

DEED OF TRUST

Date: August 29, 2000

Grantor: Bill Bush

Grantor's Mailing Address:  
H.C. #74, P.O. Box 208  
Pioche, Lincoln County, Nevada 89043

Trustee: Kirt Whipple Esq.

Trustee's Mailing Address:  
Attorney at Law L.L.C.  
151 East Broadway  
P.O. Box 360  
Alamo, Nevada 89001

Beneficiary: Max McCrosky and/or Shirley N. McCrosky

Beneficiary's Mailing Address:  
H.C. #74, P.O. Box 172  
Pioche, Lincoln County, Nevada 89043

Note(s)  
Date: August 29, 2000

Amount: \$91,468.89

Maker: Bill Bush

Holder: Max McCrosky and/or Shirley N. McCrosky

Final Maturity Date: September 1, 2015

Terms of Payment: Interest shall accrue on the unpaid balance of principal at the rate of 8.5% per annum. The principal and accrued interest shall be due and payable in 180 installments (15 years) of \$900.73 each, beginning on September 1, 2000 and continuing on the 1<sup>st</sup> day of each month afterwards, until the sum has been paid in full.

Property Description:

That certain tract or parcel of real property containing a house and approximately four (4) acres located in Eagle Valley, Lincoln County, Nevada, and described as follows:

Parcel # 9, of Map # 101567, Book 114, Page 514.  
Within the S.W. ¼ and N.W. ¼, Section # 35, T1N, R69E, M.D.B.&M. Lincoln County, State of Nevada.  
Beginning at the S.W. corner, bearing S. 17°30'09" W., a distance of 282.86',  
the N.W. corner, thence; bearing N. 72°09'35" W. a distance of 617.00',  
the N.E. corner, thence; bearing S. 17°30'09" W. a distance of 282.86',  
the S.E. corner, thence; bearing N. 71°14'53" W. a distance of 617.00',

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the S.W. corner the point of beginning.  
Containing 4 acres more or less.  
Subject to a right of way for utilities as is recorded in the "official Records of Lincoln County."  
To amend distances as above from Recorded Real Estate Deed Book 114, Page 514, Document #  
103747 Recorded 7/25/1995.

Assessors 2000/2001-tax year parcel #: 6-241-59.

**Prior Lien:** A portion of the debt secured by this Deed of Trust is additionally secured by a Chattel Mortgage executed on November 30, 1992 and recorded on March 4, 1994 in Lincoln County in book 109 page 35 covering the construction of a house on the Property.

#### ARTICLE I. GRANT

For value received and to secure payment of the Note. Grantor conveys the above described property together with all improvements now on the property or to be placed on the property, and all rights, privileges, and appurtenances belonging to the property, to Trustee and to Trustee's substitutes or successors in trust. Grantor and/or Grantor's heirs, personal representatives, successors, and assigns, warrants and agrees to defend the title to the property. If Grantor performs all the covenants and pays the Note according to its terms, this deed of trust shall have no further effect, and Beneficiary shall release it at Grantor's expense.

#### ARTICLE II. SECURED DEBT

This Deed of Trust shall secure, in addition to the above-mentioned Note, all funds that may in the future be advanced by Beneficiary to or for the benefit of Grantor, whether under this Deed of Trust or for any other purpose, and all other debt that is now owing or that may become owing by Grantor to Beneficiary, whether the debt is evidenced by note, open account or otherwise. It is contemplated that Grantor may hereafter become indebted to Beneficiary in further sums.

This Deed of Trust shall also secure all renewals and extensions of any of the debt secured by it.

