

Assessors Parcel No(s): 1320-30-711-002
Escrow No.: 04-1183

REQUESTED BY
MARQUIS TITLE & ESCROW
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2004 JUL 21 PM 1:27

WERNER CHRISTEN
RECORDER

\$ 150 PAID DEPUTY

WHEN RECORDED MAIL TO:
Mulreany Associates
1627 N Hwy 395
Minden NV 89423

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST is dated this 8th day of June, 2004, by and between

K & S PROPERTIES, a California General Partnership

(referred to below as "Trustor(s)"), whose address is 3130 Airway Avenue, Costa Mesa, CA 92626, and MULREANY ASSOCIATES, a Nevada LLC (who erroneously acquired title as a general partnership) (referred to below as "Beneficiary(ies)"), whose address is 1627 North Highway 395, Minden, Nevada 89423

WHEREAS, said Trustor(s) have heretofore, to-wit, executed that certain Deed of Trust in favor of said Beneficiary(ies) dated and was recorded on September 30, 2003, in Book 0903, at Page 17552, as Document No. 591918, Official Records of Douglas County, State of Nevada, and re-recorded October 13, 2003, in Book 1003, Page 5844, as Document No. 593260, Official Records, affecting that real property in the County of Douglas, State of Nevada, legal description more particularly set forth as follows:

As set forth on said Deed of Trust

Said Deed of Trust is securing that certain Promissory Note (here-in-after referred to as "Note") dated July 21, 2003, in the original principal amount of **\$2,000,000.00** executed by Trustor(s) in favor of Beneficiary(ies) herein, together with all renewals, extensions, modifications, refinancing and substitutions for the Note, whereby said Note and Deed of Trust securing same are hereby modified as follows:

THE DESCRIPTION OF THE PROPERTY ENCUMBERED BY SAID DEED OF TRUST IS NOW AS FOLLOWS:

Lot 5 as set forth on the Subdivision Map for MINDEN VILLAGE, filed for record in the office of the Douglas County Recorder on May 7, 2004 in Book 0504, Page 2786, as Document No. 612540, Official Records

ALL OTHER PROPERTIES CONTAINED IN SAID DEED OF TRUST ARE NO LONGER AFFECTED BY THE LIEN OF SAID DEED OF TRUST.

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 Beneficiary(ies) to this Modification does not waive Beneficiary's right to require strict performance of the Deed of Trust as changed above nor obligate Beneficiary(ies) 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. It is the intention of Beneficiary(ies) to retain as liable all parties to the Deed of Trust and all parties, makers and endorsers to the Note, including accommodation parties, unless a party is expressly released by Beneficiary(ies) 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 Beneficiary(ies) 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.

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