

123574

Deed of Trust

This Deed of Trust, made this 11th day of October, 1988, by and between DONALD JAMES and JEANETTE HILL JAMES, husband and wife, hereinafter called "Grantor"; and FIRST AMERICAN TITLE COMPANY OF NEVADA, as Trustee; and PAUL D. PREDNEY and MARION JEAN PREDNEY, husband and wife, hereinafter called "Beneficiary," it being specifically understood that any and all reference 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;

Witnesseth:

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:

TOWNSHIP 30 NORTH, RANGE 48 EAST, MDB&M.

Section 33: N1/2SW1/4SW1/4; SE1/4SW1/4SW1/4;
N1/2SW1/4SW1/4SW1/4;
SE1/4SW1/4SW1/4SW1/4

EXCEPTING THEREFROM all petroleum, oil, natural gas and products derived therefrom and all rights thereto, together with the right at all times to enter upon or in said land to prospect for and to mine, recover and remove the same as reserved by SOUTHERN PACIFIC LAND COMPANY in deed recorded September 24, 1951 in Book 24 of Deeds at Page 168, Eureka County, Nevada.

SUBJECT to any and all exceptions, reservations, restrictions, restrictive covenants, assessments, easements, rights and rights of way of record.

TOGETHER with all buildings and improvements situate thereon.

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 SIXTEEN THOUSAND AND No/100 DOLLARS (\$16,000.00), 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.

EASTERLY & ARMSTRONG
Attorneys at Law
575 Fifth Street
Elko, Nevada 89801

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Two: Payments of such additional amounts as may be hereafter loaned by the Beneficiary to the 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 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 Deed of Trust, it is agreed as follows:

1. The Beneficiary has the right to record notice that this Deed of Trust is security for the additional amounts and obligations not specifically mentioned herein, but which constitute indebtedness of obligations of the Grantor for which the Beneficiary may claim this 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 (\$ 16,000.00); 3; 4 (7%); 5; 6; 7 (reasonable); 8; and 9 of N.R.S. 107.030 are hereby adopted and made a part of this Deed of Trust. In connection with Covenant No. 7, 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 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 debt secured hereby, or in the performance of any of the terms, conditions, and covenants of the 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 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, to the extent the Beneficiary is entitled thereto, who is hereby

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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 Deed of Trust is made a part hereof as if fully herein set out.

9. 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.

10. 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.

11. Any notice given to Grantor under Section 107.080 of N.R.S. in connection with this 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 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.

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

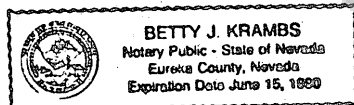
In Witness Whereof, the Grantor has executed these presents the day and year first hereinabove written.

Donald James
DONALD JAMES

Jeanette Hill James
JEANETTE HILL JAMES

State of Nevada)
) ss.
County of Elko

On this 11th day of October, 1988, personally appeared before me, a Notary Public, DONALD JAMES and JEANETTE HILL JAMES, who acknowledged to me that they executed the foregoing instrument.



Betty J. Krambs
NOTARY PUBLIC

RECORDED AT THE REQUEST OF
1st American Title
BOOK PAGE
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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
H.M. REBALEATI & CO.
LEATHERLY & ARMSTRONG
Attorneys at Law
575 Fifth Street
Elko, Nevada 89801
FILE NO. 123574
Fee 7.00

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