

RECORDING REQUESTED BY

WHEN RECORDED MAIL TO
AND MAIL TAX STATEMENTS TO
G PEG II, LLC
1627 Highway 395 N
Minden, NV 89423

NON-MERGER GRANT DEED IN LIEU OF FORECLOSURE

APN NUMBER: 1320-29-401-010

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

DOCUMENTARY TRANSFER TAX is \$ _____

computed on full value of property conveyed, or computed on assessed value less value of liens or encumbrances remaining at time of Deed in Lieu.

This NON-MERGER GRANT DEED IN LIEU OF FORECLOSURE (the “**Deed in Lieu**”) dated this 16th day of December, 2016, is made by and among Saletti’s of Minden, LLC, a Nevada limited liability company (the “**Grantor**”), whose address is 1623 Highway 395 North, Minden, NV 89423, and G PEG II, LLC, a Nevada limited liability company (the “**Grantee**”), whose address is 1627 Highway 395 N, Minden, Nevada 89423.

1. Grant. For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby irrevocably and unconditionally grants, bargains, transfers, sells, conveys, assigns, and confirms to Grantee all of Grantor’s right, title and interest in, the following real property (the “**Property**”):

1.1 Land, Appurtenances, Easements. That certain real property and all interests therein located in Douglas County, Nevada, more particularly described in EXHIBIT A attached hereto and incorporated herein by this reference, together with all existing and future easements, access rights, appurtenances, privileges, licenses, hereditaments, franchises and tenements, including all minerals, oil, gas, and other commercially valuable substances that may be in, under or produced from any part of it (collectively, the “**Land**”);

1.2 Improvements. All buildings, structures, fixtures, and improvements now located or later to be constructed on the Land (the “**Improvements**”); and

1.3 Related Real Property and Improvements. All real property and improvements on it, and all appurtenances and other property and interests of any kind or character, whether described in EXHIBIT A or not, that may be reasonably necessary or desirable to promote the present and any reasonable future beneficial use and enjoyment of the Land and Improvements.

2. Deed in Lieu. This Deed in Lieu is an absolute conveyance, assignment, and transfer of all interest of Grantor in the Property and is executed and delivered by Grantor in connection with (i) that certain Deed of Trust dated August 1, 2007, executed for the benefit of Carson Bank as Beneficiary, as amended, and recorded on August 1, 2007, under Document No. 0706776 in the Official Records of Douglas County, Nevada, as subsequently assigned by the FDIC to CRE pursuant to that certain Assignment of Real Estate Deed of Trust recorded September 8, 2011 in the Official Records of Douglas County, Nevada, as Document No. 789241, as subsequently assigned to Greenwich pursuant to that certain Assignment of Deed of Trust, recorded December 17, 2015, in the Official Records of Douglas

County, Nevada, as Document No. 2015-874158, as subsequently assigned to Michael C. Gilbert pursuant to that certain Assignment of Deed of Trust, recorded March 24, 2016, in the Official Records of Douglas County, Nevada, as Document No. 2016-878530, as subsequently assigned to Grantee pursuant to that certain Assignment of Deed of Trust, recorded December 15, 2016, in the Official Records of Douglas County, Nevada, as Document No. 2016-892163; and (ii) that certain Deed of Trust and Security Agreement with Assignment of Rents and Fixture Filing dated March 13, 2014 executed by Grantor for the benefit of CRE, as amended and recorded on May 27, 2014 in the Official Records of Douglas County, Nevada as Document No. 843252, as subsequently modified by that certain Modification to Deed of Trust dated March 13, 2014 executed by Borrower for the benefit of CRE recorded May 27, 2014 in the Official Records of Douglas County, Nevada as Document No. 843253, as subsequently assigned to Greenwich pursuant to that certain Deed of Trust and Security Agreement with Assignment of Rents and Fixture Filing, recorded September 17, 2015, in the Official Records of Douglas County, Nevada, as Document No. 2015-869706, as subsequently assigned to Michael C. Gilbert pursuant to that certain Assignment of Deed of Trust, recorded on March 24, 2016, in the Official Records of Douglas County, Nevada, as Document No. 2016-878529, as subsequently assigned to Grantee pursuant to that certain Assignment of Deed of Trust, recorded December 15, 2016, in the Official Records of Douglas County, Nevada, as Document No. 2016-892162 (collectively the *"Deed of Trust"*).

