

APN 001-102-11
APN 001-102-12

When Recorded Ren To:

Dennis G. and Mary Reith
2831 Toughgirl Rd.
Pahrump, Nevada 890

BOOK 369 PAGE 148-152
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Theodore I. Vernes
2003 NOV 13 PM 4: 13

EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEES 78⁰⁰

183178

DEED OF TRUST

THIS DEED OF TRUST, made and entered into this ____th day of June, 2003, by and between **Theodore I. Vernes** and **Sharlene S. Vernes**, as husband and wife, do business as T SHAR ENTERPRISES as community property with right of survivorship and not as tenants in common, whose address is P.O. Box 273, Eureka, Nevada, 8931 hereinafter referred to as the Trustors, and **Dennis G. Reith** and **Mary E. Reith**, husband and wife, as joint tenants with rights of survivorship and not as tenants in common, hereinafter referred to as the Trustees and/or Beneficiaries.

WITNESSETH

That Trustors convey, transfer, and assigns to Trustees in Trust with power of sale the following described property located in the County of Eureka, State of Nevada, and more particularly described as follows:

Lot 14 of Block 22, in the town of Eureka, Nevada, and;

The West one-half of Lot 15 of Block 22, in the town of Eureka, State of Nevada

Together with buildings and improvements situate thereon.

SUBJECT TO THIS CERTAIN DEED OF TRUST created by the Trustors in favor of the Trustees and Beneficiaries, the beneficial owners of record being **Dennis G. Reith** and **Mary E. Reith**, husband and wife.

Together with and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof

Trustors irrevocably grants and conveys to Trustees in Trust with power of sale, the above described property together with leases, rents, issues, profits, or income thereof, all of which are herein called property income; subject, however, to the right, power and authority herein given Beneficiaries to collect and apply such property income and subject to the existing taxes, assessment, liens, encumbrances covenants, conditions, restrictions, rights of way and easements of record.

For purpose securing (a); performance of each agreement of Trustors herein contained; (b); payment of an indebtedness evidenced by a certain Promissory Note dated the 20th day of June, 2003 and any extension or renewal thereof executed by the Trustors in favor of the Beneficiaries.

The following provisions of N.R.S. 107.030 are adopted by reference as though more fully set forth herein: Covenant 1, Covenant 2 (amount of money set forth in the promissory note) Covenant 3, Covenant 4 (Note rate) Covenant 5, Covenant 6, Covenant 7 (reasonable) and Covenant 9.

Trustors shall bear the cost of recording this document.

To protect the security of this Deed of Trust, Trustors agree:

1. To keep property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner a building which may be constructed, damaged, or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefore; to comply with all laws affecting the property or requiring any alterations or improvements to be made thereon; not to commit, suffer, or permit any act upon the property in violation of law; and to do all other acts which from the care or use of the property may be reasonably necessary, the specific enumeration herein not excluding the general.
2. To appear and defend any action or proceeding purporting to affect the security hereof or the right hereof or the right or powers of Beneficiaries or Trustees; and to pay all costs and expenses of Beneficiaries or Trustees including costs of evidence of Title and attorney's fees a reasonable sum, in any such action or proceeding in which Beneficiaries or Trustees may appear or be named in any suit brought by Beneficiaries or Trustees to foreclose this Deed of Trust.
3. To pay when due, all taxes and assessments affecting the property; when due, all encumbrances, charges and liens, with interest on the property or any part thereof which appear prior or superior thereto; all cost, fees and expenses to this Trust, including without limiting the generality of the foregoing the fees of Trustees for issuance of any deed of partial release and partial reconveyance or deed of release and full reconveyance, and all legal charges, cost, and expenses in the event of reinstatement of, following default in, this Deed of Trust or the obligation secured hereby.
4. If Trustors to make any payment or to do any act as herein provided, the Beneficiary or Trustee, without obligation to do so and without notice to or demand on Trustor and without releasing Trustor from any obligations thereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the

security thereof, Beneficiary or Trustees being authorized to enter on the property for such purpose; appear in and defend any action or proceeding purporting to affect the security thereof or the rights owners of Beneficiaries or Trustees; pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior thereto; and in exercising any such powers, pay necessary expenses, employ counsel, and pay reasonable attorney fees.

5. To pay immediately and without demand all sums expended by Beneficiaries or Trustees pursuant to the provisions hereof, together with interest from date of expenditure at the same rate as provided for in the Note secured hereby or at the highest legal rate, whichever is greater. Any amounts paid by Beneficiaries or Trustees shall become a part of the debt secured by this Deed of Trust and a lien on the premises, or immediately due and payable at option of Beneficiaries or Trustees.

