

WHEN RECORDED MAIL TO:

Heritage Bank of Nevada
P. O. Box 11920
Reno, NV 89510

APN: 1419-12-610-025

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

2004 FEB -9 PM 3:11

WERNER CHRISTEN
RECORDER

\$15⁰⁰ PAID *KJ* DEPUTY

040500040 Space Above Line for Recording Information)

LOAN MODIFICATION AGREEMENT
(Providing for Revolving Credit and Variable Interest Rate)

This Loan Modification Agreement ("Agreement"), made this 4th day of February, 2004, between Russell F Fiddymont ("Borrower") and Heritage Bank of Nevada ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust, or Deed to Secure Debt ("Security Instrument"), dated October 15, 2003 and recorded as Document #0594417 of the County Records of Douglas, Nevada and (2) the Credit Agreement and Disclosure ("Credit Agreement") dated October 15, 2003, and secured by, the Security Instrument, which covers the real and personal property described in the Security Instrument and defined herein as the "Property", located at:

3505 Cherokee Drive, Carson City NV

the real property described being set forth as follows:

.Lot 23, as shown on the map of Valley View Subdivision, Unit No. 2, filed in the office of the county recorder of Douglas County, Nevada, on April 6, 1964, Document No. 24786

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Credit Agreement or Security Instrument):

1. As of February 4, 2004 the credit limit under the Credit Agreement and the Security Instrument (the "Credit Limit") is U.S. \$133,000.00, consisting of the amount(s) loaned to the Borrower by the Lender and any interest capitalized to date.
2. The Borrower promises to pay any amounts advanced under the Credit Agreement, plus interest, to the order of the Lender. Interest will be charged at the Wall Street Journal Prime Rate. The Borrower promises to make monthly payments on the schedule established by the Credit Agreement until all principal and interest are paid in full. If on October 20, 2033 (the "Maturity Date"), the Borrower still owes amounts under the Credit Agreement and the Security Instrument, as amended by this Agreement, the Borrower will pay these amounts in full on the Maturity Date.

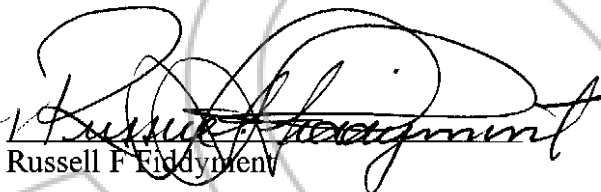
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The Borrower understands and agrees that the interest rate may change on the monthly billing date as set forth under the Credit Agreement, beginning on the first monthly billing date and every month thereafter.

3. The Borrower will also comply with all other covenants, agreements, and requirements of the Security Agreement, including without limitations, the Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that the Borrower is obligated to make under the Security Agreement, including:
 - (a) all terms and provisions of the Credit Agreement and Security Instrument (if any) providing for, implementing, or relating to, any change or adjustment in the rate of interest payable under the Credit Agreement; and
 - (b) all terms and provisions of any other instrument that is affixed to, wholly or partially incorporated into, or is part of, the Credit Agreement of Security Instrument and that contains such terms and provisions as those referred to in (a) above.


4. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Credit Agreement and Security Instrument. Except as otherwise specifically provided in this Agreement, the Credit Agreement 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.

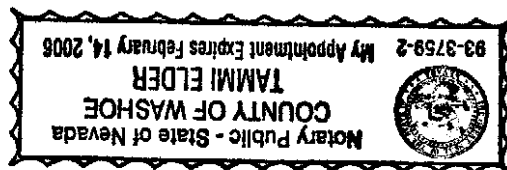

Russell F Fiddymont

STATE OF NEVADA
COUNTY OF WASHOE

On this 4th day of Feb, 2004, before me, the undersigned, a Notary Public, personally appeared Russell F. Fiddymont Known to me to be the person described in and who executed the above and foregoing instrument and they acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

Witness my hand and official seal.


Notary Public in and for the County
of Washoe, State of Nevada



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