

Recording requested by:  
The G.A. and Ella Nelson Trust, L.E. Nelson, Trustee  
When recorded, mail to:  
Henry R. Butler  
P. O. Box 5367  
Stateline, Nevada 89449

Escrow Number 031158VM

**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.**

THAT CERTAIN Deed of Trust dated 3/30/88 executed by H and S Construction, Inc. , a Nevada Corporation as Trustor, to Stewart Title of Douglas County, a Nevada Corporation as Trustee, for Hot Springs Development, a partnership, as Beneficiary, recorded 3/31/88 in Book 388, at Page 4214 as Document Number 175422, of Official Records of the County Recorder of Douglas County, State of Nevada, given to secure an indebtedness of \$ 180,000.00 with all other sums secured thereby, is hereby subordinated and made subject to that certain Deed of Trust in the amount of \$70,000.00 with interest thereon at the rate of 12.75% per annum payable \$743.75 per month, all due and payable September 1, 1989, dated February 10, 1989, executed by H and S Construction, Inc. , a Nevada Corporation , as Trustor, to Stewart Title of Douglas County, a Nevada Corporation as Trustee, for The G.A. and Ella Nelson Trust, L.E. Nelson, Trustee, as Beneficiary, recorded on 2-22-89, Book 289 at Page 233 of Official Records of Douglas county, Nevada.

The undersigned hereby authorizes the filling in of any and all blanks herein after the execution hereof by the undersigned, ratifying the same so that the same is valid and of the same force and effect as if filled in prior to the execution of these presents, and does hereby authorize the recordation of this subordination.

The Noteholders Agreement executed separately is incorporated herein and made a part of this subordination.

IN WITNESS WHEREOF, the undersigned has executed this subordination agreement on the date shown below.

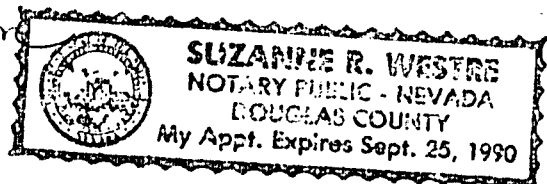
*[Signature]* Dated: 2/17/89  
Hot Springs Development  
*PHIL CARTER*

STATE OF NEVADA  
COUNTY OF DOUGLAS ss.

On 2-17-89 personally appeared before me, a Notary Public, in and for said County and State, Hot Springs Development known to me to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.

*Suzanne R. Westerg/Reddon*



COPY

REQUESTED BY  
**STEWART TITLE of DOUGLAS COUNTY**  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

'89 FEB 22 P1:42

SUZANNE BEAUDREAU  
RECORDER **196701**  
\$ 6<sup>00</sup> PAID Bh DEPUTY  
BOOK **289** PAGE **2339**