a point; Thence South 89°28'05" West a distance of 310.55 feet to a point; Thence South 0°12'15" West a distance of 140.27 feet to a point; Thence North 89°28'05" East a distance of 310.59 feet to the true point of beginning.

Reference is made to NRS 107, et seq. Deed recorded February 8, 2006, as Document No. 667519, Official Records of Douglas County, Nevada.

Assessor's Parcel Number(s):
1420-06-401-024

