

SECOND DEED OF TRUST

THIS SECOND DEED OF TRUST, made this 18 day of JUNE, 1981, by and between KENNETH P. and EARLENE STENTON, hereinafter called "Grantor," and as Trustee, and SHADY MEADOWS, INC., a Colorado corporation, hereinafter called "Beneficiary," it being specifically understood that any and all references to the words "Grantor" and "Beneficiary" shall include the masculine, feminine, and neuter genders, and singular and plural, as indicated by the context and number of parties hereto;

W I T N E S S E T H:

That Grantor hereby grants, transfers, and assigns to the Trustee in trust, with power of sale, all of the following described real property situate in the County of Eureka, State of Nevada, more particularly described as follows, to-wit:

A parcel of land lying east of Nevada Highway 278, located in the following described area:

Township 21 North, Range 53 East, M.D.B.&M.

Section 18: NE $\frac{1}{4}$, together with all land in the NW $\frac{1}{4}$ lying east of Nevada Highway 278 right of way.

Containing 200 acres, more or less.

TOGETHER WITH all buildings and improvements situate thereon and all water rights.

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 same unto said Trustee and its successors, in trust, to secure the performance of the following obligations, and payment of the following debts:

ONE: Payment of an indebtedness evidenced by a certain Promissory Note of even date hereof in the principal amount of ONE HUNDRED FIVE THOUSAND DOLLARS (\$105,000.00), with interest thereon, expenses, attorney fees and other payments therein provided, executed and delivered by the Grantor payable to the Beneficiary or order, and any and all extensions or renewals thereof.

TWO: Payment of such additional amounts as may be hereafter loaned by the Beneficiary or Grantor, or any successor in interest of the Grantor, with interest thereon, expenses and attorney fees, and any other indebtedness or obligation of the Grantor to the Beneficiary.

THREE: Payment of all other sums with interest thereon becoming due or payable under the provisions hereof to either Trustee or Beneficiary.

FOUR: Payment, performance and discharge of each and every obligation, covenant, promise, and agreement of

GOICOECHEA, DIGRAZIA & MARVEL
ATTORNEYS AT LAW
BLOHM BUILDING, SUITE 200
FIFTH & IDAHO STREETS - P. O. BOX 1358
ELKO, NEVADA 89801
(702) 738-8091

BOOK 095 PAGE 475

Grantor herein or in said Note contained, and of all renewals, extensions, revisions and amendments of the above-described Note and any other indebtedness or obligation secured hereby.

To protect the security of this Second Deed of Trust, it is agreed as follows:

1. The Beneficiary has the right to record notice that this Second Deed of Trust is security for additional amounts and obligations not specifically mentioned herein, but which constitute indebtedness or obligations of the Grantor for which the Beneficiary may claim this Second Deed of Trust as security.

2. The Grantor shall keep the property herein described in good condition, order and repair; shall not remove or demolish any buildings, fixtures, improvements, or landscaping thereon or hereafter placed or constructed thereon; shall not commit or permit any waste or deterioration of the land, buildings, and improvements; and shall not do nor permit to be done anything which shall impair, lessen, diminish or deplete the security hereby given.

3. The following covenants, Nos. 1; 2(-0-), 3; 4 (10%); 5; 6; 7 (reasonable); 8; and 9 of N.R.S. 107.030 are hereby adopted and made a part of this Second Deed of Trust. In connection with covenant No. 6, it shall be deemed to include and apply to all conditions, covenants, and agreements contained herein in addition to those adopted by reference, and to any and all defaults or deficiencies in the performance of this Second Deed of Trust.

4. All payments secured hereby shall be paid in lawful money of the United States of America.

5. The Beneficiary and any persons authorized by the Beneficiary shall have the right to enter upon and inspect the premises at all reasonable times.

