

when recorded mail to:  
Norwest Bank Arizona, N.A.  
16454 North 28th Avenue  
Phoenix, Arizona 85023  
Attn: Amy MacWilliams MS 9124

Loan # 8250018031

## 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 12th DAY OF January, 1999 BY: J. Thomas Sanner and Susan G. Sanner, Husband and Wife as Joint Tenants

\_\_\_\_\_ OWNER OF THE LAND  
HEREINAFTER DESCRIBED AND REFERRED TO AS "OWNER", AND American Federal Savings Bank,  
A Federal Savings Bank \*, PRESENT OWNER AND HOLDER OF THE DEED OF  
TRUST AND FIRST NOTE HEREINAFTER DESCRIBED AND REFERRED TO AS "BENEFICIARY";

### WITNESSETH:

THAT WHEREAS, J. Thomas Sanner and Susan G. Sanner, Husband and Wife as Joint \*\*  
DID EXECUTE A DEED OF TRUST DATED Jan. 7th, 1995, TO: Americorp Financial, Inc.  
\_\_\_\_\_, AS TRUSTEE, COVERING THE FOLLOWING  
DESCRIBED PROPERTY:

Being a portion of the Southeast 1/4 of the Southwest 1/4 of Section 6, Township  
14 North, Range 20 East, M.D.B.&M., further described as follows:

All of Parcel A, as shown on parcel map for Edgar Clark and Davis S. Boyle,  
filed in the office of the County Recorder of Douglas County, Nevada on  
February 7, 1977 in Book 277 of Official Records at Page 297, under File No.  
06737.

\*\* Tenants

TO SECURE A NOTE IN THE SUM OF \$ 17,800.00 DATED January 7th,  
1995 IN FAVOR OF American Federal Savings Bank, A Federal Savings Bank\* WHICH DEED  
OF TRUST WAS RECORDED January 12th, 1995 INSTRUMENT NO. 354270,  
PAGE 1739, OF OFFICIAL RECORDS OF Douglas COUNTY, NV AND  
Book No. 0195

WHEREAS, OWNER HAS EXECUTED, OR IS ABOUT TO EXECUTE A DEED OF TRUST AND NOTE IN THE  
SUM OF \$ 98,000.00 (NINETY-EIGHT THOUSAND)  
DATED 1/14, 1999 IN FAVOR OF NEW AMERICA FINANCIAL, 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 SHALL HAVE THE FOLLOWING TERMS AND CONDITIONS: PAYABLE IN INSTALLMENTS  
OF \$643.79 (MONTHLY) ANNUALLY/SEMI-ANNUALLY) FOR A TERM OF 30 YEARS WITH INTEREST AT  
THE RATE OF 7 PER ANNUM AND SHALL BECOME ALL DUE AND PAYABLE ON OR BEFORE 2-1-2029  
6.875%

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 PROVIDED THAT THE 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 OF EXTENSIONS THEREOF, SHALL UNCONDITIONALLY BE AND REMAIN AT ALL TIMES A LIEN OR CHARGE OF 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; AND

(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 THE 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, 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

(d) AN ENDORSEMENT HAS BEEN PLACED UPON THE NOTE SECURED BY THE DEED OF TRUST 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.

\* Norwest Bank Nevada, National Association  
successor in interest to Norwest Bank Nevada,  
F.S.B. formerly known as American Federal  
Savings Bank, F.S.B.

BENEFICIARY

Susan G. Sanner  
SUSAN G. SANNER OWNER

J. Thomas Sanner  
J. THOMAS SANNER OWNER

Mary Osborn  
Mary Osborn,  
Authorized Representative

BENEFICIARY

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

STATE OF NEVADA  
County of DOUGLAS

SS

This instrument was acknowledged before me  
this 14 day of JANUARY, 1999 by  
SUSAN G. SANNER

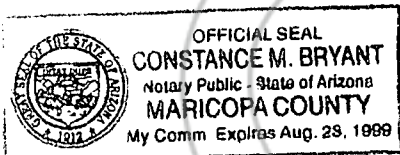


[Signature]  
Notary Public  
My commission will expire 12-29-2001

STATE OF Arizona  
County of Maricopa

SS

This instrument was acknowledged before me  
this 12th day of January, 1999 by  
Mary Osborn, as Authorized \*\*\*



[Signature]  
Notary Public  
My commission will expire 8-23-99

\*\*\* Representative of Norwest Bank Nevada, National Association successor in interest to Norwest Bank Nevada, F.S.B. formerly known as American Federal Savings Bank, F.S.B.

(General)

State of NEVADA  
County of DOUGLAS

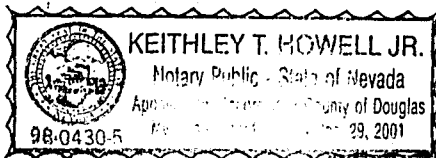
SS



On JANUARY 20, 1999, before me, the undersigned, a Notary Public in and for said State, personally appeared J. THOMAS SANNER

who proved to me on the basis of satisfactory evidence to be the person S, whose name IS subscribed to the within instrument and acknowledged that HE executed the same.  
WITNESS my hand and official seal.

[Signature]  
NOTARY PUBLIC for said County and State



FNT 9-88/006

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COPY

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

'99 JAN 20 P12:07

0459072

BK0199PG3641

LINDA SLATER  
RECORDER  
\$ 10.00 PAID ke DEPUTY