

Assessor's Parcel Number: 001-022-17

Recording Requested By:
Eagle Home Mortgage, Inc.

BOOK 443 PAGE 80-106
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Stewart Title
2006 SEP 29 PM 2: 52

EUREKA COUNTY, NEVADA
M.N. REDEALTY RECORDER
FILE NO. FEES 65⁰⁰

206289

And When Recorded Return To:
Eagle Home Mortgage, Inc.
10510 NE Northup Way #300
Kirkland, Washington 98033
Loan Number: A967012
Mail Tax Statements To:

MAIL TAX STATEMENTS TO: Eagle Home Mortgage, Inc., 10510 NE
Northup Way #300, Kirkland, Washington 98033

[Space Above This Line For Recording Data]

DEED OF TRUST

06271813

FHA CASE NO.

331-1248927-703

MIN: 1000452-0000063244-9

THIS DEED OF TRUST ("Security Instrument") is made on SEPTEMBER 14, 2006
The grantor is WALTER R. ARMAS AND JOLINDA A. ARMAS, HUSBAND AND
WIFE

("Borrower").

The trustee is STEWART TITLE OF NORTHEASTERN NEVADA
810 IDAHO STREET, ELKO, NEVADA 89801

("Trustee").

The beneficiary is Mortgage Electronic Registration Systems, Inc. ("MERS") (solely as nominee for Lender, as hereinafter defined, and Lender's successors and assigns). MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

Eagle Home Mortgage, Inc., A WASHINGTON CORPORATION

("Lender")

is organized and existing under the laws of WASHINGTON
and has an address of 10510 NE Northup Way #300, Kirkland, Washington
98033

Borrower owes Lender the principal sum of ONE HUNDRED SEVENTY-FIVE THOUSAND
THREE HUNDRED NINETY-TWO AND 00/100 Dollars (U.S. \$ 175,392.00).

This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for
monthly payments, with the full debt, if not paid earlier, due and payable on OCTOBER 1, 2036 .

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest,
and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest,
advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of
Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower
irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located
in EUREKA County, Nevada:

FOR LEGAL DESCRIPTION SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF
A.P.N.: 001-022-17

which has the address of 101 VANDAL WAY

EUREKA
[City]

, Nevada

[Street]

89316

[Zip Code]

("Property Address"):

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument; but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing or canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal, Interest and Late Charge.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

2. **Monthly Payment of Taxes, Insurance, and Other Charges.** Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required under paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such premium would have been required if Lender still held the Security Instrument, each monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary, in a reasonable amount to be determined by the Secretary. Except for the monthly charge by the Secretary, these items are called "Escrow Items" and the sums paid to Lender are called "Escrow Funds."

Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. § 2601 et seq. and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for

unanticipated disbursements or disbursements before the Borrower's payments are available in the account may not be based on amounts due for the mortgage insurance premium.

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage as permitted by RESPA.

The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

3. Application of Payments. All payments under paragraphs 1 and 2 shall be applied by Lender as follows:

FIRST, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium;

SECOND, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

THIRD, to interest due under the Note;

FOURTH, to amortization of the principal of the Note; and

FIFTH, to late charges due under the Note.

4. Fire, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

5. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument (or within sixty days of a later sale or transfer of the Property) and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender determines that requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action

to protect and preserve such vacant or abandoned Property. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

6. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in paragraph 3, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

7. Charges to Borrower and Protection of Lender's Rights in the Property. Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

If Borrower fails to make these payments or the payments required by paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in paragraph 2.

Any amounts disbursed by Lender under this paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement at the Note rate, and at the option of Lender shall be immediately due and payable.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

8. Fees. Lender may collect fees and charges authorized by the Secretary.

9. Grounds for Acceleration of Debt.

(a) **Default.** Lender may, except as limited by regulations issued by the Secretary in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or
- (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) **Sale Without Credit Approval.** Lender shall, if permitted by applicable law (including section 341(d) of the Garn-St. Germain Depository Institutions Act of 1982, 12 U.S.C. 1701j - 3(d)) and with

the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and
 - (ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property, but his or her credit has not been approved in accordance with the requirements of the Secretary.
- (c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.
- (d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.
- (e) **Mortgage Not Insured.** Borrower agrees that if this Security Instrument and the Note are not determined to be eligible for insurance under the National Housing Act within 60 DAYS from the date hereof, Lender may, at its option require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 DAYS from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

10. Reinstatement. Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorneys' fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

11. Borrower Not Released; Forbearance by Lender Not a Waiver. Extension of the time of payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-Signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 9(b). Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

13. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

14. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

15. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

16. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

17. Assignment of Rents. Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph 17.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

18. Foreclosure Procedure. If Lender requires immediate payment in full under paragraph 9, Lender may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold, and shall cause such notice to be recorded in each county in which any part of the Property is located. Lender shall mail copies of the notice as prescribed by applicable law to Borrower and to the persons prescribed by applicable law. Trustee shall give public notice of sale to the persons and in the manner prescribed by applicable law. After the time required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this paragraph 18 or applicable law.

19. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under applicable law.

20. Substitute Trustee. Lender, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law.

21. Assumption Fee. If there is an assumption of this loan, Lender may charge an assumption fee of U.S. \$ 500.00.

22. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument.

[Check applicable box(es)].

- | | | |
|---|---|---|
| <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Graduated Payment Rider | <input type="checkbox"/> Growing Equity Rider |
| <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Rehabilitation Loan Rider |
| <input type="checkbox"/> Non-Owner Occupancy Rider | <input checked="" type="checkbox"/> Other [Specify] | AFFIXATION AFFIDAVIT,
LIMITED POWER OF ATTY
RIDER, MANUFACTURED HOME
RIDER, NEW CONSTRUCTION RIDER |

BY SIGNING BELOW, Borrower accepts and agrees to the terms contained in pages 1 through 7 of this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Walter R. Armas (Seal)
WALTER R. ARMAS -Borrower

Jolinda A. Armas (Seal)
JOLINDA A. ARMAS -Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

Witness:

Ray [Signature]

Witness:

STATE OF NEVADA, ~~EUREKA~~ *White Pine*

County ss:

This instrument was acknowledged before me on *September 18, 2006*
by WALTER R. ARMAS, JOLINDA A. ARMAS

Penny Alworth

Notary Public

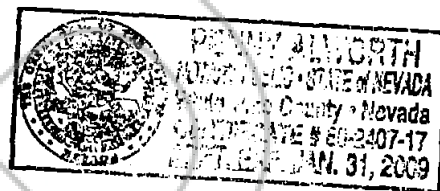


EXHIBIT "A"

LEGAL DESCRIPTION

ESCROW NO.: 06271813

The land referred to herein is situated in the State of Nevada, County of Eureka described as follows:

Parcel 17 as shown on that certain Parcel Map for DAVID A. PASTORINO filed in the office of the County Recorder of Eureka County, State of Nevada, on April 24, 1989, as File No. 127110, being a portion of of Lot 13, Block A of RUBY HILL ESTATES SUBDIVISION, according to the official map thereof, filed in the office of the County Recorder of Eureka County, State of Nevada, on October 5, 1984, as File Number 96135 and amended May 15, 1985, as File Number 98941.

A portion of Parcel 18 as shown on that certain Parcel Map for DAVID A. PASTORINO filed in the office of the County Recorder of Eureka County, State of Nevada, on April 24, 1989, as File No. 127110, being a portion of of Lot 13, Block A of RUBY HILL ESTATES SUBDIVISION, according to the official map thereof, filed in the office of the County Recorder of Eureka County, State of Nevada, on October 5, 1984, as File Number 96135 and amended May 15, 1985, as File Number 98941, more particularly described as follows:

Commencing at the South 1/4 corner of Section 14, TOWNSHIP 19 NORTH, RANGE 53 EAST, M.D.B.&M. said point being a 1937 GLO brass cap;

THENCE North 45°16'26" East, a distance of 1,501.21 feet to a point lying on the easterly right of way line of Vandal Way, said point being the beginning of a non tangent curve, concave to the Southeast having a radial bearing of North 88°38'23" West, said point also being the true point of beginning;

THENCE leaving said easterly right of way line of Vandal Way, North 85°16'33" East, a distance of 132.04 feet to a point, said point being the easterly corner common to said Parcel 18 and Parcel 19 as shown on said Parcel Map, File No. 127110;

THENCE South, a distance of 54.66 feet to a point, said point being the southeast corner of said Parcel 18;

THENCE along the southerly line of said Parcel 18, North 87°45'47" West, a distance of 131.89 feet to a point lying on said easterly right of way line of Vandal Way, said point being the beginning of a non tangent curve, concave to the Southeast, having a radial bearing of North 89°14'08" East;

Continued on next page

ESCROW NO.: 06271813

THENCE northerly along said easterly right of way line of Vandal Way, 38.64 feet along the arc of said curve, having a radius of 1,042.00 feet, through a central angle of $02^{\circ}07'29''$, to the true point of beginning.

