

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 2 day of December 1996, by CARSON VALLEY UNITED METHODIST CHURCH, INC., a Non-Profit corporation

owner of the land hereinafter described and hereinafter referred to as "Owner", and BOARD OF CONFERENCE MISSION STRATEGY OF THE CALIFORNIA-NEVADA ANNUAL CONFERENCE OF THE UNITED METHODIST CHURCH

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

WITNESSETH

THAT WHEREAS, CARSON VALLEY UNITED METHODIST CHURCH, INC., a Non-Profit corporation

did execute a deed of trust, dated February 26, 1993, to FIRST AMERICAN TITLE COMPANY OF NEVADA, a Nevada corporation, as trustee, covering:

SEE EXHIBIT 'A' ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE
(Continued)

to secure a note in the amount of \$100,000.00, dated February 26, 1993, in favor of BOARD OF CONFERENCE MISSION STRATEGY OF THE CALIFORNIA-NEVADA ANNUAL CONFERENCE OF THE UNITED METHODIST CHURCH

which deed of trust was recorded March 15, 1993, in book 393, page 2920, 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 \$550,000.00, dated November 1, 1996, in favor of NEVADA BANKING COMPANY

hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which deed of trust 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 supercede 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 deed 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 purpose 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

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 IMPROVEMENTS OF THE LAND.

State of California

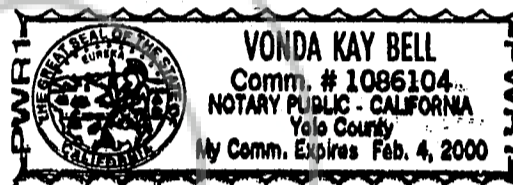
County of YOLO

On November 21, 1996 before me, Vonda Kay Bell

personally appeared J. Diane Knudsen

personally known to me (or proved on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed in 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.



Vonda Kay Bell
.....
Notary public in and for said State.

This document is only a general form which may be proper for use in simple transactions and in no way acts, or is intended to act as a substitute for the advice of an attorney. The printer does not make any warranty, either expressed or implied, as to the legal validity of any provision or the suitability of these forms in any specific transaction.

Cowdery's Form No. 10G-ACKNOWLEDGEMENT-General (Civil Code 1189(a))(Revised 7/1/94)

402719

BK 1296 PG 1851

EXHIBIT "A"

PARCEL 1:

A parcel of land, located in the Northwest 1/4 of the Northwest 1/4 of Section 4, in Township 12 North, Range 20 East, M.D.B. & M., more particularly described as follows:

COMMENCING at the Northeast corner of said Section 4, proceed South 89° 50' 26" West, 5301.74 feet, to the Northwest corner of the former LAMPE Ranch, which is the point where the North line of Section 5 intersects the Easterly right-of-way line of Centerville Lane; proceed thence South 1° 29' 43" East, 563.31 feet, along said Easterly right of way line of Centerville Lane, to the True Point of Beginning which is the Northwest corner of this parcel; continue thence South 1° 29' 43" East 381.62 feet, along said Easterly right-of-way line of Centerville Lane, to the Southwest corner of the parcel; thence South 88° 59' 43" East, 339.55 feet, along a fence line, to a point, which is an angle point in said fence line; continue thence along said fence line, South 74° 59' 43" East, 210.00 feet, to the Southeast corner of the parcel; thence North 1° 29' 43" West, 456.08 feet, to the Northeast corner of the parcel; thence South 88° 30' 17" West, 540.59 feet, along the Southerly boundary of a public road easement, fifty feet in width, to the True Point of Beginning.

Excepting therefrom the following described property:

A Parcel of land, located in the Northwest 1/4 of the Northwest 1/4 of Section 4, and in the Northeast 1/4 Section 5, all in Township 12 North, Range 20 East, M.D.B. & M., more particularly described as follows:

Commencing at the Northeast corner of said Section 4, proceed South 89°50'26" West, 5301.74 feet, to the Northwest corner of the former Lampe Ranch, which is the point where the North line of Section 5 intersects the Easterly right-of-way line Centerville Lane; proceed thence South 1°29'43" East, 563.31 feet, along said Easterly right-of-way line of Centerville Lane, to the TRUE POINT OF BEGINNING which is the Northwest corner of this parcel: continue thence South 1°29'43" East 381.62 feet, along said Easterly right-of-way line of Centerville Lane, to the Southwest corner of the parcel; thence South 88°59'43" East, 20.02 feet, to the Southeast corner of the Parcel; thence North 1°29'43" West 382.49 feet, to the North corner of the Parcel; thence South 88° 30'17" West, 20.00 feet, along the Southerly boundary of a public road easement, fifty feet in width, to the TRUE POINT OF BEGINNING.

A.P.N. 25-142-02

Reference is made to Record of Survey for United Methodist Church recorded December 11, 1992, in Book 1292, at Page 1957, as Document No. 295178.

PARCEL 2:

An exclusive easement and right-of-way for ingress and egress and maintenance over the following described property:

A parcel of land, located in the Northwest 1/4 of the Northwest 1/4 of Section 4, and in the Northeast 1/4 of Section 5, all in Township 12 North, Range 20 East, M.D.B. & M., more particularly described as follows:

Commencing at the Northeast corner of said Section 4, proceed South 89°50'26" West, 5301.74 feet, to the Northwest corner of the former Lampe Ranch, which is the point where the North line of Section 5 intersects the Easterly right-of-way line of Centerville Lane; proceed thence South 1°29'43" East, 563.31 feet, along said Easterly right-of-way line of Centerville Lane, to the TRUE POINT OF BEGINNING which is the Southwest corner of this parcel; continue thence North 1°29'43" West, 50.00 feet along said Easterly right-of-way line

(Continued)

DOUGLAS COUNTY

of Centerville Lane, to the Northwest corner of the parcel; thence North 88°30'17" East, 20.00 feet, along the Northerly boundary of the easement, to the Northeast corner of the parcel; thence South 1°29'43" East, 50.00 feet, to the Southeast corner of the parcel; thence South 88°30'17" West, 20.00 feet, along the Southerly boundary of the easement, fifty feet in width, to the TRUE POINT OF BEGINNING.

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

'96 DEC 11 P3:30

LINDA SLATER
RECORDER

\$ 12 PAID DEPUTY

402719

BK 1296 PG 1853