RECORDATION REQUESTED BY:

Mesquite State Bank 11 Ploneer Boulevard Mesquite NV 89027

WHEN RECORDED MAIL TO:

Mesquile State Bank 11 Ploneer Boulevard Mesquite, NV 89027

SEND TAX NOTICES TO:

MesoputorSuntationate Quentin & Victoria Gilpatrick
TXFRonous-Sundouseax PO Box 124
MesoputorSundouseax Panaca, NV 89042

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

DEED OF TRUST

THIS DEED OF TRUST is dated December 8, 1999, among Quentin F. Gilpatrick and Victoria A. Gilpatrick; rd Husband and Wife as Joint Tenants ("Grantor"); Mesquite State Bank, whose address is 11 Pioneer Boulevard, Mesquite, NV 89027 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and First American Title Company of Nevada (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor irrevocably grants, bargains, sells and conveys to Trustee with power of sale for the benefit of Lender as Beneficiary all of Grantor's right, title, and interest in and to the following described real property, logether with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and dirtor rights, roughlies, and all other rights (including stock in utilities with dith or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oit, gas, geothermal and similar matters, (the "Real Property") located in Lincoln County, State of

Ali of Lot Two (2) in Block Sixteen (16) in the Town of Panaca, County of Lincoln, State of Nevada

The Real Property or its address is commonly known as 95 North 3rd Street, Panaca, NV 2000. The Real Property tax identification number is 002-113-04.

CROSS-COLLATERALIZATION. In addition to the Note, this Deed of Trust secures all obligations, debts and liabilities, plus Interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, absolute or contingent, liquidated or uniquidated and whether Graftor may be liable individually or jointly with others, whether obligated as guarantor, surely, accomposation party or otherwise. (Initial Here (16.2).

Grantor presently, absolutely, and irrevocably assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDESTEDNESS INCLUDING FUTURE ADVANCES AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the

STATUTORY COVENANTS. The tollowing Statutory Covenants are hereby adopted and made a part of this Deed of Trust: Covenants Nos. 1, 3, 4, 5, 6, 7, 6 and 9 of N.R.S. 107.030. The rate of interest default for Covenant No. 4 shall be 18.000% per annum. The percent of counsel fees under Covenant No. 7 shall be ten percent (10%). Except for Covenants Nos. 6, 7, and 8, to the extent any terms of this Deed of Trust are inconsistent with the Statutory Covenants the terms of this Deed of Trust shall control. Covenants 6, 7, and 8 shall control over the express terms of any inconsistent terms of this Deed of Trust

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property (2) use, operate or manage the Property, and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in good condition and promptly perform all repairs, replacements, and maintenance

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws. (b) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property; or (c) any actual or threatened titigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tensard, contractor, agent or other authorized user of the Property; shall use, generate, manufacture, store, treat, dispose of, or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable tederal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor's authorizes Lender and sta agents to enter upon the Property to make such inspections and tests agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in Investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws, and (2) agrees to indemnity and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any uses, generation, menutacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnity, shall survive the payment of the Indebtedness and the salistaction and reconveyance of the like of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property. be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nutsance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Rémoval of Intercovements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written e-consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lander's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

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Compliance with Governmental Requirements. Grantor shall promptly compty with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so tong as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably salistactory to Lender, to protect Lender's Interest.

Duty to Protect. Granfor agrees neither to abandon nor leave unattended the Property. Granfor shall do all other acts, in addition to those a set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Dead of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property or any mobile home or manufactured home located on the property whether or not it is legally a part of the real property. A "sale or transfer" means the conveyance of Real Property or any right, tille or interest in the Real Property, whether legal, beneficial or equitable; whether voluntary or imvoluntary. conveyance or near impersor or any right, tille or interest in the heat Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract feed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any tand trust holding title to the Real Property, or by any other method of conveyance of an Interest in the Real Property. However, this option shall not be exercised by Lender if such exercise is prohibit. federal law or by Nevada law

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), lines and impositions levied against or on account of the Property, and states, you when due all claims for work done on or for service rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to regim to contrast. Oranion may winnow payment of any tax, assessment, or death in connection with a good taith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises is filed as a result of nonpayment, Grantor shall within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or a requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and altorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall detend itself and Lender and shall salisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improve

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsem Maintenance of insurance. Granfor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value coverage all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender, together with such other hazard and flaibility insurance as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, Including stipulations that coverages will not be cancelled or delinished without at least thirty (30) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender with not be impaired in any way by any act, omission or delaut of Granfor or any other person. The Real Property is or will be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hezard area. Grantor agrees to obtain and maintain Federal Flood Insurance, if available, for the full unpaid principal balance of the foan, up to the maximum policy limits sal under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. If the estimated cost of repeir or replacement exceeds \$500. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casuality. Whether or not replacements according to the control of the property of the property of the proceeds of the property. If Lender security is impaired, Lender may, at Lender's election, receive and retain the proceeds of the property. If Lender elects to apply reduction of the Indebledness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender.

Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. It Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Unexpired treatrance at Sale. Any unexpired insurance shall insure to the benefit of, and pass to, the purchaser of the Property covered by this Deed of Trust at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of this Deed of Trust, or at any trustae's sale or other sale held under the provisions of the provisio

EXPENDITURES BY LENDER. If Grantor fails to comply with any provision of this Deed of Trust, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, Lender on Grantor's behalf may, but shall not be required to, take any action that Lender expenses in so doing will be interest at the rate provided for in the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the behance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a bellion payment which will be due and payable at the Note's maturity. This Deed of Trust also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which I ander may be entitled on a recovered the default. Any such payling by a lander shall not be construed as various the default. idies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to medy that it otherwise would have had

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust

Title. Grantor warrants that: (a) Grantor holds good and marketable like of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or finel title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lander under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the normal party in such proceeding, but Lander shall be entitled to participate in the proceeding and to be represented in the proceeding by coursel of Lander's own, choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor werrants that the Property and Grantor's use of the Property complies with all existing applicable la ordinances, and regulations of governmental authorities.

Survivel of Promises. All promises, agreements, and statements Granfor has made in this Deed of Trust shall survive the execution and delive of this Deed of Trust, shall be continuing in nature and shall remain in full force and effect until such time as Grantor's indebtedness is paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by coursel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purch reports and any processor of the area of the report of the

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IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental tunes, less and charges are a part of this Deed of Trust.

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on Grantor which Grantor is cultivated or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tex on all or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the lax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surely bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures or other personal property, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Granfor shall execute financing statements and take whalever other action is requested by Lender to perfect and continue Lender's security interest in the Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Granfor, like executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Granfor shall reimburss Lender for all expenses incurred in perfecting or continuing this security Interest. Upon default, Granfor shall assemble the Personal Property in a manner and at a place reasonably convenient to Granfor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender

Addresses. The mailing addresses of Grantor (debtor) and Lander (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of

FURTHER ASSURANCES: ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, reflied, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continuat, or preserve (1) Grantor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by his Deed of Trust as first and prior tiens on the Property, whether now woned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this cereators. referred to in this paragraph.

Attorney-in-Fact. It Granfor falls to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Granfor's expense. For such purposes, Granfor hereby irrevocably appoints Lander as Granfor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

EVENTS OF DEFAULT. At Lender's option, Grantor will be in default under this Deed of Trust if any of the following happen:

Payment Default. Granfor falls to make any payment when due under the indebtedness.

Break Other Promises. Grantor breaks any promise made to Lender or falls to perform promptly at the time and strictly in the manner provided in this Deed of Trust or in any agreement related to this Deed of Trust.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents

Default on Other Payments. Fallure of Grandor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Default on Subordinate Indebtedness. Default by Grantor under any subordinate obligation or instrument securing any subordinate obligation or commencement of any suit or other action to foreclose any subordinate lien on the Property.

False Statements. Any representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Deed of Trust, the Note, or the Related Documents is take or misleading in any material respect, either now or at the time made or furnished.

Defective Collaboratization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collaboral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The death of Grantor, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankrupkcy or insolvency laws by or against Grantor.

Taking of the Property. Any creditor or governmental agency tries to take any of the Property or any other of Grantor's property in which Lender has a lien. This includes taking of, gernishing of or levying on Grantor's accounts with Lender. However, if Grantor disputes in good faith whether the claim on which the taking of the Property is based is valid or reasonable, and if Grantor gives Lender written notice of the claim and furnishes Lender with monies or a surely bond satisfactory to Lender to satisfy the claim, then this default provision with not apply.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness

Insecurity. Lender in good faith believes task insecure.

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RIGHTS AND REMEDIES ON DEFAULT. If an Event of Detault occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remodles

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

Foreclasure. With respect to all or any part of the Real Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

LICC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Cotlect Rents. Lender shall have the right, without notice to Grantor to take possession of and manage the Property, and, whether or not Lender Collect Nexts. Lender small raive the right, without force of crisino to take possession, collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against takes possession, collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness... In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use less directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by lenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparant value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disquality a person from serving as a receiver.

Tenancy at Sufference. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise

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becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or by law.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least lent (10) days before the time of the sale or disposition. Notices given by Lender or under the reat property foreclosure proceedings shall be deemed reasonable. Any sale of Personal Property may be made in conjunction with any sale of the Real Property.

Sele of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all rights to have the Property marshalled. In seed to the violety. To the extent permitted by applicable tay, claritor heatery warves any and all rights to have the Property marsimumed. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property. The power of sale under this Deed of Trust shall not be exhausted by any one or more sales (or attempts to sell) as to all or any portion of the Real Property remaining unsold, but shall continue unimpaired until all of the Real Property has been sold by exercise of the power of sale and all indebtedness has been paid in full.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptic proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including to reclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law. Fees and expenses shall include attorneys' fees that Lender, Trustee, or both incur, if either or both are made parties to any action to enjoin foreclosure or to any legal proceeding that Grantor institutes. The fees and expenses are secured by this Deed of Trust and are recoverable from the Property. A waiver by any party of a breach of a provision of this Deed of Trust shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lander and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any essement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or item, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender will have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law,

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of Incompanies. The successor trustee, without conveyance of the Property, shall succeed to all the little, power, and duties contened upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. What is written in this Deed of Trust and in the Related Documents is Grantor's entire agreement with Lender concerning the matters covered by this Deed of Trust. To be effective, any change or amendment to this Deed of Trust must be in writing and must be signed by whoever will be bound or obligated by the change or amendment.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust has been delivered to Lender and accepted by Lender in the State of Nevada. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Clark County, State of Nevada. This Deed of Trust will be governed by and construed and enforced in accordance with the laws of the State of Nevada. The toen transaction which is evidenced by the Note and this Deed of Trust (which secures the Note) has been applied for, considered, approved and made in the State of Nevada.