EXCEPTING THEREFROM all uranium, thorium or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, wether or not of commercial value in and under said land reserved by THE UNITED STATES OF AMERICA, in patent recorded December 19, 1947, in Book 23, Page 226, Deed Records, Eureka County, Nevada.

(To be recorded with Security Instrument)

Loan Number: A967012

AFFIXATION AFFIDAVIT REGARDING MANUFACTURED (AND FACTORY BUILT) HOME

The State of NEVADA)

County of EUREKA)

Before me, the undersigned authority, on this day personally appeared WALTER R. ARMAS,
JOLINDA A. ARMAS

(Borrower(s)) and Eagle Home Mortgage, Inc.

known to me to be the person(s) whose name(s) is/are subscribed below, and who, being by me first dully
sworn, did each on his/or her oath state as follows:

DESCRIPTION OF MANUFACTURED HOME

NEW	2006	KIT	
New/Used	Year	Manufacturer's Name	
N/A		N/A	75FT X 27FT (L
Model Name or Model No.		Manufacturer's Serial No.	Length x Width
N/A			
HUD Label Number(s):		Certificate of Title Number:	

MANUFACTURED HOME LOCATION

101 VANDAL WAY	EUREKA	
Street	County	
EUREKA	NEVADA	89316
City	State	Zip Code

AFFIXATION AFFIDAVIT REGARDING MANUFACTURED
(AND FACTORY BUILT) HOME
03/20/06

Page 1 of 3

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In addition to the covenants and agreements made in the Security Instrument, Borrower covenants and agrees as follows:

1. The manufactured home described above located at the address above is permanently affixed to a foundation and will assume the characteristic of site-built housing.
2. The wheels, axles, tow bar, or hitch were removed when said manufactured home was placed on the permanent site.
3. All foundations, both perimeter and piers for said manufactured home have footings that are located below the frost line or in compliance with local building codes or requirements.
4. If piers are used for said manufactured home, they will be placed where said home manufacturer recommends.
5. If state law so requires, anchors for said manufactured home have been provided.
6. The manufactured home is permanently connected to a septic or sewage system and other utilities such as electricity, water and natural gas.
7. No other lien or financing affects said manufactured home or real estate, other than those disclosed in writing to Lender.
8. The foundation system of the manufactured home has been designed by an engineer, if required by state or local building codes, to meet the soil conditions of the site.
9. Borrower(s) acknowledges his or her intent that said manufactured home will become immovable property and part of the real property securing the security instrument.
10. The Manufactured home will be assessed and taxed as an improvement the real property. I/We understand that if Lender does not escrow for these taxes, that I/we will be responsible for payment of such taxes.
11. If the land is being purchased, such purchase and said manufactured home represent a single real estate transaction under applicable state law.
12. Said manufactured home has been built under the Federal Manufactured Home Construction and Safety Standards that were established June 15, 1976.
13. This Affidavit is executed by Borrower(s) pursuant to applicable state law.
14. All permits required by governmental authorities have been obtained. Borrower(s) certifies that Borrower(s) is in receipt of manufacturer's recommended maintenance program regarding the carpets and manufactures warranties covering the heating/cooling system, hot water heater, range, etc...and the formaldehyde health notice.

Walter R. Armas 9-18-06
Borrower WALTER R. ARMAS Date

Jolinda A. Armas 9-18-06
Borrower JOLINDA A. ARMAS Date

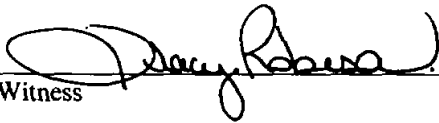
Borrower Date

Borrower Date

Borrower Date

Borrower Date

In Witness Whereof, Borrower(s) and Lender has executed this Affidavit in my presence and in the presence of undersigned witnesses on this 18th day of SEPTEMBER 2006.

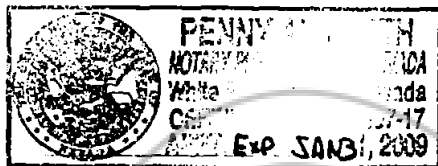

Witness

Witness

STATE OF NEVADA
COUNTY OF ~~EUREKA~~ WHITE PINE

The foregoing instrument was acknowledged before me this 18th day of SEPTEMBER 2006, by WALTER R. ARMAS, JOLINDA A. ARMAS

who is personally known to me or who provided NEVADA Drivers License identification.




