

125082

19030978

APN: 14-010-18; 14-010-20; 14-010-21;
14-010-22; 14-010-23; 14-010-08

RECORDING REQUESTED BY:

COW COUNTY TITLE CO.
761 S. Raindance Dr.
Pahrump NV 89048

FILED FOR RECORDING
AT THE REQUEST OF

Cow County Title

2005 AUG 25 PM 4 53

LINCOLN COUNTY RECORDER

FEE 21.00

LESLIE BOUCHER

DEP *an*

**ALL INCLUSIVE DEED OF TRUST
AND ASSIGNMENT OF RENTS**

COPY

**ALL INCLUSIVE DEED OF TRUST AND ASSIGNMENT OF RENTS
(LONG FORM)**

This ALL INCLUSIVE DEED OF TRUST, made August 22, 2005, between NARCONON SOUTHERN CALIFORNIA, a California non-profit public benefit corporation, herein called TRUSTOR, whose address is 1810 W Oceanfront Walk, Newport Beach, CA 92663, and COW COUNTY TITLE CO., a Nevada corporation, herein called TRUSTEE, and 325 EAST FOURTH STREET LLC, a Nevada limited liability company, herein called BENEFICIARY,

WITNESSETH:

That Trustor grants to Trustee in trust, with Power of Sale, that property in the County of Lincoln, State of Nevada described as: (See "Exhibit A" attached hereto and made a part hereof);

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits:

For the purpose of securing: (1) payment of the sum of \$3,105,000.00 with interest thereon according to the terms of an all-inclusive promissory note of even date herewith (hereinafter "the secured note") made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof; and (2) the performance of each agreement of Trustor incorporated by reference or contained herein.

A. Senior Deeds of Trust:

This is an All Inclusive Deed of Trust, securing the Secured Note and is subject and subordinate to the following instruments:

- 1) A Deed of Trust recorded September 12, 2003, as File No. 120901, in Book 177, Page 479 of Official Records of Lincoln County, Nevada, in the original principal sum of eight hundred fifty thousand and no/100 dollars (\$850,000.00) in favor of Desert Rose Enterprises LLC, a Nevada limited liability company, and Land-Water.com, a sole proprietorship, as Payees, securing a note in the original principal amount of eight hundred fifty thousand and no/100 dollars (\$850,000.00).
- 2) A Deed of Trust recorded May 13, 2005, as File No. 124602, in Book 201, Page 422 of Official Records of Lincoln County, Nevada, in the original principal sum of one million four hundred thousand and no/100 dollars (\$1,400,000.00) in favor of Sun West Bank, as Payees, securing a note in the original principal amount of one million four hundred thousand and no/100 dollars (\$1,400,000.00).
- 3) A Deed of Trust to be recorded immediately prior to the recordation of this All Inclusive deed of Trust in the Official Records of Lincoln County, Nevada, in the original principal sum of eight hundred fifty thousand and no/100 dollars (\$850,000.00) in favor of Caliente Land Company LLC, a Nevada limited liability company, as Payees, securing a note in the original principal amount of eight hundred fifty thousand and no/100 dollars (\$850,000.00).

The Promissory Notes secured by said Deeds of Trust are hereinafter referred to as the "Senior Notes".

B. To protect the Security of the All Inclusive Deed of Trust. Trustor; agrees:

- 1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefore; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereon; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
- 2) To provide, maintain and deliver to Beneficiary fire, vandalism and malicious mischief insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. The provisions hereof are subject to the mutual agreements of the parties as below set forth.
- 3) To appear in and defend any action or proceeding purporting to effect the security hereof or the rights or powers of Beneficiary or Trustee and to pay all costs and expenses, including cost of evidence of title and attorneys fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this All Inclusive Deed of Trust.
- 4) To pay: (a) at least ten (10) days before delinquency all taxes and assessments affecting said property, including assessments on appurtenances water stock; (b) when due, subject to the mutual agreements of the parties as below set forth, all encumbrances, charges and liens, with interest, on said property or any part thereof which appear to be prior or superior hereto; and (c) all allowable expenses of this Trust.

TRUSTOR: NARCONON SOUTHERN CALIFORNIA

By Julie Bryant

Name: Julie Bryant

Title: SECRETARY

By Nicholas Kent

Name: Nicholas Kent

Title: DEPUTY EXECUTIVE DIRECTOR

BENEFICIARY: 325 EAST FOURTH STREET LLC

By John H. Huston

John H. Huston
Managing Member



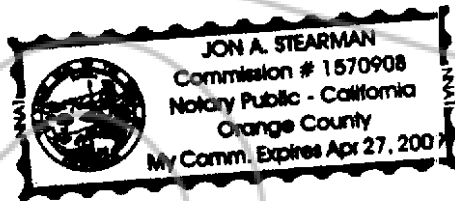
STATE OF CALIFORNIA)
COUNTY OF Los Angeles) ss.

On August 22, 2005, before me, the undersigned, a Notary Public in and for said State, personally appeared Julie BRYANT and Nicholas KENT, known to me to be the persons whose names are subscribed to the within All Inclusive Deed of Trust and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument upon behalf of Narconon Southern California of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary Public

[Handwritten Signature]



STATE OF NEVADA)
COUNTY OF _____) ss.

