

AND WHEN RECORDED MAIL TO

Name [THE KARSTEN COMPANIES
Street [12121 Wilshire Blvd., #900
Address [Los Angeles, CA. 90025
City & State [ATTENTION: TERRI RIKER]

SPACE ABOVE THIS LINE FOR RECORDER'S USE

To 1538 A (12.67)

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 10th day of April, 19 87 by H & S CONSTRUCTION, INC.

owner of the land hereinafter described and hereinafter referred to as "Owner," and TRUSTEES OF THE SOUTHERN NEVADA CULINARY AND BARTENDERS PENSION TRUST, present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary;"

WITNESSETH

THAT WHEREAS, H & S CONSTRUCTION, INC.

did execute a deed of trust, dated February 6, 1987, to LAWYERS TITLE OF NORTHERN NEVADA, INC., as trustee, covering:

Lot 471, as shown on the map of GARDNERVILLE RANCHOS UNIT NO. 7, filed in the office of the County Recorder of Douglas County, Nevada, on March 27, 1974, as Document No. 72456.

A.P.N. 29-311-15

to secure a note in the sum of \$ 12,189.56, dated February 6, 1987, in favor of TRUSTEES OF THE SOUTHERN NEVADA CULINARY AND BARTENDERS PENSION TRUST, which deed of trust was recorded March 18, 1987, in book 387 page 1713, Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ 50,000.00, dated April 8, 1987, in favor of Adel-Nels Company, 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. on the conditions specified in Exhibit "A" attached hereto and made a part hereof by reference.

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 subject to the conditions specified in Exhibit A attached herto and made a
- (2) That Lender would not make its loan above described without this subordination agreement. part hereof by reference.
- (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.

EXHIBIT "A"

Terms and conditions for Loan Subordination:

Seller's agreement to subordinate its deed of trust to a construction loan deed of trust shall be subject to the following terms and conditions:

1. Construction loan deed of trust amount shall not exceed \$55,000.00.
2. Construction loan interest rate shall not exceed 14.00% for recordation of construction loan deed of trust.
3. Buyer shall not be in default under any of the terms and conditions of any deeds of trust under which it is a trustor and seller is a beneficiary.
4. Seller will subordinate to no more than four construction loans at one time.

End of Exhibit

REQUESTED BY
LAWYERS TITLE
IN OFFICIAL RECORDS OF
COUNTY OF NEVADA

'87 APR 17 A9:38

SUBMITTER'S RECEIPT
RECEIVED
\$ 7⁰⁰ PAID BL DEPUTY

153324

BOOK 487 PAGE 2026