

A.P.N.: 1219-14-002-010

**Recording Requested By  
And When Recorded Mail To:**

City National Bank  
ATTN: HELOC Funding Department  
555 South Flower Street, 23<sup>rd</sup> Floor  
Los Angeles, CA 90071

Account No. XXXX74662  
TR No. 445801

Space Above This Line for Recorder's Use

**THIS INSTRUMENT SECURES FUTURE ADVANCES. THE MAXIMUM AMOUNT OF PRINCIPAL TO BE SECURED HEREBY IS 200% OF THE STATED PRINCIPAL AMOUNT OF THE INDEBTEDNESS SECURED. THIS INSTRUMENT IS TO BE GOVERNED BY THE PROVISIONS OF NEVADA REVISED STATUTES (AS AMENDED, "NRS") 106.300 THROUGH NRS 106.400 INCLUSIVE.**

**DEED OF TRUST AND ASSIGNMENT OF RENTS**

This Deed of Trust and Assignment of Rents (hereafter, "Deed of Trust") is made as of March 28, 2018, between Edward John Gray and Julie Ann Gray, Trustees of The Gray Family Living Trust executed on January 14, 2004, herein called "Trustor", whose address is 411 Corie Court, Gardnerville, NV 89460, herein called "Trustee", and CITY NATIONAL BANK, a national banking association, herein called "Beneficiary".

TRUSTOR IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE AND RIGHT OF ENTRY AND POSSESSION, for the benefit and security of Beneficiary, that property in Douglas County, Nevada described as:

Parcel 2 of Parcel Map for Jack S. and Cheryl Hall, according to the map thereof filed in the Douglas County Recorder's Office, State of Nevada, on March 11, 1998, in Book 388 at Page 1484, as Document No. 174178.

Also known as: 411 Corie Court, Gardnerville, NV 89460

TOGETHER WITH an absolute assignment of the leases, rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

This Deed of Trust is made for the purpose of securing:

1. Performance of each agreement of Trustor herein contained, and repayment of any funds advanced by or which Beneficiary or Trustee become obligated to advance under this Deed of Trust.
2. Payment of the indebtedness evidenced by the Home Equity Line of Credit Agreement and Disclosures of even date herewith, and all extensions or renewals thereof, executed by Edward J. Gray and Julie A. Gray ("Borrower") in favor of Beneficiary or order. The principal balance due under said Home Equity Line of Credit may vary from time to time, but will not exceed the maximum credit line of ONE HUNDRED THOUSAND AND NO/100THS DOLLARS (\$100,000.00).
3. Payment of such further sums as the then record owner of said property hereafter may borrow from Beneficiary, when evidenced by a promissory note or notes reciting it is so secured.

**To Protect the Security of This Deed of Trust, Trustor Agrees as Follows:**

4. Trustor shall, with respect to the property described in this Deed of Trust:
  - 4.1. Keep said property in good condition and repair;
  - 4.2. Not remove or demolish any building or other structure;
  - 4.3. Complete or restore promptly and in good and workmanlike manner any building or other structure which may be constructed, damaged or destroyed and pay when due all claims for labor performed and materials furnished therefor;
  - 4.4. Comply with all laws affecting said property or requiring any alterations or improvements to be made thereon;
  - 4.5. Not commit, suffer or permit waste;
  - 4.6. Not commit, suffer or permit any act upon such property in violation of law, including but not limited to all Federal, state and local statutes, ordinances or regulations relating to hazardous or toxic waste;
  - 4.7. Cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of the property may be reasonably necessary to maintain its value, the specific enumerations herein not excluding the general;
  - 4.8. Provide, maintain and deliver to Beneficiary such evidence of insurance coverage as is satisfactory to and with loss payable to Beneficiary;

4.9. Appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit or other action brought by Beneficiary to foreclose this Deed of Trust;

4.10. Pay at least ten (10) days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock;

4.11. Pay when due, all encumbrances, charges and liens which appear to be prior or superior to the lien created by this Deed of Trust, together with any interest, costs or other sums secured thereby;

4.12. Cure within the time specified in any lease or sublease, or immediately if not specified, any defaults or breaches thereof and do all acts necessary to insure that any such lease or sublease remain in full force and effect; and

4.13. With respect to any property described above which is less than a fee-simple estate, including but not limited to a leasehold estate:

4.13.1. Trustor shall cure within the time specified in the above-described lease, or other agreement, or immediately if not specified therein, any default or breaches thereof and to do all acts necessary to insure the above-described lease or other agreement remains in full force and effect; and

4.13.2. Trustor shall not voluntarily terminate, surrender or subordinate any leasehold or other estate encumbered hereby and any attempt by Trustor to do so shall be wholly void and without any force and effect.

