

OFFICIAL RECORD

Requested By:
STEWART TITLE OF DOUGLAS

COUNTY
Douglas County - NV
Werner Christen - Recorder

Page: 1 Of 4 Fee: 17.00
BK-0606 PG- 2257 RPTT: 0.00



When Recorded to:
First National Bank of Arizona
14635 North Kierland Blvd.
Suite #201
Scottsdale, AZ 85254
1260301170
MIN: 1001355-1260301170-1
Mers Phone: 1-888-679-6377

MODIFICATION AGREEMENT

[Space Above This Line For Recording Data]

THIS AGREEMENT (the "Agreement") is made as of the 1st day of June, 2006 by the undersigned ("Borrower"), with an address of 820 BIG VALLEY ROAD, GARDNERVILLE, NV 89410

and FIRST NATIONAL BANK OF NEVADA ("Lender"), Mortgage Electronic Registration System, Inc. ("Mortgagee")

This instrument modifies the terms of (i) either a Fixed Rate Note or an Adjustable Rate Note (the "Note"), as modified by the Allonge Amending Note (the "Addendum to Note") both executed on by Borrower in favor of Lender, and (ii) the Mortgage, Deed of Trust, Trust Deed, Deed to Secure Debt, Security Deed or similar instrument (the "Security Instrument") as modified by an Adjustable Rate Rider (if applicable) and a Residential Construction Loan Agreement or Building Loan Agreement both executed on the same date as the Note, by Borrower in favor of Lender and granted or assigned to Mortgage Electronic Registration Systems, Inc. as mortgagee of record (solely as nominee for Lender and Lender's successors and assigns, P.O. Box 2026, Flint, Michigan 48501-2026 and recorded on SEPTEMBER 9, 2005 in Official Records Book or Liber 0905, at Page 3252 as Document No. 0654686 of the Public/Land Records of DOUGLAS County, Nevada. All terms defined in the Security Instrument shall have the same definitions when used in this Agreement.

1. LOAN AMOUNT

_____ IF CHECKED, the outstanding principal balance remains unchanged.

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Modification Agreement --All Mers-

INITIALS: *[Handwritten initials]*

IF CHECKED, the outstanding principal balance on the loan as of the date of this Agreement is hereby reduced to \$ 70,000.00 based on a principal curtailment made by Borrower. The monthly payment of principal and interest will be \$ 454.02

2. MATURITY

IF CHECKED, the first monthly payment date of the permanent loan phase and the maturity date of the Note and Security Instrument remain unchanged.

IF CHECKED, Borrower's first monthly payment of principal and interest under the permanent loan phase will be due on 08/01/2006 and the first Change Date (if applicable) will be . The maturity date of the Note and Security Instrument is hereby changed to 07/01/2036, at which time the entire unpaid principal balance and all unpaid accrued interest shall be due and payable. All references in the Note and Security Instrument to the above dates are hereby modified to refer to such dates.

3. INTEREST RATE AND TERM

IF CHECKED, the interest rate payable under the Note remains unchanged.

IF CHECKED, the terms and provisions of the Note are amended and modified as indicated in the New Loan Terms below. This Agreement shall render forever null and void and of no further force or effect any Rider of the Note providing for, implementing, or relating to any change or adjustments in the rate of interest payable under this Note.

IF CHECKED, the terms and provisions of the Adjustable Rate Note are amended and modified as indicated in the New Loan Terms below. The interest rate will remain fixed for the term of the loan and any references to changes in the interest rate are null and void. This Agreement shall render forever null and void of no further force or effect and provision in the Adjustable Rate Note, the Security Instrument and any rider or addendum to the Note and Security Instrument providing for, implementing, or relating to any changes or adjustments in the rate of interest payable under the Note, and any prepayment penalty and conversion option (if applicable).

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INITIALS: *Jef* *YRA*

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NEW LOAN TERMS

FIXED RATE

Interest Rate 6.750 %
Term 360 Months
Monthly Payment \$ 454.02

ADJUSTABLE RATE

Initial Interest Rate _____ %
Term _____ Months
Initial Monthly Payment \$ _____
Margin: _____ %
Interest Rate at First Change Date will NOT be
GREATER than _____ %
or LESS than _____ %

Interest Rate during life of loan will NEVER be
GREATER than _____ %
or LESS than the margin

4. CONSTRUCTION PHASE TERMINATED

The Addendum to Note, Allonge Amending Note, and Residential Construction Loan Agreement or Building Loan Agreement are hereby terminated and from and after the date hereof shall be forever null and void and of no further force or effect. The loan shall hereafter be evidenced by the Note as modified by this Agreement and secured by the Security Instrument as modified by the Adjustable Rate Rider (if applicable) and any other rider or addendum to the Note or Security Instrument not specifically terminated by this Agreement.

All terms and provisions of the Note and Security Instrument, or any other rider, addendum, or other instrument or document that is affixed to, wholly or partially incorporated into, or is part of, the Note or Security Instrument and that contains any terms and provisions relating solely to the construction phase of the loan, including, if applicable, any changes of the title of the Note or Security Instrument, or any such rider, addendum or other instrument or document, are hereby terminated and from and after the date hereof shall be forever null and void and of no further force or effect.

5. RELEASE OF SECURITY INTEREST

Lender hereby releases the security interest in the Collateral that Borrower granted to Lender in the Residential Construction Loan Agreement or Building Loan Agreement.

6. MISCELLANEOUS

Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and Borrower and Lender will be bound by and comply with, all of the terms and provisions thereof, as amended by this Agreement.

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INITIALS: JUL KAR

MERS Phone: 1-888-679-6377

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IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto effective the day and year first above written.

FIRST NATIONAL BANK OF ARIZONA -Lender-

Mortgage Electronic Registration Systems, Inc. -Mortgagee-

John R. Henderson
JOHN HENDERSON

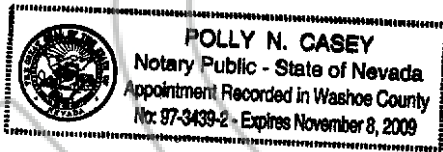
Nelly A. Henderson
NELLY HENDERSON

State of Nevada County of Washoe
On the 2nd day of June, 2006, before me, the
undersigned, a Notary Public for said state, personally appeared
John Henderson and Nelly Henderson

known to me, (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) subscribed to the foregoing instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.

Polly Casey
Notary Public



This document is recorded as an ACCOMMODATION ONLY and without liability for this consideration therefore, 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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INITIALS: JH NH

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