

When Recorded Mail To:

Jeanette Hills
Welfare Division
2527 N. Carson Street
Capitol Complex
Carson City, Nevada 89710-0001

A.P. No. 1-191-20

DEED OF TRUST

THIS DEED OF TRUST, made this 23rd day of August, 1994, by and between DONALD B. POTTS, as Trustor, and TITLE SERVICE AND ESCROW COMPANY, as Trustee, and STATE OF NEVADA MEDICAID PROGRAM, as Beneficiary;

W I T N E S S E T H :

That the said Trustor hereby grants, bargains, sells, conveys and confirms unto the said Trustee, and to its successors and assigns, with power to sell, the following described real property situate in the County of Lincoln, State of Nevada, more particularly described as follows:

See Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD the same unto the Trustee, and to its successors and assigns, upon the trusts, covenants and agreements herein expressed and as security for the payment of Medicaid benefits paid on behalf of JEANNE POTTS, said principal sum to be determined at time of sale of the property described herein. Said sum to be payable at Carson City, Nevada, or wherever else

said Beneficiaries in writing designate upon sale of the
aforementioned real property. This is based upon a Stipulation
entered into by the parties and filed with the District Court,
County of Lyon, State of Nevada on July 28, 1994.

This Deed of Trust is also given as security for the payment
of any and all monies which the Beneficiary and Trustee, may or
shall hereafter loan or advance to the Trustor, or advance for
JEANNE POTTS, even though the said loan or advance may be secured
by other mortgage or Deed of Trust and as security for the
payment of all other monies that may become due from the Trustor,
from any cause whatsoever, including the payment of all other
monies hereby agreed or provided to be paid by the Trustor, or
which may be paid out, or advanced, by the Trustee, or by the
Beneficiary, under the provisions of this Deed of Trust.

The Trustor hereby covenants and agrees:

1. The Trustor promises and agrees to properly care for
and keep the property herein described, including any fences,
buildings and other improvements thereon, in at least as good a
condition of repair and maintenance as the same now are, subject
to normal wear and tear, and to care for, protect and maintain
any and all buildings situate thereon, and to otherwise protect
and maintain said premises and not to commit nor permit any waste
or deterioration thereof. The Trustor may make such alterations
or improvements as he may desire on said premises, so long as
they do not lessen the value of said property, and the Trustor
shall pay, when due, all claims for labor performed or material
furnished thereon.

2. That the Beneficiary, or its duly authorized agents, shall at all reasonable times have the right to enter upon said premises and inspect the same.

3. The Trustor covenants, warrants and represents that the title conveyed is a fee simple absolute title, free and clear of all encumbrances; he will forever warrant and defend the title to the premises above mentioned to the Trustee and Beneficiary and their successors and assigns, against all lawful claims and demands of all persons whomsoever.

4. The following covenants Nos. 1, 2(\$ _____), 3, 4(____%), 5, 6, 7(Reasonable), 8 and 9 of Section 107.030 NRS are hereby adopted and made a part of this Deed of Trust.

5. The reconveyance of this Deed of Trust shall be at the cost and expense of the Trustor, or such other persons entitled to reconveyance.

6. The acceptance by said Beneficiary of any payment of the indebtedness hereby secured shall not operate as a waiver by the Beneficiary of any default by the Trustor made previously to such payment in any of the covenants or agreements to be made, kept and performed by the Trustor herein provided.

7. The Trustor hereby covenants and agrees that neither the acceptance nor existence, now or hereafter, of any other security for the indebtedness secured hereby, nor the release thereof, shall operate as a waiver of the security of this Deed of Trust, nor shall this Deed of Trust, nor its satisfaction, nor a reconveyance made hereunder, operate as a waiver of such other security now held or hereafter acquired.

8. All the provisions of this instrument shall apply to

and bind the legal representatives, successors and assigns of the respective parties hereto, and it is distinctly understood and agreed that the words Trustor, Grantors, Trustee or Beneficiary, as used in this instrument, and any pronoun referring thereto, is intended to and does include the masculine, feminine and neuter genders, and the singular and plural numbers; that the covenants and agreements of the Trustor or Grantors herein shall be construed to be the joint and several covenants and agreements of all persons who sign this instrument; that if any provision of this Deed of Trust be judicially declared invalid, such decision shall not affect the validity of the remaining provisions, and if any sale made hereunder shall be judicially declared invalid or deemed by the Beneficiary to be invalid, such sale shall not exhaust the power of sale, and the Trustee, at the request of the Beneficiary, may proceed anew with the sale of this property, in order to enforce fully the provisions of this Deed of Trust.

9. Said Trustor agrees that the said Trustee, or its successors in interest, shall not incur any liability on account of any act done or omitted to be done, in good faith, under the provisions of this Deed of Trust, and that said Trustee shall be fully protected in acting upon any statement, report, order, notice, request, consent or other paper or document believed to be genuine and signed by the proper parties.

10. The Trustor, so long as there is any balance owing in connection with this Deed of Trust, shall not sell, assign or transfer any interest in the property described herein, nor permit any assumption of the debt herein secured, without first obtaining the written consent of the Beneficiary. If all or any

part of the property herein described, or any interest therein, is sold or transferred by the Trustor without the Beneficiary's prior written consent, the Beneficiary may, at its option, declare all sums secured by the Deed of Trust to be immediately due and payable.

IN WITNESS WHEREOF, the undersigned Trustor has executed these present the day and year first above written.

Donald B. Potts
DONALD B. POTTS

STATE OF NEVADA)
) ss.
COUNTY OF Washoe)

On this 23rd day of August, in the year 1994, before me, Barbara Kay Reese, a Notary Public in and for said state, personally appeared DONALD B. POTTS, personally known to me to be the person who executed the above instrument, and acknowledged to me that he executed the same for purposes stated therein.

Barbara Kay Reese
NOTARY PUBLIC in and for said
County and State.



EXHIBIT "A"

A parcel of land known as the E1/2 of the NE1/4 of the NE1/4 of the SW1/4 of the SW1/4 of Section 15, Township 1, North, Range 67 East, Mount Diablo Base and Meridian, being more particularly described as follows:

Beginning at the Northeast corner of this parcel, which is also the Center of the SW1/4 of said Section 15, from which the Southwest corner of said Section 15 bears S. 44°56'51" W. a distance of 1,876.61 feet more or less, thence S. 0°09'04" W. a distance of 333.65 feet more or less, to the Southeast, thence N. 89°55'18" W. a distance of 165.69 feet more or less, to the Southwest corner; thence N. 0°09'54" E. a distance of 333.52 feet more or less, to the Northwest corner; thence S. 89°57'54" E., a distance of 165.61 feet more or less, to the point of beginning. Said parcel contains 1.27 acres, more or less and will be designated as lot No. 5 on Parcel map to be filed in the County Recorders office in the very near future.

102342

FILED AND RECORDED AT REQUEST OF
Henry W. Cavallera

August 29, 1994

PLAT 145 - 2
RECORDS 110 - 110
COUNTY REC. 605 - 605
COUNTY REC. LINCOLN

Yuriko Setzer

By Lushie Louisa, Deputy