

SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST, made this December 29, 1997 between Karl Schmidt, an unmarried man and Clark M. Hardy and Lorna Hardy, Husband and Wife and Timothy Mason and Yvonne Mason, Husband and Wife; a partnership with tenancy in common, herein called **TRUSTOR**, whose address is: P.O. Box 394, Alamo, NV 89001

and Paul S. Brown, and, herein called **BENEFICIARY**, whose address is

HC Box 2622 Pioche, NV 89043

and **UNITED TITLE OF NEVADA, A NEVADA CORPORATION** herein called **TRUSTEE**,

WITNESSETH: That Trustor **IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE**, that property in Clark County, Nevada described as:

SEE EXHIBIT "A" FOR LEGAL DESCRIPTION AND EXHIBIT "B" FOR PARTIAL RELEASE PROVISIONS

TOGETHER WITH the rents, issues and profits thereof, **SUBJECT, HOWEVER**, to the right, power and authority given to and conferred upon Beneficiary by paragraph (10) of the provisions incorporated herein by reference to collect and apply such rents, issues and profits.

FOR THE PURPOSE OF SECURING: 1. Performance of each agreement of Trustor incorporated by reference or contained herein. 2. Payment of the indebtedness evidenced by one promissory note of even date herewith, and any extension or renewal thereof, in the principal sum of \$96,667.00 executed by Trustor in favor of Beneficiary or order. 3. Payment of such additional sums as may hereafter be borrowed from beneficiary by the then record owner of said property, when evidenced by another promissory note (or notes) reciting it is so secured.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES: By the execution and delivery of the Deed of Trust and the Note secured hereby, that provisions (1) to (16) inclusive of the Deed of Trust recorded in the Book and at the Page, or Document No. of Official records in the Office of the County Recorder of the County where said property is located, noted below opposite the name of such county, viz:

COUNTY	DOC NO	BOOK	PAGE	COUNTY	DOC NO	BOOK	PAGE	COUNTY	DOC NO	BOOK	PAGE
Clark	901210	142		Humboldt	116966	3	83	Nye	47157	67	163
Churchill	104132	34 mths	591	Lander	41172	3	758	Ormsby	72637	19	102
Douglas	24496	22	415	Lincoln	41292	0 mths	467	Pershing	57488	28	58
Elko	14831	43	343	Washoe	407205	734	221	Storey	28573	R mths	112
Esmeralda	26291	3H deeds	138-141	Lyon	55488	31 mths	449	White Pine	28124	261	341-344
Eureka	39602	3	263	Mineral	78848	10 mths	534-537				

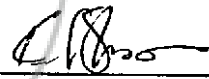
(which provisions, identical in all counties, are printed on the reverse hereof) hereby are adopted and incorporated herein and made a part hereof as fully as though set forth herein at length; that he will observe and perform said provisions; and that the references to property, obligations, and parties in said provisions shall be construed to refer to the property, obligations, and parties set forth in this Deed of Trust.

The undersigned Trustor request that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address herein before set forth.


STATE OF Nevada)


COUNTY OF Clark)

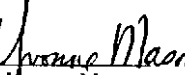
On December 30, 1997
 personally appeared before me, a Notary Public,
 Clark M. Hardy and Lorna Hardy and
Timothy Mason and Yvonne Mason and Karl Schmidt


 Karl Schmidt


 Clark M. Hardy


 Lorna Hardy

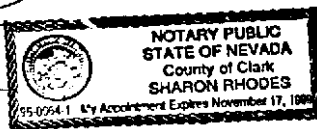

 Timothy Mason


 Yvonne Mason

personally known or proven to me to be the person(s) whose name(s) is/are subscribed to the above instrument who acknowledged that he/she/they executed this instrument for the purposes therein contained

Notary Public

My commission expires: _____



WHEN RECORDED MAIL TO:

Nevada Bank & Trust Company at Caliente, Nevada
 P. O. Box 428
 Caliente, NV 89008

