

SECOND DEED OF TRUST

THIS SECOND DEED OF TRUST, made and entered into as of the 1st day of April, 1970, by and between WILFRED R. BAILEY and BARBARA BAILEY, his wife, of the County of Eureka, State of Nevada, First Parties, hereinafter called the Grantors; NEVADA TITLE GUARANTY COMPANY, a corporation, Second Party, hereinafter called the Trustee, and JOHN S. GAYNOR and JOAN B. GAYNOR, his wife, of the City of Elko, County of Elko, State of Nevada, Third Parties, being hereinafter called the Beneficiaries; it being understood that the words used herein in any gender includes all other genders, the singular number includes the plural and the plural the singular,

W I T N E S S E T H:

THAT WHEREAS, the said Grantors are indebted to the said Beneficiaries, JOHN S. GAYNOR and JOAN B. GAYNOR, his wife, in the sum of FIFTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$57,500.00), lawful money of the United States, and have agreed to pay the same according to the terms and tenor of a certain Promissory Note of even date herewith, and made, executed and delivered by said Grantors to said Beneficiaries, which note is in the words and figures as follows, to-wit:

\$57,500.00

Elko, Nevada, April 1, 1970

FOR VALUE RECEIVED, we jointly and severally promise to pay to the order of JOHN S. GAYNOR and JOAN B. GAYNOR, his wife, as joint tenants with right of survivorship, at Elko, Nevada, or wherever payment may be demanded by the holders of this note, the sum of FIFTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$57,500.00), together with interest to accrue upon the declining balance at the rate of seven per cent (7%) per annum, in the manner following, to-wit:

\$2,000.00 plus accrued interest, on or before the 1st day of April, 1971, and a like sum, plus accrued interest, on or before the 1st day of April of each and every year thereafter through April 1, 1979. The remaining unpaid principal, together with accrued interest, shall be paid in full on or before April 1, 1980.

The Makers may, at their option, make additional and further payments on account of said principal, or may pay the entire unpaid principal, with accrued interest, in full at any time. If additional payments are made, they shall be so identified in writing and shall be applied first to accrued interest to date of payment and the remainder upon the principal. Said additional payments shall not be cumulative payments, but the Makers shall, in all events, make the annual payments as hereinabove specified.

If the major insurance companies and the Federal Land Bank, who lend money on real estate in Eureka County, shall reduce their interest rates at any time during the life of this Promissory Note to less than 7%, then by written notation upon this Note, the interest rate thereon shall be reduced to 6%.

The Makers and endorsers waive demand, diligence, presentment, protest and notice of protest and non-payment.

In the event of default in the payment of any sum of principal or interest due hereunder, according to the terms and tenor hereof, and if such default lasts for a period of thirty (30) days, the holder or holders may, at their option, declare the entire amount of principal and interest due and payable.

In case of the default in the payment of, or if suit be commenced for the collection of any part of the principal or interest due hereunder, we jointly and severally promise and agree to pay a reasonable attorney fee incurred, together with all costs.

This Note is secured by Security Agreement and Second Deed of Trust of even date herewith.

WILFRED D. BAILEY
WILFRED R. BAILEY

BARBARA BAILEY
BARBARA BAILEY

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Attorneys at Law
Elko, Nevada

-2-

BOOK 35 PAGE 063

NOW, THEREFORE, the said Grantors, for the purpose of securing the payment of said Promissory Note, and also the payment of all monies herein agreed or provided to be paid by the said Grantors, or which may be paid out or advanced by the said Beneficiaries or Trustee under the provisions of this instrument, with interest in each case, do hereby grant, bargain, sell, convey and confirm unto the said Trustee all of the right, title and interest, claim and demand, as well in law as in equity, which the said Grantors may now have or may hereafter acquire of, in or to the following described real property situate in the County of Eureka, State of Nevada, more particularly described as follows:

Township 21 North, Range 53 East, MDB&M.