6. If default be made in the performance or payment of the obligation, note or debts secured hereby, or in the performance of any of the terms, conditions, and covenants of the Second Deed of Trust, or the payment of any sum or obligation to be paid hereunder, or upon the occurrence of any act or event of default hereunder, and such default is not cured within thirty-five (35) days after written notice of default and of election to sell said property given in the manner provided by N.R.S. 107.080 as in effect on the date of this Second Deed of Trust, Beneficiary may declare all notes, debts, and sums secured hereby or payable hereunder immediately due and payable although the date of maturity has not yet arrived.

7. In case of condemnation of the property subject hereto, or any part thereof, by paramount authority, all of any condemnation award to which the Grantor shall be entitled, less costs and expenses of litigation, is hereby assigned by the Grantor to the Beneficiary, who is hereby authorized to receive and receipt for the same and apply such proceeds as received, toward the payment of the indebtedness hereby secured, whether due or not.

8. The Promissory Note secured by this Second Deed of Trust is made a part hereof as if fully herein set out.

GOICOECHEA, DIGRAZIA & MARVEL
ATTORNEYS AT LAW
BLOHM BUILDING, SUITE 200
FIFTH & IDAHO STREETS - P. O. BOX 1355
ELKO, NEVADA 89801
(702) 738-8091

2 -
BOOK 95 PAGE 476

9. The commencement of any proceeding under the bankruptcy or insolvency laws by or against the Grantor or the maker of the Note secured hereby; or the appointment of receiver for any of the assets of the Grantor hereof or the maker of the Note secured hereby of a general assignment for the benefit of creditors, shall constitute a default under this Second Deed of Trust.

10. The rights and remedies herein granted shall not exclude any other rights or remedies granted by law, and all rights or remedies granted hereunder or permitted by law shall be concurrent and cumulative.

11. All the provisions of this instrument shall inure to and bind the heirs, legal representatives, successors, and assigns of each party hereto respectively as the context permits. All obligations of each Grantor hereunder shall be joint and several.

12. Any notice given to Grantor under Section 107.080 of N.R.S. in connection with this Second Deed of Trust shall be given by registered or certified letter to the Grantor addressed to the address set forth near the signature on this Second Deed of Trust, or at such substitute address as Grantor may direct in writing to Beneficiary and such notice shall be binding upon the Grantor and all assignees or grantees of the Grantor.

13. It is expressly agreed that the trusts created hereby are irrevocable by the Grantor.

14. This Second Deed of Trust is subordinate and subject to that Deed of Trust dated May 15, 1979, given by SHADY MEADOWS, INC., a Colorado corporation, herein for the benefit of Lena Heet, a widow, recorded in Book 70, at page 261, of Official Records, Eureka County Recorder's Office, Eureka, Nevada, as File No. 68297.

IN WITNESS WHEREOF, the Grantors have executed these presents the day and year first hereinabove written.

Kenneth P. Stenton
KENNETH P. STENTON

Earlene Stenton
EARLENE STENTON

STATE OF NEVADA)
) ss.
COUNTY OF EUREKA)

On this 18th day of June, 1981, personally appeared before me, a Notary Public, KENNETH P. and EARLENE STENTON, who acknowledged to me that they executed the foregoing instrument.

RECORDED AT THE REQUEST OF Earlene Stenton
on June 18, 1981, at 11 mins. past 2 P.M. 1,
Book 95 of OFFICIAL RECORDS, page 475, RECORDS OF
EUREKA COUNTY, NEVADA. WILLIS A. DePAOLI Recorder
File No. 80848 Fee \$ 5.00

David Shamash
NOTARY PUBLIC
CLERK of the THIRD JUDICIAL COURT



GOICOECHEA, DIGRAZIA & MARVEL
ATTORNEYS AT LAW
BLOHM BUILDING, SUITE 200
FIFTH & IDAHO STREETS - P. O. BOX 135
ELKO, NEVADA 89801
(702) 798-8091

BOOK 95 PAGE 477