#### ARTICLE III. GRANTOR'S OBLIGATION

Grantor agrees to:

1. Keep the property in good repair and condition;
2. Pay all taxes and assessments on the property when due;
3. Preserve the lien's priority as it is established in this deed of trust;
4. Maintain, in a form acceptable to Beneficiary, an insurance policy that:
  - a) covers loss or damage by fire and extended coverage, including windstorm, and any other hazard as may be reasonably required from time to time by Beneficiary during the term of the debt secured by this Deed of Trust;
  - b) shall be for the original amount of the debt secured by this Deed of Trust, shall at all times remain at a level of the principal balance and shall be in the form and with the insurance company or companies as may be approved by Beneficiary;

c) Grantor shall maintain a life insurance policy in the amount of the principal balance due and name his sister, Pansey Irene Donato at 6599 Via Gancho Circle, Buena Park CA 90620 as the policy beneficiary. It is the intent of the parties that Ms. Donato would use the life insurance proceeds to pay the principal balance remaining on the Note whereby the Beneficiary would release this Deed of Trust;

d) contains such other coverage as Beneficiary may reasonably require.

5. Deliver the insurance policy to Beneficiary with a mortgage indemnity clause as directed by Beneficiary and shall deliver renewals of the policy to Beneficiary at least ten (10) days before expiration of the policy;
6. Keep any buildings occupied as required by the insurance policy; and
7. If this is not a first lien, pay all prior lien notes that Grantor is personally liable to pay and abide by all prior lien instruments;
8. Grantor will pay all of the debt secured by this Deed of Trust, together with all interest and other charges, when they become due, according to the terms of the Note or other instruments evidencing the debt or evidencing any renewal or extension of the debt, or any part of it.

#### ARTICLE IV. DEFAULT

Default means the occurrence of any of the following events:

1. The failure of Grantor to pay the debt secured by this Deed of Trust or any part of it, as it becomes due according to the terms of the Note or Notes that evidence it, or when accelerated pursuant to any power to accelerate.
2. The failure of Grantor punctually and properly, within 30 days of notice, to perform any covenant, agreement, or condition contained in this Deed of Trust (other than those related to payment of debt).
3. The making of an assignment for the benefit of any creditor, or the adjudication of Grantor as a bankrupt or insolvent.
4. The sale or transfer by Grantor of all or any part of the subject property or his interest in it.

#### ARTICLE V. BENEFICIARY'S RIGHTS

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee.
2. Beneficiary may apply any proceeds received under the insurance policy either to reduce the note or to repair or replace damaged or destroyed improvements covered by the policy.
3. If Grantor fails to perform any of Grantor's obligations, Beneficiary may perform those obligations and be reimbursed by Grantor on demand at the place where the Note is payable for any sums so paid, including attorney's fees, plus interest on those sums from the date of payment at the rate stated in the note. The sum to be reimbursed shall be secured by the deed of trust.

4. If Grantor defaults or fails to perform any of Grantor's obligations or if default occurs on a prior lien note or other instrument, and the default continues after Beneficiary gives Grantor notice of the default and the time within which it must be cured, as may be required by law or by written agreement, the Beneficiary may:
- a) declare the unpaid principal balance and earned interest on the note immediately due;
  - b) request the Trustee to foreclose this lien in accordance with Nevada law in such case, in which case Beneficiary or Beneficiary's agent shall give notice of the foreclosure sale;
  - c) purchase the property at any foreclosure sale by offering the highest bid and then have the bid credited on the note; and
  - d) remedy the default by taking any action necessary to do so, including, without limitation, making any payments on principal, interest, penalties, and attorney's fees with respect to any prior lien debt, payment of insurance premiums, payment of taxes and assessments, or any other action that Beneficiary deems necessary to protect the lien created by this Deed of Trust. Any sums so paid shall bear interest from the dates of the payment at 8.5% interest per year, shall be paid by Grantor on demand, and shall become a part of the debt secured by this Deed of Trust and recoverable as such in all respects.

#### ARTICLE VI. TRUSTEE'S DUTIES

If requested by Beneficiary to foreclose this lien, it is presumed that all conditions precedent to a valid sale and subsequent conveyance were performed. Additionally the Trustee shall:

1. either personally or by agent give notice of the foreclosure sale as required by the Nevada Law;
2. sell and convey all or part of the property to the highest bidder for cash with a general warranty binding Grantor, subject to prior liens and to other exceptions to conveyance and warranty; and
3. from the proceeds of the sale pay in this order:
  - a) expenses of foreclosure, including a commission to Trustee of 3% of the bid. This commission shall be due in addition to the attorney's fees provided for in the Note.
  - b) to Beneficiary, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;
  - c) any amounts required by law to be paid before payment to Grantor; and
  - d) to Grantor, any balance.