5. Trustor covenants and agrees that to effectuate the terms and conditions of this Deed of Trust:

5.1. Trustor shall, upon reasonable notice by Beneficiary, during normal business hours or at such other time if reasonably required, permit Beneficiary, and any of its agents or employees to inspect the property and copy such records of Trustor that pertain to the property, whether or not located at the property.

5.2. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in

exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees. Trustor shall pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount set forth in the promissory note secured hereby, or if the obligation secured hereby does not specify a rate of interest, at a rate of interest equal to the Beneficiary's Prime Rate as it may exist from time to time plus five percent (5.0%) but in no event less than ten percent (10.0%) per annum. Any advances that Beneficiary may make pursuant to this paragraph shall be deemed to be obligatory advances and the amount thereof shall be added to and be a part of the indebtedness secured hereby.

5.3. Trustor agrees to indemnify and hold Beneficiary, and any of its successors in interest, harmless from any waste or violations of law, including but not limited to all Federal, state and local statutes, ordinances or regulations relating to hazardous or toxic wastes.

5.4. Any award of damages in connection with any condemnation for public use of or injury to said property is hereby assigned and shall be paid to Beneficiary who shall apply said moneys in reduction of the principal amount of the indebtedness secured to the extent necessary to render its security unimpaired. If the obligation secured hereby includes obligations to reimburse the Beneficiary for moneys the Beneficiary is committed to advance to Trustor or third persons in the future, said award of damages shall be held as collateral for such reimbursement obligation in lieu of the property which is condemned. To the extent permitted by applicable law, Trustor hereby specifically, unconditionally and irrevocably waives all rights of a property owner granted under applicable law which provides for allocation of condemnation proceeds between a property owner and a lien holder, including the provisions of NRS 37.115, as it is in effect at the time of the award. An action for inverse condemnation shall be deemed an action for condemnation under this paragraph.

5.5. Insurance proceeds shall be held, in trust, by Beneficiary and applied to the reasonable costs of repair and restoration of the property if such proceeds, together with funds supplied by Trustor, are sufficient to restore the property in such a manner that the Beneficiary's security interest hereunder remains unimpaired. If the insurance proceeds, together with funds supplied by Trustor, are not sufficient to restore the property in such a manner that the Beneficiary's security interest hereunder remains unimpaired, said proceeds, at the option of Beneficiary, may be applied to the obligation secured hereby or to restoration of the property. If Trustor disagrees with Beneficiary's disposition of insurance proceeds hereunder, Trustor agrees to submit the matter to binding arbitration before a three-member panel (or one-member panel if the insurance proceeds are less than \$200,000) of the American Arbitration Association pursuant to the rules and regulations of the American Arbitration Association. The arbitrators shall also apportion the costs of arbitration, including attorneys' fees, to the extent each party has prevailed.

6. As additional security, Trustor hereby gives to, confers upon, and absolutely assigns to Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor a revocable license, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due

and payable. Upon any such default, the license and right of Trustor to collect and retain such rents, issues and profits shall cease and terminate, and Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby, and in such order as provided by law or as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. The absolute assignment of rents, issues and profits contained in this Deed of Trust constitutes a present transfer of Trustor's interest in existing and future rents, issues and profits with respect to the property described in this Deed of Trust effective upon the execution and delivery of this Deed of Trust. The assignment of rents by Trustor pursuant to this paragraph is subject to the Uniform Assignment of Rents Act (the "Act") codified as NRS Chapter 107A, as amended or recodified from time to time, and in the event of any conflict or inconsistency between the provisions of this paragraph and the provisions of the Act, the provisions of the Act shall control.

7. Trustor or any other person legally entitled thereto agrees to pay \$60.00 for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby.

8. Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book in which this Deed of Trust is recorded and the instrument number and the name and address of the new Trustee. Said instrument may be executed by any authorized agent of Beneficiary, and if such Beneficiary be a corporation and such instrument be executed on its behalf by any officer of such corporation, such instrument shall be conclusively presumed to be executed with authority and shall be valid and sufficient without proof of any action or resolution by the board of directors or any superior officer of the corporation.

