

108162

DEED OF TRUST

THIS DEED OF TRUST, made and entered into as of the 29th day of May, 1987, by and between REECE W. MARSHALL, a single man, of Eureka, Nevada, First Party, hereinafter called the Grantor; FRONTIER TITLE COMPANY, a Nevada corporation, Second Party, hereinafter called the Trustee; and NEVADA-RINGSBY FARMS, INC., a Nevada corporation, Third Party, hereinafter called the Beneficiary; 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 Grantor is indebted to the said Beneficiary, NEVADA-RINGSBY FARMS, INC., a Nevada corporation, in the sum of SEVENTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$77,500), lawful money of the United States, and has 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 Grantor to said Beneficiary, which Note is in the words and figures as follows, to-wit:

\$77,500.00

Eureka, Nevada, May 29, 1987

FOR VALUE RECEIVED, the Undersigned promises to pay to the order of NEVADA-RINGSBY FARMS, INC., a Nevada corporation, at Elko, Nevada, or wherever payment may be demanded by the holder of this Note, the sum of SEVENTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$77,500.00), together with interest to accrue upon the declining balance at the rate of nine percent (9%) per annum from the 1st day of June, 1987, until paid, all in the manner following, to-wit:

\$10,000.00, on or before the 1st day of June, 1988, and a like sum on or before the 1st day of June of each and every year thereafter until eight years from date hereof at which time the entire balance shall be paid in full. Said yearly payments shall be applied first to accrued interest to date thereof and the remainder upon the principal.

The Maker may, at his option, make additional payments or pay the entire unpaid principal, with accrued interest, in full at any time. Said payments 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 Maker shall, in all events, pay at least the sums required by the above payment schedule.

The Maker and endorsers waive demand, diligence, presentment, protest and notice of protest and nonpayment.

In the event of default in the payment of any sum of principal or interest, or both, due hereunder, according to the terms and tenor hereof, or in the performance of any of the provisions of any security instruments now or hereafter securing this Note, the holder may, at its option, declare the entire amount of principal and interest due and payable. Failure to exercise such option shall not constitute a waiver of the right to exercise it in the event of any subsequent default.

In case of default in the payment of any part of the principal or interest due hereunder, the Undersigned promises and agrees to pay the holder's reasonable attorney fee and costs incurred in collecting the same before and during litigation or nonjudicial foreclosure.

Each payment hereunder which is more than fifteen (15) days late, shall bear a penalty of 15% of the payment, in addition thereto.

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

REECE W. MARSHALL
REECE W. MARSHALL

W. I. SON AND BARROWS, LTD.
ATTORNEYS AT LAW
P. O. BOX 389
EUREKA, NEVADA 89001-0389

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NOW, THEREFORE, the said Grantor, 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 Grantor, or which may be paid out or advanced by the said Beneficiary or Trustee under the provisions of this instrument, with interest in each case, does 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 Grantor 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, to-wit:

Township 21 North, Range 53 East, MDB&M

Section 22: NW¼

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

TOGETHER WITH all waters, water rights, rights to the use of water, dams, ditches, canals, pipe lines, reservoirs and all other means for the diversion or use of waters appurtenant to the said real property therewith, including but not limited to Permit No. 20487, and together with all stockwatering rights used or enjoyed in connection with the use of any of said lands.

TOGETHER WITH all irrigation equipment and machinery used in connection with said property, including one Lockwood Pivot System.

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 herein mentioned.

The following covenants, Nos. 1, 2 (None); 3, 4, (9%), 5, 6, 7 (legal rate), 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, together with interest as shall be provided for therein, as may hereafter be loaned or advanced by Beneficiary to the Grantor.

Said Grantor, in consideration of the premises, hereby covenants and agrees that neither the acceptance nor existence, now or hereafter, of other security for the indebtedness secured hereby, 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.


Said Grantor hereby covenants and agrees that he will operate the farm premises according to the dictates of good farm management as defined by farm practice in the area in which the farm is located; that he will apply the water rights to beneficial use, all to the end that the same will not be lost by abandonment or forfeiture; and that he will maintain the premises in as good condition as they are now in, reasonable wear and tear excepted. Grantor will take all reasonable and prudent steps to control the rodent population on the premises.

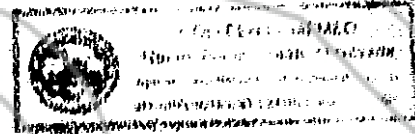
IN WITNESS WHEREOF, the said Grantor has hereunto set his hand as of the day and year first hereinabove written.

Reece W. Marshall
REECE W. MARSHALL

STATE OF NEVADA,)
) SS.
COUNTY OF Elko)

On May 29, 1987, personally appeared before me,
a Notary Public, REECE W. MARSHALL, who acknowledged that he
executed the foregoing instrument.


NOTARY PUBLIC



RECORDED AT REQUEST OF
EUREKA TITLE CO.
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87 JUN 1 11:30

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
MIN. REBATE ATT. RECORDER
FILE NO. 108162
Fee \$ 9.00

WILSON AND BARROWS, LTD.
ATTORNEYS AT LAW
P. O. BOX 289
ELKO, NEVADA 89801-0389

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