

**RECORDING REQUESTED BY:**

**FIRST AMERICAN TITLE COMPANY OF NEVADA  
1572 HIGHWAY 395  
MINDEN, NEVADA 89423**

THIS DOCUMENT IS BEING EXECUTED IN ONE OR MORE COUNTERPARTS, EACH OF WHICH INDEPENDENTLY SHALL HAVE THE SAME EFFECT AS IF IT WERE THE ORIGINAL, AND ALL OF WHICH TAKEN TOGETHER SHALL CONSTITUTE ONE AND THE SAME DOCUMENT.

**WHEN RECORDED MAIL TO:**

**FIRST AMERICAN TITLE COMPANY OF NEVADA  
ATTN: ESCROW OFFICER  
1572 HIGHWAY 395  
MINDEN, NEVADA 89423**

*204538KB*

**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 6TH day of NOVEMBER, 1998, by DONNA J. MCNEIL, A SINGLE WOMAN, owner of the land hereinafter described and hereinafter referred to as "Owner", and KATHY JORDAN present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, DONNA J. MCNEIL, A SINGLE WOMAN, did execute a deed of trust, dated OCTOBER 31, 1997, to WESTERN TITLE COMPANY, A CORPORATION, as trustee, covering:

**LOT 362, GARDNERVILLE RANCHOS UNIT NO. 2,  
FILED FOR RECORD IN THE OFFICE OF THE COUNTY RECORDER OF DOUGLAS  
COUNTY, STATE OF NEVADA, ON JUNE 1, 1965.**

to secure a note in the sum of \$12,500, dated OCTOBER 31, 1997, in favor of KATHY JORDAN, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, Owner has executed, or is about to execute a deed of trust and note in the sum of \$104,857.00, dated November 18, 1998, in favor of WATERMARK FINANCIAL PARTNERS, INC., 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 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.

("CONTINUED ON NEXT PAGE")

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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 agreements 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.

KATHY JORDAN

BY: Kathy Jordan

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Borrower

Beneficiary

Owner

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

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

(CLTA SUBORDIATION FORM "B")

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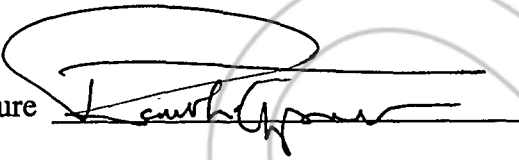
ACKNOWLEDGMENT

State of California )  
 ) ss  
County of Contra Costa )

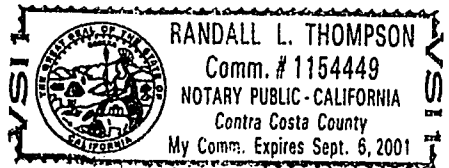
On November 13, 1998, before me, Randall Thompson, a notary public in and for the State of California, personally appeared KATHY JORDAN, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature



(SEAL)



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1572 HIGHWAY 395  
MINDEN, NEVADA 89423

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**WITNESSETH**

THAT WHEREAS, DONNA J. MCNEIL, A SINGLE WOMAN, did execute a deed of trust, dated OCTOBER 31, 1997, to WESTERN TITLE COMPANY, A CORPORATION, as trustee, covering:

LOT 362, GARDNERVILLE RANCHOS UNIT NO. 2,  
FILED FOR RECORD IN THE OFFICE OF THE COUNTY RECORDER OF DOUGLAS  
COUNTY, STATE OF NEVADA, ON JUNE 1, 1965.

to secure a note in the sum of \$12,500, dated OCTOBER 31, 1997, in favor of KATHY JORDAN, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, Owner has executed, or is about to execute a deed of trust and note in the sum of \$ 104,857.00 dated November 18, 1998 in favor of WATERMARK FINANCIAL PARTNERS, INC., 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 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.

**("CONTINUED ON NEXT PAGE")**

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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 agreements 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.

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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.

KATHY JORDAN

*Kathy Jordan*  
Borrower

*Donna J. McNeil*  
Borrower  
*Donna M. McNeil*  
Borrower

Beneficiary

Owner

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

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

(CLTA SUBORDINATION FORM "B")

STATE OF NEVADA,

ss.

County of DOUGLAS

On NOVEMBER 18, 1998 personally appeared before me, a notary public, DONNA J. MCNEIL

personally known or proved to me to be the person whose name is subscribed to the above instrument who acknowledged that he executed the 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.

*Suzanne R. Simmons*  
Signature of Notary



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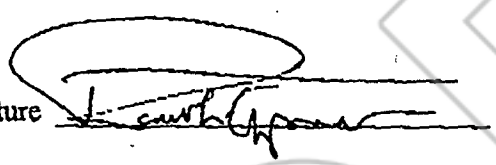


ACKNOWLEDGMENT

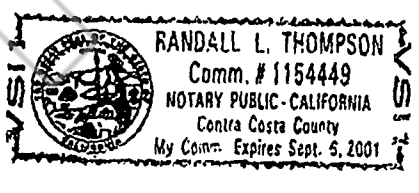
State of California )  
 ) ss  
County of Contra Costa )

On November 13, 1998, before me, Randall Thompson, a notary public in and for the State of California, personally appeared KATHY JORDAN, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature 

(SEAL)



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

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LINDA SLATER  
RECORDER  
PAID 12 DEPUTY