9. 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 evidence of the obligation secured hereby for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

10. Upon written request of Beneficiary stating that all sums secured hereby have been paid, if applicable, Beneficiary's statement that no further commitment exists to make future advances or extend credit, and upon surrender of this Deed of Trust and the evidence of the obligation secured hereby to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. Upon written request of Beneficiary, if less than all sums secured hereby have been paid, Trustee shall reconvey, without warranty, the portion of the property then held hereunder specified by Beneficiary. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto." Unless delivered to Trustor, or Trustor's successors and assigns as provided by law, five (5) years after issuance of such full reconveyance, Trustee may destroy the evidence of indebtedness and this Deed of Trust (unless directed in such request to retain them).

11. Upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable, subject to NRS 107.080 by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the evidence of the obligation secured hereby and all documents evidencing expenditures secured hereby.

To the extent the obligation secured hereby arises from a commitment of Beneficiary to make future advances either to Trustor or a third party or extend credit subsequent to the recordation of a notice of default hereunder, the sums secured hereby shall also include the amount of such commitment to make future advances or extend credit, and subject to acceleration as provided in the previous paragraph. The Trustor shall pay such amount at such time as it pays all other sums secured hereby and the Beneficiary shall hold same as additional collateral for the obligation secured hereby, at such interest as is available to Beneficiary's customers in an insured deposit account with no restrictions on withdrawal. It shall be a default hereunder if any "borrower" (as that term is defined in NRS 106.310) who may send a notice pursuant to NRS 106.380(1), (a) delivers, sends by mail or otherwise gives, or purports to deliver, send by mail or otherwise give, to Beneficiary under this Deed of Trust (i) any notice of an election to terminate the operation of this Deed of Trust as security for any "future advance" (as defined in NRS 106.320) of "principal" (as defined in NRS 106.345), or (ii) any other notice pursuant to NRS 106.380(1); (b) records a statement pursuant to NRS 106.380(3); or (c) causes this Deed of Trust, any obligation secured hereby, or any secured party to be subject to NRS 106.380(2), 106.380(3) or 106.400.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, except as may be required by applicable law, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale. Subject to NRS 107.082, Trustee may

postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, other than the agent conducting the sale, including Trustor or Beneficiary may purchase at such sale.

If said property consists of more than one lot or parcel, the lots or parcels may be sold separately, together or in any combination, at the sole discretion of the Beneficiary. Trustor waives the right to direct the order in which said property may be sold when it consists of more than one lot or parcel. The order of sale of said property when it consists of more than one lot or parcel shall be at the sole discretion of the Beneficiary.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale in accordance with NRS 40.462 to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest equal to the Beneficiary's Prime Rate as it may exist from time to time plus five percent (5.0%) but in no event less than ten percent (10.0%) per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

12. Trustor agrees to the full extent permitted by law that in case of a default on its part hereunder, neither Trustor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisal, valuation, stay, extension or redemption laws now or hereafter in force in order to prevent or hinder the enforcement or foreclosure of this Deed of Trust or the absolute sale of the property encumbered hereby or the final and absolute putting into possession thereof, immediately after such sale, of the purchasers thereof, and Trustor, for itself and all who may at any time claim through or under it, hereby waives, to the full extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets comprising the property encumbered hereby marshaled upon any foreclosure of the lien hereof and agrees that the Trustee or any court having jurisdiction to foreclose such lien may sell the property in part or as an entirety.

13. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the evidence of the obligation secured hereby, whether or not named as Beneficiary herein. 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. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

14. That Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in

which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

15. With respect to any Trustor under this Deed of Trust who is not obligated to repay the indebtedness referred to in Paragraph 2 above, such Trustor:

15.1. Authorizes Beneficiary without notice or demand and without affecting the security granted hereunder, from time to time to renew, compromise, extend, accelerate or otherwise change the time for payment of or otherwise change the terms of the indebtedness secured hereby, or any part thereof, including increase or decrease of the rate of interest thereon;

15.2. To the extent permitted by applicable law, waives any right to require Beneficiary to proceed against the persons liable for the indebtedness secured by this Deed of Trust, to proceed against or exhaust any other security securing the obligations secured by this Deed of Trust or to pursue any other remedy in Beneficiary's power whatsoever; and

15.3. Waives any defense arising by reason of any disability, other defense, or the cessation from any cause whatsoever of the liability of any person liable for the indebtedness secured hereby.