Section 3: S $\frac{1}{2}$

TOGETHER WITH all improvements situate thereon, or which may be placed thereon during the life of this Deed of Trust.

TOGETHER WITH all water rights, including, but without limitation thereto, Certificates Nos. 6182 and 6183, issued by the State Engineer of the State of Nevada.

TOGETHER WITH the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD the said premises, together with the appurtenances, unto the said Trustee, and to its successors and assigns, for the uses and purposes therein mentioned.

The following covenants, Nos. 1, 2(\$3,000.00), 3, 4 (7%), 5, 6, 7 (5%), 8 and 9 of NRS 107.030, are hereby adopted and made a part of this Deed of Trust.

This Deed of Trust also secures payment for further sums and the promissory notes evidencing the same, as may hereafter be loaned or advanced by Beneficiaries to the Grantors.

Said Grantors, in consideration of the premises, hereby covenant and agree that neither the acceptance nor existence, now or hereafter, of other security for the indebtedness secured hereby

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nor the release thereof, shall operate as a waiver of the security of this Deed of Trust, nor shall this Deed of Trust nor its satisfaction nor a reconveyance made thereunder operate as a waiver of any such other security now held or hereafter acquired.

This Deed of Trust is second to that certain Deed of Trust dated December 5, 1969, executed by JOHN S. GAYNOR and JOAN B. GAYNOR, Trustors, to NEVADA TITLE GUARANTY COMPANY, Trustee, for SECURITY NATIONAL BANK OF NEVADA, Beneficiary, recorded December 9, 1969, in Book 33 of Official Records at page 533, Eureka County, Nevada. The Beneficiaries herein have sold the property, the subject of this Second Deed of Trust, unto the Grantors herein, who bought the same subject to the First Deed of Trust to Security National Bank of Nevada.

The Beneficiaries covenant that they will at all times make the necessary payments on the due dates on the Promissory Note wherein they are Payors and the Security National Bank of Nevada is Payee, and that they will comply with all of the covenants of the Bank first Deed of Trust, on their part to be complied with. If there are any covenants to be complied with in the Deed of Trust by the persons in possession of the property, then Grantors covenant that they will so comply with such covenants. Should Beneficiaries fail to perform as in this paragraph provided, they shall give immediate notice to Grantors and the parties hereto will instruct the Security National Bank of Nevada to likewise give notice of non-performance by Beneficiaries unto Grantors. Grantors may then make good the defaults of said Beneficiaries and deduct the monies paid by them to the Security National Bank of Nevada from the Promissory Note hereinabove described between the parties hereto.

The Grantors covenant that they will at all times maintain the properties in as good condition as they are now in, reasonable wear and tear excepted, and in no event waste the same.

That they will use the water, the subject of existing permits, in accordance with the terms of said permits, all to the end that the same shall not be lost to the State of Nevada by forfeiture or abandonment.

The Beneficiaries are possessed of their rights and interests herein as joint tenants with right of survivorship and not as tenants in common.


IN WITNESS WHEREOF, the said Grantors have hereunto set their hands as of the day and year first hereinabove written.

Wilfred R. Bailey
WILFRED R. BAILEY

Barbara Bailey
BARBARA BAILEY

STATE OF NEVADA, }
COUNTY OF EUREKA. } SS.

On April 23rd, 1970, personally appeared before me, a Notary Public, WILFRED R. BAILEY and BARBARA BAILEY, his wife, who acknowledged that they executed the above instrument.

 WILLIS A. DePAOLI
Notary Public - State of Nevada
Eureka County
My Commission Expires Oct. 14, 1973

Willis A. DePaoli
NOTARY PUBLIC

RECORDED AT THE REQUEST OF Wilson & Wilson
on April 27, 19 70 at 04 mins. past 8 A. M. |
Book 35 of OFFICIAL RECORDS, page 65-69; RECORDS OF
EUREKA COUNTY, NEVADA Willis A. DePaoli Recorder.
File No. 52403 Fee \$ 7.00

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