

Assessor Parcel No(s): 000-07-082-170 1318-23-213-034

RECORDATION REQUESTED BY:

First Heritage Bank
Monroe
PO Box 970
19500 Highway 2
Monroe, WA 98272

WHEN RECORDED MAIL TO:

First Heritage Bank
Loan Servicing Center
PO Box 970
Monroe, WA 98272

030502047

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated May 14, 2003, is made and executed between Thomas M Gunderson and Catherine A. Gunderson , whose address is 14928 240th Ave SE, Monroe , WA 98272; Husband and Wife as Joint Tenants ("Grantor") and First Heritage Bank, Monroe, PO Box 970, 19500 Highway 2, Monroe, WA 98272 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated April 18, 2002 (the "Deed of Trust") which has been recorded in Douglas County, State of Nevada, as follows:

Recorded April 29, 2002 in Douglas County, Nevada under Auditor's File Number 0540938 in Book 0402 at Page 09333.

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

Lot 42A, as shown on the map of Lake Village, Unit No. 2-D filed in the Office of the County recorded on June 5, 1972, as Document No. 59803, Official Records of Douglas County, State of Nevada

The Real Property or its address is commonly known as 87 Lake Village Drive #A, Zephyr Cove, NV 89448. The Real Property tax identification number is 0000-07-082-170


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


Principal increase to One Hundred Seven Thousand Five Hundred Fifty-Seven dollars and .03/100 (107,557.03).

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. Grantor hereby ratifies and affirms that Grantor's liability shall continue in full force and effect through and including the Note's now extended maturity date and that Grantor has no defenses, setoffs, or other claims against Lender arising out of this credit facility. If it is determined that any other person or entity other than Lender shall have a lien, encumbrance, or claim of any type which has a legal priority over any term of this Modification, the original terms of the Note and Mortgage shall be severable from this Modification and separately enforceable from the terms thereof as modified hereby in accordance with their original terms, and Lender shall maintain all legal or equitable priorities which were in existence before the date of execution of this Modification. It is understood by and is the intention of the parties hereto that any legal or equitable priorities of Lender over any party which were in existence before the date of execution of this Modification shall remain in effect after the execution of this Modification.

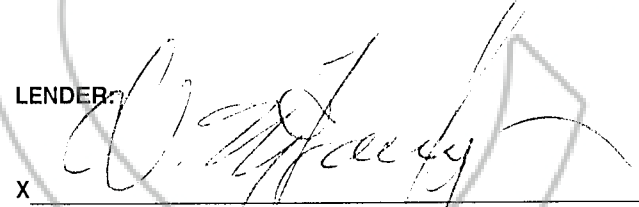
GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED MAY 14, 2003.

GRANTOR:

X 
Thomas M Gunderson, Individually

X 
Catherine A. Gunderson , Individually

LENDER:

X 
Authorized Officer
WALTER MCLAUGHLIN

0577759

BK0503PG12015

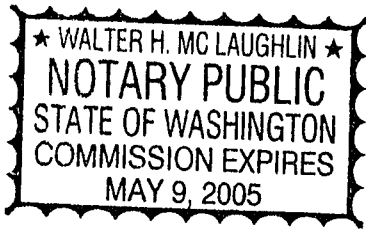
MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 6062100051

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Snohomish)

This instrument was acknowledged before me on 5/15/03 by Thomas M Gunderson.



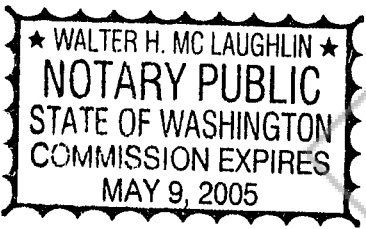
(Seal, if any)

Walter H. McLaughlin
(Signature of notarial officer)
Notary Public in and for State of WA

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Snohomish)

This instrument was acknowledged before me on 5/15/03 by Catherine A Gunderson.



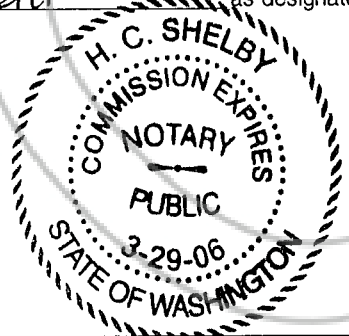
(Seal, if any)

Walter H. McLaughlin
(Signature of notarial officer)
Notary Public in and for State of WA

LENDER ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Snohomish)

This instrument was acknowledged before me on 5/15/03 by Walter McLaughlin,
senior vice president as designated agent of First Heritage Bank.



(Seal, if any)

H. C. Shelby
(Signature of notarial officer)
Notary Public in and for State of Washington
My comm. exp. 03/29/06

LASER PRO Lending, Ver. 5.21.00.003 Copr. Harland Financial Solutions, Inc. 1997-2003 All Rights Reserved - NW/VA M/C/FIL/PLUG202 FC TR-4373

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

2003 MAY 22 PM 3:12

W. R. CHRISTEN
RECORDER

15.00 PAID Kg DEPUTY

0577759

BK0503PG12016