

ADN. 1420-35-310-001 thru 034
1420-35-310-001 thru 031

WHEN RECORDED MAIL TO:

Santa Barbara Bank & Trust
c/o Loan Services
P.O. Box 60734
Santa Barbara, CA 93160-0734

SEND TAX NOTICES TO:

Leo A. Hanly; Romulus Development, LLC; and Syncon
Homes, Inc.
2221 Meridian Blvd. #A
Minden, NV 89423

FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated June 7, 2002, is made and executed between Syncon Homes, Inc. a Nevada corporation, as to lots 1-12, inclusive, Block A; lots 13-24, inclusive, block B and lots 56-65, inclusive, block E and Leo A. Hanly, whose address is 2221 Meridian Blvd. #A, Minden, NV 89423 and Romulus Development, LLC, a Nevada Limited Liability Company, as to lots 19 and 20, block B; lots 25-31, inclusive and lots 33-35, inclusive, block C; lots 36-52, inclusive, block D; and lots 53-56, inclusive block E, whose address is 1770 Evergreen Ct., Minden, NV 89423 ("Trustor") and Santa Barbara Bank & Trust, Main Office, c/o Loan Services, P.O. Box 60654, Santa Barbara, CA 93160-0654 ("Lender").

DEED OF TRUST. Lender and Trustor have entered into a Deed of Trust dated June 7, 2002 (the "Deed of Trust") which has been recorded in Douglas County, State of Nevada, as follows:

A Deed of Trust dated March 27, 2001, which recorded on March 29, 2001 as Instrument No. 511303 in Douglas County, Nevada.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in Douglas County, State of Nevada:

See Exhibit "A", which is attached to this Modification and made a part of this Modification as if fully set forth herein.

The Real Property or its address is commonly known as Vacant Land, Parcels 1-4, Minden, NV 89423.

MODIFICATION. Lender and Trustor hereby modify the Deed of Trust as follows:

The word note now means the note dated June 7, 2002 in the amount of \$2,636,474.90 in the name of Leo A. Hanly.

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Deed of Trust shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Deed of Trust as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the promissory note or other credit agreement secured by the Deed of Trust (the "Note"). It is the intention of Lender to retain as liable all parties to the Deed of Trust and all parties, makers and endorser to the Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Modification. If any person who signed the original Deed of Trust does not sign this Modification, then all persons signing below acknowledge that this Modification is given conditionally, based on the representation to Lender that the non-signing person consents to the changes and provisions of this Modification or otherwise will not be released by it. This waiver applies not only to any initial extension or modification, but also to all such subsequent actions.

TRUSTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST AND TRUSTOR AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED JUNE 7, 2002.

This document is recorded as an
ACCOMMODATION ONLY and without liability
for the consideration therefor, or
as to the validity or sufficiency
of said instrument, or for the effect
of such recording on the title of the
property involved.

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MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 28600

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF Nevada)

) SS

COUNTY OF Douglas)

On 6/21, 2002 before me, Donna Sue Hawkins,
personally appeared Leo A. Hanly, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the
person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Donna Sue Hawkins



(Seal)

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF Nevada)

) SS

COUNTY OF Douglas)

On 6/21, 2002 before me, Donna Sue Hawkins,
personally appeared Andrew W. Mitchell, personally known to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of
which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Donna Sue Hawkins



(Seal)

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MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 28600

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CERTIFICATE OF ACKNOWLEDGMENT

STATE OF California

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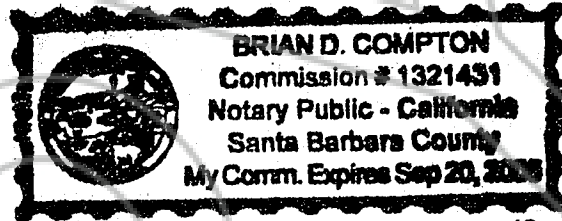
) SS

COUNTY OF Santa Barbara

)

On 7/15/02, 2002 before me, Brian Compton, Notary Public,
personally appeared Steve Mihalic personally known to me ~~(or proved to me on the basis of~~
~~satisfactory evidence)~~ to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Signature [Handwritten Signature]

(Seal)

COPIED

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LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of Douglas, described as follows:

Lots 1 through 12, inclusive, in Block A, Lots 13 through 24, inclusive, in Block B, Lots 25 through 31, inclusive, and Lots 33 through 35, inclusive, in Block C, Lots 36 through 52, inclusive, in Block D, and Lots 53 through 65, inclusive, in Block E as set forth on the Final Subdivision Map FSM #94-04-01 for SKYLINE RANCH PHASE I filed for record with the Douglas County Recorder on May 11, 2001 in Book 0501, Page 3298 as Document No. 514006, Official Records.

APNs: 1420-35-310-001 through 1420-35-310-012,
1420-35-310-013 through 1420-35-310-024,
1420-35-410-001 through 1420-35-410-011,
1420-35-410-012 through 1420-35-410-028,
1420-35-410-029 through 1420-35-410-031,
1420-35-310-025 through 1420-35-310-034

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

2002 JUL 16 PM 3: 33

LINDA SLATER
RECORDER

\$ 18⁰⁰ PAID *kg* DEPUTY

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