

CCT-19017714

DEED OF TRUST

This DEED OF TRUST, made this 21 day of September, 1998, by and between KARI MORTENSEN AND TAUNYA MORTENSEN, a husband and wife, hereinafter named TRUSTOR, and COW COUNTY TITLE, hereinafter named TRUSTEE, and STATE OF NEVADA, HOUSING DIVISION hereinafter named BENEFICIARY.

WITNESSETH, that TRUSTOR IRREVOCABLY grants, transfers and assigns to TRUSTEE in trust with power of sale, that property located in the County of LINCOLN, Nevada, legally described as follows:

Lot 14 of ALAMO SOUTH SUBDIVISION TRACT NO. 1, UNIT NO. 1, as shown on that certain final plat filed for record in the Office of the Lincoln County Recorder on the 13th day of January, 1977, in Book A-1, page 124, assigned No. 59020.

EXCEPTING AND RESERVING all mines of gold, silver, copper, lead, cinnabar and other valuable minerals which may exist in the said tract as reserved in the land patent recorded April 9, 1927 in Book C-1 of Deeds, page 296 as File no. 3965, Lincoln County, Nevada records.

Parcel # 04-132-05

and more commonly known as 14 Danielle Lane, Alamo, NV 89001 in Lincoln County of NEVADA.

TOGETHER WITH all appurtenances in which TRUSTOR has any interests including water rights benefiting said real property, represented by shares of a company or otherwise; and

TOGETHER WITH the rents, issues and profits thereof, reserving the right to collect and use the same, except during some default hereunder, in which event the TRUSTEE shall collect the same by any lawful means in the name of the BENEFICIARY,

FOR THE PURPOSE OF SECURING total amount of Down Payment Agreement (including any and all change orders executed subsequent to the date of this Deed of Trust) and payment of any indebtedness evidenced by and accruing under said Down Payment Agreement in the principal sum of Seven thousand three hundred sixty four and 00/100 (\$7,364.00) executed by TRUSTOR in favor of BENEFICIARY, or order.

"The Owner's right, title and interest in this unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in:

HOME Investment Partnerships Program, Final Rule, 24 CFR Part 92, September 16, 1996, (with May 28 1997 technical corrections) Subpart F-Project Requirements, §92.254 Qualifications as affordable housing: homeownership.(a)(5)(ii) Recapture. Recapture provisions must ensure that the participating jurisdiction recoups all or a portion of the HOME assistance to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability. The participating jurisdiction may structure its recapture provisions based on its program design and market conditions. The period of affordability is based upon the total amount of HOME funds subject to recapture described in paragraph (a)(5)(ii)(A)(5) of this section.

(A) The following options for recapture requirements are acceptable to HUD. The participating jurisdiction may adopt, modify, or develop its own recapture requirements for HUD approval.

(1) Recapture entire amount. The participating jurisdiction may recapture the entire amount of the HOME investment from the homeowner.

(2) Reduction during affordability period. The participating jurisdiction may reduce the HOME investment amount to be recaptured on a prorated basis for the time the homeowner has owned and occupied the housing measured against the required affordability period.

(3) Shared net proceeds. If the net proceeds are not sufficient to recapture the full HOME investment (or a reduced amount as provided for in paragraph (a)(5)(ii)(A)(2), above, of this section) plus enable the homeowner to recover the amount of the homeowner's down payment and any capital improvement investment made by the owner since purchase, the participating jurisdiction may share the net proceeds. The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs. The net proceeds may be divided proportionally as set forth in the following mathematical formulas:

$\frac{\text{HOME investment}}{\text{HOME investment} + \text{homeowner investment}}$	X	Net proceeds = HOME amount to be recaptured
$\frac{\text{homeowner invest}}{\text{HOME investment} + \text{homeowner investment}}$	X	Net proceeds = amount to homeowner

(4) Owner investment returned first. The participating jurisdiction may permit the homebuyer to recover the homebuyer's entire investment (down payment and capital

improvements made by the owner since purchase) before recapturing the HOME investment.

(5) Amount subject to recapture. The HOME investment that is subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy the dwelling units. This includes any HOME assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the market value of the property (i.e., the development subsidy). The recaptured funds must be used to carry out HOME-eligible activities in accordance with the requirements of this part. If the HOME assistance is only used for the development subsidy and therefore not subject to recapture, the resale option must be used.

By execution of this Deed of Trust that those provisions included in the Rural Nevada Development Corporation Down Payment Agreement executed by TRUSTOR hereby incorporated herein by reference and made part hereof as though fully set forth herein at length; that the TRUSTOR or his successors will observe and 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/her, or his/her authorized agent at the address herein set forth:

RURAL NEVADA DEVELOPMENT CORPORATION
740 PARK AVENUE
ELY, NV 89301

Kari Mortensen
KARI MORTENSEN

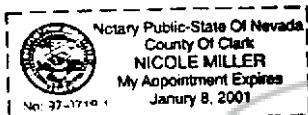
9-21-98
DATE

Taunya Mortensen
TAUNYA MORTENSEN

9-31-98
DATE

STATE OF NEVADA
COUNTY OF LINCOLN

On this 21 day of September, 1998 KARI MORTENSEN AND
TAUNYA MORTENSEN personally appeared before me, a Notary Public, and executed
this document.



Nicole Miller
NOTARY PUBLIC

After Recording Please Return to:
RNDC
Housing Administrator
740 Park Ave.
Ely, NV 89301

NO. 111667

FILED AND RECORDED AT REQUEST OF

Cow County Title

September 30, 1998

AT 40 MINUTES PAST 4 O'CLOCK

PM IN BOOK 137 OF OFFICIAL

RECORDS PAGE 376 LINCOLN

COUNTY, NEVADA.

Yuriko Setzer

by *[Signature]* COUNTY RECORDER, deputy