

DOUGLAS COUNTY, NV

2017-906284

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FNTG NCS (LAS VEGAS)

KAREN ELLISON, RECORDER

PREPARED BY AND RETURN TO:

Barton T. Lee, Esq.
Butler Snow LLP
1819 Fifth Avenue North, Suite 1000
Birmingham, AL 35203

Apn: 1420-07-701-002

SUMMIT CREST APARTMENTS
RHS Case No. 33-003-0102685550

**MODIFICATION
OF
DEED OF TRUST**

THIS MODIFICATION OF DEED OF TRUST (this "Modification") is made and entered into as of October 26, 2017, by and between **DOUGLAS PACIFIC ASSOCIATES**, a Nevada limited partnership (the "Borrower"), and **CHURCHILL MORTGAGE INVESTMENT LLC**, a Florida limited liability company (the "Lender"), as the successor-in-interest to **PNC BANK, NATIONAL ASSOCIATION**, successor by merger to **MIDLAND LOAN SERVICES, INC.**, a Delaware corporation (collectively, "PNC"), and shall be effective as of the date of recordation in the Recorder's Office of Douglas County, Nevada (the "Effective Date").

Background:

In connection with a loan (the "Loan") evidenced by that certain Term Loan Agreement by and between Lewiston State Bank (the "Original Lender") and Borrower dated September 25, 2008 (as amended, restated, modified, extended or otherwise changed, collectively, the "Loan Agreement") for the project known as Summit Crest Apartments, Borrower executed and delivered a Multifamily Note from Borrower to Original Lender dated September 25, 2008, in the original principal amount of Nine Hundred Thousand Dollars (\$900,000.00), a copy of which is attached hereto as Exhibit A (as amended, restated, assigned, or otherwise changed, collectively, the "Note") which was secured by that certain Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated September 25, 2008, from Borrower to Original Lender and recorded on September 30, 2008, with the Recorder's Office of Douglas County, Nevada, at Book 908, Page 6353 (as amended, restated, assigned, or otherwise changed, collectively, the "Deed of Trust;" the Loan Agreement, the Note and Deed of Trust, together with all other instruments, affidavits, agreements, security agreements, financing statements and documents executed and delivered in connection therewith, are hereinafter sometimes referred to collectively as the "Loan Documents").

The Loan Documents, including the Note, were subsequently assigned to Capstone Realty Advisors, LLC ("Capstone") pursuant to that certain Assignment of Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing between Original Lender and Capstone dated January 21, 2009, and recorded on January 27, 2009, with the Recorder's Office

of Douglas County, Nevada, at Book 0109, Page 5341, which was subsequently assigned to PNC pursuant to that certain Corporate Assignment of Deed of Trust between Capstone and Assignor dated October 15, 2009, and recorded on November 16, 2009, with the Recorder's Office of Douglas County, Nevada, at Book 1109, Page 3632, which was subsequently assigned to Lender pursuant to that certain Assignment of Multifamily Note, Deed of Trust, Loan Agreement and Other Loan Documents between PNC and Lender dated June 1, 2017, and recorded on June 9, 2017, with the Recorder's Office of Douglas County, Nevada, at Document No. 2017-899764.

The Loan is guaranteed by the Secretary of the U.S. Department of Agriculture (the "USDA") pursuant to a Loan Note Guarantee (Form RD 3565-4).

Borrower has requested that the Note be modified to, among other things, reduce the interest rate thereunder, and Lender has agreed to so modify the Note as set forth in that certain Modification of Note of even date herewith executed by Borrower and Lender (the "Note Modification") and approved by the USDA.

The parties hereto desire to modify the Deed of Trust as set forth below to reflect the interest rate reduction under the Note.

Agreement:

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Any reference to the interest rate due under the Note or the Deed of Trust in the Deed of Trust is hereby modified to reflect that said interest rate is being modified from Six and 99/100 percent (6.99%) per annum to Four and 75/100 percent (4.750%) per annum.
2. Nothing herein contained shall in any manner whatsoever impair the Note, as modified by the Note Modification, or the security of the Deed of Trust now held for the indebtedness evidenced by the Note, as modified by the Note Modification, or alter, waive, annul, vary or affect any provision, covenant or condition of the Note, the Deed of Trust or the Regulatory Agreement executed by the Borrower and Lender, as successor-in-interest to PNC, and recorded with the Recorder's Office of Douglas County, Nevada, at Book 908, Page 6406 (collectively, the "USDA Regulatory Agreement") except as specifically modified herein, nor affect or impair any rights, powers or remedies under the Note, the Deed of Trust, or the USDA Regulatory Agreement, except as specifically modified herein, it being the intent of the parties hereto that all of the terms, covenants, conditions and agreements of the Note, the Deed of Trust, and the USDA Regulatory Agreement shall continue and remain in full force and effect, except as specifically modified herein.
3. Nothing in this Modification shall waive, compromise, impair or prejudice any right Lender, as successor-in-interest to PNC, or USDA may have to seek judicial recourse for any breach of that certain USDA Regulatory Agreement or any other

document executed by Borrower in connection with the Loan, which breach may have occurred prior to or may occur subsequent to the date of this Modification. In the event that Lender or USDA initiates an action for breach of said USDA Regulatory Agreement or other loan documents and recovers funds, either on behalf of Lender or USDA, or on behalf of the project encumbered by the Deed of Trust, or on behalf of the Borrower, those funds may be applied, at the discretion of Lender or USDA, to payment of the delinquent amounts due under the Note, as modified by the Note Modification, or the Deed of Trust, as modified hereby, or as partial prepayment of the Note, as modified by the Note Modification.

4. Borrower hereby acknowledges and affirms to Lender that, as of the Effective Date, Borrower is in compliance with all of Borrower's obligations under the Deed of Trust and all other loan documents entered into in connection with the Loan.
5. Notwithstanding anything herein contained, if any one or more of the provisions of this Modification shall for any reason whatsoever be held to be illegal, invalid, or unenforceable, in any respect, such illegality, invalidity, or unenforceability shall not affect any other provision of this Modification, but this Modification shall be construed as if such illegal, invalid, or unenforceable provision had never been contained herein.
6. This Modification shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and assigns.
7. The Modification may be executed in any number of counterparts and all counterparts shall be construed together and shall constitute but one agreement.
8. The terms of this Modification shall not be effective unless USDA has delivered to Lender an approval of USDA's consent and approval of the terms and conditions contained herein.

[Signatures on the Next Page.]

MODIFICATION OF DEED OF TRUST

Signature Page

IN WITNESS WHEREOF, the undersigned has caused this Modification of Deed of Trust to be executed as of the date first set forth above.

BORROWER:

DOUGLAS PACIFIC ASSOCIATES,
a Nevada limited partnership

By: **RURAL NEVADA DEVELOPMENT CORPORATION,**
a Nevada non-profit corporation, its General Partner

By: Mary Kerner
Mary Kerner
Its: CEO

STATE OF NEVADA

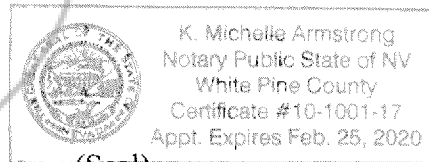
COUNTY OF White Pine

This instrument was acknowledged before me on October 24, 2017, by Mary Kerner, CEO of Rural Nevada Development Corporation, a Nevada non-profit corporation, as General Partner of Douglas Pacific Associates, a Nevada limited Partnership.

K. Michelle Beecher
Notary Public

Printed Name: K. Michelle Beecher

My Commission Expires: 2/25/20



(Seal)

[Signatures Continue on the Next Page.]

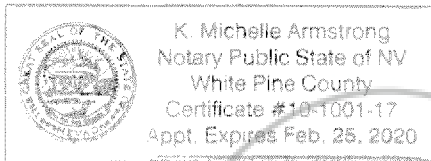
STATE OF NEVADA)
)ss
COUNTY OF White Pine)

On October 24, 2017
personally appeared before me, a Notary Public,

Mary Kerner
personally known or proven to me to be the
person(s) whose name(s) is/are subscribed to the
above instrument who acknowledged that
he/she/they executed this instrument for the
purposes therein contained.