Escrow No. 97131502-071-SR

DO NOT RECORD

The following is a copy of provisions (1) to (16) inclusive, of the Deed of Trust, recorded in each county in Nevada, as stated in the foregoing Deed of Trust and incorporated by reference in said Deed of Trust as being a part thereof as if set forth at length therein

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

- 1 To properly care for and keep the property in good condition and repair, not to remove or demolish any building thereon, to complete in a good and workmanlike manner any building which may be constructed thereon, and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws, ordinances and regulations requiring any alterations or improvements to be made thereon, not to commit or permit any waste thereon, not to commit, suffer or permit any act to be done in or upon the property in violation of law, to cultivate, irrigate, fertilize, fungate, prune and/or do any other act or acts, all in a timely and proper manner, which, from the character or use of the property, may be reasonably necessary, the specific enumerations herein not excluding the general
2 To pay and discharge all costs, fees and expenses of these Trusts, including cost of evidence of title and Trustee's fees in connection with sale, whether completed or not, which amounts shall become due upon delivery to Trustee of Declaration of Default and Demand for Sale, as hereinafter provided
3 The amount collected under any fire insurance policy shall be credited first, to accrued interest, next to expenditures hereunder, and any remainder upon the principal interest shall then cease upon the amount so credited upon principal, provided, however, that at the option of the Beneficiary, the entire amount collected under the policies or any part thereof may be released to the Trustor, without liability upon the Trustee for such release
4 That if, during the existence of the Trust there be commenced or pending any suit or action affecting said conveyed premises, or any part thereof, or the title therein, or if any adverse claim for or against the premises, or any part thereof, be made or asserted, he will appear in and defend any such matter purporting to affect the security and will pay all costs and damages arising because of such action
5 Any award of damages in connection with any condemnation for public use of or injury to any property or any part thereof as hereby assigned and shall be paid to Beneficiary, who may apply or release such moneys received by him in the same manner and with the same effect as herein provided for disposition of proceeds of insurance
6 Trustee shall be under no obligation to notify any party herein of any pending sale hereunder or of action or proceeding of any kind in which Trustor, Beneficiary and/or Trustee shall be named as defendant, unless brought by Trustee
7 Acceptance by Beneficiary of any sum in payment of any indebtedness secured hereby, after the date when the same is due, shall not constitute a waiver of the right either to require prompt payment, when due, of all other sums so secured or to declare default as herein provided for failure to pay
8 Trustee may, 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 Note(s) secured hereby for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby or the effect of this Deed of Trust upon the remainder of said property, reconvey any part of said property, consent in writing to the making of any map or plat thereof, join in granting any easement thereon, or join in any extension agreement or subordination agreement in connection herewith
9 Upon receipt of written request from Beneficiary reciting that all sums secured hereby have been paid and upon surrender of this Deed of Trust and said Note to Trustee for cancellation and retention and upon payment of its fees, the Trustee shall reconvey without warranty the property then held hereunder. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truth thereof. The Grantee in such reconveyance may be described in general terms as "the person or persons legally entitled thereto." Trustee is authorized to retain this Deed of Trust and the Note
(a) Should default be made by Trustor in payment of any indebtedness secured hereby and/or in performance of any agreement herein, the Beneficiary may declare all sums secured hereby immediately due by delivery to Trustee of a written Declaration of Default and Demand for Sale, and of written notice of default and election to cause said property to be sold (which notice Trustee shall cause to be recorded in the appropriate County Recorder's Office) and shall surrender to Trustee this Deed of Trust, the Note(s) and all documents evidencing any expenditure secured hereby
10 After three months have elapsed following recordation of any such Notice of Default, Trustee shall sell said property at such time and at such place in the State of Nevada as the Trustee, in its sole discretion, shall deem best to accomplish the objects of these Trusts, having first given notice of such sale as then required by law. Place of sale may be either in the County in which the property to be sold, or any part thereof, is situated, or at an office of the Trustee located in the State of Nevada
(a) The Trustor, Pledgor and Mortgagor of the personal property herein pledged and/or mortgaged waives any and all other demands or notices as conditions precedent to sale of such personalty
(b) Trustee may postpone sale of all, or any portion, of said property by public announcement at the time fixed by said Notice of Sale, and may thereafter postpone said sale from time to time by public announcement at the time previously appointed
(c) At the time of sale so fixed, Trustee may sell the property advertised or any part thereof, either as a whole or in separate parcels at its sole discretion, at public auction, to highest bidder for cash in lawful money of the United States, payable at time of sale, and shall deliver to such purchaser a deed conveying the property so sold, but without covenant or warranty, express or implied. Trustor hereby agrees to surrender, immediately and without demand, possession of said property to such purchaser
11 Trustee shall apply the proceeds of any such sale to payment of expenses of sale and all charges and expenses of Trustee and of these Trusts, including cost of evidence of title and Trustee's fee in connection with sale, all sums expended under the terms hereof, not then repaid, with accrued interest at the rate of ten percent (10%) per annum, all other sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto
12 The Beneficiary or assigns may, at any time, by instrument in writing, appoint a successor or successors to the Trustee named herein or acting hereunder, which instrument, executed and acknowledged by Beneficiary, and recorded in the Office of the County Recorder of the County or Counties wherein said property is situated, shall be conclusive proof of the proper substitution of such Successor Trustee, who shall have all the estate, powers, duties and trusts in the premises vested in or conferred upon the original Trustee. If there be more than one Trustee, either may act alone and execute the Trust upon the request of the Beneficiary and his acts shall be deemed to be the acts of all Trustees, and the recital in any conveyance executed by such sole Trustee of such requests shall be conclusive evidence thereof, and of the authority of such sole Trustee to act.
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.
14 Trustee accepts these trusts when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.
15 In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular includes the plural, and the term Beneficiary shall include any future holder, including pledges, of the note secured hereby
16 When not inconsistent with the above the following covenants, No. 1,2 (3),3,4 (10%) 5,6,7 (%) of NRS 107.030 are hereby adopted and made a part of this Deed of Trust.