IT IS MUTUALLY AGREED THAT:

6. The amount collected by Trustees under any insurance policy may be applied by Beneficiaries on indebtedness secured hereby and in such order as Beneficiaries may determine or, at option of the Beneficiaries, the entire amount so collected or any part thereof, may be released to Trustees. Such application for release shall not cure or waive any default or notice of Trustees' sale hereunder or invalidate any act pursuant to such notice or any costs related to the commencement of the same. To the extent that there is a partial destruction of the premises or improvements on the real property for which this Deed of Trust acts as security, Beneficiary shall have the sole and exclusive election as to the manner in which the insurance proceeds paid to Trustor shall be applied either to the reconstruction of the premises, or to the reduction or full payment of the unpaid principal obligation then due owing to Beneficiaries at the time of said insurance payment. Any partial or total destruction of the improvements situate on the real property for which this Deed of Trust acts as security, shall operate to delay payments made thereon and required to be made as set out in promissory note for which this Deed of Trust acts as security.

7. Any award of damages in connection with any condemnation or taking, or for an injury by reason of public use, or for damages for private trespass or injury thereto, is assigned and shall be paid to Beneficiaries as further security for all its obligation secured hereby (reserving unto Trustors, the right to sue therefore and the ownership thereon subject to this Deed of Trust), and on receipt of such moneys Beneficiaries may hold them as such further security; apply or release them in the same manner and with the same effect as above provided for disposition of proceeds of insurance.

8. Time is the essence of this Deed of Trust. By accepting payment of any sum secured hereby at its due date Beneficiary does not waive their rights either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

9. At any time from time to time, and without notice, on written request of Beneficiaries and presentation of this Deed of Trust and Note for endorsement, without liability for payment of the indebtedness secured hereby, without affecting the security hereof for the full amount secured hereby and all property remaining subject hereto, and without the necessity that any sum representing the value or any portion

thereof of the property affected by Trustee's action be credited on the indebtedness, Trustees may (a) release and reconvey all or any part of the property; (b) consent to the making and/or recording of any map or plat of the property or any part thereof; (c) join in granting any easement thereon and (d) join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance, or charge hereof.

10. On written request of Beneficiaries stating all sums secured hereby have been paid, on surrender of this Deed of Trust and Note to Trustee for cancellation and retention, and payment of its fees, Trustees shall release and reconvey, without covenant or warranty, express or implied, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the persons legally entitled thereto."

11. As additional security, Trustors hereby give to and confer on Beneficiaries the right, power and authority, during the continuance of this Trust to collect the property income, reserving to Trustors the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such property income as it becomes due and payable. On any such default, Beneficiaries may at any time, without notice, either in person, by agent, or by a receiver to be appointed by a Court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter on

and take possession of the property or any part thereof, in his own name sue for or otherwise collect such property income, including that past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, on any indebtedness secured hereby, and in such order as Beneficiaries may determine. The entering on and taking possession of the property, the collection of such property income, and the application thereof shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

12. On default by Trustors in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, Beneficiaries may declare all sums secured hereby immediately due and payable by delivery to Trustors of written notice thereof, setting forth the nature thereof, and of election to cause to be sold the property under this Deed of Trust.

13. Beneficiaries may appoint a successor Trustee in the manner prescribed by law. A successor Trustee herein shall without conveyance from the predecessor Trustee, succeed to all of predecessor's title, estate, rights, powers, and duties. Trustees may resign by mailing or delivering notice thereof to Beneficiaries and Trustors.

14. This Deed of Trust applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term "Beneficiary" shall mean the owner and holder of the Note secured hereby, whether or not named as beneficiary herein. In this Deed of Trust, whenever the context requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural.

15. Trustees except this Trust when this Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Trustees are not obligated to notify any party hereto pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee is a party unless brought by Trustee.

16. For all purposes of any notices or default required by law or otherwise to be given to Trustors, and less Beneficiaries are otherwise instructed hereafter in writing by Trustors, Trustor's address shall be : Dennis G. and Mary E. Reith, 2831 Toughgirl Rd. Pahrump, Nevada 890.

Theodore I. Vernes 7/1/03
THEODORE I. VERNES dba:
T SHAR ENTERPRISES
(Trustor)

Sharlene S. Vernes 7/1/03
SHARLENE S. VERNES dba:
T SHAR ENTERPRISES
(Trustor)

STATE OF NEVADA)
COUNTY OF EUREKA) SS

PERSONALLY appeared before me, a Notary Public, **THEODORE I. VERNES** and **SHARLENE S. VERNES**, who are personally known to me and who proved to me that they are the persons who, in my presence, executed the within DEED OF TRUST consisting of 5 pages.

Kimberly L. Todd
NOTARY PUBLIC

