

SUBORDINATION AGREEMENT

THIS AGREEMENT, made Dec. 5, 1991, by BRADFORD SANDO and PAMELA SANDO, husband and wife, owners of the land hereinafter described, and hereinafter referred to as "Owner" and JOHN DEAN, a single man, present owner and holder of the Deed of Trust and note first hereinafter described, and hereinafter referred to as "Beneficiary";

W I T N E S S E T H:

WHEREAS, Owner did execute a Deed of Trust dated October 26, 1988, recorded November 10, 1988, in Book 1188, Page 1634, Document No. 190528, Official Records, Washoe County, Nevada, to STEWART TITLE OF DOUGLAS COUNTY, a Nevada corporation, Trustee, encumbering real property situate in the County of Douglas, State of Nevada, described as follows:

Lot 38, Block B, as shown on the Official Map of FIRST ADDITION TO KINGSBURY HEIGHTS SUBDIVISION, filed in the office of the County Recorder of Douglas County, State of Nevada, on July 6, 1964, under Document No. 25944,

to secure a note in the amount of \$80,000.00, dated of even date therewith, which Deed of Trust is for the benefit of Beneficiary; and

WHEREAS, Owner has executed a Deed of Trust and note in the sum of \$250,000.00, dated December 6, 1991, in favor of BENEFICIAL MORTGAGE CO. 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 between the parties hereto with respect 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 any prior agreements as to such or any 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 a Deed or Deeds of Trust or to a mortgage or mortgages to be thereafter executed.

Beneficiary declares, agrees and acknowledges that:

(a) Beneficiary 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) Beneficiary 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.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

BENEFICIARY:

OWNER:

John Dean
John Dean

Bradford Sando
Bradford Sando
Pamela Sando
Pamela Sando

STATE OF Nevada)
COUNTY OF Washoe) ss

On Dec 6, 1991, personally appeared before me, a Notary Public, BRADFORD SANDO and PAMELA SANDO, personally known (or proved) to me to be the person(s) whose name(s) is/are subscribed to the above instrument who acknowledged that he/she/they executed the instrument.

Kathryn L. Malfa
Kathryn L. Malfa



