

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

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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 21st day of December, 19 88, by GARY M. BARNETT and JACQUELINE M. BARNETT, husband and wife

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

ANTHONY STEVEN WATKINS, an unmarried man

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

WITNESSETH

THAT WHEREAS, GARY M. BARNETT and JACQUELINE M. BARNETT, husband and wife did execute a deed of trust, dated June 10, 1988, to WESTERN TITLE COMPANY, INC., as trustee, covering:

See Exhibit "A" attached hereto and incorporated herein by reference

THIS DOCUMENT IS BEING RE-RECORDED FOR THE PURPOSE OF CORRECTING THE LOAN AMOUNT OF NEW VALLEY BANK DEED OF TRUST

to secure a note in the sum of \$ 23,816.00, dated June 10, 1988, in favor of ANTHONY STEVEN WATKINS, an unmarried man, which deed of trust was recorded June 13, 1988, in book 688 page 1647. 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 \$ 48,300.00 dated December 16, 1988, in favor of VALLEY BANK OF NEVADA, 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:

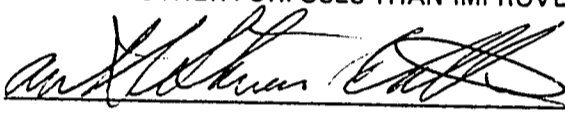
- (1) That said deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the deed of trust first above mentioned.
(2) That 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 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.

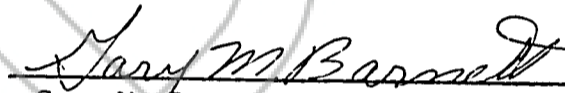
Beneficiary declares, agrees and acknowledges that

- (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.

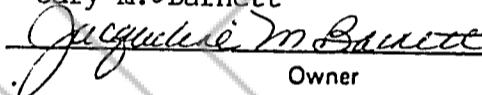
NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.



 Anthony Steven Watkins



 Gary M. Barnett



 Jacqueline M. Barnett

Beneficiary


Owner

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

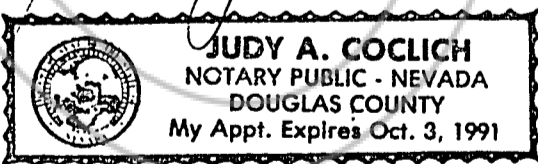
State of Nevada

County of Douglas

On December 21, 1988 personally appeared before me, a Notary Public, Anthony Steven Watkins, Gary M. Barnett and Jacqueline M. Barnett who acknowledged that they executed the above instrument.



 Judy A. Coclich Notary Public



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")

196562

193555 1266 (6.72)

BOOK 289 PAGE 2037

BOOK 1288 PAGE 4075

DESCRIPTION

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

Parcel 1-B of Parcel Map No. 2 for Anthony S. Watkins, recorded in the office of the County Recorder of Douglas County, State of Nevada, on October 19, 1984, in Book 1084, Page 2293, Document No. 108994 of Official Records.

A.P.N.: 23-180-35

Together with easements for ingress and egress as described in the following documents recorded April 7, 1980, in Book 480, Page 345, Document No. 43399; in Book 480, Page 351, Document No. 43402; in Book 480, Page 353, Document No. 43403; in Book 480, Page 355, Document No. 43404; in Book 480, Page 358, Document No. 43405.

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REQUESTED BY
WESTERN TITLE COMPANY, INC.

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'89 FEB 21 A11 :02

SUZANNE BEAUDREAU
RECORDER

196562

\$ 7⁰⁰ PAID *LD* DEPUTY

BOOK 289 PAGE 2038

REQUESTED BY
WESTERN TITLE COMPANY, INC.

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'88 DEC 29 P3 :43

PRELIM
SUZANNE BEAUDREAU
RECORDER

193555

\$ 7⁰⁰ PAID *OK* DEPUTY

BOOK 1288 PAGE 4076