

STATE OF NEVADA

Federal Land Bank of Sacramento Deed of Trust

THIS DEED OF TRUST, made February 20, 1981 between

LEO K. STEWART and DELORES E. STEWART, his wife

herein called Grantor, the FEDERAL LAND BANK OF SACRAMENTO, a corporation Trustee, and the FEDERAL LAND BANK OF SACRAMENTO, a corporation, Sacramento, California, Beneficiary;

WITNESSETH: That Grantor hereby grants unto said Trustee, with power of sale, the following-described real property in Lincoln County, Nevada:

FOR DESCRIPTION OF REAL PROPERTY SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

TOGETHER WITH all of Grantor's existing and future rights, however evidenced, to the use of water for irrigating said lands and for domestic and stock watering uses, including ditches, laterals, conduits, and rights of way used to convey such water or to drain said land, all of which rights are hereby made appurtenant to said land, and all pumping plants now or hereafter used in connection therewith, and all wind machines used on said land, which pumping plants and wind machines are hereby declared to be fixtures; all grazing leases, permits, and licenses used with said land; all tenements, hereditaments, easements, rights of way, and appurtenances to said land, and the rents, issues, and profits thereof;

As security for the payment of: (a) \$ 68,000.00 with interest as prescribed in Grantor's promissory note of even date herewith, payable to Beneficiary at its office in Sacramento, California; (b) all other obligations under said note; (c) any additional money Beneficiary may hereafter loan to Grantor, his successors or any of them, as advance(s) hereunder, with interest as prescribed in the note(s) evidencing such advance(s); (d) all renewals, reamortizations and extensions of the indebtedness evidenced by said note(s) secured hereby; (e) all money advanced to any receiver of the premises described herein; (f) all other money that may be advanced under provisions hereinafter recited in this deed of trust.

The promissory note(s) evidencing the indebtedness secured by this deed of trust contains a provision whereby the rates of interest on the unmatured principal portion of the indebtedness and on items in default are subject to change whenever the new loan interest rate of the Beneficiary is either increased or decreased.

As additional security, Grantor assigns, without obligation on Beneficiary to effect collection, all damages, royalties, rentals, and other revenue from all present and future oil, gas, and mineral leases, and rights affecting said premises, and all money payable to Grantor in the event of cancellation of any grazing leases, permits, or licenses, used with said land; and pledges

75 shares — Alamo Irrigation Company stock

Upon Grantor's default or breach, all stock and contracts then pledged may be sold with the land, at public or private sale, without demand for performance and without notice of such sale to Grantor or any person;

Grantor covenants and agrees that:

- (1) Each Grantor is jointly and severally liable for all obligations secured hereby, which obligations shall extend to and bind the heirs, executors, administrators, successors, and assigns of each Grantor;
- (2) Acceptance by Beneficiary of any payment shall not operate as a waiver of any prior default;
- (3) Releases from personal liability shall not affect the personal liability of any person not specifically released;

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Lincoln County

- (4) All condemnation awards and damages shall be paid to the Beneficiary to be applied on the indebtedness secured hereby;
- (5) Grantor will comply with the Farm Credit Act of 1971 and Federal Reclamation Act, and will care for the security in a farmer-like manner at Grantor's expense;
- (6) Upon Grantor's default or breach, Beneficiary may take possession of said premises with all rights of mortgagee in possession or have a receiver appointed and may, at its option, accelerate the maturity of the indebtedness.
- (7) This instrument is given and accepted upon the express provision that in the event the herein-described property, or any part thereof, or any interest therein, is sold, agreed to be sold, conveyed or alienated by the Grantor, or by operation of law or otherwise, except by inheritance, all obligations secured by this instrument, irrespective of the maturity dates expressed herein, at the option of the holder hereof, and without demand or notice, shall immediately become due and payable. Failure to exercise such option shall not constitute a waiver of the right to exercise this option in the event of subsequent sale, agreement to sell, conveyance, or alienation. Subsequent acceptance of any payment hereunder by Beneficiary shall not be deemed a waiver of any default by Grantor, or any sale, agreement to sell, conveyance, or alienation, regardless of Beneficiary's knowledge of such default, sale, agreement to sell, conveyance, or alienation at the time of acceptance of such payment.

The following covenants, Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9 of section 2 of an act entitled "An act relating to transfers in trust of estates in real property to secure the performance of an obligation or the payment of a debt, and to provide that certain covenants, agreements, obligations, rights and remedies thereunder may be adopted by reference, and other matters relating thereto," approved March 29, 1927, are hereby adopted and made a part of this deed of trust. Covenant No. 1 shall also apply to stock, contracts, and rights pledged herein. Covenant No. 2, in the amount required by Beneficiary, and the amount collected under any fire or other insurance policy, may be applied by Beneficiary upon any indebtedness secured hereby, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Grantor. Such application or release shall not cure or waive any default or notice of default hereunder, or invalidate any act done pursuant to such notice. Covenant No. 3 shall include bankruptcy proceedings. Covenant No. 4: Money so expended plus interest accrued thereon shall be secured hereby; the rate of interest being subject to change in accordance with Beneficiary's variable interest rate plan. Covenant No. 5: Trustee may make full or partial reconveyances to "the person or persons legally entitled thereto." All recitals therein shall be conclusive. Covenant No. 6: Attorney may represent Trustee at sale and security may be sold in one parcel. Covenant No. 7: 2%, \$100 minimum. Covenant No. 9: Conveyance to new trustees shall not be necessary, and said resolution may refer in general terms to all deeds of trust held by Beneficiary, which shall include this deed of trust, and, upon recordation, shall be conclusive proof of proper change.

