

APNS: 1420-06-802-002,005,006
Recording Requested by
HOUSING CAPITAL COMPANY,
a Minnesota partnership

And when recorded return to:
HOUSING CAPITAL COMPANY
1825 South Grant Street, Suite 630
San Mateo, CA 94402
Attention: Loan Administration Manager
Loan No. 1590R-08-09



1011445

**MEMORANDUM
OF
ADDITIONAL ADVANCE, CONSOLIDATION AND
THIRD MODIFICATION AGREEMENT**

THIS ADDITIONAL ADVANCE, CONSOLIDATION AND THIRD MODIFICATION AGREEMENT is dated as of September 12, 2008, by and between HOUSING CAPITAL COMPANY, a Minnesota partnership ("Beneficiary") and John C. Serpa ("Non-Borrower Trustor") and DGD DEVELOPMENT LIMITED PARTNERSHIP, a Nevada limited partnership ("Trustor").

RECITALS

Trustor has executed and delivered to Beneficiary that certain Revolving Promissory Note Secured by Deed of Trust, ("Note") payable to the order of Beneficiary, and dated January 23, 2006, in the original principal amount of SEVEN MILLION ONE HUNDRED FIFTY-SIX THOUSAND FIVE HUNDRED AND NO/100THS DOLLARS (\$7,156,500.00).

- A. The Note evidences a loan made by Beneficiary to Trustor of up to the original principal amount of the Note (the "Loan") and is secured by, among other things, that certain Deed of Trust (the "Deed of Trust") executed by Trustor and Non-Borrower Trustor in favor of Beneficiary, dated January 23, 2006, and recorded on February 21, 2006, as Instrument No. 0668194 in the Official Records of Douglas County, Nevada, encumbering certain real property more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference (the "Property").
- B. The Note and Deed of Trust and any and all other documents executed in connection with the Loan, as previously amended, are hereinafter collectively referred to as the "Loan Documents".

- C. Trustor and Beneficiary are entering into that certain Additional Advance, Consolidation and Third Modification Agreement of even date herewith (the "Additional Advance Agreement"), pursuant to which certain provisions of the Loan Documents are being supplemented, amended and extended, including without limitation, increasing the aggregate amount of the Loan as evidenced by an additional advance revolving note ("Additional Advance Note") in the amount of TWO MILLION SEVEN HUNDRED SEVENTY-ONE THOUSAND AND NO/100THS DOLLARS (\$2,771,000.00) which results in an aggregate Loan amount of NINE MILLION NINE HUNDRED TWENTY-SEVEN THOUSAND FIVE HUNDRED AND NO/100THS DOLLARS (\$9,927,500.00). The Maturity Date ("Maturity Date") shall remain August 21, 2009. The Additional Advance Agreement and the Additional Advance Note and all other documents executed in connection therewith are referred to herein as the "Additional Advance Documents".
- D. Trustor and Beneficiary desire by this Agreement to modify the Loan Documents to reflect the Additional Advance Agreement and confirm the priority and security of the Loan Documents as so modified.

NOW THEREFORE, in consideration of the covenants and agreements contained herein and other valuable consideration, the receipt of which is hereby acknowledged:

1. The terms and provisions of the Additional Advance Agreement are incorporated herein by reference as though set forth herein in full.
2. The Loan Documents are hereby modified as follows:
 - a. The Deed of Trust and other Loan Documents which secure the Note are hereby modified to additionally secure the full performance of the Additional Advance Note and other Loan Documents as modified by the Additional Advance Agreement.
 - b. All references in the Loan Documents to the Note and other Loan Documents shall be deemed to refer to the Note and the Additional Advance Note and other Loan Documents as so modified, and all renewals, further modifications, changes or extensions thereof.
 - c. The Loan Documents, as so modified, continue to be effective as, and to constitute, a first and prior lien and charge on the Property, leases, rents and other property described therein to the full extend of all obligations secured or to be discharged thereby.
3. Except as specifically set forth herein, each of the terms and conditions of the Loan Documents shall remain unmodified and in full force and effect and is hereby reaffirmed.



4. This Agreement may be executed in any number of counterparts, each of which when executed and delivered will be deemed to be an original and all of which, taken together, will be deemed to be one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

“Beneficiary/Lender”

HOUSING CAPITAL COMPANY,
a Minnesota partnership

By: DFP Financial, Inc., a California corporation,
its Managing General Partner

By: *Y. Armas*
Y. Armas
Its: *Vice President*

“Trustor/Borrower”

DGD DEVELOPMENT LIMITED PARTNERSHIP,
a Nevada limited partnership

By: SSS INVESTMENTS, LLC, a
Nevada limited liability company
Its: General Partner

By: *[Signature]*
John C. Serpa, Jr., Manager

“Non-Borrower Trustor”

[Signature]
John C. Serpa, as an individual



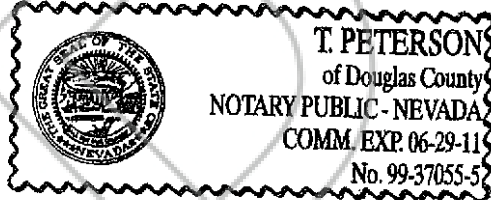
STATE OF Nevada)
)
COUNTY OF Carson City) ss.

On SEPT. 12, 2008, before me, T. PETERSON, a Notary Public, personally appeared JOHN C. SERPA JR., who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Nevada that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

T. Peterson



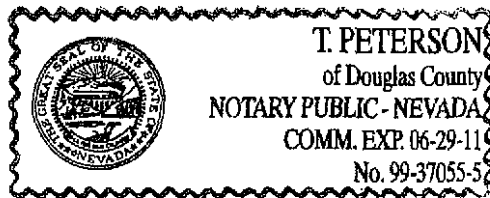
STATE OF Nevada)
)
COUNTY OF Carson City) ss.

On Sept. 12, 2008, before me, T. Peterson, a Notary Public, personally appeared John C. Serpa, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Nevada that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

T. Peterson



STATE OF CALIFORNIA)


COUNTY OF SAN MATEO)

) ss.

On 9/15, 2008, before me, HEIDI P. EHRICH, a Notary Public, personally appeared Y. ARMAZ, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



**EXHIBIT A
(Property Description)**

The land referred to herein is situated in the State of Nevada, County of Douglas, described as follows:

A portion of the Southeast 1/4 of Section 6, Township 14 North, Range 20 East, M.D.B.&M., Douglas County, Nevada described as follows:

Parcels B, C AND D as shown on Parcel Map for JACK BAY #2 filed in the office of the Douglas County Recorder on June 10, 1980 in Book 680 of Official Records, Page 974 as Documents No. 45171.

ASSESSOR'S PARCEL NO.'s 1420-06-802-002
1420-06-802-005
1420-06-802-006

