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1080

AND WHEN RECORDED MAIL TO

NAME Judy Barnato  
ADDRESS Round Hill Properties  
CITY & STATE P. O. Box 8  
Cove, Nevada 89448

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS AGREEMENT, made this 3rd day of November, 1983, by Lawrence A. Johnson and Jeanne M. Johnson, owner of the land hereinafter described and hereinafter referred to as "Owner", and ROUND HILL PROPERTIES, present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, Lawrence A. Johnson and Jeanne M. Johnson did execute a deed of trust, dated December 15, 1980, to Douglas County Title Co., Inc. a Nevada Corp., as trustee, covering:

Lot 20, as shown on the Fourth Amended Subdivision Map of Uppaway, filed in the Office of the County Recorder of Douglas County, Nevada on January 28, 1982, as Document No. 64420, being an amended map of Lot 20, as shown on the Map of Uppaway, filed in the Office of the County Recorder of Douglas County, Nevada, on May 21, 1976.

to secure a note in the sum of \$ 6,750.00, dated December 15, 1980, in favor of Round Hill Properties, which deed of trust was recorded March 25, 1981, in book 381 page 2118 Official Records of said county; and Document No. 54713

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ 138,000.00, dated November 3, 1983, in favor of Capistrano National Bank, a National Banking Association, hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the deed of trust first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the deed of trust securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the deed of trust first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the deed of trust first above mentioned.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That said deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the deed of trust first above mentioned.
- (2) That Lender would not make its loan above described without this subordination agreement.
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that

- (a) He consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- (b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
- (c) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the deed of trust first above mentioned in favor of the lien or charge upon said land of the deed of trust in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and
- (d) An endorsement has been placed upon the note secured by the deed of trust first above mentioned that said deed of trust has by this instrument been subordinated to the lien or charge of the deed of trust in favor of Lender above referred to.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

ROUND HILL PROPERTIES

BY:

Beneficiary

Lawrence A. Johnson

Owner

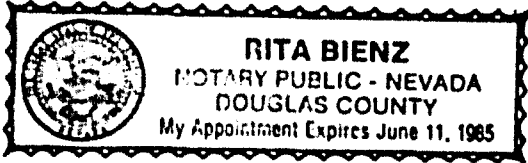
Jeanne M. Johnson

(All signatures must be acknowledged)

State of Nevada }  
County of Douglas } SS.

On this the 14<sup>th</sup> day of November 1983, before me,

RITA L. BIENZ  
the undersigned Notary Public, personally appeared  
JUDITH S. BARNATO



personally known to me  
 proved to me on the basis of satisfactory evidence  
to be the person(s) who executed the within instrument on behalf of the  
partnership, and acknowledged to me that the partnership executed it.  
WITNESS my hand and official seal.

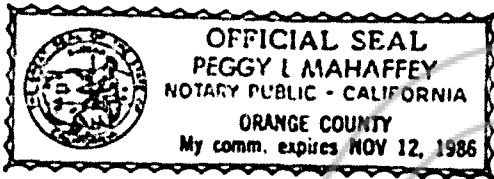
Rita Bienz  
Notary's Signature

ATTACHED TO SUBORDINATION DATED November 3, 1983

State of California }  
County of Orange } SS.

On this the 10<sup>th</sup> day of November 1983, before me,

PEGGY L. MAHAFFEY  
the undersigned Notary Public, personally appeared



LAWRENCE A. JOHNSON AND JEANNE M. JOHNSON\*\*\*\*\*  
 personally known to me  
 proved to me on the basis of satisfactory evidence  
to be the person(s) whose name(s) are they subscribed to the  
within instrument, and acknowledged that they executed it.  
WITNESS my hand and official seal.

Peggy L. Mahaffey  
Notary's Signature PEGGY L. MAHAFFEY

REQUESTED BY  
DOUGLAS COUNTY TITLE  
IN OFFICIAL RECORDS OF  
DOUGLAS CO. NEVADA  
#17 cc, pd  
1983 DEC -1 PM 12:08

SUZANNE BEAUDREAU  
RECORDER

091785

Suzanne Beaudreau  
Dep