

American Bank
302 No. Riverfront Dr.
P.O. Box 880
Mankato, Minn. 56002-9964

20066221

NOTE AND MORTGAGE MODIFICATION AGREEMENT

(Extension Agreement)

This Agreement is made as of December 17, 1991, between AMERICAN BANK MANKATO having its office at 302 North Front Street, Mankato, Minnesota, (The "Bank") and John N. Smith and Sandra J. Smith, as husband and wife, residing at 6522 Harverhill Trail, Eden Prairie, Minnesota (the "Mortgagor").

Recitals

A. The Bank is the holder of the promissory note of John N. Smith and Sandra J. Smith dated August 15, 1983, payable to the order of the Bank in the original principal amount of \$ 124,500.00 ("Note"). The Note provides for:

- Principal to be payable on demand, with interest payable periodically.
- Principal and interest to be payable together in installments until demand for payment is made.
- XX Principal and interest to be payable together in installments, with the last installment due and payable on December 15, 1990.

B. As of the date hereof, the unpaid principal balance of the Note is \$ 101,924.25.

C. To secure payment of the Note, the Mortgagors have made a mortgage to the Bank, dated August 15, 1983, subjecting to the lien thereof certain real estate located in Douglas County, Nevada (The "Mortgage") more particularly described in the Mortgage.

D. The Mortgage was filed for record on August 22, 1983, in the office of the

- XX County Recorder of the above named county as Document No. 085944, Book 883, Page 1842
- Registrar of Titles of the above named county as Document No. .

E. The Bank is willing to restructure repayment of the indebtedness evidenced by the Note in the manner set forth below:

provided that the interest rate on the Note is set at an annual rate of 9.5 %. These proposed changes are acceptable to the Mortgagor. The Mortgagor acknowledges that the Note and Mortgage are the legal and binding obligations of the person(s) who signed them, free of any claim, defense or offset.

Accordingly, in consideration of the premises and other good and valuable consideration, each paid to the other, the parties hereto agree as follows:

1. Effective as of the date hereof and until the Note is fully paid, the unpaid principal of the Note shall bear interest at an annual rate of 9.5 %.
2. The unpaid principal balance of the Note and interest thereon shall be:

XX paid together in 1 ~~consecutive~~ annual installments of \$ 16,325.00 ~~each~~, beginning 12/15/92, ~~and on the~~ 12/15/92 ~~of each~~ thereafter until 12/15/92, when the entire principal balance then remaining unpaid and the accrued and unpaid interest thereon shall become due and payable. Each such installment, when paid, shall be applied in payment of accrued interest and the balance thereof shall be applied in reduction of the principal balance. payable on demand but until demand is made, the entire principal balance and interest thereon shall be paid in consecutive monthly installments of \$ each, beginning and on the day of each month thereafter until, when the entire principal balance then remaining unpaid and the accrued and unpaid interest thereon shall become due and payable. Each such installment, when paid, shall be applied in payment of accrued interest and the balance thereof shall be applied in reduction of the principal balance.

3. If this XX is checked, the Mortgage is amended by adding the following paragraph to the end thereof:

"The Mortgagee, in consideration of the execution and delivery of this Mortgage, hereby covenants and agrees:

a. To furnish Mortgagor with a conformed copy of this Mortgage and the Note, at a time no later than a reasonable time after recordation of this Mortgage.

b. That if Mortgagee intends to foreclose this Mortgage, it will give the Mortgagor written notice of the occurrence of an Event of Default (unless the default shall consist of the Mortgagor selling, conveying, or otherwise transferring all or any part of the mortgaged premises without the written consent of the Mortgagee, in which case no notice shall be required) under the terms or conditions of the Note or this Mortgage by sending the notice by certified mail to the address of the mortgaged premises, or the address of the Mortgagor indicated above, or such other address as the Mortgagor may subsequently designate to Mortgagee. Such notice shall contain the following provision:

- i. The nature of the default by the Mortgagor;
- ii. The action required to cure the default;
- iii. A date, not less than 60 days from the date the notice is mailed, by which the default must be cured;
- iv. That failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the mortgaged premises;
- v. That the Mortgagor has the right to reinstate this Mortgage after acceleration; and
- vi. That the Mortgagor has the right to bring a

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REQUESTED BY
American Bank
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

92 FEB 10 A9:14

SUZANNE BEAUDREAU
RECORDER

\$ 9.00 PAID *[Signature]* DEPUTY

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