

NOTE AND DEED OF TRUST MODIFICATION AGREEMENT

Account Number: 2803004C

Date: 9/22/98

THIS NOTE AN DEED OF TRUST 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 John Cullen and Elizabeth Cullen (hereinafter jointly and severally "Borrower"), having the address of 1949 South Manchester #88, Anaheim, CA 92802, and modifies the Note and Deed of Trust 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 2, 1998, in the original principal balance of \$10,755.00 executed by John Cullen and Elizabeth Cullen (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 398 at Page 6582 as Document Number 436085, as amended if applicable.
- c. Property: that real property described in and encumbered by the Deed of Trust;
- d. 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 anything therein or in the Deed of Trust which secures to the contrary, interest shall commence to accrue on June 15, 1998, and the commencement of schedules monthly payments shall begin on July 15, 1998, and continue on the same day of each month thereafter. The Maturity Date is hereby modified to be July 15, 2008 at which time all amounts owing hereunder shall be due and payable in full.

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

"Lender"

"Borrower"

Harich Tahoe Developments

By Lawson F. Flanagan
~~John S. Martin~~ Lawson Flanagan
~~Financial Services Director~~ Agent

Elizabeth Cullen
Elizabeth Cullen
John Cullen
John Cullen

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

STEWART TITLE OF DOUGLAS COUNTY

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STATE OF California)
) SS
COUNTY OF Orange)

On this 22nd day of September, before me, a notary public in and for said county and state, personally appeared Elizabeth Cullen, personally known or proven to me to be the person who executed the above instrument.

Karen L. Greene
NOTARY PUBLIC



STATE OF California)
) SS
COUNTY OF Orange)

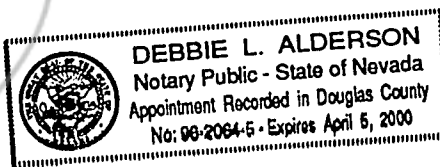
On this 22nd day of September, before me, a notary public in and for said county and state, personally appeared John Cullen, personally known or proven to me to be the person who executed the above instrument.

Karen L. Greene
NOTARY PUBLIC

State of Nevada)
)
County of Douglas)

On this 1st day of OCTOBER, 1998, before me, a notary public in and for said county and state, personally appeared Lawson Flanagan, who is an Agent for Harich Tahoe Developments, a Nevada general partnership, personally known to me to be the person who executed the above instrument, and he acknowledged to me that he executed the same for and on behalf of the corporation for the purposes therein stated.

Debbie L. Alderson
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

'98 OCT -5 A9:52

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LINDA SLATER
RECORDER
\$ PAID DEPUTY

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