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When Recorded Mail To:

Douglas County - NV
Karen Ellison - Recorder
Page: 1 Of 6 Fee: 19.00
BK-0311 PG- 6407 RPTT: 0.00

✓ Jeffrey K. Rahbeck, Esquire
Post Office Box 435
Zephyr Cove, Nevada 89448



TO BE ATTACHED AND MADE A PART OF THE ORIGINAL NOTE dated June 9, 1998, in the original amount of \$1,250,000.00.

SECOND MODIFICATION AGREEMENT

THIS AGREEMENT, made and entered into this 15th day of February, 2011, between DELBERT D. SMART and EVELYN L. SMART, Trustees of the SMART REVOCABLE TRUST AGREEMENT DATED April 9, 1987, as first party, and JOHN V. MASSEY and JANET L. MASSEY, as Trustees of THE MASSEY FAMILY REVOCABLE LIVING TRUST AGREEMENT DATED April 27, 1990.

WITNESSETH:

WHEREAS, first party is the owner and holder of a Promissory Note ("Promissory Note") secured by a Deed of Trust recorded on November 2, 1998, in Book 1198 at Pages 408-412, as Document No. 453165 of Official Records of the County of Douglas, State of Nevada, which Documents were previously modified by a Modification Agreement dated June 13, 2003, and recorded June 17, 2003, as Document No. 0580316.

WHEREAS, the parties hereto desire to change and modify the terms of said Promissory Note as previously modified.

NOW, THEREFORE, in consideration of premises and covenants herein contained, it is mutually agreed as follows:

1. The unpaid balance of principal owing upon said Promissory Note as of March 2, 2011, will be the sum of \$988,106.35.

2. The balance due upon said Promissory Note as aforesaid shall be paid in the following manner, and the terms of said Promissory note are changed and modified as follows, to wit:

(a) The term of said Promissory Note is extended for a period of thirty (30) years commencing April 2, 2011, and continuing until March 2, 2031, when the balance of principal and accrued interest is all due and payable.

(b) The interest rate is reduced from six percent (6%) to five percent (5%), compounded monthly.

(c) Monthly payments in the sum of \$5,304.37 are due and payable on the 2nd day of each and every month of the new term with the first installment commencing April 2, 2011.

(d) There shall be a prepayment penalty as provided for in the Promissory Note if the Promissory note is paid prior to March 2, 2013.

(e) In the event of the death of both Delbert D. Smart and Evelyn L. Smart, the Executor of their estate or Trustee of the Smart Revocable Trust Agreement has one (1) time option which must be exercised within one (1) year after the death of both Delbert D. Smart and Evelyn L. Smart, to declare any indebtedness owing under the Promissory Note all due and payable within sixty (60) months of written notice to the Trustee of the Massey Family Revocable

Living Trust Agreement dated April 27, 1990. If notice to accelerate is given, the monthly payments will continue at the rate of \$5,304.37 per month with a balloon payment due at the end of the sixty (60) month time period.

3. That in all other respects said Note and said Deed of Trust shall remain unaffected, unchanged and unimpaired by reason of the execution of this Agreement.

4. That second party agrees to pay said Promissory Note according to the terms thereof as herein changed and modified and agrees to perform all of the acts to be performed by the Trustor under the terms of said Deed of Trust.

5. This Agreement may be executed in counterparts and in duplicate originals. If executed in counterparts, the Agreement shall be effective as of the date of the last signature. If executed in duplicate, each duplicate shall be valid as an original copy.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

SMART REVOCABLE TRUST
AGREEMENT
DATED APRIL 9, 1987

By: _____
DELBERT D. SMART, TRUSSTEE

By: _____
EVELYN L. SMART, TRUSTEE

MASSEY FAMILY RECOVABLE
LIVING TRUST AGREEMENT
DATED APRIL 27, 1990

By: John V. Massey TTEE
JOHN V. MASSEY, TRUSTEE

By: Janet Massey TTEE
JANET L. MASSEY, TRUSTEE

Living Trust Agreement dated April 27, 1990. If notice to accelerate is given, the monthly payments will continue at the rate of \$5,304.37 per month with a balloon payment due at the end of the sixty (60) month time period.

3. That in all other respects said Note and said Deed of Trust shall remain unaffected, unchanged and unimpaired by reason of the execution of this Agreement.

4. That second party agrees to pay said Promissory Note according to the terms thereof as herein changed and modified and agrees to perform all of the acts to be performed by the Trustor under the terms of said Deed of Trust.

5. This Agreement may be executed in counterparts and in duplicate originals. If executed in counterparts, the Agreement shall be effective as of the date of the last signature. If executed in duplicate, each duplicate shall be valid as an original copy.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

SMART REVOCABLE TRUST
AGREEMENT
DATED APRIL 9, 1987

MASSEY FAMILY RECOVABLE
LIVING TRUST AGREEMENT
DATED APRIL 27, 1990

By: Delbert D. Smart By: John V. Massey
DELBERT D. SMART, TRUSSTEE JOHN V. MASSEY, TRUSTEE

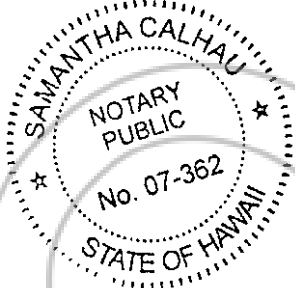
By: Evelyn L. Smart By: Janet L. Massey
EVELYN L. SMART, TRUSTEE JANET L. MASSEY, TRUSTEE

ACKNOWLEDGEMENT

STATE OF Hawaii)
) ss.
COUNTY OF Maui)

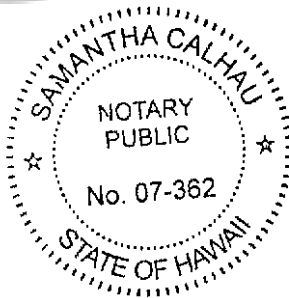
On the 1st day of February, 2011, before me, Samantha Calhau, a Notary Public, personally appeared DELBERT D. SMART and EVELYN L. SMART, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on this instrument, the persons, or the entities upon behalf of which the persons acted, executed this instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State above named, the day and year in this certificate first above written.



Samantha Calhau
~~NOTARY PUBLIC~~
My commission expires 7/29/2011

Doc. Date: 02/01/11 # Pages 04
Notary Name: Samantha Calhau Second Circuit
Doc. Description: Second Modification Agreement
Samantha Calhau 02/01/11
Notary Signature Date



ACKNOWLEDGEMENT

STATE OF *California*
COUNTY OF *Sonoma*) ss.

On the 10th day of February, 2011, before me, S. Mills
a Notary Public, personally appeared JOHN V. MASSEY and JANET L. MASSEY, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on this instrument, the persons, or the entities upon behalf of which the persons acted, executed this instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State above named, the day and year in this certificate first above written.

S. Mills

NOTARY PUBLIC