Notary Public


Print Name

My Commission Expires: 1/31/09

Lender

Record and Return ☐ by Mail ☐ by Pickup to:

Eagle Home Mortgage, Inc.
10510 NE Northup Way #300
Kirkland, Washington 98033

Loan Number: A967012

REAL PROPERTY AND MANUFACTURED HOME LIMITED POWER OF ATTORNEY

(To execute or release title, mortgage or deed of trust, security filing, transfer of equity and insurance documents and proceeds.)

The undersigned borrower(s), whether one or more, each referred to below as "I" or "me," residing at:

101 VANDAL WAY

Street Address

EUREKA, NEVADA 89316

("Present Address").

City, State, Zip, County

I am the Buyer/Owner of the following manufactured home (the "Manufactured Home"):

<u>New</u>	<u>2006</u>	<u>KIT</u>
New/Used	Year	Manufacturer's Name
<u>KIT/N/A</u>	<u>N/A</u>	<u>'75' FT X '27' FT (L X</u>
Model Name/Model No.	Manufacturer's Serial No.	Length/Width

permanently affixed to the real property located at 101 VANDAL WAY
 Street Address

EUREKA, NEVADA 89316 ("Property Address") and as more
 City, County, State, Zip

particularly described on Exhibit A attached hereto (the "Real Property"). I do hereby irrevocably make, constitute, appoint and authorize with full power of substitution, Eagle Home Mortgage, Inc.

("Lender"), its successors, assigns or designees as my agent and attorney-in-fact, in my name, place and stead in any way which I could do, If I were personally present, with full power of substitution and delegation, (1) to complete, execute and deliver, in my name or Lender's name, any and all forms, certificates, assignments, designations, releases or other documentation as may be necessary or proper to implement the terms and provisions of the Security Instrument dated SEPTEMBER 14, 2006 executed by me in favor of Lender, (2) to complete, execute and deliver, in my name or in Lender's name, any and all forms, certificates, assignments, designations, releases or other documentation as may be necessary or proper to make application for and obtain the certificate of title for the Manufactured Home and to have Lender (or its designee) designated as lienholder on the certificate of title for the Manufactured Home, (3) to complete, execute and deliver in my name or Lender's name, any and all forms, certificates, assignments, designations, releases or other documentation as may be necessary or proper to have the Manufactured Home treated as real estate for any and all purposes under state law, including but not limited to the surrender of any certificate of title, any election to treat the Manufactured Home as real estate for tax purposes or to meet any other requirements in order for the loan/financing secured by the Manufactured Home and the Real Property to be eligible for sale on the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Association ("Freddie Mac") or any other secondary market purchaser, (4) to receive, complete, execute or endorse, and deliver in my name or Lender's name any and all claim forms, agreements, assignments, releases, checks, drafts or other instruments and vehicles for the payment of money, relating to any insurance covering the Manufactured Home, the indebtedness secured by the Manufactured Home or the Real Property, and (5) to complete, sign and file, without my signature, such financing and continuation statements, amendments, and supplements thereto, mortgages, deeds of trust and other documents, including releases of these items, which I may from time to time deem necessary to perfect, preserve and protect Lender's security interest in the Manufactured Home, the Property and any other property sold with it. I acknowledge that at the time this Power of Attorney and my Security Instrument and any of the forms, certificates, assignments, designations, releases or other documentation are prepared the serial number of the manufactured housing unit may not be available or may be inaccurate. The manufactured housing unit may

be a factory order in the process of being constructed. Immediately, upon Lender's receipt of the serial number, I understand and agree that the above items may be completed and/or corrected by Lender to properly disclose all the applicable home identifications, including the serial number. I understand that I will be provided with a copy of any corrected agreement.

To induce any third party to act hereunder, I hereby agree that any third party receiving a duly executed copy of facsimile of this instrument may act hereunder, and I for myself and for my heirs, executors, legal representatives and assigns, hereby agree to indemnify and hold harmless any such third party from and against any and all claims that may arise against such third party by reason of such third party having relied on the provisions of this instrument. I have given this Limited Power of Attorney in connection with a loan/financing to be given by Lender and to induce Lender to make the financing available. It is coupled with an interest in the transaction and is irrevocable. This Limited Power of Attorney shall not be affected by my/our subsequent incapacity, disability, or incompetence. I do further grant unto Lender full authority and power to do and perform any and all acts necessary or incident to the execution of the powers herein expressly granted, as fully as I might or could do if personally present.

