

OFFICIAL RECORD

Requested By:

LAW OFFICES OF KAREN L

WINTERS

Douglas County - NV

Werner Christen - Recorder

Page: 1 Of 4 Fee: 17.00

BK-0207 PG- 4971 RPTT: 0.00



APN: 1022-16-001-040

When recorded mail to:

John W. Hoffman
429 West Plumb Lane
Reno, NV 89509

**FIRST AMENDMENT TO DEED
OF TRUST AND TO PROMISSORY NOTE**

This instrument is made on this 13th day of February, 2007, by and between VERN HEALEY, whose last name is sometimes misspelled Healy, ("Trustor") or ("Maker") and OCOTILLO, INC., a Nevada corporation, whose name is sometimes misspelled Octotillo, Inc., ("Beneficiary") or ("Payee").

WHEREAS, Beneficiary conveyed certain real property to Trustor by grant, bargain and sale deed dated March 6, 2006 and recorded in official records of Douglas County, Nevada as document number 0669629 ("Deed"); and

WHEREAS, Trustor executed a deed of trust in favor of Beneficiary dated March 10, 2006, recorded in official records of Douglas County, Nevada as document number 0669630 ("Deed of Trust"); and

WHEREAS, the Deed of Trust secures a promissory note dated March 10, 2006, made by Maker and payable to Payee, with a original principal balance of One Hundred Fifty Two Thousand and 00/100 Dollars (\$152,000.00) ("Note"); and

WHEREAS, the parties hereto desire to amend the Deed of Trust to document current understandings and to correct errors and to amend the Note to document current understandings and to correct spelling errors.

NOW THEREFORE, it is agreed as follows:

1. The Deed of Trust as amended hereby, continues to secure the Note, as amended hereby. The real property description is attached hereto as Exhibit "A" and incorporated herein.
2. The property referred to in the Deed of Trust includes the real property described in the Deed of Trust and also includes that certain manufactured home described as follows: make number CHA; year 1971; size 12 feet by 16 feet; and serial number 091966S0948.
3. By this instrument, the parties hereto correct the names of the parties to correctly refer to Vern Healey and Ocotillo, Inc. in the Deed of Trust and in the Note.
4. The following Section 18 is added to the Deed of Trust:

18. Security Agreement.

(a) With respect to all of the personal property that is included in the description of the property (the "Collateral"), this Deed of Trust shall constitute a security agreement under Article 9 of the Nevada Uniform Commercial Code, and Trustor hereby grants Beneficiary a security interest in the Collateral for the purpose of securing all of Trustor's obligations under the Note, and grants Beneficiary all rights of a secured party under the provisions of Article 9 of the Nevada Uniform Commercial Code in connection therewith.

(b) Without limiting the generality of any other provision of this Deed of Trust, Trustor further covenants that the Collateral will be kept on or at the property, that Trustor will not sell or otherwise dispose of the Collateral, that Trustor will keep the Collateral in good condition and repair, that Beneficiary may inspect and examine the Collateral at any reasonable time, that the Collateral is free and clear of any other liens or encumbrances, and that the security interest granted hereby extends to all proceeds and replacements for any or all of the Collateral.

(c) If there is an Event of Default, beneficiary may take possession of any part of all of the Collateral, and thereafter take all actions in connection therewith that it deems necessary or appropriate to protect or preserve the Collateral, require Trustor to assemble the Collateral at a place designated by Beneficiary, sell the Collateral at a public or private sale in such order as Beneficiary may determine (independent of or as part of any Trustee's sale hereunder), and exercise any and all other rights extended to secured parties under the terms of Article 9 of the Nevada Uniform Commercial Code.

5. Notwithstanding the provisions of the Note, Maker shall not make the regular monthly payments scheduled for and due January 10, 2007, February 10, 2007 and March 10, 2007. Effective January 10, 2007, an additional Four Thousand Eight Hundred and 00/100 Dollars (\$4,800.00) is hereby added to the unpaid principal balance of the Note. Regularly monthly payments shall resume on the 10th day of April, 2007 and continuing on the 10th day of each and every month until March 10, 2009, at which time all the then remaining principal, plus accrued interest, shall be paid in full. Commencing April 10, 2007, the minimum monthly payment under the Note shall be One Thousand Two Hundred Thirty One and 28/100 Dollars (\$1,231.28). The unpaid balance of the Note as of January 10, 2007 is One Hundred Fifty Six Thousand Twenty Five and 85/100 Dollars (\$156,025.85).

6. This document may be executed in counterparts.

BENEFICIARY

OCOTILLO, INC

By:


CASEY STANGL, President

TRUSTOR


VERN HEALEY

STATE OF HAWAII)
) ss.
COUNTY OF Hawaii)

SEAL

The above instrument was acknowledged before me this 12th day of February, 2007, by CASEY STANGL, president of Ocotillo, Inc., a Nevada corporation.

Virgie P. Callorina
Notary Public **Virgie P. Callorina**

LS' my Commission Expires 06-25-08

STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

The above instrument was acknowledged before me this 15th day of February, 2007, by VERN HEALEY.

Karen L. Winters
Notary Public



EXHIBIT "A"

The following described Real Property in the unincorporated area of the County of Douglas, State of Nevada:

Lot 7, in Block L, as shown on the map of TOPAZ RANCH ESTATES UNIT NO. 4, filed for record in the Office of the County Recorder of Douglas County, State of Nevada, on November 16, 1970, in Book 1 of Maps, Page 224, as Document No. 50212.

Per NRS 111.312, this legal description was previously recorded at Document No. 0669629, Book 0306, Page 3656, on March 10, 2006.

