

✓ After Recording Return To:
CAPSTEAD INC.
Attn: File Management/Mary Maxwell
2711 North Haskell Avenue, Suite 1000
Dallas, Texas 75204

Loan Number: 0652230772

(Space Above This Line for Recording Data)

RELEASE OF ORIGINAL BORROWER LIABILITY

THIS RELEASE OF ORIGINAL BORROWER LIABILITY AGREEMENT is made this 4th day of December, 1998, between WILLIAM J CALEBAUGH, A SINGLE MAN, & MARIE CALEBAUGH, A SINGLE WOMAN, ("Original Borrowers"), and FEDERAL NATIONAL MORTGAGE ASSOCIATION ("Lender"), acting herein by and through its duly authorized servicer, CAPSTEAD INC., a Delaware corporation, ("Servicer").

THAT WHEREAS, on 08/02/93, Original Borrowers executed a Note payable to AMERICAN FEDERAL SAVINGS BANK, A FEDERAL SAVINGS BANK, secured by a Mortgage, Deed of Trust or Security Deed (the Security Instrument) of the same date, and filed for record on 08/03/93 with the OFFICIAL RECORDS OF DOUGLAS COUNTY, NEVADA in BOOK 893, PAGE 451, DOC. # 314231. Said Security Instrument covers the real property described in such Security Instrument and known as: 1291 SADDLEBRONC COURT, MINDEN, NV 89423.

WHEREAS, such real property is more particularly described on the attached "Exhibit A" hereto.

WHEREAS, concurrently herewith the interest of MARIE CALEBAUGH, (hereinafter called "Seller" and to such property has been or is being sold to WILLIAM J CALEBAUGH, and as a consequence the subject loan is fully the liability of WILLIAM J CALEBAUGH, (hereinafter called "borrower"); and

WHEREAS, at the time Seller agreed to sell his/her interest in the subject property to Borrower, a condition of that sale was that Seller be released from any and all personal liability with respect to payment of the loan; and

NOW, THEREFORE, in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, including the mutual covenants and agreements herein contained, the receipt and sufficiency of which are hereby expressly acknowledged and confessed by all parties, Original Borrowers, Borrower, Seller and Lender hereby agree as follows:

I.

Lender hereby ratifies and affirms the sale of the subject property by Seller to Borrower.

II.

Lender hereby agrees and affirms that Seller is released from any and all personal liability with respect to payment of the loan.

III.

Lender hereby agrees and affirms that Seller is released from any and all personal liability with respect to performance of the terms of the Security Instrument.

IV.

Lender hereby agrees and affirms that Lender shall look solely to Borrower for the payment of the loan and performance of the all terms of the Security Instrument.

V.

Borrower ratifies and affirms that he/she has been and continues to be fully obligated for the entire Note and all terms of the Security Instrument.

VI.

Seller agrees that if any refund of interest is ever required to comply with the provisions of any state or federal statute, any such refund shall be the property of Borrower, and Lender is hereby authorized to credit or pay any such refund to Borrower.

VII.

Seller hereby transfers and conveys to Borrower any and all funds on deposit for the payment of taxes, homeowner association dues, insurance premiums and any applicable refunds or interest payments due.

VIII.

Nothing in this agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and the Borrower and Lender will be bound by, and comply, with all of the terms and provisions thereof, as amended by this Agreement.

IX.

Borrower hereby agrees to pay all costs and expenses incurred by Lender in connection with the execution and administration of this Agreement, the modification of the Note and Security Instrument and any other documents executed in connection herewith. Lender does not, by its execution of this Agreement, waive any rights it may have against any person not a party hereto.

X.

This Agreement may be executed in multiple counterparts, each of which shall constitute an original instrument, but all of which shall constitute one and the same Agreement.

XI.

This written Agreement represents the final agreements between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between parties.

BY SIGNING BELOW, Original Borrowers, Seller, Borrower, and Lender accept and agree to the terms and provisions of this Release of Original Borrower Liability Agreement.

Witnesses:

Michele Campanella
MICHELE CAMPANELLA

ORIGINAL BORROWER AND SELLER:

Marie Calebaugh
MARIE CALEBAUGH
Social Security #: [REDACTED] 6277

ORIGINAL BORROWER AND BORROWER:

Michele Campanella
MICHELE CAMPANELLA

William J Calebaugh
WILLIAM J CALEBAUGH
Social Security #: [REDACTED] 6072

LENDER: FEDERAL NATIONAL MORTGAGE ASSOCIATION

BY: CAPSTEAD INC.

by: Stacy Largent
Typed Name/Title: Stacy Largent, AVP
Capacity: Lender's duly authorized servicing agent

(Space Below this Line for Acknowledgements)

STATE OF Nevada, County of Douglas } SS:

On this day personally appeared before me William Calebaugh & Marie Calebaugh, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he/she signed the same as his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 4th day of December, 19 98.

My Commission Expires: 4-24-2000



Fern Kay Capra
Notary Public

0457157

BK 1298PG5587

STATE OF Nevada, County of Douglas } SS:

On this day personally appeared before me Maie Cabbrough ; William Cabbrough, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he/she signed the same as his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 4th day of December, 19 98.

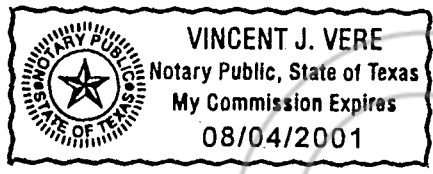
My Commission Expires: 4-24-2002



Fern Kay Capra
Notary Public

STATE OF TEXAS, County of DALLAS } SS:

This instrument was acknowledged before me on this 9th day of December, 19 98, by Stacy Cabgent, AVP of CAPSTEAD INC., on behalf of said corporation, in its capacity herein stated as duly authorized servicing agent.



Vincent J. Vere
Notary Public
VINCENT J. VERE
Notary's Name (printed)

This instrument was prepared by JON COOK, Capstead Inc., 2711 North Haskell Avenue, Suite 1000, Dallas, TX 75204.

EXHIBIT A

All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada, described as follows:

Lot 144, in Block B, as set forth on the FINAL MAP OF WILDHORSE UNIT NO. 4, A PLANNED UNIT DEVELOPMENT, filed for record in the office of the County Recorder of Douglas County, State of Nevada, on December 31, 1990, in Book 1290, Page 3944 as Document No. 241974.

COPY

REQUESTED BY
Capstead Inc
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'98 DEC 23 A9:36

LINDA SLATER
RECORDER
\$ 11.00 PAID *KS* DEPUTY

7/19/96

Release

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