WITNESS my hand and seal this 18th day of September 2003.

[Signature]
Witness

Witness

Walter R. Armas 9-18-06
Borrower WALTER R. ARMAS Date

Jolinda A. Armas 9-18-06
Borrower JOLINDA A. ARMAS Date

Borrower Date

Borrower Date

Borrower Date

Borrower Date

STATE OF NEVADA

COUNTY OF ~~EUREKA~~ Wuerline

) ss.:
)

On the 18th day of September in the year 2006 before me, the undersigned, a Notary Public in and for said State, personally appeared WALTER R. ARMAS, JOLINDA A. ARMAS, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.



(Official Seal)

Penny Alworth
Notary Signature

Penny Alworth
Notary Printed Name

Notary Public; State of Nevada

Qualified in the County of Wuerline

My Commission Expires: 1/31/09

MIN: 1000452-0000063244-9

Loan Number: A967012

MANUFACTURED HOME RIDER TO MORTGAGE, DEED OF TRUST OR OTHER SECURITY INSTRUMENT

THIS MANUFACTURED HOME RIDER is made this 14th day of SEPTEMBER, 2006, and is incorporated into and shall be deemed to amend and supplement that certain Mortgage, Deed of Trust or Other Security Instrument (the "Security Instrument") of the same date hereof given by the undersigned (the "Borrower(s)") to secure Borrower's Promissory Note (or Manufactured Home Retail Installment Contract) to Eagle Home Mortgage, Inc., A WASHINGTON CORPORATION (the "Note Holder") of the same date hereof (the "Note"), and relating to the property described in the Security Instrument and located at:

101 VANDAL WAY, EUREKA, NEVADA 89316

The following provisions are applicable to the Security Instrument, including those marked and completed (where applicable):

1. ☒ **DESCRIPTION OF REAL PROPERTY.** The description of the real property set forth in the Security Instrument is amended by the addition of the following:

"Together with all improvements constructed upon, affixed to or located upon the above described real property, including without limitation any residential dwelling located upon or to be located thereon, which dwelling is or may be a manufactured home, as hereinbelow described, which manufactured home is or upon placement and affixation shall be conclusively deemed to be real estate (the "Manufactured Home"):

Make:
KIT

Model:
N/A

Serial Number:
N/A

Year Built: 2006

Length and Width: '75' FT X '27' FT (L X W)

☒ No Certificate of Title has been issued ☐ Certificate of Title No.

2. ☐ **MANUFACTURED HOME AS PERSONAL PROPERTY SECURITY.** The Note is also secured by a security interest in favor of Note Holder in the following described manufactured home ("Manufactured Home"), which is located on the real property described in the Security Instrument:

Make:

Model:

Serial Number:

Year Built:

Length and Width:

☐ No Certificate of Title has been issued ☐ Certificate of Title No.

3. ADDITIONAL COVENANTS OF BORROWER(S) RELATING TO MANUFACTURED HOME.

If Paragraph 1 has been marked and completed, Borrower(s) agree(s) to comply with all State and local laws and regulations relating to the affixation of the Manufactured Home to the real property described herein including, but not limited to, surrendering the Certificate of Title (if required), obtaining any governmental approval and executing any documentation necessary to classify the Manufactured Home as real property under State and local law.

The Manufactured Home shall be at all times and for all purposes permanently affixed to and part of the real property described herein and shall not be removed from said real property. Borrower(s) covenant(s) that affixing the Manufactured Home to the real property described herein does not violate any zoning laws or other local requirements applicable to manufactured homes.

If Paragraph 2 has been marked and completed, Borrower(s) agree(s) and covenant(s) that the Manufactured Home is and shall remain personal property, severable and separate from the real property described in the Security Instrument, and agree(s) and covenant(s) not to take any action, or fail to take any action, which would result in a change in such status.