Executed the date first hereinabove written.

Address P.O. Box 335, Alamo, NV 89001

*Leo K. Stewart*  
Leo K. Stewart

Delores E. Stewart

*Delores E. Stewart*

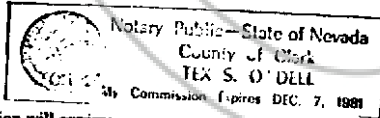
STATE OF NEVADA  
COUNTY OF Clark

On this 20th day of March, in the year 1981, before me, Tex S. O'Dell, a notary public in and for said county and State, personally appeared Leo K. Stewart and Delores E. Stewart

known to me to be the person or persons described in and who executed the foregoing instrument, who acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(SEAL)



*Tex S. O'Dell*  
Notary Public in and for County, State of Nevada.

My commission will expire:

12-7-81

SPACE BELOW FOR RECORDER'S USE ONLY

THIS SPACE FOR LAND BANK USE ONLY

When recorded please return to  
FEDERAL LAND BANK OF SACRAMENTO  
P.O. Box 13106-C  
Sacramento, California 95813

Lincoln County

EXHIBIT "A"

All that property in Section 16 and 17 in Township 7 South, Range 61 East, M.D.M., and more particularly described as follows:

The Northwest Quarter (NW 1/4) of the Northeast Quarter (NE 1/4) and the East Half (E 1/2) of the Northeast Quarter (NE 1/4) of Section 17, and the Northwest Quarter (NW 1/4) of Section 16, EXCEPT the following described parcels of land:

A triangular tract in the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of said Section 16 described as follows:

BEGINNING at a point on the South line of the Northwest Quarter (NW 1/4) of said Section 16, 130 feet West of the Southeast corner of said Northwest Quarter (NW 1/4), thence West along said line 735 feet, thence North 44°30' East, 720 feet to the right of way fence on the West side of U. S. Highway 93; thence South 15° East, along said fence line 560 feet to the TRUE POINT OF BEGINNING, further excepting all that land conveyed to the State of Nevada for Highway 93 in the Northwest Quarter (NW 1/4) of said Section 16. Also excepting the following described parcel of land: beginning at the North Quarter corner of said Section 16; thence South 00°09'00" West, along the East line of said Northwest Quarter (NW 1/4) 2003.37 feet to a point on the East right of way of U. S. Highway 93; thence going Northwest along a curve concave to the Northeast with a central angle of 2°44'10", a radius of 4800 feet, an arc length of 229.22 feet to a point being the E. C. Highway Station 649+92.70; thence North 16°14'50" West, along the East right of way of U. S. Highway 93, 1479.57 feet to the B.C., Highway Station 664+72.27; thence going Northwest concave to the Northwest with a central angle of 2°07'54" a radius of 10,200.00 feet, an arc length of 379.49 feet to a point on the North line of said Northwest Quarter; thence North 89°47'39" East, along said line 601.84 feet to the TRUE POINT OF BEGINNING.

Also excepting the following described parcel of land: Stewart Subdivision as shown by map on file with the Lincoln County Recorder. Said Subdivision being a part of the Northwest Quarter (NW 1/4) of said Section 16, containing 50.78 acres, more or less.

Also excepting the following described parcel of land: that portion of the Northwest Quarter (NW 1/4) of Section 16 more particularly described as follows:

BEGINNING at the most northerly corner of Stewart Subdivision as shown by map thereof on file with the Lincoln County Recorder; thence North 16°14'50" West along the Southwesterly right of way line of U. S. Highway 93 a distance of 369.57 feet; thence from a tangent which bears North 16°14'50" West a long a curve to the left having a central angle of 00°38'41" a radius of 9,800 feet, an arc length of 110.28 feet; thence South 80°11'58" West, 1786.92 feet; thence South 25°05'28" East 86.42 feet; thence South 42°25'28" East 698.44 feet to the Northwest corner of said Stewart Subdivision; thence North 72°30'12" East along the North line of said subdivision 1478.51 feet to the TRUE POINT OF BEGINNING.

CONTAINING 163 acres, more or less.

TOGETHER WITH the right to use 480 acre feet of water from a well located on the above described land for the irrigation of 120 acres of said land, as more fully described in Certificate Record No. 9368 (Application No. 26638) on file with the Division of Water Resources.

No. 71990  
FILED AND RECORDED AT REQUEST OF  
LAND TITLE OF NEVADA  
APRIL 7, 1981  
AT 10 MINUTES PAST 2 O'CLOCK  
P. M IN BOOK 43 OF OFFICIAL  
RECORDS, PAGE 512 LINCOLN  
COUNTY, NEVADA.  
*[Signature]*  
COUNTY RECORDER