3. Warranties. It is warranted and covenanted by Grantor in executing this Deed in Lieu, and agreed by Grantee in accepting this Deed in Lieu, as follows:

3.1 The consideration for the execution of the Deed in Lieu for the Property consists of Grantee's agreement, upon recording of this Deed in Lieu, to be bound by a covenant not to sue Grantor or its predecessor-in-interest Clarence J. Saletti III and Faith R. Saletti ("*Saletti*"), and Grantor's receipt of additional consideration, each as more fully described in the Deed in Lieu of Foreclosure and Settlement Agreement executed in connection herewith by and between Grantor and Grantee with respect to the Property (the *"Deed in Lieu Agreement"*). Nothing herein is intended or shall be construed to release Grantor or Saletti from any obligations to Grantee, or to preclude or otherwise prejudice Grantee's right to proceed with a foreclosure action against the Property.

3.2 The consideration set forth above for the execution of this Deed in Lieu is equal to or greater than the fair market value of the Property and includes the fair and reasonable value of Grantor's interest in the Property.

3.3 The Deed in Lieu is executed voluntarily by Grantor, and not pursuant to duress or threats of any kind. Furthermore, it is executed and delivered in mutual good faith between Grantor and Grantee, is not made in preference to Grantee over other creditors, and is not given or intended to hinder, delay, or defraud any creditor, or to contravene any of the bankruptcy laws of the United States or any other applicable laws.

3.4 The Deed in Lieu is not given as security for the payment of money or indebtedness, nor as security of any kind or nature, and there is no agreement or understanding, oral or written, between Grantor and Grantee herein, or any other person, relative to a conveyance of the Property back to Grantor, or to a sale or conveyance to anyone else for the benefit of Grantor, or to any division of any proceeds realized from the Property by sale or otherwise.

3.5 Grantor intends by the Deed in Lieu to vest the absolute and unconditional title to said Property in Grantee, and forever to estop and bar Grantor, and all of Grantor's successors in interest, from having or claiming any right, title or interest of any nature whatsoever, either in law or equity, or in possession or in expectancy, in and to the Property or any part thereof. In this regard, and in reliance upon this Deed in Lieu and all of Grantor's warranties and representations made herein, Grantee shall be entitled to exercise and enjoy all of the rights, responsibilities, powers and privileges associated with the Property at such time and on such terms as Grantee deems appropriate; paying taxes and assessments levied against the Property; and otherwise acting with respect to the Property consistent with the quiet enjoyment and ownership thereof by Grantee.

3.6 Grantor further warrants and represents: (a) that Grantor has full power and authority to execute and deliver this Deed in Lieu, (b) that this conveyance and assignment is freely and fairly made, (c) that Grantor is not rendered insolvent by this conveyance and assignment, and (d) that there are no agreements, oral or written, other than those reflected in this Deed in Lieu and the Deed in Lieu Agreement, between Grantor and Grantee with respect to the ownership or possession of the Property.

3.7 It is the express intent of Grantor and Grantee that this Deed in Lieu shall not operate to extinguish the Deed of Trust or the security agreement incorporated therein and that the Deed of Trust shall not be merged into or otherwise released by the recording hereof. Although Grantee has agreed not to take any action to seek or obtain a personal judgment against Grantor for Grantor's obligations secured by the Deed of Trust, Grantee retains the right to proceed with foreclosure actions under the Deed of Trust and any related security agreements against the Property on the basis of existing or future defaults under the obligations secured thereby in the event that a foreclosure is deemed necessary by Grantor for any reason, including to clear title to the Property of any existing or future encumbrances subordinate to the Deed of Trust.

[SIGNATURE PAGE FOLLOWS]

DATED this 16th day of December, 2016.

GRANTOR:

SALETTI'S OF MINDEN, LLC,
a Nevada limited liability company

By: *Clarence J. Saletti*
Clarence J. Saletti, Member/Manager

By: *Faith R. Saletti*
Faith R. Saletti, Member/Manager

GRANTEE:

G PEG II, LLC,
a Nevada limited liability company

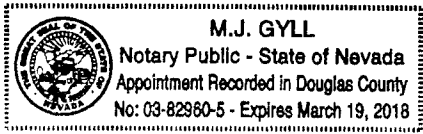
By: *Michael E. Pegram*
Michael E. Pegram, Manager

STATE OF NEVADA)

County of Douglas)ss.
)

On this 16 day of December, 2016, before me, the undersigned Notary Public, personally appeared Clarence J. Saletti, III and Faith R. Saletti, the Member/Manager of Saletti's of Minden, LLC, whose identity was proven to me on the basis of satisfactory evidence to be the person who they claim to be, and acknowledged that they signed the above document on behalf of said limited liability company.