4. SECURITY AGREEMENT AND FINANCING STATEMENT. This Security Instrument shall be a security agreement granting Lender a first and prior security interest in all of Borrower's right, title and interest in, to and under any personal property ("Personal Property") which under and within the meaning of the applicable State laws is and cannot be classified and considered real property, if any. Personal Property shall also include the Manufactured Home described in Paragraph 2 hereof, if applicable. In the event of any foreclosure sale, whether made by Trustee or a substitute trustee, or under judgment of the court or pursuant to a power of sale, all of the Property and Personal Property may, at the option of Lender, be sold as a whole or any part thereof. It shall not be necessary to have present at the place of such sale the Personal Property or any part thereof. Lender, as well as Trustee or any substitute trustee on Lender's behalf, shall have all the rights, remedies and recourses with respect to the Personal Property afforded to a "Secured Party" by the applicable state laws in addition to and not in limitation of the other rights and recourse afforded Lender and/or Trustee or any substitute trustee under this Security Instrument. Borrower(s) shall, upon demand, pay to Lender the amount of any and all expenses, including the fees and disbursements of Lender's legal counsel and of any experts and agents which Lender may incur in connection with: (i) the making and/or administration of this Security Instrument; (ii) the custody, preservation, use or operation of, or the sale or collection from, or other realization upon any property, real and/or personal, described in this Security Instrument; (iii) the exercise or enforcement of any of the rights of Lender under this Security Instrument; or (iv) the failure by Borrower(s) to perform or observe any of the provisions or covenants in this Security Instrument.

Lender may, at its election, at any time after the delivery of this Security Instrument, sign one or more copies of this Security Instrument in order that such copies may be used as a financing statement under the applicable State laws. Lender's signature need not be acknowledged, and is not necessary to the effectiveness hereof as a deed of trust, a security agreement, or (unless otherwise required by applicable law) a financing statement.

5. RESPONSIBILITY FOR IMPROVEMENTS. Lender shall not be responsible for any improvements made or to be made, or for their completion relating to the real property, and shall not in any way be considered a guarantor of performance by any person or party providing or effecting such improvements.

6. INVALID PROVISIONS. If any provision of this Security Instrument is declared invalid, illegal or unenforceable by a court of competent jurisdiction, then such invalid, illegal or unenforceable provisions shall be severed from this Security Instrument and the remainder enforced as if such invalid, illegal or unenforceable provision is not a part of this Security Instrument.

Executed this 18th day of September 2006.

Walter R. Armas (Seal)
WALTER R. ARMAS -Borrower

Jolinda A. Armas (Seal)
JOLINDA A. ARMAS -Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

TO BE RECORDED WITH THE SECURITY INSTRUMENT

A967012

LENDER: Eagle Home Mortgage, Inc.

BORROWER: WALTER R. ARMAS and JOLINDA A. ARMAS,

PROPERTY: 101 VANDAL WAY, EUREKA NV 89316

**RESIDENTIAL CONSTRUCTION LOAN RIDER
INCLUDING SECURITY AGREEMENT TO THE
DEED OF TRUST/ MORTGAGE**

THIS RESIDENTIAL CONSTRUCTION LOAN RIDER (this "**Rider**") shall be deemed to amend and supplement the Deed of Trust/Mortgage (the "**Security Instrument**"), of even date herewith given by the undersigned (the "**Borrower**") to Lender to secure Borrower's Note (the "**Note**") and Addendum to Note to Lender, each of even date herewith and covering the property ("**Property**") described in the Security Instrument. All capitalized terms not otherwise defined herein shall have the meaning set forth in the Security Instrument and/or Note.

AMENDED AND ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

1. **Residential Construction Loan Agreement.** Borrower agrees to comply with the covenants and conditions of the Residential Construction Loan Agreement of even date herewith (the "**Loan Agreement**") between Borrower and Lender, which is incorporated herein by this reference and made a part of the Security Instrument. The Loan Agreement provides for the construction of certain Improvements (the "**Improvements**") on the Property. All advances made by Lender pursuant to the Loan Agreement shall be indebtedness of Borrower secured by the Security Instrument, as it

may have been amended, and such advances may be obligatory under the terms of the Loan Agreement. The Security Instrument secures the payment of all sums and the performance of all covenants required to be performed by Borrower under the Loan Agreement. Upon the failure of Borrower to keep and perform all the covenants, conditions and agreements of the Loan Agreement, the principal sum and all interest and other charges provided for in the Loan Documents and secured hereby shall, at the option of the Lender, become immediately due and payable.

2. **Construction Loan Deed of Trust/Mortgage.** The Security Instrument is a "construction mortgage" securing an obligation incurred by Borrower for the construction of the Improvements on the Property, including the cost of acquisition of the Property, if any, and any notes issued in extension, renewal, or substitution thereof. Borrower affirms, acknowledges and warrants that prior to recordation of the Security Instrument, as amended, in the real property records of the county or counties where the Property is located, no Improvements contemplated by the Loan Agreement have been constructed on the Property, no work has been performed on the Property, and no materials have been ordered for or delivered to the Property. If any of these items have been performed then Borrower must have written approval from Lender prior to closing to proceed with loan.

