

MODIFICATION AGREEMENT

Account Number: 4227647A

Date: Aug. 19, 1996

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 Vicki S. Groff (hereinafter jointly and severally "Borrower"), having the address of 130 Poplar Avenue, Modesto, CA 95354, 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 July 12, 1996, in the original principal balance of \$17,775.00 executed by Vicki S. Groff (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 796 at Page 3764 as Document Number 392669, 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 August 6, 1996, the interest rate charged under the Note shall be and remain fixed at nine point nine five per cent (9.95%) per annum. As a result of the foregoing change in interest rate, commencing with that scheduled monthly principal and interest payment due and payable on August 24, 1996, and monthly thereafter, Borrower shall make monthly payments in the amount of U.S. \$34.49. In addition to each scheduled monthly payment of principal and interest, Borrower further agrees to simultaneously pay a monthly collection fee in the amount of \$0 for servicing the Note. 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 Douglas County, Nevada.

"Lender"

"Borrower"

Harich Tahoe Developments

By Jan S. Martin
Jan S. Martin
Loan Operations Manager

Vicki S. Groff
Vicki S. Groff

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.

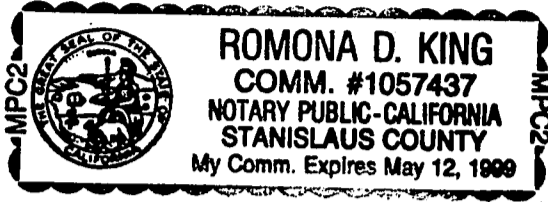
STEWART TITLE OF DOUGLAS COUNTY

395127

BK 0896 PG 4665

STATE OF California)
) SS
COUNTY OF Stanislaus)

On this 12th day of August, 1996, before me, a notary public in and for said county and state, personally appeared Vicki S. Groff, personally known or proven to me to be the person who executed the above instrument.



Romona D. King
NOTARY PUBLIC

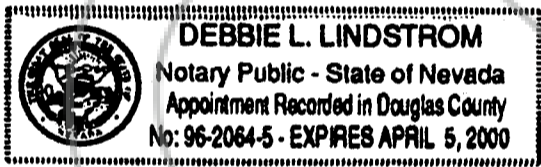
STATE OF _____)
) SS
COUNTY OF _____)

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)
) SS
COUNTY OF DOUGLAS)

On this 19th day of August, 1996 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.



Debbie Lindstrom
NOTARY PUBLIC

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STEWART TITLE OF DOUGLAS COUNTY

REQUESTED BY
Stewart Title of Douglas County
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'96 AUG 27 AIO:11

395127

LINDA SLATER
RECORDER
\$ 8.00 PAID ko DEPUTY

BK0896PG4666