

Recording Requested By And
When Recorded Return To:

Colleen A. Dolan
Lionel Sawyer & Collins
50 W. Liberty St., Suite 1100
Reno, Nevada 89501

96070491

THIRD MODIFICATION TO PROMISSORY NOTE AND DEED OF TRUST

This Third Modification to Promissory Note and Deed of Trust ("Third Modification") is made and entered into as of April 9, 1996, by and between Di Loreto Construction and Development, Inc., a Nevada corporation ("Borrower") and Bank of America Nevada, a Nevada banking corporation ("Bank").

RECITALS:

A. Borrower executed, in favor of Bank, a Promissory Note Secured by Deed of Trust dated April 25, 1994, in the principal amount of \$2,400,000.00 (the "Original RLC Note") and a Promissory Note Secured by Deed of Trust dated April 25, 1994, in the principal sum of \$1,745,000.00 (the "Original Development Note") each amended by (i) a First Modification to Note and Deed of Trust dated as of August 3, 1994 (the "First Modification") and (ii) a Second Modification to Promissory Note and Deed of Trust dated as of October 27, 1995 (the "Second Modification"). The Original RLC Note as modified by the First Modification and Second Modification is hereinafter collectively referred to as the "Existing RLC Note". The Original Development Note as modified by the First Modification and Second Modification is hereinafter collectively referred to as the "Existing Development Note". The Existing RLC Note and the Existing Development Note are sometimes referred to collectively herein as the "Note". The Existing RLC Note and the Existing Development Note evidence loans from Bank to Borrower pursuant to the terms of a Construction Loan Agreement dated April 25, 1994, between Borrower and Bank (the "Original Loan Agreement") as amended by a First Amendment to Construction Loan Agreement and Loan Documents dated as of August 3, 1994 (the "First Amendment to Loan Agreement"). The Original Loan Agreement as modified by the First Amendment to Loan Agreement is hereinafter collectively referred to as the "Existing Loan Agreement". Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Existing Loan Agreement.

B. Concurrently herewith, Bank and Borrower are entering into that certain Second Amendment to Construction Loan Agreement (the "Second Amendment to Loan Agreement"). The Existing Loan Agreement as modified by the Second Amendment to Loan Agreement is hereinafter collectively referred to as the "Loan Agreement".

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C. The Existing RLC Note and the Existing Development Note are secured by a Construction Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing dated April 25, 1994, and recorded in the Official Records of the Douglas County, Nevada, Recorder on April 25, 1994 in Book 494, Page 4705, as Document No. 335951 (the "Original Deed of Trust") as amended by the (i) First Modification and (ii) Second Modification. The Original Deed of Trust as modified by the First Modification and Second Modification is hereinafter collectively referred to as the "Existing Deed of Trust".

D. Borrower and Bank desire to amend the Existing RLC Note, Existing Development Note and Existing Deed of Trust.


NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

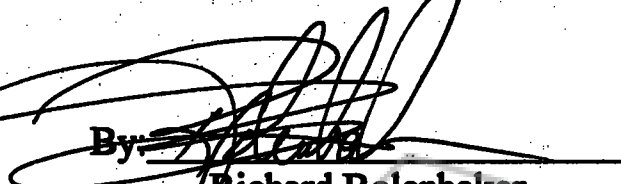
1. The Maturity Date, as set forth in the Existing RLC Note, is extended until September 30, 1996.
2. The Maturity Date, as set forth in the Existing Development Note, is extended until September 30, 1996.
3. The Existing RLC Note and the Existing Development Note, as amended hereby, are secured by the Existing Deed of Trust, as amended hereby.
4. The Existing Deed of Trust is modified hereby to provide that it secures the "Note", as defined in the Deed of Trust, as the "Note" is modified by this Third Modification.
5. From and after the date hereof, all references to Loan Documents in the Loan Agreement and in the other Loan Documents shall be deemed to refer to the Loan Documents as amended by this Third Modification and the other amendments executed in connection with this Third Modification unless the context otherwise clearly requires.
6. Save and except as modified hereby, the Existing RLC Note, Existing Development Note, Existing Deed of Trust and the other Loan Documents remain unmodified and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Third Modification the day and year set forth hereinabove.

Di Loreto Construction and Development, Inc., a Nevada corporation

BANK OF AMERICA NEVADA a Nevada banking corporation

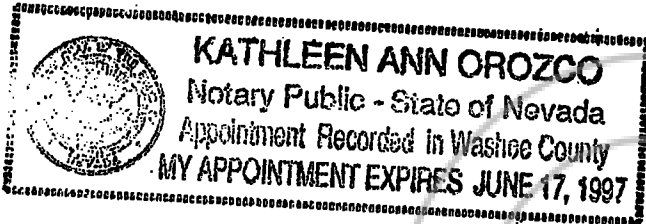
By: 
Perry Di Loreto
Title: President

By: 
Richard Bolenbaker
Title: Vice President

STATE OF NEVADA

COUNTY OF WASHOE

This instrument was acknowledged before me on April 9, 1996, by Perry Di Loreto as President of Di Loreto Construction and Development, Inc.



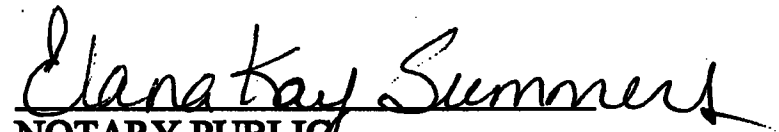

NOTARY PUBLIC

My commission expires: June 17, 1997

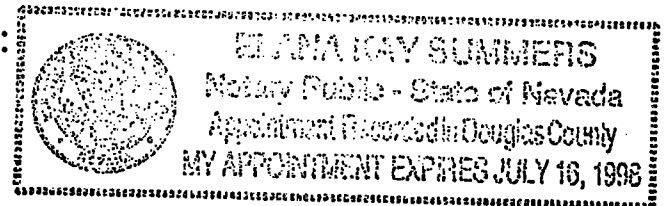
STATE OF NEVADA

COUNTY OF WASHOE

This instrument was acknowledged before me on April 9, 1996 by Richard Bolenbaker as Vice President of Bank of America Nevada.


NOTARY PUBLIC

My commission expires:



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COPY

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

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LINDA SLATER
RECORDER

\$10⁰⁰ PAID *KJ* DEPUTY

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