3. **Future Advances.** The Security Instrument shall secure in addition to the sum evidenced by the Note all funds hereafter advanced by Lender to or for the benefit of Borrower, as contained in the Loan Agreement and all indebtedness or obligations presently or hereafter owed by Borrower to Lender, however arising, whether by note, contract, tort, guaranty, operation of law or otherwise, whether or not the advances or events creating such debts or obligations are presently foreseen, and regardless of the class of debts or other obligations, be they secured or unsecured or arising from commercial, credit card or consumer transactions, or for any other purpose.

4. **Disbursements to Protect Security.** All sums disbursed by Lender prior to completion of the Improvements to protect the security of the Security Instrument, up to the principal amount of the Note and any future advances, shall be treated as disbursements pursuant to the Loan Agreement. All such sums shall bear interest from the date of disbursement at the rate stated in the Note or the Addendum to the Note, as applicable, unless the collection from Borrower of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Borrower under applicable law and shall be payable upon demand by Lender.

5. **Assignment of Rights or Claims.** From time to time as Lender deems necessary to protect Lender's interest, Borrower shall, upon request of Lender, execute, acknowledge before a notary, and deliver to Lender, assignments of any and all rights or claims which relate to the construction on the Property.

6. **Breach by Borrower.** In case of breach or default by Borrower of any of the covenants or conditions of the Loan Agreement, Note or other Loan Documents, Lender, at Lender's option, with or without entry upon the Property, (a) may invoke any of the rights or remedies provided in the Loan Agreement, or (b) may accelerate the sums secured by the Security Instrument, as amended, and invoke any of those remedies provided for in the Security Instrument, or (c) may do any or all of the foregoing, although failure to exercise any of its rights and remedies at any one time does not constitute a waiver or modification of any conditions, rights or remedies in the future.

7. **Amortization and Loan Agreement.** After the Construction Period (as defined in the Addendum to the Note), the terms of the Loan Agreement shall be deemed to have been satisfied, and thereafter there shall be no claim or defense arising out of or in connection with the Loan Agreement against the obligations of the Note and the Security Instrument.

8. **Property.** The property covered by the Security Instrument includes the property described or referred to in the Security Instrument, together with the following, all of which are referred to as "**Property**". The portion of the Property described below which constitutes real property is sometimes referred to as the "**Real Property**". The portion of the Property which constitutes personal property is sometimes referred to as the "**Personal Property**", listed as follows:

any and all buildings, Improvements (provided in the Loan Agreement or otherwise), and tenements now or hereafter erected on the Property; any and all heretofore and hereafter vacated alleys and streets abutting the Property, easements, rights, appurtenances, rents (subject however to any assignments of rents to Lender), leases, royalties, mineral, oil and gas rights and profits, water, water rights and water stock appurtenant to the Property (to the extent they are included in Borrower's fee simple title); and any all fixtures, machinery, equipment, building materials, appliances, and goods of every nature whatsoever now or hereafter located in, or on, or used, or intended to be used in connection with the Property and all replacements and accessions of them, including, but not limited to, the following items, which are hereby recognized by the parties to this instrument as fixtures: appliances for the purpose of supplying or distributing heating, cooling, electricity, gas, water, air and light; security and access control apparatus; plumbing and plumbing fixtures; refrigerating, cooking and laundry equipment; carpet, floor coverings and interior and exterior window treatments; furniture and cabinets; interior and exterior sprinklers; plant and law maintenance equipment; fire prevention and extinguishing apparatus and equipment, water tanks, swimming pool, compressor, vacuum cleaning system, disposal, dishwasher, range and oven, any shrubbery and landscaping; any and all plans and specifications for development of or construction of Improvements upon the Property; and any all contracts and subcontracts relating to the Property; any and all accounts, contract rights, instruments, documents, general intangibles and chattel paper arising from or by virtue of any transactions related to the Property; any and all permits, licenses, franchises, certifications, and other rights and privileges obtained in connection with the Property; any and all products and