Until all indebtedness secured by this Deed of Trust shall have been paid in full, and no commitment on the part of the Beneficiary to make future advances or extend credit either to Trustor or a third party exists, Trustor shall have no right of subrogation, and waives any right to enforce any remedy which Beneficiary now has or may hereafter have against any person liable for the indebtedness secured hereby, and waives any benefit of, any right to participate in any security now or hereafter held by Beneficiary and without limiting the generality of the foregoing, Trustor specifically waives and relinquishes as against Beneficiary any defense or benefit otherwise available to Trustor should Beneficiary make an election of remedies as against any person liable for the indebtedness secured hereby (and irrespective of the circumstances or manner in which or whereby such election is made) which destroys or impairs Trustor's subrogation rights or rights to proceed against any person liable for the indebtedness secured hereby for reimbursement. Trustor assumes the responsibility for being and keeping himself informed of the financial condition of any person liable for the indebtedness secured hereby and of all other circumstances bearing upon the risk of nonpayment of the indebtedness secured hereby which diligent inquiry would reveal, and agrees that Beneficiary shall have no duty to advise Trustor of information known to it regarding such condition or circumstances.

SHOULD THE TRUSTOR (OR ANY SUCCESSOR IN INTEREST TO TRUSTOR) WITHOUT THE PRIOR WRITTEN CONSENT OF THE BENEFICIARY SELL, TRANSFER, MORTGAGE, PLEDGE, HYPOTHECATE, ASSIGN OR ENCUMBER, ITS INTEREST IN THE PROPERTY (OR ANY PART THEREOF), WHETHER VOLUNTARILY OR INVOLUNTARILY, THEN BENEFICIARY MAY AT ITS ELECTION DECLARE ALL SUMS SECURED HEREBY IMMEDIATELY DUE AND PAYABLE. THIS PROVISION MAY APPLY TO EACH AND EVERY SALE, TRANSFER, MORTGAGE, PLEDGE, HYPOTHECATION, ASSIGNMENT OR ENCUMBRANCE REGARDLESS WHETHER OR NOT BENEFICIARY HAS CONSENTED TO,

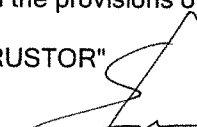


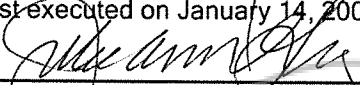
OR WAIVED, ITS RIGHT HEREUNDER, WHETHER BY ACTION OR NON-ACTION, IN CONNECTION WITH ANY PREVIOUS SALE, TRANSFER, MORTGAGE, PLEDGE, HYPOTHECATION, ASSIGNMENT OR ENCUMBRANCE, WHETHER ONE OR MORE.

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.

16. The following covenants, Nos. 1, 2 (full replacement value), 3, 4 (at a rate of interest equal to the Beneficiary's Prime Rate as it may exist from time to time plus five percent (5.0%) but in no event less than ten percent (10.0%) per annum), 5, 6, 7 (a reasonable amount), 8 and 9 of NRS 107.030 are hereby adopted by reference and made a part of this Deed of Trust; provided, that with respect to covenant No. 9, in the event of any conflict between such covenant and the provisions of this Deed of Trust, the provisions of this Deed of Trust shall prevail.

"TRUSTOR"

  
Edward John Gray, Trustee of The Gray Family Living Trust executed on January 14, 2004

  
Julie Ann Gray, Trustee of The Gray Family Living Trust executed on January 14, 2004

City National Bank

DEED OF TRUST

STATE OF NEVADA )

COUNTY OF Carson City )

On March 30 2018, before me, Lori Haney, a notary public, personally appeared Edward John Gray, 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.

WITNESS my hand and official seal.

Signature Lori Haney (SEAL)



City National Bank

DEED OF TRUST

STATE OF NEVADA )

COUNTY OF Carson City )

On March 30 2018, before me, Lori Haney, a notary public, personally appeared Julie Ann Gray, 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.

WITNESS my hand and official seal.

Signature Lori Haney (SEAL)

