

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

FIRST AMERICAN TITLE CO.
1572 Highway 395
Minden, NV 89423

SPACE ABOVE THIS LINE FOR RECORDER'S USE

185556 Sg

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 5TH day of MARCH, 1996, by HUGH E. STOCKTON AND CAROLYN J. STOCKTON, husband and wife as joint tenants

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

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

WITNESSETH

THAT WHEREAS, HUGH E. STOCKTON AND CAROLYN J. STOCKTON did execute a deed of trust, dated NOVEMBER 24, 1992, to PACIFIC TITLE COMPANY, as trustee, covering:

PARCEL A-3 AS SHOWN ON THE FILED PARCEL MAP FOR ARLEN TURNER, ET, UX, RECORDED SEPTEMBER 29, 1989 OF OFFICIAL RECORDS, PAGE 4211, DOCUMENT NO. 212070, DOUGLAS COUNTY, NEVADA.

APN 23-500-29

to secure a note in the sum of \$ 30,000.00, dated NOVEMBER 24, 1992, in favor of NEVADA BANKING COMPANY, which deed of trust was recorded DECEMBER 1, 1992, in book 1292 page 7087, Official Records of said county; and DOCUMENT NO. 326472

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ 77,000.00 dated MARCH 1, 1996, in favor of SOURCE ONE MORTGAGE 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.

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(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 OR WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

NEVADA BANKING COMPANY

Hugh E. Stockton

BY: *Susan C. Potter*

HUGH E. STOCKTON
Carolyn J. Stockton

Beneficiary
SUSAN C. POTTER

Owner
CAROLYN J. STOCKTON

State of Nevada
~~California~~

County of Douglas

} SS.

On 3/16/96 before me, Sharon Goodwin,
Notary Public, personally appeared Hugh E. Stockton & Carolyn J. Stockton,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose
name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature *Sharon Goodwin* (Seal)

FD-1 (12/90) 

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")

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STATE OF NEVADA)

COUNTY OF DOUGLAS) ss.

General Acknowledgement

On this 6th day of March, 19 96, before me the undersigned, a Notary Public, in and for Douglas County, personally appeared Susan C. Potter, proved to me, based on satisfactory evidence, to be the person(s) described in and who executed the foregoing instrument, SUBORDINATION AGREEMENT, who acknowledged to me that s he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

In witness whereof I have hereunto set my hand and affixed my official seal at my office in the County of Douglas, the day and year in this certificate first above written.

Janet Seamons
NOTARY PUBLIC



Nevada Legal Forms • Acknowledgment Short Form General • ACR 111 S
C 1991 • iv 82292 • 11/3 up • 25 pk

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REQUESTED BY
FIRST AMERICAN TITLE CO.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'96 MAR -8 P3:11

LINDA SLATER
RECORDER
\$ 9.00 PAID ko DEPUTY

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