## RECORDING REQUESTED BY:

DOUGLAS COUNTY TITLE CO., INC.

WHEN RECORDED MAIL TO:

LOYAL G. BROOKS 2961 "R" Street Merced, California 95348

SPACE ABOVE THIS LINE FOR RECORDER'S USE

## SUBORDINATION AGREEMENT

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

THIS AGREEMENT, made this 9th day of December . 19 85 , by STANLEY CHAN and ROSE CHAN, husband and wife

owner of the land hereinafter described and hereinafter referred to as "Owner," and

LOYAL G. BROOKS, a married man

present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

## WITNESSETH

STANLEY CHAN and ROSE CHAN, husband and wife THAT WHEREAS. DOUGLAS COUNTY TITLE CO., INC., a September 27, 1985 , to did execute a deed of trust, dated , as trustee, covering: Nevada Corporation

All that Certain Lot, piece or parcel of land situate in the County of Douglas, State of Nevada, described as follows:

Lot 1, Block 2, Oliver Park Subdivision, as shown on the Official Map recorded in the office of the County Recorder, Douglas County, Nevada, February 2, 1959, Document No. AP#07-111-01-6 14034.

September 27, 1985 , in favor of to secure a note in the sum of \$12,000.00 , dated , which deed of trust was LOYAL G. BROOKS, a married man recorded October 1, 1985 , Official Records of said county; and in book 1085 page

THIS IS A SECOND DEED OF TRUST WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$84,000.00

, in favor of CITY FEDERAL SAVINGS AND LOAN ASSOCIATION , hereinafter referred to as "Lender," payable with interest and upon the terms and conditions dedated September 30, 1985 

page 081, of Official Records, and re-recorded October 14, 1985 in Book 1085 at page 1415.

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:

- 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.
- That Lender would not make its loan above described without this subordination agreement.

That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the (3) 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 agreement 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

- 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;
- 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;
- 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
- 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.

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

LOYAL G. BROOKS

**Beneficiary** 

ROSE CHAN

STANLE

Owner

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

(CLTA SUBORDINATION FORM "A")

STATE OF NEVADA	\
COUNTY OF San Francisco	<b>}</b> 33.
January 13, 1986	before me, the undersigned, a Notary Public in and for
said State, personally appeared STANLEY CHAN and ROSE CHAN	
/	
proved to me on the basis of satisfactory evidence	
known to me to be the person S whose name S	are
subscribed to the within instrument and acknowledged t	o me
that they executed the	same. STELLA TOM
WITNESS my hand-old official seal.	NOTARY PUBLIC — CALIFORNIA SAN FRANCISCO COUNTY
$(\lambda)_{\alpha}$ $(\lambda)_{\alpha}$	My Commission Expires Dec. 18, 1987
Signature Signature	Managaran Managa
Stella Tom	
Name (Typed or Printed)	(This area for official notorial seal)
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STATE OF NEVADA	- ss.
COUNTY OF Merced	< < \
On_ January 15, 1986 t	sefore me, the undersigned, a Notery Public in and for
said State, personally appeared IOYAL G. BROO	KS
*	
known to me to be the personwhose name_iS_	HADIAN C DALOTE N
subscribed to the within instrument and acknowledged t	MARIAN C. DALGETY NOTARY PUBLIC
that he executed the s	MERCED COUNTY, CALIFORNIA
WITNESS my hand and official seal.	My Commission Expires Sept. 3, 1986
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Signature arean Malgale	
Marian C. Dalgety	(/ / / /
Name (Typed or Printed)	(This are a for official notorial seal)

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RECORDER

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