

AND WHEN RECORDED MAIL TO

Name [VALLEY BANK OF NEVADA]
Street Address [P.O. BOX 98543]
City & State [LAS VEGAS, NV. 89193-8543]
Escrow No. M50566CA

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 3rd day of January, 19 92, by KIM POSNIEN AND DEBBIE POSNIEN

owner of the land hereinafter described and hereinafter referred to as "Owner," and VALLEY BANK OF NEVADA, present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary;"

WITNESSETH

THAT WHEREAS, KIM POSNIEN AND DEBBIE POSNIEN did execute a deed of trust, dated 6-6-91, to VALLEY BANK OF NEVADA, as trustee, covering:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF BY THIS REFERENCE

to secure a note in the sum of \$ 100,000.00, dated 6-6-91, in favor of VALLEY BANK OF NEVADA, which deed of trust was recorded 7-12-91, in book 791 page 1979, 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 \$ 152,000.00, dated JANUARY 8, 1992, in favor of DIRECTORS MORTGAGE LOAN CORPORATION, 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 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.

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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.

VALLEY BANK OF NEVADA

BY: John D. Cooper
Beneficiary

Kim Posnien
KIM POSNIEN
Debbie Posnien
Owner
DEBBIE POSNIEN

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

STATE OF NEVADA

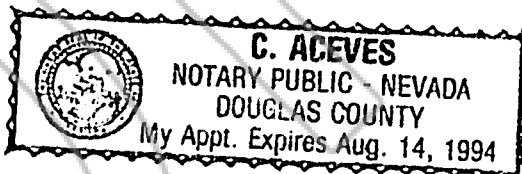
County of Douglas ss.

On January 13, 1992 DATE personally appeared before me,

a Notary Public (or judge or other officer, as the case may be),

Kim Posnien + Debbie Posnien
who acknowledged that he executed the above instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official stamp at my office in the County of Douglas the day and year in this certificate first above written.



C. Aceves
Signature of Notary

STATE OF NEVADA,

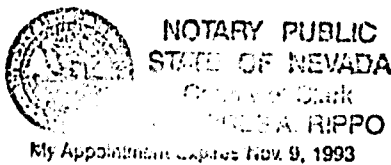
County of Clark ss.

On January 14, 1992 DATE personally appeared before me,

a Notary Public (or judge or other officer, as the case may be),

John D. Cooper
who acknowledged that he executed the above instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official stamp at my office in the County of Clark the day and year in this certificate first above written.



Rosa A. Rippos
Signature of Notary

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

DESCRIPTION

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

All that certain lot, piece or parcel of land situate, lying and being in the North 1/2 of the Southeast 1/4 of Section 26, Township 12 North, Range 19 East, M.D.B. & M., in Douglas County, Nevada, and being more particularly described as follows:

Commencing at a point on the Southwest 40 foot right of way line of Nevada Federal Aid Secondary Highway Route No. 554, said point being further described as bearing North $37^{\circ}05'10''$ West a distance of 2220.27 feet from the Southeast corner of said Section 26, thence South $46^{\circ}25'30''$ East along said Westerly right of way line a distance of 203.62 feet to a point; thence South $43^{\circ}34'30''$ West a distance of 380.78 feet to a point; thence West a distance of 79.53 feet to a point; thence North $46^{\circ}25'30''$ West a distance of 146.00 feet to a point; thence North $43^{\circ}34'30''$ East a distance of 435.60 feet to a point of Commencing.

Said land more fully shown on that certain Parcel Map filed for record February 21, 1974, in Book 274, Page 698, as Document No. 72001.

Reference is made to Record of Survey for Budd Dressler, recorded August 11, 1987, in Book 887, Page 959, Document No. 159902.

A.P.N. 19-310-05

REQUESTED BY
WESTERN TITLE COMPANY, INC.
 IN OFFICIAL RECORDS OF
 DOUGLAS CO. NEVADA

'92 JAN 17 AM 11:17

269063

SUZANNE BEAUREAU
 RECORDER
 \$ 7.00 PAID K2 DEPUTY

PRE-123/DC

BOOK 192 PAGE 1949