K. Michelle Armstrong
Notary Public

My commission expires: 2/25/20



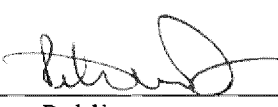
COOPY

By: **TPC HOLDINGS I, LLC**, an Idaho limited liability company,
its General Partner

By: 
Caleb Roope
Its: Member

STATE OF ~~NEVADA~~ IDAHO
COUNTY OF ADA

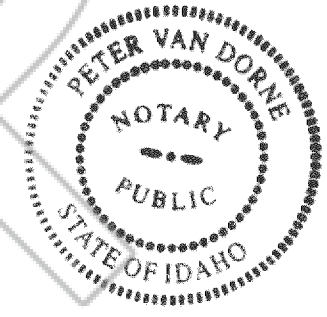
This instrument was acknowledged before me on October 24, 2017, by Caleb Roope,
Member of TPC Holdings I, LLC, an Idaho limited liability company, as General Partner of
Douglas Pacific Associates, a Nevada limited Partnership.


Notary Public

Printed Name: PETER VAN DORNE

(Seal)

My Commission Expires: 8/1/2023



[Signatures Continue on the Next Page.]

MODIFICATION OF DEED OF TRUST

Signature Page

IN WITNESS WHEREOF, the undersigned has caused this Modification of Deed of Trust to be executed as of the date first set forth above.

LENDER:

CHURCHILL MORTGAGE INVESTMENT LLC,
a Florida limited liability company

By: *Rex N. Tilley*
Rex N. Tilley
Its: Senior Vice President

STATE OF FLORIDA)

COUNTY OF PINELLAS)

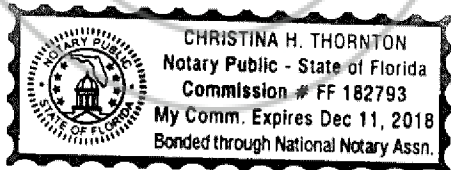
On October 23, 2017, before me, Christina H. Thornton Notary Public in and for Pinellas County, in the State of Florida, personally appeared Rex N. Tilley, Senior Vice President of Churchill Mortgage Investment LLC, a Florida limited liability company, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are 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(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Christina H. Thornton
NOTARY PUBLIC

My Commission Expires:
12-11-18

Printed Name of Notary Public:
Christina H. Thornton



[End of Signatures.]

**MODIFICATION
OF
DEED OF TRUST**

EXHIBIT "A"

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF DOUGLAS, STATE OF NEVADA, AND IS DESCRIBED AS FOLLOWS:

A portion of the Northwest Quarter (NW ¼) of the Southeast Quarter (SE ¼) of Section 7, Township 14 North, Range 20 East, M.D.B. & M., Douglas County, Nevada, being further described as follows:

Commencing at the intersection of the centerline of Quartz Drive and the Westerly right-of-way line of U.S. Highway 395, as shown on the Map of Vista Grande Subdivision, Unit No. 1, as filed in the Office of the County Recorder of Douglas County, Nevada, on November 9, 1964, as File No. 26518; Thence North 01°05'54" East, 30.01 feet; Thence South 89°38'07" West, 382.79 feet to the True Point of Beginning; Thence South 89°38'07" West, 440.36 feet to the beginning of a curve; Thence on a curve to the right through a delta angle of 90°30'33", whose radius is 20.00 feet and having an arc length of 31.59 feet to the end of the curve; Thence North 00°08'40" East, 149.82 feet; Thence North 89°38'07" East 480.00 feet; Thence South 00°08'40" West, 150.18 feet to the beginning of a curve; Thence on a curve to the right through a delta angle of 89°29'27", whose radius is 20.00 feet and having an arc length of 31.24 feet to the end of the curve and the True Point of Beginning.

EXCEPTING THEREFROM all that real property situate in the Northwest Quarter (NW ¼) of the Southeast Quarter (SE ¼) of Section 7, Township 14 North, Range 20 East, M.D.B. & M., Douglas County, Nevada, described as follows:

Beginning at the Southwest Corner of Lot 2, Block B, as said Lot is shown on the plat of Highland Estates Unit 4, recorded on May 2, 1978, File No. 20214; Thence North 89°38'07" East, 480.00 feet along the South line of said Lot 2; Thence South 00°08'40" West, 20.00 feet; Thence South 89°38'07" West, 480.00 feet; Thence North 00°08'40" East, 20.00 feet to the Point of Beginning.

"In compliance with Nevada Revised Statute 111.312, the herein above legal description was taken from Grant, Bargain and Sale Deed as recorded on May 11, 1999 in Book 599, Page 2042 as File No. 467769, recorded in the Official Records of Douglas County, State of Nevada."

APN: 1420-07-701-002