FIRST AMERICAN TITLE CO.

IN OFFICIAL RECORDS OF DOUGLAS CO., MEYADA

Assessor's parcel number: 1320-30-211-102

2004 AUG 26 PM 4: 19

Mail Tax Statements to: Foothill Development Group, a

Nevada Limited-Liability Company

P.O. Box 487

Glenbrook, NV 89413-0487

Return to: Commercial Lending, Northern Nevada Bank

P. O. Box 20607

Reno, Nevada 89515-0607

WERNER CHRISTEN
RECORDER

S 19 PAID K DEPUTY

Space Above This Line For Recording Data

MODIFICATION OF DEED OF TRUST

DATE AND PARTIES. The date of this Real Estate Modification (Modification) is August 20, 2004. The parties and their addresses are:

GRANTOR:

FOOTHILL DEVELOPMENT GROUP, A NEVADA LIMITED-MABILITY COMPANY

A Nevada Limited Liability Company

P.O. Box 487

Glenbrook, Nevada 89413-0487

ZEPHYR PROPERTIES, LLC, A NEVADA LIMITED LIABILITY COMPANY

A Nevada Limited Liability Company

P.O. Box 487

Glenbrook, Nevada 89413-0487

TRUSTEE:

FIRST AMERICAN TITLE COMPANY OF NEVADA (ZEPHYR COVE OFFICE)

a Corporation 195 Highway 50, Ste 202 Zephyr Cove, Nevada 89448-0000

Foothill Development Group, a Nevada Limited-Liability Company Nevada Real Estate Modification

NV/4XXKBense007252000042660060 ©1996 Banko

Initials/

82304Y

©1996 Bankers Systems, Inc., St. Cloud, MN Experis

Page 1

LENDER:

NORTHERN NEVADA BANK

Organized and existing under the laws of Nevada Commercial Lending P. O. Box 20607 Reno, Nevada 89515-0607

TIN: 88-0472990

1. BACKGROUND. Grantor and Lender entered into a security instrument dated June 24, 2004 and recorded on June 25, 2004 (Security Instrument). The Security Instrument was recorded in the records of Douglas County, Nevada at the office of the County Recorder as Document No. 0617194 and covered the following described Property:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART THEREOF.

The property is located in Douglas County at 1756 Highway 395, Minden, Nevada.

2. MODIFICATION. For value received, Grantor and Lender agree to modify the Security Instrument as provided for in this Modification.

The Security Instrument is modified as follows:

- **A. Maximum Obligation Limit.** The maximum obligation provision of the Security Instrument is modified to read:
 - (1) Maximum Obligation Limit. The total principal amount secured by this Security Instrument at any one time will not exceed \$1,000,000.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.
- **B. Secured Debt.** The secured debt provision of the Security Instrument is modified to read:
 - (1) Secured Debts. This Security Instrument will secure the following Secured Debts:
 - (a) Specific Debts. The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note or other agreement, No. 8800000759, dated June 24, 2004, from Grantor to Lender, with a loan amount of \$1,000,000.00,.
 - (b) All Debts. All present and future debts from Grantor to Lender, even if this Security Instrument is not specifically referenced, or if the future debt is

Foothill Development Group, a Nevada Limited-Liability Company
Nevada Real Estate Modification
NV/4XXKBense007252000042660060
©1996 Bankers Systems, Inc.,
Page 2
82304Y
St. Cloud, MN

0622618

unrelated to or of a different type than this debt. If more than one person signs this Security Instrument, each agrees that it will secure debts incurred either individually or with others who may not sign this Security Instrument. Nothing in this Security Instrument constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing. In the event that Lender fails to provide any required notice of the right of rescission, Lender waives any subsequent security interest in the Grantor's principal dwelling that is created by this Security Instrument. This Security Instrument will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. This Security Instrument will not secure any debt for which a security interest is created in "margin stock" and Lender does not obtain a "statement of purpose," as defined and required by federal law governing securities.

- (c) Sums Advanced. All sums advanced and expenses incurred by Lender under the terms of this Security Instrument when the evidence of indebtedness specifically states that it is secured by this Security Instrument.
- 3. WARRANTY OF TITLE. Grantor warrants that Grantor continues to be lawfully seized of the estate conveyed by the Security Instrument and has the right to irrevocably grant, bargain, convey and sell the Property in trust to Trustee, with power of sale. Grantor also warrants that the Property is unencumbered, except for encumbrances of record.
- 4. CONTINUATION OF TERMS. Except as specifically amended in this Modification, all of the terms of the Security Instrument shall remain in full force and effect.
- **5. ADDITIONAL TERMS.** As of the date of this Real Estate Modification, the loan amount is hereby increased by Two Hundred Thirty Thousand and No/100 Dollars (\$230,000.00), from Seven Hundred Seventy Thousand and No/100 Dollars (\$770,000.00) to One Million and No/100 Dollars (\$1,000,000.00). All other terms and conditions remain the same.

Foothill Development Group, a Nevada Limited-Liability Company Nevada Real Estate Modification

©1996 Bankers Systems, Inc., St. Cloud, MN Expere.