#### ARTICLE VII. GENERAL PROVISIONS

1. If any of the property is sold under this deed of trust, Grantor shall immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor shall become a tenant at sufferance of the purchaser at the foreclosure sale.

2. Recitals in any Trustee's deed conveying the property will be presumed to be true.
3. The rights and remedies expressly conferred by this Deed of Trust are cumulative of all other rights and remedies provided by law or in equity, therefore, proceedings under this deed of trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.
4. This lien shall remain superior to liens later created even if the time for payment of all or part of the Note is extended or part of the property is released.
5. If any portion of the Note cannot be lawfully secured by this deed of trust, payments shall be applied first to discharge that portion.
6. Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the property. After deducting any expenses incurred, including attorney's fees, Beneficiary may release any remaining sums to Grantor or apply such sums to reduce the note. Beneficiary shall not be liable for failure to collect or to exercise diligence in collecting any such sums.
7. Grantor assigns Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the property. Leases are not assigned. Grantor warrants the validity and enforceability of the assignment. Grantor may as Beneficiary's licensee collect rent and other income and receipts as long as Grantor is not in default under the note or this deed of trust. Grantor will apply all rent and other income and receipts to payment of the note or performance of this deed of trust, but if the rent and other income and receipts exceed the amount due under the note and deed of trust, Grantor may retain the excess. If Grantor defaults in payment of the note or performance of the deed of trust, Beneficiary may terminate Grantor's license to collect and then as Grantor's agent may rent the property if it is vacant and collect all rent and other income and receipts. Beneficiary neither has nor assumes any obligations as landlord or lessor with respect to any occupant of the property. Beneficiary shall apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Beneficiary's rights and remedies and then to Grantor's obligations under the note and this deed of trust in the order determined by Beneficiary. Beneficiary is not required to act under this paragraph, and acting under this paragraph does not waive any of Beneficiary's other rights and remedies.
8. Interest on the debt secured by this deed of trust shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt had been paid, refunded.
9. When the context requires, singular nouns and pronouns include the plural.
10. This deed of trust shall bind, inure to the benefit of, and be exercised by successors in interest of all parties.
11. This Deed of Trust shall be construed in accordance with the laws of the State of Nevada, and all obligations of the parties created under this Deed of Trust are performable in Lincoln County, Nevada.

- 12. In case any one or more of the provisions contained in this Deed of Trust shall for any reason be held to be invalid, this invalidity shall not affect any other provision of it, and this Deed of Trust shall be construed as if the invalid provision had never been contained in it.
- 13. Any notice of default and/or any notice of sale shall be mailed to Grantor at the address set forth above.
- 14. This writing represents the final agreement between the parties and the Grantor is responsible for all obligations represented by this Deed of Trust.

*Bill Bush*  
 Grantor: Bill Bush

**Acknowledgment**

STATE OF NEVADA  
COUNTY OF LINCOLN

This instrument was acknowledged before me on the 28<sup>th</sup> day of August 2000  
by Bill Bush.

Seal

*Wendy Rudder*  
 Notary Public, State of Nevada  
*Wendy Rudder*  
 Notary's name (printed):



Notary's commission expires: June 15, 2001

**AFTER RECORDING RETURN TO:**  
Max & Shirley McCrosky  
H.C. #74 P.O. Box 172  
Pioche, Nevada 89043

**PREPARED IN THE LAW OFFICE OF:**  
Whipple Attorney at Law L.L.C. (Kirt Whipple)  
151 East Broadway  
P.O. Box 360  
Alamo, Nevada 89001

NO. 115236

FILED AND RECORDED AT REQUEST OF  
 WENDY RUDDER  
 SEPTEMBER 15, 2000  
 AT 01 MINUTES PAST 1 O'CLOCK  
 PM IN BOOK 150 OF OFFICIAL  
 RECORDS PAGE 490 LINCOLN  
 COUNTY, NEVADA

*Justin Pouchy*  
 COUNTY RECORDER