

MODIFICATION OF NOTE SECURED BY DEED OF TRUST

THIS AGREEMENT, made and entered into on December 6, 1996, by and between MAX W. SCHLUTSMEYER and FRANCES M. SCHLUTSMEYER, TRUSTEES OF THE MAX W. AND FRANCES M. SCHLUTSMEYER TRUST UA DATED 12/12/80, Beneficiary(s) and SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF, Trustor(s)

WITNESSETH THAT:

WHEREAS, trustor has heretofore executed and delivered for valuable consideration, a promissory note in the original sum of \$260,000.00, in favor of beneficiary named herein, and dated 05/13/94 and

WHEREAS, said note is secured by a deed of trust in like amount and of even date therewith, which deed of trust recorded on 07/26/94 in Book 794, at Page 3792, under Document No. 342562

NOW THEREFORE, in consideration of the mutual benefit of the parties hereto, said note hereinabove referenced shall be modified as to the following particulars;

1. MATURITY DATED OF THIS OBLIGATION IS EXTENDED UNTIL DECEMBER 31, 1997 IN CONSIDERATION FOR BENEFICIARIES AGREEMENT FOR EXTENSION. PAYORS AGREE TO PAY A PREPAYMENT PENALTY EQUAL TO 1% OF THE UNPAID PRINCIPAL BALANCE IF THE NOTE IS PREPAID PRIOR TO THE EXTENDED MATURITY DATE ALL OTHER TERMS AND CONDITIONS SHALL REMAIN IN FULL FORCE AND EFFECT.

THIS DOCUMENT IS BEING RECORDED AS AN ACCOMMODATION ONLY WITHOUT LIABILITY ON THE PART OF WESTERN TITLE COMPANY, INC. FOR THE SUFFICIENCY HEREOF OR FOR THE CONDITION OF TITLE.

THIS AGREEMENT is a modification only, and not a novation; and except as provided herein, all of the original terms and conditions set forth in deed of trust and note secured thereby, shall remain in full force and effect, and shall further be binding upon and inure to the heirs, successors and assigns forever to the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

TRUSTOR(S): Roger A. Falcke, Jane C. Falcke

BENEFICIARY: Max W. Schlutsmeier Trustee, Frances M. Schlutsmeier Trustee

ITILDO, INC. BY: MARSHA L. TOMERLIN, PRESIDENT

STATE OF NEVADA ) County of Douglas )SS. )

"THIS DOCUMENT IS BEING RE-RECORDED FOR THE PURPOSE OF CLARIFICATION OF THE EXTENSION OF THE MATURITY DATE"

This instrument was acknowledged before me on January 8, 1997 by MAX W. SCHLUTSMEYER, TRUSTEE, FRANCES M. SCHLUTSMEYER, TRUSTEE ROGER A. FALCKE, JANE C. FALCKE AND MARSHA L. TOMERLIN, PRESIDENT, ITILDO INC

WHEN RECORDED MAIL TO: SCHLUTSMEYER 15 CAMISA LANE PALM DESERT, CA 92260

Charlene L. Hancock Notary Public

FOR RECORDER'S USE



MWS JMA RA F JAT

EXHIBIT "A"

ROGER A. FALCKE and JANE C. FALCKE, Husband and Wife as Joint Tenants, as to an undivided 1/2 interest and ITILDO, INC., a Nevada Corporation, as to an Undivided 1/2 Interest

COPY

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REQUESTED BY  
WESTERN TITLE COMPANY, INC.  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

'97 APR -4 P12:00

LINDA SLATER  
RECORDER  
\$8.00 PAID *KJ* DEPUTY

404515

BK0197PG1416

REQUESTED BY  
WESTERN TITLE COMPANY, INC.  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

'97 JAN 13 P12:05

LINDA SLATER  
RECORDER  
\$8.00 PAID *KJ* DEPUTY