Initials W

Page 3

NV/4XXKBense007252000042660060 82304Y **SIGNATURES.** By signing, Grantor agrees to the terms and covenants contained in this Modification. Grantor also acknowledges receipt of a copy of this Modification.

GRANTON.
Foothill Development Group, a Nevada Limited-Liability Company
By Klaufe Cattill
Douglas P. Rastello, Managing Member
Zephyr Properties, LLC, a Nevada limited liability company
By Kurgh Kattle
Douglas P. Hastello, Manager
LENDER:
Northern Nevada Bank
By Judreal serry
Andrea Perry, Vice President/Commercial Loan Officer
ACKNOWLEDGMENT.
(Business or Entity)
Dougras Rastello OF FOOTHILL Douglas lastello OF Zephyn Properties ss.
This instrument was acknowledged before me this day of
Hugust, 2004 by Douglas P. Rastello as Managing Member of
Foothill Development Group, a Nevada Limited-Liability Company.
My commission expires: //-/5-06
(Notary Public)
JODI O. STOVALL
Notary Public - State of Nevada
Appointment Recorded in Douglas County No: 03-79473-5 - Expires November 15, 2006
инициональных объектор потолько под того под то

Foothill Development Group, a Nevada Limited-Liability Company Nevada Real Estate Modification

Initials 2

NV/4XXKBense007252000042660060 82304Y ©1996 Bankers Systems, Inc., St. Cloud, MN Experis

Page 4

(Business or Entity)	
OF, _	OF ss.
This instrument was acknowledged	
Properties, LLC, a Nevada limited liability	y Douglas P. Rastello as Manager of Zephyr company.
My commission expires:	\ \
	(Notary Public)
(Lender Acknowledgment)	
State of Nevada,	County of TOCHAIAS ss.
This instrument was acknowledged	=: 162
Loan Officer of Northern Nevada Bank.	
My commission expires:	(Notary Public)
HANNAH PEROT	1 1
Appointment D. State of Nevada	
No: 94-5699-5 - Expires November 15, 2006	
_ / /	
Foothill Development Group, a Nevada Li Nevada Real Estate Modification	Initials #
NV/4XXKBense007252000042660060 82304Y	©1996 Bankers Systems, Inc., Page 5 St. Cloud, MN Expere™

0622618 BK0804PG11513

EXHIBIT "A"

DESCRIPTION

All that real property situated in the County of Douglas, State of Nevada, bounded and described as follows:

A parcel of land located within a portion of Section 30, Township 13 North, Range 20 East, Mount Diablo Meridian, shown as "Parcel B" on that certain Record of Survey for Foothill Development Group, Minden Ironwood (A Commercial Subdivision), filed April 14, 1997, as Document No. 410525, and a portion shown as "Remainder" on that certain Record of Survey #3 for Foothill Development Group, Minden Ironwood (A Commercial Subdivision), filed February 2, 1998, as Document No. 431794, described as follows:

COMMENCING at a centerline monument at the intersection of the centerlines of Ironwood Drive and Pinewood Drive, as shown on that certain plat of Westwood Village Unit No. 1, recorded October 5, 1979, in Book 1079, at Page 440, as Document No. 37417;

thence along the centerline of said Pinewood Drive, South 00°18'00" West, 424.00 feet to a found 5/8" rebar with cap, RLS 1586, in monument well, at the intersection of said centerline of Pinewood Drive and the centerline of Tamarack Drive, as shown on said plat of Westwood Village Unit No. 1;

thence along said centerline of Tamarack Drive, North 89°42'00" West, 15.00 feet to the intersection of said centerline of Tamarack Drive and the centerline of Pinewood Drive per Douglas County Road Abandonment (RA) #96-03 and Doc. No. 398149;

thence along said centerline of Pinewood Drive, South 00°18'00" West, 837.25 feet to the terminus of said centerline of Pinewood Drive;

thence easterly along the southerly terminus of said Pinewood Drive, South 88°47'55" East, 25.00 feet to a found 5/8" rebar with plastic cap, PLS 11172, on the easterly right-of-way line of said Pinewood Drive, said point being also the southwest corner of said A.P.N. 1320-30-211-099, THE POINT OF BEGINNING;

thence along said easterly right of way line of said Pinewood Drive per Douglas County Road Abandonment (RA) #96-03 and Doc. No. 398149, North 00°18'00" East, 320.62 feet;

thence leaving said easterly right-of-way line, South 89°42'00" East, 172.33 feet;

thence North 00°18'00" East, 20.53 feet; thence South 89°42'00" East, 289.66 feet; thence South 00°18'00" West, 182.85 feet; thence North 89°42'00" West, 26.43 feet; thence South 00°18'00" West, 165.14 feet; thence North 88°47'55" West, 435.62 to THE POINT OF BEGINNING.

The above described land is also designated as Adjusted Parcel B on The Record of Survey filed June 25, 2003, as File No. 581317.

The above metes and bounds description appeared previously in that certain document recorded June 25, 2003, in Book 603, Page 13491, as File No. 581315.

0622618 BK0804PG11514