

RECORDING REQUESTED BY
Pacific Title, Inc.
#2052

AND WHEN RECORDED MAIL TO

NAME Pacific Title, Inc.
ADDRESS P. O. Box 645
CITY & STATE Zephyr Cove, NV 89448

SPACE ABOVE THIS LINE FOR RECORDER'S USE

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 11th day of March, 1993, by Donald R. Leverty and Kathleen J. Leverty, Husband and Wife, owner of the land hereinafter described and hereinafter referred to as "Owner", and DONALD R. LEVERTY, INC., present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, Donald R. Leverty and Kathleen J. Leverty did execute a deed of trust, dated September 23, 1992, to DONALD R. LEVERTY, INC., a Nevada Corporation, as trustee, covering:

SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE INCORPORATED HEREIN
APN 15-060-45

to secure a note in the sum of \$ 240,000.00, dated September 23, 1992, in favor of DONALD R. LEVERTY, INC., which deed of trust was recorded September 30, 1992, in book 992 page 310 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 \$ 150,000.00, dated March 19, 1993, in favor of U.S. Bank of Nevada, A Nevada Banking 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.

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.

DONALD R. LEVERTY, INC.

Donald R. Leverty

By:

[Handwritten signature of Donald R. Leverty]
Beneficiary

President

Kathleen J. Leverty

[Handwritten signature of Kathleen J. Leverty]
Secretary

(All signatures must be acknowledged)

STATE OF NEVADA

County of CARSON

on the 19th day of MARCH 19 93

Personally appeared before me:
Donald R. Leverty & Kathleen J. Leverty

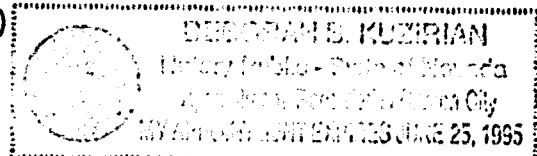
Who acknowledged that I he/they executed

This Form Furnished By Fidelity National Title Insurance Company.

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

[Handwritten signature of Deborah B. Kuzirian]
Notary Public

(seal)



(SUBORDINATION FORM "A")

303126

BOOK 393 PAGE 5401

STATE OF NEVADA)
) S.S.
COUNTY OF Carson)

On this 19th day of March, 1993 before me, _____
the undersigned, a Notary Public in and for the said County and State,
residing therein, duly commissioned and sworn, personally appeared _____
Donald R. Leverty and Kathleen J. Leverty

personally known to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) who executed the within instrument as _____ president and _____
secretary, on behalf of the corporation therein named, and acknowledged to me that such
corporation executed the within instrument pursuant to its articles and by-laws and a
resolution of its Board of Directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, in and
for said County and State, the day and year first above written.

Deborah B Kuzirian
Notary Public in and for said County and State of Nevada
My commission expires:

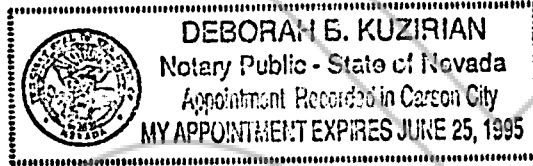


EXHIBIT "A"

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND SITUATE IN THE COUNTY OF DOUGLAS, STATE OF NEVADA, DESCRIBED AS FOLLOWS:

A PORTION OF THE SOUTHEAST ONE-QUARTER OF SECTION 34, TOWNSHIP 14 NORTH, RANGE 19 EAST, M.D.B. & M., DOUGLAS COUNTY, NEVADA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EASTERLY RIGHT-OF-WAY LINE OF JACKS VALLEY ROAD WITH THE SOUTHERLY LINE OF THE NORTHWEST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SECTION 34; THENCE NORTH $21^{\circ}46'35''$ EAST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE 942.85 FEET; THENCE AT RIGHT ANGLES TO SAID EASTERLY RIGHT OF WAY LINE, SOUTH $68^{\circ}13'25''$ EAST, 640.55 FEET; THENCE SOUTH $17^{\circ}57'15''$ WEST, 912.86 FEET TO A FENCE ON THE NORTHERLY LINE OF THE ADAMS PROPERTY; THENCE NORTH $70^{\circ}07'03''$ WEST, ALONG SAID FENCE LINE, 230.78 FEET TO A FENCE CORNER; THENCE NORTH $17^{\circ}57'15''$ EAST, ALONG A FENCE ON THE EASTERLY LINE OF THE ADAMS PROPERTY, 159.77 FEET TO SAID SOUTHERLY LINE OF THE NORTHWEST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SECTION 34; THENCE WESTERLY ALONG SAID SOUTHERLY LINE, 495.45 FEET TO THE POINT OF BEGINNING.

REQUESTED BY
PACIFIC TITLE, INC.

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

93 MAR 29 AM 11:26

SUZANNE BEAUDREAU
RECORDER

303126

\$800 PAID *K2* DEPUTY

BOOK 393 PAGE 5403