proceeds arising from or by virtue of the sale, lease, or other disposition of any of the Property; any and all proceeds payable or to be payable under each policy of insurance relating to the Property; any and all proceeds arising from the taking of all or part of the Property for any public or quasi-public use under any law, or by right of eminent domain, or by private or other purchase in lieu thereof; all building permits, certificates of occupancy, certificates of compliance, any right to use utilities of any kind including water, sewage, drainage and any other utility rights, however arising whether private or public, present or future, including any reservation, permit, letter, certificate, license, order, contract or otherwise and any other permit, letter, certificate, license, order, contract or other document or approval received from or issued by any governmental entity, quasi-governmental entity common carrier, or public utility in any way relating to any part of the Property or the Improvements, fixtures and equipment thereon; all other interests of every kind and character which Borrower now has or at any time hereafter acquires in and to the Property, including all other types of property and rights described elsewhere in the Security Instrument.

9. **Completion.** Lender shall not be responsible for the completion of the Improvements, and shall not in any way be considered a guarantor or surety of performance by Borrower. In the event the Improvements are not completed as set forth in the Loan Agreement and in accordance with the Plans and Specifications approved by Lender, and it is determined for whatever reason the Lender does not have a lien arising by or through Borrower, then the lender shall have a valid lien for its loan amount, less the amount reasonably necessary to complete the Improvements, and the lien shall be valid for the loan amount.

10. **Invalid Provisions.** If any provision of the Security Instrument, as amended hereby, is declared invalid, illegal, or unenforceable by a court of competent jurisdiction, then such invalid, illegal or unenforceable provision shall be severed from the Security Instrument and the remainder enforced as if such invalid, illegal or unenforceable provision is not part of the Security Instrument.

11. **Address.**

The name and address of the Borrower/Debtor during construction of the Improvements is:

WALTER R. ARMAS and JOLINDA A. ARMAS,
41 VANDAL WAY, EUREKA NV 89316

The name and address of the Lender/Secured Party is:

Eagle Home Mortgage, Inc.
10510 NE Northup Way #300, Kirkland WA 98033

12. **Other Provisions.** The following notice is required by law:

IMPORTANT NOTICE: YOU ARE HEREBY NOTIFIED THAT ANY PERSON PERFORMING LABOR ON YOUR PROPERTY OR FURNISHING MATERIALS FOR THE CONSTRUCTION, REPAIR, OR IMPROVEMENT OF YOUR PROPERTY WILL BE ENTITLED TO A LIEN AGAINST YOUR PROPERTY IF HE IS NOT PAID IN FULL, EVEN THOUGH YOU MAY HAVE PAID THE FULL CONTRACT PRICE TO YOUR CONTRACTOR. THIS COULD RESULT IN YOUR PAYING FOR LABOR AND MATERIALS TWICE. THIS LIEN CAN BE ENFORCED BY THE FORECLOSURE SALE OF YOUR PROPERTY. TO AVOID THIS RESULT, YOU MAY DEMAND FROM YOUR CONTRACTOR LIEN WAIVERS FROM ALL PERSONS PERFORMING LABOR OR FURNISHING MATERIALS FOR THE WORK ON YOUR PROPERTY. YOU MAY WITHHOLD PAYMENTS TO THE CONTRACTOR IN THE AMOUNT OF ANY UNPAID CLAIMS FOR LABOR FOR MATERIALS. YOU ALSO HAVE THE RIGHT TO DEMAND FROM YOUR CONTRACTOR A COMPLETE LIST OF ALL LABORERS AND MATERIAL SUPPLIER UNDER YOUR CONTRACT, AND THE RIGHT TO DETERMINE FROM THEM IF THEY HAVE BEEN PAID FOR LABOR PERFORMED AND MATERIALS FURNISHED.

By signing below, Borrower accepts and agrees to the terms and covenants contained in this Residential Construction Loan Rider.

Walter R. Armas Borrower
WALTER R. ARMAS

Jolinda A. Armas Borrower
JOLINDA A. ARMAS

____ Borrower

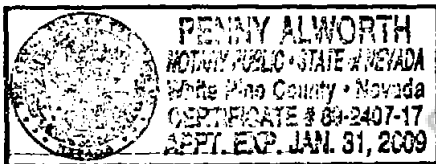
____ Borrower

State of NEVADA

County of White Pine:

On this day personally appeared before me WALTER R. ARMAS and JOLINDA A. ARMAS, to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the uses and purposed there in mentioned.

GIVEN under my hand and official seal this 18th day of September 2006



Penny Alworth
Notary Public in and for the State of NEVADA residing at 264

My Appointment Expires on 1-31-09