On August 1, 2005, before me, the undersigned, a Notary Public in and for said State, personally appeared John H. Huston, known to me to be the persons whose names are subscribed to the within All Inclusive Deed of Trust, and acknowledged that he executed the same on behalf of 325 east Fourth Street L.L.C.

WITNESS my hand and official seal.

Signature of Notary Public

COPIES ATTACHED
NEVADA
CALIFORNIA
ACKNOWLEDGMENT

(IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS ALL-INCLUSIVE DEED OF TRUST, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT TO SAME.)

[Handwritten initials]

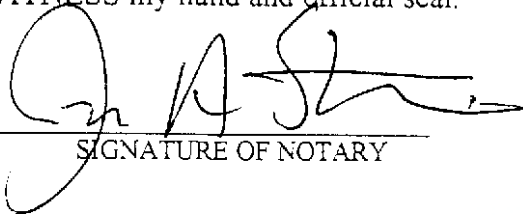
ACKNOWLEDGMENT

State of California
County of Los Angeles } SS

On 8/22/2005, before me, the undersigned State of California Notary Public, personally appeared
John H. Huston

personally known to me -OR- proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.


SIGNATURE OF NOTARY



The data below is optional and not required by law, but it may be valuable to those relying on the document and could prevent the fraudulent reattachment or use of this form.

DESCRIPTION OF DOCUMENT THIS ACKNOWLEDGMENT IS ATTACHED

TITLE OR TYPE OF DOCUMENT: ALL inclusive Deed of Trust

DATE OF DOCUMENT:

NUMBER OF PAGES INCLUDING THIS ACKNOWLEDGMENT: Eight (8)

CAPACITY CLAIMED BY SIGNER

INDIVIDUAL

CORPORATE OFFICER
TITLE(S):

PARTNER(S)

ATTORNEY-IN-FACT

TRUSTEE(S)

OTHER (SPECIFY): LLC managing member.

DO NOT RECORD

REQUEST FOR FULL RECONVEYANCE

TO COW COUNTY TITLE CO., TRUSTEE:

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

Dated: _____

John Huston Signature
MANAGING member

Signature



EXHIBIT "A"

LEGAL DESCRIPTION

ESCROW NO.: 19030978

PARCEL 1

That portion of land situate within the West Half (W1/2) of Section 2, Township 5 South, Range 66 East, M.D.B.&M., more particularly described as follows:

Parcels 3, 5, 6, 8, 9 of the Record of Survey Map of Large Parcels for 325 East Fourth Street L.L.C. recorded February 13, 2004, in Book C of Plats, Page 30 as File No. 121774, Lincoln County, Nevada records.

ASSESSOR'S PARCEL NUMBER FOR 2005-2006: 14-010-18
14-010-20
14-010-21
14-010-22
14-010-23

PARCEL 2

That portion of Lot 4 of Section 2, Township 5 South, Range 66 East M.D.B.&M., more particularly described as follows:

1

Parcel 1 of that certain Parcel Map recorded August 22, 1994 in the Office of the County Recorder of Lincoln County, Nevada in Book A of Plats, Page 425 as File No. 102249, Lincoln County, Nevada records.

ASSESSOR'S PARCEL NUMBER FOR 2005-2006: 14-010-08

WATER RIGHTS

TOGETHER WITH with the following described water rights:

- (1) All those certain water rights for irrigation purposes associated with 6.3 cultural acres located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 2, Township 5 South, Range 66 East, M.D.B.&M., being 31.5 acre-feet per year of the combined duty of Proof #01262 and Proof #01704, Records of the Division of Water Resources, Office of the State Engineer, State of Nevada; and
- (2) All those certain water rights for irrigation purposes associated with 5.3 cultural acres located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 3, Township 5 South, Range 66 East, M.D.B.&M., being 26.5 acre-feet per year of the combined duty of Proof #01262 and Proof #01704, Records of the Division of Water Resources, Office of the State Engineer, State of Nevada; and
- (3) All those certain water rights for irrigation purposes associated with 5.0 cultural acres located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 3, Township 5 South, Range 66 East, M.D.B.&M., being 25.0 acre-feet per year of duty of Proof #01704, Records of the Division of Water Resources,

Office of the State Engineer, State of Nevada; and

- (4) All those certain water rights for irrigation purposes associated with 34.4 cultural acres located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 3, Township 5 South, Range 66 East, M.D.B.&M., being 172.0 acre-feet per year of the combined duty of Proof #01262 and Proof #01704, Records of the Division of Water Resources, Office of the State Engineer, State of Nevada; and
- (5) All those certain water rights for irrigation purposes associated with 3.6 cultural acres located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 3, Township 5 South, Range 66 East, M.D.B.&M., being 18.0 acre-feet per year of combined duty of Proof #01704 and of Proof #01262, Records of the Division of Water Resources, Office of the State Engineer, State of Nevada; and
- (6) All those certain water rights for irrigation purposes associated with 3.8 cultural acres located in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 10, Township 5 South, Range 66 East, M.D.B.&M., being 19.0 acre-feet per year of duty of Proof #01704, Records of the Division of Water Resources, Office of the State Engineer, State of Nevada; and
- (7) Subject to and conditioned upon the exceptions and reservations listed below, a 62.51% undivided interest in and to 334.5 acre-feet per year (210.43 acre-feet per year) of Permit #45945, limited to use as stated therein, issued by the Division of Water Resources, Office of the State Engineer, State of Nevada.