

DOC # 0692536
01/11/2007 10:11 AM Deputy: CF

OFFICIAL RECORD

Requested By:

STEWART TITLE OF DOUGLAS

COUNTY

Douglas County - NV

Werner Christen - Recorder

Page: 1 of 6 Fee: 19.00

BK-0107 PG- 3167 RPTT: 0.00

APN 1420-28-601-055

Recording Requested By:

Stewart Title of Douglas County

1663 US Highway 395 N., Ste. 101

Minden, NV 89423

Modification Agreement

(Title of Document)

**This document has been signed in counter part to
Modify the Exhibit B**

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.

This page added to provide additional information required by NRS 111.312 Sections 1-2.
(Additional recording fee applies)

This cover page must be typed.

STEWART TITLE

1663 US Highway 395 N, Ste. 101 ~ Minden, Nevada 89423
Phone: (775) 782-2208 ~ Fax: (775) 782-4601

Escrow No: 060702090

MODIFICATION AGREEMENT

THIS AGREEMENT, made this 8th day of January, 2007, by and between Donald C. James and Loretta S. James, Trustees of the James Family Trust Dated June 13, 2000, First Party (Beneficiary) and William M. Merrill, President, Merrill Construction, Inc., Second Party (Trustor)

WITNESSETH:

WHEREAS, the Second Party is the owner of that certain real property described in the Deed of Trust dated December 13, 2005 executed by

Merrill Construction, Inc, as Trustor to

Stewart Title of Douglas County, as Trustee, and

Donald C. James and Loretta S. James, Trustees of the James Family Trust Dated June 13, 2000, as Beneficiary; which Deed of Trust was recorded on December 29, 2005 in Book 1205, Page 12942, as Document No. 664616, Official Records of Douglas County;

which Deed of Trust was given as security for a Note dated December 13, 2005 in the sum of \$1,025,000.00, executed by William V. Merrill, President of Merrill Construction, Inc, in favor of Donald C. James and Loretta S. James, Trustees of the James Family Trust dated June 13, 2000 AND WHEREAS, the Second Party is desirous of modifying the terms of said Note and the First Party is willing to modify the terms of the said Note;

NOW THEREFORE, in consideration of the promises and agreements hereafter contained to be performed by the Second Party, the Parties do hereby agree as follows:
Exhibit "B" of that Certain Deed of Trust described above shall be modified as follows:

see attached

Said modification of the terms of payment shall in no manner or respect alter any of the other terms, covenants and conditions of said Promissory Note or the Deed of Trust securing it.

Continued on next page

The Second party hereby represents and warrants that there are no other liens or encumbrances of any nature whatsoever on or against the real property mentioned in said Deed of Trust, except as follows: N/A

FIRST PARTY
The James Family Trust Dated
June 13, 2000

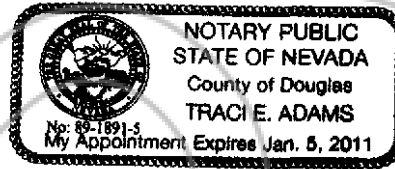
SECOND PARTY
Merrill Construction, Inc.
a Nevada Corporation

By: Donald C. James, Trustee
Donald C. James, Trustee

By: William V. Merrill, President

By: Loretta S. James, Trustee
Loretta S. James, Trustee

STATE OF Nevada)
COUNTY OF Douglas) ss.

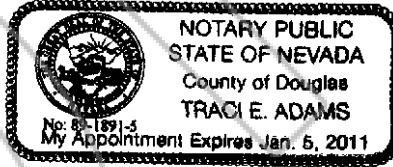


This instrument was acknowledged before me

on January 9, 2007 by Donald C. James, Trustee

Traci E. Adams
Notary Public

STATE OF Nevada)
COUNTY OF Douglas) ss.



This instrument was acknowledged before me

on January 9, 2007 by Loretta S. James Trustee

Traci E. Adams
Notary Public

WHEN RECORDED, RETURN TO:
Donald and Loretta James
P.O. Box 2954
Carson City, NV 89702

The Second party hereby represents and warrants that there are no other liens or encumbrances of any nature whatsoever on or against the real property mentioned in said Deed of Trust, except as follows: N/A

FIRST PARTY
The James Family Trust Dated
June 13, 2000

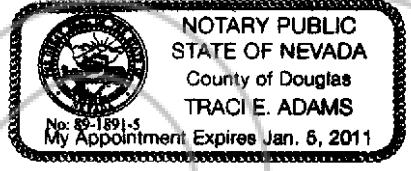
SECOND PARTY
Merrill Construction, Inc.
a Nevada Corporation

By: _____
Donald C. James, Trustee

By: William V. Merrill
William V. Merrill, President

By: _____
Loretta S. James, Trustee

STATE OF Nevada)
COUNTY OF Douglas) ss.



This instrument was acknowledged before me
on January 9, 2007 by William V. Merrill
Traci E. Adams
Notary Public

STATE OF _____)
COUNTY OF _____) ss.

This instrument was acknowledged before me
on _____ by _____

Notary Public

WHEN RECORDED, RETURN TO:
Donald and Loretta James
P.O. Box 2954
Carson City, NV 89702

Modified
EXHIBIT "B"
To Deed of Trust

RELEASE CLAUSE

The beneficiary hereunder agree that they will partially reconvey or cause Trustee to partially reconvey any one of 4 lots of the herein described real property upon each payment of the principal reduction in the sum of \$256,250.00 as set forth in the Note secured by this Deed of Trust.

Provided, however, that the partial reconveyance shall not be executed in such a manner that the unreconveyed property does not have reasonable access to a public road and public utilities.


Any payments so made in cash shall be applied to the reduction of the principal balance then due on said Note

Provided, further, that the Trustors be not in default under the terms of this Deed of Trust or said Note which it secures at the time any such partial reconveyance is demanded.

TRUSTOR

MERRILL CONSTRUCTION, INC.
A Nevada Corporation

BY:


WILLIAM V. MERRILL,

BENEFICIARY

THE JAMES FAMILY TRUST
DATED JUNE 13, 2000

BY:

DONALD C. JAMESTRUSTEE

BY:

LORETTA S. JAMES, TRUSTEE

Modified
EXHIBIT "B"
To Deed of Trust

RELEASE CLAUSE

The beneficiary hereunder agree that they will partially reconvey or cause Trustee to partially reconvey any one of 4 lots of the herein described real property upon each payment of the principal reduction in the sum of \$256,250.00 as set forth in the Note secured by this Deed of Trust.

Provided, however, that the partial reconveyance shall not be executed in such a manner that the unreconveyed property does not have reasonable access to a public road and public utilities.

Any payments so made in cash shall be applied to the reduction of the principal balance then due on said Note

Provided, further, that the Trustors be not in default under the terms of this Deed of Trust or said Note which it secures at the time any such partial reconveyance is demanded.

TRUSTOR

MERRILL CONSTRUCTION, INC.
A Nevada Corporation

BY: _____
WILLIAM V. MERRILL,

BENEFICIARY

THE JAMES FAMILY TRUST
DATED JUNE 13, 2000

BY: Donald C James Trustee
DONALD C. JAMES TRUSTEE

BY: Loretta S James Trustee
LORETTA S. JAMES, TRUSTEE