NOTICE OF BREACH AND ELECTION TO SELL UNDER DEED OF TRUST

NOTICE IS HEREBY GIVEN:

That A-ALLSTATE ABSTRACT & ESCROW COMPANY is a Trustee under a Deed of Trust dated June 5, 1973, executed by DIVADA FARMS, INC., as Grantor, to secure certain Promissory Note in favor of ROYCE KELLY and D. A. KELLY, as Beneficiaries, recorded January 3, 1975 in Book 50, Official Records, page 402, Document No. 59564, Eureka County Recorder's Office, Eureka, Nevada.

The undersigned are the owners and holders of all beneficial interest in said Deed of Trust and the obligations secured thereby. RICHARD G. BARROWS is the successor Trustee to said A-ALLSTATE ABSTRACT & ESCROW COMPANY.

That a breach of the obligation for which such Deed of Trust is security has occurred in that:

- 1. Grantor has failed to make the first annual payment due on December 31, 1975 in the amount of \$16,225.00 plus interest upon the original principal balance at the rate of six per cent per annum from December 31, 1974;
- Grantor has failed to pay the property taxes due and payable and assessed upon the subject property to Eureka County for the 1974-1975 tax year totaling \$1,824.65, together with interest and penalties in violation of Covenant No. 1 of the Deed of Trust;
- Grantor has allowed the following liens to attach to the subject property in violation of Covenant No. 1 of the Deed of Trust:
 - (a) a Judgment for \$1,688.56 and any other amounts due thereunder, against Divada Farms, a Nevada corporation, in favor of Merkley & Hankins, a partnership, entered August 20, 1975, recorded August 22, 1975, in Book 52, page 9, as Instrument No. 60154, Eureka County Records;
 - (b) a Judgment for \$7,861.31 and any other amounts due thereunder, against Ronald W. Smith, aka Ron Smith, Gwendolyn Smith and Divada Farms, in favor of Western Village,

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entered October 2, 1974, recorded September 2, 1975, in Book 52, page 127, as Instrument No. 60264, Eureka County Records;

- (c) a lien for \$512.38, with interest and penalties, in favor of the United States of America, against Divada Farms, Inc., filed as No. RO 6772, in the Office of the Director of Internal Revenue, a notice of which was filed October 17, 1975, as File No. 60463, in the office of the County Recorder of Eureka County;
- (d) a Judgment for \$815.50, and any other amounts due thereunder, against Ronald W. Smith, aka Ron Smith and Gwendolyn Smith, his wife, individually and dba Ron Smith Farms, Divada Farms, Inc., a Nevada corporation, in favor of Professional Collection Agency, recorded December 10, 1975, in Book 53, page 243, as Instrument No. 6070, Eureka County Records;
- (e) a lien for \$452.95, with interest and penalties, in favor of the United States of America, against Divada Farms, Inc., filed as No. RO 6956, in the Office of the Director of Internal Revenue, a notice of which was filed Pebruary 12, 1976, as No. 60937, in the Office of the County Recorder of Eureka County;
- (f) a Judgment for \$1,599.13 and any other amounts due thereunder against Divada Farms, Inc., a Nevada corporation, in favor of Nevada Diesel Service Inc., a Nevada corporation, entered February 13, 1976, recorded March 10, 1976, in Book 54, page 106, as Instrument No. 60973, Eureke County Records;
- (g) a lien for \$552.53, with interest and penalties, in favor of the United States of America, against Divada Farms, Inc., filed as No. RO 7159 in the Office of the Director of Internal Revenue, a notice of which was filed March 29, 1976, as No. 61028, in the Office of the County Recorder of Eureka County.

(By specifying the foregoing default, we are in no way waiving any and all known or unknown defaults of any name or nature which may now exist or accrue in the future.)

That by reason thereof, the Undersigned as Beneficiaries under such Deed of Trust, have executed and delivered to said Trustee a written Declaration of Default and demand for sale, and have surrendered to said Trustee such Deed of Trust and all

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documents evidencing obligations secured thereby, and have declared and do hereby declare all sums secured thereby immediately due and have elected and do hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

DATED this 20 day of Quic., 1976.

ROYCF KELLY

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STATE OF Seran.

SS.

On COLUMN 1976, personally appeared before me, a Notary Public, ROYCE KILLY, who acknowledged to me that he executed the above instrument.

RECORDED AT THE REQUEST OF Wilson, Wilson & Barrow, Ltd.

April 28 1976 of 47 min. part 10 A.M. In

Book 54 of OFFICIAL RECORDS, page 311-313 RECORDS OF.

EUREKA COUNTY, NEVADA. WILLIS A. DefACU Records

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