DO NOT RECORD

REQUEST FOR FULL RECONVEYANCE

To be used only when note has been paid in full.

To: UNITED TITLE OF NEVADA, A NEVADA CORPORATION, TRUSTEE; Dated _____

The undersigned is the legal owner and holder of all indebtedness secured by the within Deed of Trust. All sums secured by said Deed of Trust have been fully paid and are satisfied. You are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel all evidences of indebtedness secured by the Deed of Trust, delivered to you herewith together with the Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, the estate now held by you under the same.

MAIL RECONVEYANCE TO:

BY _____
BY _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.

EXHIBIT "A"

The Southeast Quarter (SE1/4) of the Southeast Quarter (SE1/4)
of Section 32, Township 6 South, Range 61 East, M.D.M.

Excepting therefrom that portion of land conveyed to the State
of Nevada by Deed recorded July 24, 1969, in Book "N-1" of Real
Estate Deeds, page 423, Lincoln County, Nevada records.

ASSESSOR'S PARCEL NUMBER FOR 1997 - 1998: 11-210-06

EXHIBIT "B"

Beneficiary agrees that partial releases will be given proportionate to the amount of principal reduction received. Trustors acknowledge that the Highway frontage of subject property consisting of 1,300 feet along the eastern edge of US Highway 93 Right of Way and extending to a depth of two hundred (200) feet into the property shall be the LAST PORTION to be release. Trustors agree to pay all charges associated with the partial releases at the time of the request for said release.

NO. 110295

LED AND RECORDED AT REQUEST OF
Janet Leedham

January 2, 1998

AT 45 MINUTES PAST 3 O'CLOCK

PM IN BOOK 132 OF OFFICIAL

RECORDS PAGE 169 UNCLERK

COUNTY, NEVADA

Yuriko Setzer

COUNTY RECORDER

Zellie Brucher deputy