

DOUGLAS COUNTY, NV

2018-912714

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\$35.00

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04/10/2018 11:43 AM

TICOR TITLE CARSON CITY- 307 WEST WINNIE

KAREN ELLISON, RECORDER

Title Order No: 01801280-DKD
Loan Number: 04102018
A.P.N. 1420-07-411-057
Wholesale Mortgage Services LLC
Nevada license #88

When recorded mail to:

Dyke Kauffmann Revocable Trust
c/o Evergreen Note Servicing
6121 Lakeside Drive, #150
Reno, NV 89511

01801280 DKD

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This loan is a home loan as defined in NRS 598D.040 and is subject to the provisions of § 152 of the Home Ownership and Equity Protection Act of 1994, 15 U.S.C. § 1602(aa), and the regulations adopted by the Board of Governors of the Federal Reserve System pursuant thereto, including, without limitation, 12 C.F.R. § 226.32.

FIRST DEED OF TRUST AND ASSIGNMENT OF LEASE AND RENTS

THIS DEED OF TRUST made April 9, 2018, between **Homer Bailey, an unmarried man**, herein called TRUSTOR, whose address is **892 Granite Court, Carson City, Nevada, 89705**, and **Dyke F. Kauffmann, Trustee of the Dyke F. Kauffmann Revocable Living Trust Agreement dated July 5, 2000** herein called BENEFICIARY whose address is, **4744 Jumbo Grade, Washoe Valley, NV 89704**, and Evergreen Escrow Company Inc., a Washington corporation DBA Evergreen Note Servicing, herein called TRUSTEE.

WITNESSTH: That Trustor irrevocably GRANTS, TRANSFERS, AND ASSIGNS to TRUSTEE IN TRUST WITH POWER OF SALE, that property in Douglas County, Nevada, described as:

**Lot 22 of RIDGEVIEW ESTATES, according to the map thereof, filed in the office of the County Recorder of Douglas County, State of Nevada, on December 27, 1972, as Document No. 63503.
APN: 1420-07-411-057**

AND ALSO, all the estate, interest, homestead or other claim, in law or in equity, which the Trustor now has or may hereafter acquire in and to said property, together with all easements and rights-of-way used in connection therewith or as a means of access thereto, and all water and water rights in connection therewith or share of stock evidencing such water or water rights, and all fixtures now or here-after attached to or used in connection with the premises above described, together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any way appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

FOR THE PURPOSE OF SECURING:

- (1) Performance of each agreement of the Trustor herein contained.
- (2) Payment of an indebtedness in the sum of \$123,500.00 with interest according to the terms of a Promissory Note of even date herewith, executed by the Trustor delivered to the Beneficiary, and payable to the order of the Beneficiary, which Note with any and all extensions thereof is incorporated herein by reference.
- (3) Payment of all other sums with interest, which may become due and payable under the provisions of this Note to either the Trustee or the Beneficiary.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST:

FIRST: In the event any improvements are constructed upon the herein described real property, the Trustor promises and agrees to pay when due all claims for labor performed and materials furnished for any construction, alteration or repair thereon; to comply with all laws affecting said property or relating to any alterations or improvements that may be made; not to commit or permit waste thereon; not to commit, suffer or permit any acts upon the property in violation of any law, covenant, condition or restriction affecting the property. **ADVANCES:** Beneficiary shall have at his option, the right to make any advances, without the consent of junior lien holders, for the completion of the construction and/or improvements, mechanics liens, labor, materials, taxes, insurance, prior encumbrances, and HOA dues for the preservation of this security or any other purpose. Any advances made pursuant to this clause shall maintain its security position as of the date of recording the Deed of Trust securing this Note. Advances shall bear interest at the rate agreed upon in this Note.

SECOND: The following covenants Nos. 1,3,4 (Loan interest 9.0%), 5,6,7 (Reasonable %), 8, and 9 of Nevada Revised Statutes 107.030 are hereby adopted and made part of this Deed of Trust.

THIRD: Trustor agrees that he will pay any deficiency arising from any cause after application of the proceeds of a sale held in accordance with the provisions of the covenants herein above adopted by reference.

FOURTH: Trustor agrees to provide and maintain fire, hazard, and extended coverage insurance, insuring the property and any and all improvements upon or to be constructed upon the premises, in a company satisfactory to, and the loss payable to, the Beneficiary and the Trustor as their respective interests may appear. This insurance shall be in the amount of the fair and reasonable market value of the real property and its improvements, with the minimum amount being the amount of the note secured by this Deed of Trust plus junior loans if any.

FIFTH: Any award of damages in connection with any condemnation for public use of or injury to this property or any part thereof significantly affecting the value of the security is hereby assigned and shall be paid to Beneficiary. The Beneficiary shall apply the condemnation award to the indebtedness secured hereby in such order as the Beneficiary may determine, and when such indebtedness has been satisfied, the balance of such award shall be released to the Trustor.

SIXTH: Trustor shall pay all reasonable costs, charges and expenses, including attorney's fees, reasonably incurred or paid at any time by the Beneficiary because of the failure

on the part of Trustor to perform, comply with, and abide by each and every stipulation, agreement, condition and covenant of the Promissory Note secured hereby and this Deed of Trust.