(SEAL)



M. Gyll

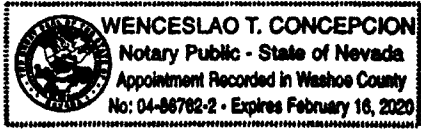
Notary Public

STATE OF NEVADA)

County of Douglas)ss.
)

On this 16TH day of DECEMBER, 2016, before me, the undersigned Notary Public, personally appeared Michael C. Gilbert, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document on his behalf.

(SEAL)



Wenceslao T. Concepcion
Notary Public

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

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

Parcel 1:

A rectangular piece or parcel of land situate, lying and being in the Southwest 1/4 of the Southwest 1/4 of Section 29, Township 13 North, Range 20 East, M.D.B.&M., adjacent to the Northern side of Railroad Avenue (U.S. 395) in the Town of Minden, Douglas County, Nevada, more particularly described as follows:

BEGINNING at the point of intersection of the Western Boundary of Seventh Street extended Northerly and the Northern Boundary of Railroad Avenue (U.S. 395) in said Town of Minden; thence North 63°25' West along said Northern Boundary a distance of 159 feet to a point; thence North 26°35' East a distance of 120 feet to a point; thence South 63°25' East a distance of 159 feet to a point; thence South 26°35' West a distance of 120 feet to THE POINT OF BEGINNING.

Parcel 2:

EXCEPT THEREFROM: that portion of a parcel of said land conveyed to the County of Douglas in Deed recorded May 7, 1982, in Book 582, Page 342, Document No. 67574, of Official Records of Douglas County, Nevada.

TOGETHER WITH a non-exclusive easement for roadway and incidental purposes over, under and across the West 13 feet of that portion of the Southwest 1/4 of Section 29, Township 13 North, Range 20 East, M.D.B.&M., as set forth in Easement Deed recorded January 5, 1984 in Book 184, Page 149, Document No. 093839, of Official Records of Douglas County, Nevada.

APN 1320-29-401-010

STATE OF NEVADA-DECLARATION OF VALUE FORM

1. Assessor Parcel Number(s)

- a) 1320-29-401-010
- b) _____
- c) _____
- d) _____

2. Type of Property:

- a) Vacant Land
- b) Single Fam. Res.
- c) Condo/Twnhse
- d) 2-4 Plex
- e) Apt. Bldg
- f) Comm'l/Ind'l
- g) Agricultural
- h) Mobile Home
- i) Other _____

FOR RECORDERS OPTIONAL USE ONLY	
Book _____	Page _____
Date of Recording: _____	
Notes: _____	

3. Total Value/Sales Price of Property:

\$500,000.00 _____
 : Deed in Lieu of Foreclosure Only (value of property) \$1,400,000.00 _____
 Transfer Tax Value \$-900,000.00 _____
 Real Property Transfer Tax Due: \$0 _____

4. If Exemption Claimed

- a. Transfer Tax Exemption, per NRS 375.090, Section _____
- b. Explain Reason for Exemption: DEED OF TRUST DOC. NO. 706776
AND DEED OF TRUST DOC. NO. 843252, OUTSTANDING DEBT

5. Partial Interest: Percentage being transferred: _____ % \$ 500,000.00

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature _____ Capacity AGENT
 Signature _____ Capacity _____

SELLER (GRANTOR) INFORMATION

BUYER (GRANTEE) INFORMATION

(REQUIRED)

(REQUIRED)

Print Name: Saletti's of Minden, LLC
 Address: 1623 Highway 395
Minden, NV 89423
 City, State, Zip

Print Name: G Reg II, LLC
 Address: 1627 Highway 395 N
Minden, NV 89423
 City, State Zip

COMPANY/PERSON REQUESTING RECORDING (Required if not the Seller or Buyer)

Print Name: Ticor Title of Nevada, Inc. Escrow #: 0606840 RT
 Address: 1483 Highway 395 N, Suite B
 City, State, Zip: Gardnerville, NV 89410