

MODIFICATION AGREEMENT

Collections

Account Number: 3403409ADate: 12-6, 1999

THIS MODIFICATION AGREEMENT, made on the above Date, is by and between Harich Tahoe Developments, a Nevada general partnership (hereinafter "Lender"), having an address of Post Office Box 5790, Stateline, Nevada 89449, and William M. Kakimoto and Churee Kakimoto (hereinafter jointly and severally "Borrower"), having the address of 16782 Baruna Lane, Huntington Beach, CA 92649, and modifies the Note hereinafter defined.

1. When used herein, the following terms shall have the following meanings unless the context requires otherwise:
 - a. Note: that Promissory Note dated March 20, 1989, in the original principal balance of \$25,830.00 executed by William M. Kakimoto and Churee Kakimoto (hereinafter the "Note Maker") payable to the order of Lender, as amended if applicable, and secured by the Deed of Trust.
 - b. Deed of Trust: that Deed of Trust and Assignment of Rents recorded in the Official Records in Book 489 at Page 2672 as Document Number 200621, as amended if applicable.
 - c. Official Records: the Official Records of Douglas County, Nevada.

WITNESSETH:

WHEREAS, Lender is the holder or agent of the holder of the Note which is secured by the Deed of Trust; and

WHEREAS, Borrower has been or will be making payments to Lender as set forth in the Note, and Lender and Borrower have agreed to modify and/or supplement certain of the Note terms.

NOW, THEREFORE, Lender and Borrower, in consideration of the above premises, the mutual covenants, conditions and agreements hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, agree as follows.

1. Except as modified hereby, the terms and conditions of the Note and Deed of Trust shall remain in full force and effect. In the event of any conflict between the terms of this Modification Agreement and the terms of the Note or Deed of Trust, this Modification Agreement shall control. A breach of the agreement shall be a default under the Note and Deed of Trust, each of which are incorporated herein by this reference. Lender, at its discretion, shall obtain such endorsements to Lender's policy of title insurance respecting the Deed of Trust as Lender deems necessary or advisable as a result of this Modification Agreement, and Borrower agrees to pay or reimburse Lender any costs therefor or related thereto upon demand. This agreement shall be binding upon the parties respective heirs, personal representatives, successors and assigns. This agreement is made in and shall be construed in accordance with the laws of Nevada. In the event this Modification Agreement is recorded in the Official Records, a release of the Deed of Trust shall automatically operate to release this agreement with respect to its effect upon the property described in and encumbered by the Deed of Trust.

2. The Note is hereby modified to provide that, notwithstanding any provision in the Note to the contrary, including any which might provide for changes to the interest rate based on changes in an interest rate index, effective January 21, 1994, the interest rate charged under the Note shall be and remain fixed at nine and ninety-five one hundredths per cent (9.95%) per annum and the remaining term shall be extended to 120 months. In addition to each scheduled monthly payment of principal and interest, Borrower also agrees to simultaneously pay a monthly collection fee in the amount of \$4.00 for servicing the Note. As a result of the foregoing change in interest rate and term, commencing with that scheduled monthly principal and interest payment due and payable on February 21, 1994, and monthly thereafter, Borrower shall make monthly payments in the amount of U.S. \$297.05. The aforesaid fixed rate of interest, principal and interest monthly payment amount, and monthly collection fee amount shall remain in effect through the Note maturity.

IN WITNESS WHEREOF, Lender and Borrower have executed and delivered this Modification Agreement as of the Date first set forth above in Stateline, Douglas County, Nevada.

"Lender"

Harich Tahoe Developments

By

Jan S. Martin
Jan S. Martin
Loan Operations Manager

"Borrower"

William M. Kakimoto
William M. Kakimoto

Churee Kakimoto
Churee Kakimoto

THIS INSTRUMENT IS BEING RECORDED AS AN ACCOMMODATION ONLY. NO LIABILITY, EXPRESSED OR IMPLIED, IS ASSUMED AS TO ITS REGULARITY OR SUFFICIENCY NOR AS TO ITS AFFECT, IF ANY, UPON TITLE TO ANY REAL PROPERTY DESCRIBED THEREIN.

STEWART TITLE OF DOUGLAS COUNTY

353802

BK0195PG0508

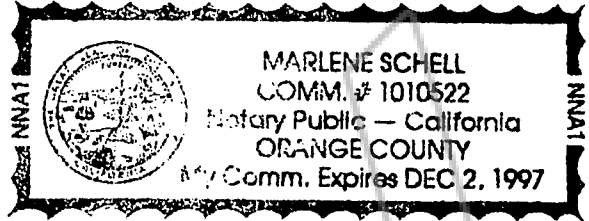
THIS INSTRUMENT IS BEING RECORDED AS AN ACCOMMODATION ONLY. NO LIABILITY, EXPRESSED OR IMPLIED, IS ASSUMED AS TO ITS REGULARITY OR SUFFICIENCY NOR AS TO ITS AFFECT, IF ANY, UPON TITLE TO ANY REAL PROPERTY DESCRIBED THEREIN.

STEWART TITLE OF DOUGLAS COUNTY

STATE OF California)
COUNTY OF Orange) SS

On this 6th day of December, 1994, before me, a notary public in and for said county and state, personally appeared William M. Kikimoto, personally known or proven to me to be the person who executed the above instrument. and Chuneo Kikimoto

Marlene Schell
NOTARY PUBLIC



STATE OF _____)
COUNTY OF _____) SS

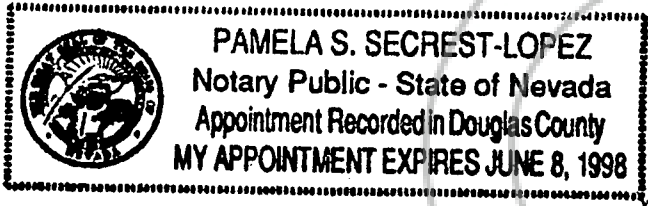
On this _____ day of _____, 19____, before me, a notary public in and for said county and state, personally appeared _____, personally known or proven to me to be the person who executed the above instrument.

NOTARY PUBLIC

STATE OF NEVADA)
COUNTY OF DOUGLAS) SS

On this 14th day of December, 1994, before me, a notary public in and for said county and state, personally appeared Jan S. Martin, who is the Loan Operations Manager of Harich Tahoe Developments, a Nevada general partnership, personally known to me to be the person who executed the above instrument, and she acknowledged to me that she executed the same for and on behalf of the corporation for the purposes therein stated.

[Signature]
NOTARY PUBLIC



REQUESTED BY
STEWART TITLE OF DOUGLAS COUNTY
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

95 JAN -5 10:42

LINDA SLATER
RECORDER
\$8.00 PAID [Signature] DEPUTY

353802
BKO195PG0509