SEVENTH: Trustor hereby assigns to the Beneficiary the right, power, and authority, during the continuance of this Trust, to collect the rents, issues, and profits of the property, reserving unto the Trustor the right, prior to any default as defined in this Deed of Trust, by the Trustor to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time and without notice, either in person, by agent, or by receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, collect and enforce his assignment of the rents, issues, and profits by any lawful means.

EIGHTH: The lien of this instrument shall remain in full force and effect during any postponement or extension of the time of repayment of the indebtedness or any part thereof secured by this Deed of Trust. The Beneficiary may, without notice or consent of the Trustor, extend the time of payment of indebtedness secured hereby to any successor in interest of the Trustor, without discharging the Trustor from any liability thereon.

NINETH: The rights and remedies granted hereunder or by law shall not be exclusive but shall be concurrent and cumulative.

TENTH: The benefits of covenants, terms, conditions and agreements herein contained shall accrue to, and the obligations thereof shall bind, the heirs, representatives, successors and assigns of the parties hereto and the Beneficiary hereof. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders, and the term "Beneficiary" shall include any payee of the indebtedness hereby secured or any transferee thereof, whether by operation of law or otherwise.

ELEVENTH: This Deed of Trust is executed by the Trustor and accepted by the Beneficiary with the understanding and upon the express condition that if the Trustor should make default in the performance to the Beneficiary of any of the covenants or agreements herein set forth, then and in that event the full amount of the principal of the indebtedness secured hereby, plus interest, shall forthwith be and become wholly due and payable, notwithstanding the fact that the same would not otherwise be due according to the terms of the Promissory Note secured hereby.

TWELTH: In the event of sale, transfer, conveyance or alienation of said property, or any part thereof, or any interest therein, whether voluntary or involuntary, Beneficiary shall have the right of acceleration, at his option, to declare the Note secured by this Deed of Trust, irrespective of the maturity date expressed therein, and without demand or notice, immediately due and payable, including any prepayment charge provided for therein. No waiver of this right shall be effective unless in writing. Consent by Beneficiary to one such transaction shall not constitute a waiver of the right to require such consent to succeeding transactions.

THIRTEENTH: Assignment of Leases and Rents. Trustor does hereby sell, assign and transfer unto Beneficiary all of the leases, rents, income and profits now due and which may hereafter become due under or by virtue of any lease, whether written or oral, or any agreement for the use of occupancy of the Property, it being the intention of Trustor and Beneficiary to establish an absolute transfer and assignment of all such leases and agreements, all of the rents and profits from the Property unto the Beneficiary, and Trustor does hereby appoint irrevocably the

Beneficiary his true and lawful attorney in its name and stead, which appointment is coupled with an interest, to collect all of said rents and profits; provided, Beneficiary grants the Trustor the privilege to collect and retain such rents, income, and profits unless and until an event of default exists under this Deed of Trust. Upon the occurrence of an event of Default, and whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale of the Property, or during any period of redemption, and without regard to waste, adequacy of the security or solvency of the Trustor, the Beneficiary may at his option revoke the privilege granted Trustor hereunder to collect the rents, issues and profits of the Property.

FOURTEENTH: The trust hereby created is irrevocable by the Trustor.

FIFTEENTH: The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to them.

IN WITNESS WHEREOF, Trustor hereby accepts and agrees to the terms and covenants contained in this Deed of Trust.

Homer Bailey
Homer Bailey

STATE OF NEVADA)
COUNTY OF Washoe)SS.

On 4.9.18 before me, Janine Norvick
Notary public, personally appeared Homer Bailey, who provided to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledge 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.

Janine Norvick
Notary Public



SPECIAL NOTICE TO ASSIGNEES REGARDING THIS MORTGAGE

Notice: This is a mortgage subject to special rules under the federal Truth in Lender Act. Purchasers or assignees of this mortgage could be liable for all claims and defenses with respect to the mortgage that the borrower could assert against the creditor.

ADJUSTABLE RATE RIDER
(USA Federal Prime Rate Index – Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 9th day of April, 2018, and is incorporated into and shall be deemed to amend and supplement the Deed of Trust (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to Dyke F. Kauffmann, Trustee of the Dyke F. Kauffmann Revocable Living Trust Agreement dated July 5, 2000 (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

892 Granite Court, Carson City, Nevada

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 9.0%. The Note provides for changes in the interest rate and the monthly payments as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of June, 2023, and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the USA Federal Prime Rate available at <http://www.fedprimerate.com/>. The "Index" published rate as of 5:00 PM PST on the 1st day of May before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding SIXTEEN percentage points (16%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 11% or less than 9%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than TWO percentage point (2.0%) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 18% or less than 9%.

(E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Section 18 of the Security Instrument is amended to read as follows:

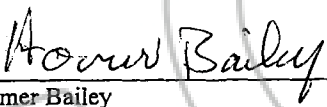
Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

 _____ (Seal)
Homer Bailey

Order No.: 01801280-DKD

EXHIBIT A

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

Lot 22 of RIDGEVIEW ESTATES, according to the map thereof, filed in the office of the County Recorder of Douglas County, State of Nevada, on December 27, 1972 as Document No. 63503.

Together with an undivided 1/83rd interest in and to all the common area, shown as "Parcel A" as set forth on said subdivision.

Excepting therefrom all minerals and mineral rights.

APN: 1420-07-411-057