Joint and Several Liability. All obligations of Grantor under this Deed of Trust shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each Grantor signing below is responsible for all obligations in this Deed of Trust.

No Waiver by Lender. Grantor understands Lender will not give up any of Lender's rights under this Deed of Trust unless Lender does so in writing. The fact that Lender delays or omils to exercise any right will not mean that Lender has given up that right. If Lender does agree in writing to give up one of Lender's rights, that does not mean Grantor will not have to comply with the other provisions of this Deed of Trust. Grantor also understands that if Lender does consent to a request, that does not mean that Grantor will not have to get Lander's consent again if the situation happens again. Grantor further understands that just because Lender consents to one or more of Grantor's requests, that does not mean Lender will be required to consent to any of Grantor's future requests. Grantor waives presentment, demand for payment, protest, and notice of dishonor.

Severability. If a court finds that any provision of this Deed of Trust is not valid or should not be enforced, that fact by itself will not mean that the rest of this Deed of Trust will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Deed of Trust even if a provision of this Deed of Trust may be found to be invalid or unenforceable.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's Interest, this Deed of Trust shall be binding upon and mure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the Indebtedne

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Walver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption lews of the State of Nevada as to all Indebtedness secured by this Deed of Trust.

DEFINITIONS. The following words shall have the following meanings when used in this Deed of Trust:

Beneficiary. The word "Beneficiary" means Mesquile State Bank, and its successors and assigns.

Borrower. The word "Borrower" means Quentin F. Gapatrick and Victoria A. Gapatrick, and all other persons and entities signing the Note.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Granlor, Lender, and Trustee.

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9801, et seq. ("CERCLA"), the Supertund Amendments and Reauthorization Act of 1986, Pub. 1. No. 99–499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the Events of Default set forth in this Deed of Trust in the section titled "Events of Default*

Grantor. The word "Grantor" meens Quentin F. Gilpetrick and Victoria A. Gilpetrick.

Guaranty. The word "Guaranty" means the guaranty from guarantor, undorser, surely, or accommodation party to Lender, including Without limitation a guaranty of all or part of the Note.

Hezardous Substances. The words "Hezardous Substances" mean malarials that, because of their quantity, concentration or physical chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperty used, freeted,

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DEED OF TRUST (Continued)

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stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, insterials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbasios.

Improvements. The word "improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, logether with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust. In addition, and without limitation, the term "indebtedness" includes all amounts identified in the Cross-Collateralization paragraph of this Deed of Trust.

Lender. The word "Lender" means Mesquite State Bank, its successors and assigns. The words "successors or assigns" mean any person or company that acquires any interest in the Note.

Note. The word "Note" means the promissory note dated December 8, 1999, in the original principal amount of \$130,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

Personal Property. The words "Personal Property" mean all equipment, fortures, mobile homes, manufactured homes or modular homes which have not been legally acceded to the real property in accordance with Nevada taw, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property, together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property, and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as turther described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, to an agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

Trustee. The word "Trustee" means First American Tille Company of Nevadia, whose address is 685 Lyons Ave, Ely, NV 89301, and an substitute or successor fusions. EACH GRANTOR: X	Property.	The state of the property and throw sen	s, revenues, income, mades, tuy	ames, proms, and other beneats derived from the
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Seel, if arry) REQUEST FOR FULL RECONVEYANCE (To be used only when obligations have been paid in full) To: The undersigned is the legal owner and holder of all Indebtedness secured by this Deed of Trust have been tully paid and salisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust any applicable statute, to cancel the Note secured by the Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconve without warranty, to the parties designered by the learns of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to: Beneficiery: Beneficiery:	7	1	ACKNOWLEDGMEN	
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(Seel, if arry) NOTARY PUBLIC STATE OF NEVADA County of Cark KRISTINE P. VEITCH My Appointment Expires March 31, 2002 REQUEST FOR FULL RECONVEYANCE (To be used only when obligations have been paid in full) To: The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust are pursuant any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconve without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to: Beneficiery: Beneficiery:	This instrument was	acknowledged before me on <u>DCL/1L</u>	Ber 8, 1999 by Owin	tin F. Gilpetrick; Victoria A. Gilpetrick, Husband
(To be used only when obligations have been paid in full) To:	(Soal, If any	STATE OF N County of No. 9121351 KRISTINE P.	UBLIC JEVADA Clark VEITCH Hotary Po	(Signature of notarial officer)
The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconve without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to: Dele:				
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